



CITY OF KETTERING

Budget Document

Fiscal year January 1 – December 31, 2021

CITY OF KETTERING

**2021 BUDGET
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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.

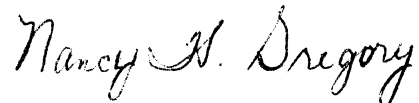
A key element of this document is its use as a planning and policy tool in addition to the legal and financial control aspects normally associated with budgets. Each departmental budget contains commentary relating to that department's programs and objectives. Unless stated otherwise, each department is expected to continue to maintain its programs at current levels of service. Pages 13 through 16 provide a description of the financial structure of the city including the definition of the various fund types. Pages 17 through 21 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.

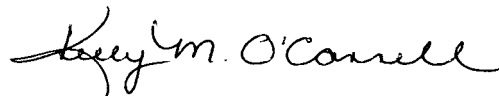
ACKNOWLEDGMENTS

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,

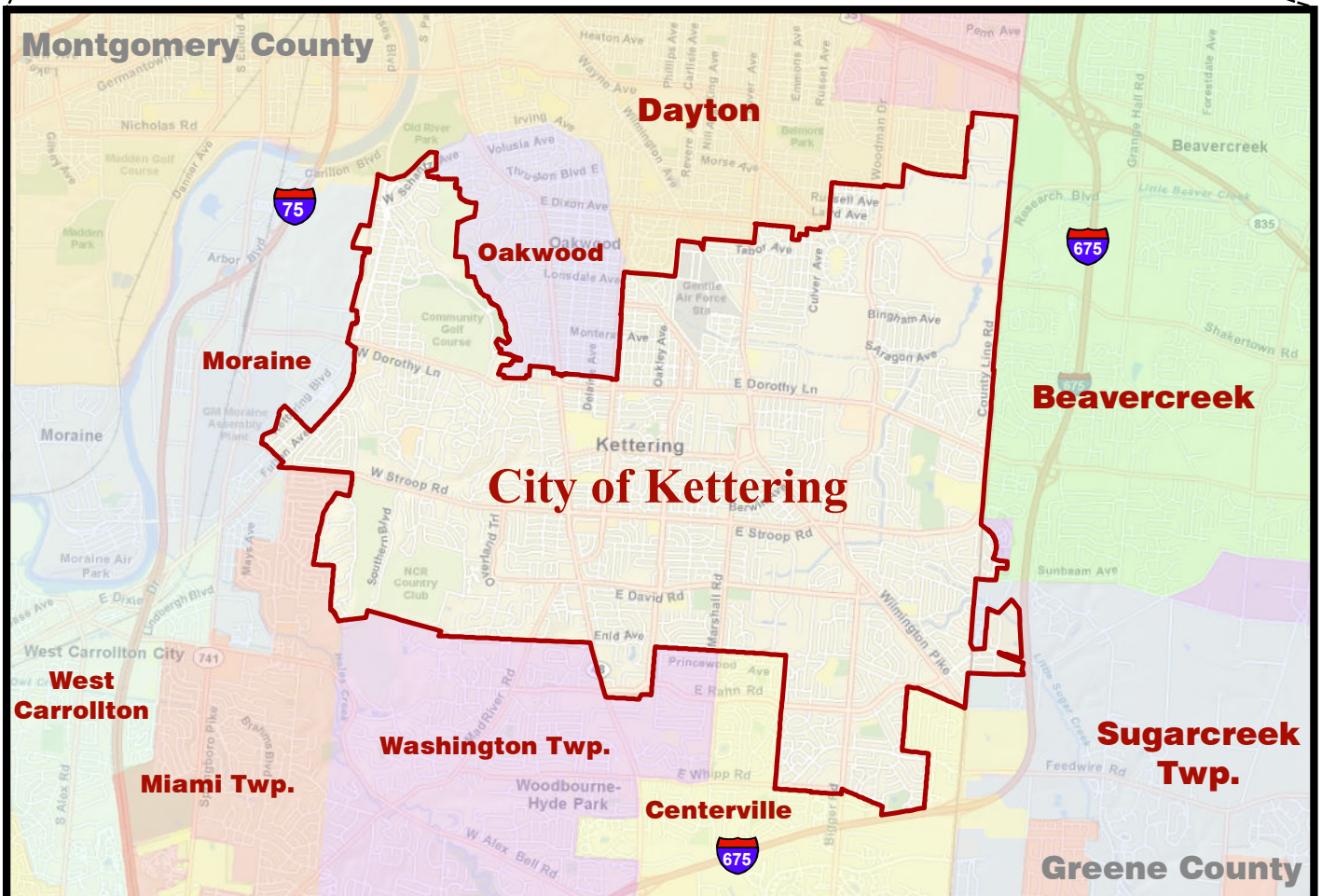


Nancy H. Gregory, CPA
Director of Finance



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 7,340 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	12.23%
Synchrony Financial	1,900	6.51%
Reynolds & Reynolds Company	1,350	4.62%
Kettering City Schools	1,208	4.14%
Mast Global Digital	1,000	3.42%
Tenneco	625	2.14%
City of Kettering	580	1.99%
Meijer Inc.	550	1.88%
Spectrum	500	1.71%
Total	<u>11,283</u>	<u>38.64%</u>

UNEMPLOYMENT RATE: 3.6% (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)	\$90.95 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 4th! 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.

2020 CITY OFFICIALS

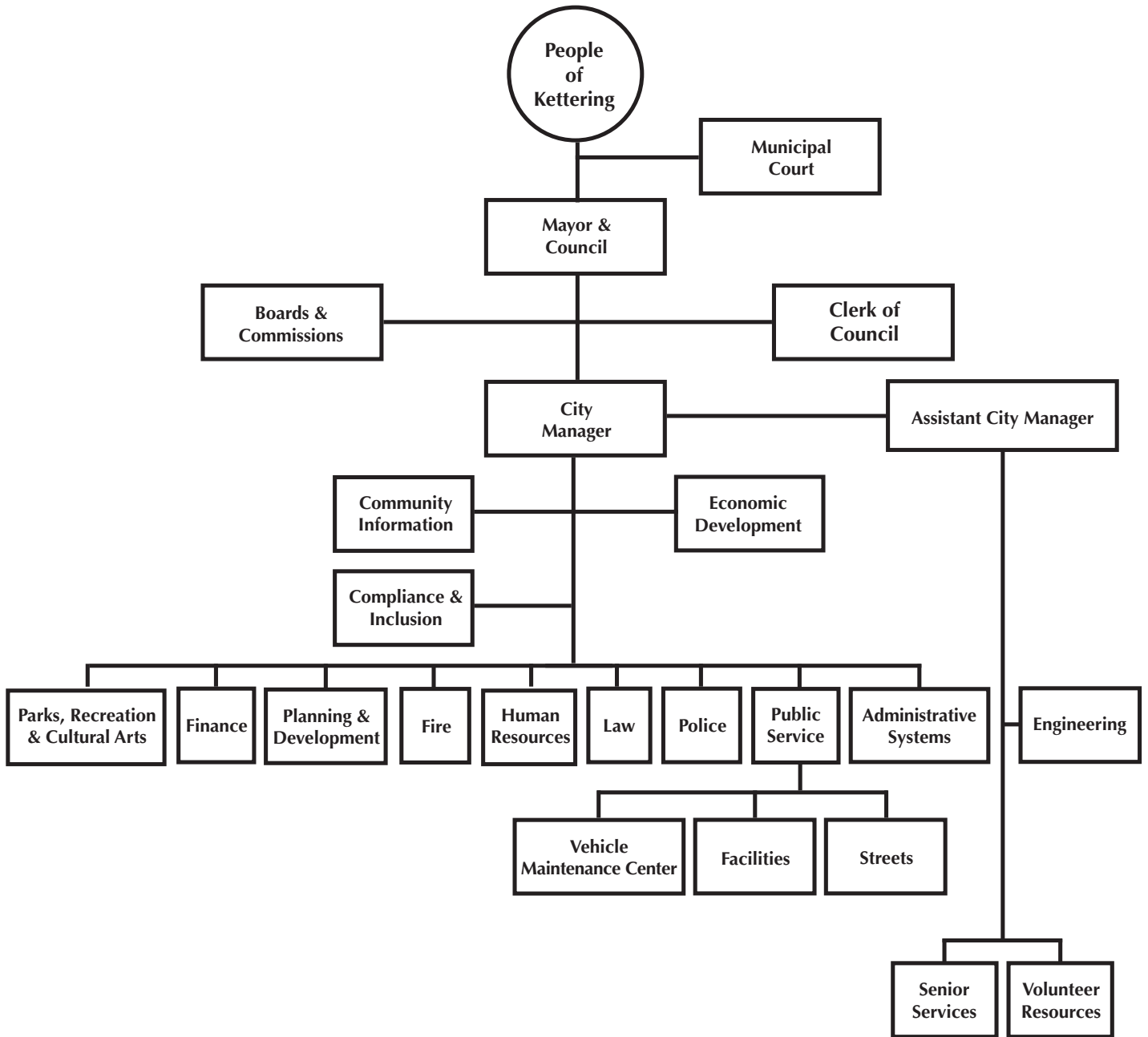
MAYOR AND COUNCIL

DONALD E. PATTERSON	Mayor
TONY KLEPACZ	Vice Mayor
BRUCE E. DUKE	Councilmember
JACQUE FISHER	Councilmember
BILL LAUTAR	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 2020 Organizational Chart





GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

City of Kettering

Ohio

For the Fiscal Year Beginning

January 1, 2020

Christopher P. Morill

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the City of Kettering, Ohio for its Annual Budget for the fiscal year beginning January 1, 2020. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as a financial plan, as an operations guide, 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 16 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 re-appropriated 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.

SUMMARY OF CHANGES FROM PROPOSED TO ADOPTED BUDGET

City Council adopted the 2021 budget on December 15, 2020. The budget was adopted as proposed, with the exception of the CDBG/HOME programs. The proposed budget as shown in this document reflects estimated grant funding from the U.S. Department of Housing and Urban Development (HUD) for the budget year. The actual appropriation of these funds takes place after City Council approves, by resolution, an annual action plan for the program year; the City Manager submits the annual action plan to HUD; and the City receives notice of the annual award. This process will be completed mid-year 2021.

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

DEPARTMENT	FUND												
	General	Street Maintenance	PRCA	Fraze Pavilion Operations	CDBG	Capital Projects	State Highway	Cemetery	Police Pension	EMS	DESC ReUse	Special Grants & Programs	Internal Service Funds
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: OVERVIEW

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 for all funds, incorporating known changes in financial resources and capital improvement requests.

SECOND QUARTER (April - June)

- The Mayor and Council may 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 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.

BUDGET PROCESS: CITIZEN ENGAGEMENT

Citizen engagement in the budget process may take the form of Citizen surveys, the quarterly printed newsletter "Contact with Kettering", social media, and attendance at City Council workshops and Council meetings.

City Council holds workshops specifically dedicated to the budget. For example, the annual CIP Workshop, usually held the first Tuesday of September, is dedicated to discussion of the upcoming year's capital improvement projects. The Budget Workshop, held the first Tuesday of December, is dedicated to discussion of the overall City Budget.

City Council Workshops precede Council meetings and are open to the public. Please contact the Clerk of Council at (937) 296-2416, email KetteringMayorCouncil@ketteringoh.org, or check the City's website for exact times and locations.

City Council meetings are held the 2nd and 4th Tuesday of every month at 7:30 in Council Chambers in the City Government Center located at 3600 Shroyer Road. All City of Kettering Council meetings are televised live on Government Access channel 6 and are available for archived viewing on the City's website at www.ketteringoh.org.

In an effort to communicate clear, accurate details of how the City budgets and delivers services, a citywide Annual Report is published each summer. The Annual Report is either mailed to residences or published on the City's website.

Citizen participation is especially apparent in the development of the annual CDBG action plan submitted to HUD each year. Steps taken involve the emailing of community surveys to residents as well as local stakeholders and agencies. Additionally, the Board of Community Relations engages with the community regarding community development needs such as fair housing, transportation, housing development and availability for low to moderate incomes, neighborhood development and more. The City holds two public meetings at the Kettering Government Center for the purpose of soliciting citizen comments. Announcements are published in the Dayton Daily News about the time and location of these meetings. An additional step the City has taken is to post public notices prior to submitting our Request for Release of Funds (RROF) at public libraries and at the Government Center with the hope that more citizens would be interested in making comments. Additionally, the survey which specifically asks about CDBG and HOME programs is listed on the City's website and was highlighted in the quarterly print newsletter and monthly e-newsletter, in order that any resident can comment on how to use these funds to make the community better.

Budget Calendar

January						
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2020

Date	Task
6th	Distribute prior year budget documents and detail reports to all city departments
10th	Blanket purchase orders are calculated
24th	Apply for GFOA Distinguished Presentation Award
31st	Complete Local Public Agency cost tracking spreadsheets for Ohio Department of Transportation projects

Date	Task
7th	Prior year purchase orders are closed and encumbrance budget is posted
26th	Establish target for Capital Improvement Program (CIP) budget
28th	Department Directors begin compiling CIP requests

Date	Task
6th	Calculate Economic Development commitment and Gas Tax assignment

Date	Task
3rd	Calculate 1% for the Arts transfer
10th	Reconcile prior year actual to prior year estimate.

Date	Task
1st	CIP budget requests due to Finance Department
1st	Create online budget versions in Finance Budget system
15th	Capital Equipment requests due to Finance Department
22nd	Internal Service Fund chargeback budgets due to Finance

Date	Task
8th	Operating target set by City Manager
10th	CIP requests review with City Manager, Finance, Department Directors
12th	Personnel Requests due to Finance

Date	Task
17th	Departmental objectives and program measurements due to Finance

Budget Calendar

August						
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2020

Date	Task
3rd	Personnel requests review with City Manager, Finance, Human Resources Director
14th	Operating requests due to Finance
21st	Court and Clerk of Courts budget requests due to Finance

Date	Task
1st	Annual Report is published and posted on the City's website
4th	PRCA and Frazee Pavilion budget requests due to Finance
8th	Department Directors present Capital Improvement Program at Council Workshop

Date	Task
2nd	Revenue estimates finalized
9th	Budget Review meeting with City Manager and Finance
23rd	Budget Review meeting with City Manager and Finance
27th	City Manager presents preliminary current year estimate and budget year proposal at Council Workshop

Date	Task
1st - 20th	Draft budget is revised to reflect input from Council at October 27th Workshop
23rd	Draft budget document is printed
25th	Draft Budget Document is distributed to Council and made available to the public

Date	Task
8th	Budget Workshop with Mayor & Council / Finance Presentation
8th	First Reading of Personnel Ordinance
9th	Final Budget Revisions
15th	Adopt Budget at Council Meeting
15th	Second reading of Personnel Ordinance
16th	Post budget to General Ledger
17th	Distribute CIP account numbers to departments
18th - 31st	Final budget document is printed



CITY OF KETTERING

December 15, 2020

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 priorities, initiatives, challenges, and suggestions that Council discusses with me throughout the year are reflected in this budget proposal. The 2021 budget includes funding to maintain the same programs and services the Kettering community has come to expect. Some disruptions in Recreation and Arts services are anticipated due to COVID-19 related facility closures and program cancelations. We will continue to balance the programming needs of our citizens with safety measures necessary for citizens and staff.

PRIORITIES

FISCAL MANAGEMENT AND TRANSPARENCY

As a governing body, Council has established a number of directives related to the manner in which we allocate general fund dollars. First, Council expects the budget process to 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 2021 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. 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 in the future.

Due to our conservative approach toward spending, the City is 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 2020, 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 2020 Budget document and 2019 Comprehensive Annual Financial Report (CAFR). This marks the 35th year for receipt of the Budget Award and the 38th 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 2021 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.

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, the City of Kettering has produced a citywide Annual Report since 2017. The feedback from our residents regarding this report is supportive and we plan to continue this effort into the future.

REDEVELOPMENT AND REINVESTMENT

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 composed of a wide range of diversified entities from large corporations down to 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. 2020 was slated to be another strong year for redevelopment and reinvestment, particularly in a couple of the areas that have been economic drivers in recent years.

The Miami Valley Research Park is one such area. 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.

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, entered into a partnership with a commercial real estate firm to accomplish this with continuing success.

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 \$50 million project's initial completion date October 2020, has now been slightly delayed. The expansion will create more than 200 jobs primarily in the manufacturing and support fields at the company's Center for Tissue Innovation and Research. CTS is the nation's largest nonprofit provider of skin grafts for burn patients. The expansion 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.

Life Connection of Ohio (LCO) plans a purchase of nearly nine acres at the intersection of Research Blvd and Woodman Drive in the Miami Valley Research Park to accommodate their expected growth. LCO is a non-profit organization that has promoted and facilitated organ donation in northwest and west central Ohio for 30 years. LCO's new location in Kettering is expected to be nearly 30,000 square feet, which will more than triple their current square footage. Projections over the next three to five years show that their expected

workforce expansion would increase the organization's \$5 million annual payroll to about \$9 million. LCO hopes to take occupancy by the end of 2021.

CTS and LCO work toward similar missions, and their close proximity will only strengthen service provision for both companies. As part of the expansion, the City completed the extension of College Drive in the Miami Valley Research Park near CTS in 2019. This critical infrastructure project will link existing businesses and make way for additional future development.

Another area with continued development is the Kettering Business Park (KBP), formerly Gentile Air Force Station. KBP was created in 1996 to offset the loss of more than 2,500 jobs at the former base. Today, the Business Park is home to 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. The 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 business founded in 1999 is a national leader in post-acute strategic partnerships. They collaborate with health systems to build a 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 from the City at 1050 Forrer Boulevard in the Kettering Business Park. 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 facility opened in early 2019 and handles 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. Nearly 400 part-time Amazon employees are working in the facility, with six companies providing drivers for the operation.

East Kettering Health Center located on East Stroop Road is another new business of note. Kettering Health Network (KHN) broke ground in August on the medical office building that will focus on senior care and house more than 30 jobs. Projected to open in the summer of 2021, the 14,000 square foot building will represent a \$5.6 million investment by KHN. Services will include primary care/internal medicine, behavioral health and educational classes and will include X-ray and labs with more than 20 exam rooms.

We continue to look for ways to enhance our economic development tools in order to address the needs of businesses. City Council has 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 to reside in our city.

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.

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 2021 and beyond.

CAPITAL IMPROVEMENT PROGRAM

The Capital Improvement Program (CIP) continues to be an area of emphasis for City Council. The proposed 2021 CIP is \$12.5 million, of which \$4.1 million will be funded by outside grants and reimbursements. We will complete more than \$9.0 million in roadway improvements, leveraging the City's investment with nearly \$3.4 million from outside sources. The program includes the widening of County Line Road; residential asphalt street resurfacing funded in part with new revenue received from the State gas tax increase that went into effect in July 2019; Marshall Road resurfacing between David Road and the south corporation line, 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 network covers 44 miles and includes the first-tier suburban cities of Centerville, Kettering, Miamisburg, Moraine, Oakwood, Springboro and West Carrollton. Its creation allows for 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.

Public Safety infrastructure upgrades continue to be a major 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 to 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 \$8.8 million 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. Construction of the renovation project began in early 2020. Police personnel were moved to various locations throughout the city, and the Communications (Dispatch) Center was temporarily moved to Fire Headquarters. In September, the Chief of Police and administrative offices permanently moved into the new upper level addition while renovations continue in the lower level.

The City of Kettering unveiled a new public art piece to the community, constructed as part of the Schantz Avenue bridge replacement project in 2019. "Schantz" was designed by Vicki Scuri SiteWorks to be a visible gateway for those entering and leaving Kettering along South Dixie Highway. The steel decorative patterning was inspired by the historic trolleys that ran along the Dixie corridor, as well as the ornamentation of the historic cash registers manufactured nearby.

INITIATIVES

PUBLIC SAFETY

The health and safety of Kettering residents is paramount. At the end of 2020, City Council and staff approved two essential items. Beginning in 2021, all Kettering Police officers will be outfitted with body-worn cameras. The cameras will be utilized during any transactions between the officers and the public. The Kettering Fire Department will also welcome a new ladder truck to replace the oldest vehicle in their fleet.

WILMINGTON PIKE

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. The Façade and Improvement Program allows businesses to apply for a grant up to \$25,000 to assist properties in the corridor with conforming to city code.

A current example of the benefits of these programs is Michael Cui's Restaurant. The restaurant will replace a former sports bar, vacant since 2009. The dining space at the former Norton's will be expanded by adding a 3,000 square foot patio. The renovations will take place in 2021 bringing ten jobs to Kettering. Along with significant indoor renovations, the owner plans to add a new street façade with connections from city sidewalks to the property, as well as ambient outdoor features.

A major streetscape project on the 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 allow 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.

COMMUNITY DEVELOPMENT AND PROPERTY MAINTENANCE

The City of Kettering is committed to supporting residential development to ensure families looking for affordable homes with modern amenities have options in Kettering. Prugh Woods, a new residential development of 35 single homes located at the intersection of Dorothy Lane and Prentice Drive, is nearly complete. A new roadway, Prugh Woods Drive, offers 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.

Efforts by residents to maintain and improve their properties are important and appreciated. The Neighborhood Pride Awards Program is one way the City promotes these efforts. The program recognizes residents and businesses that have made significant improvements to or have maintained their properties impeccably year after year. Winners are selected by the volunteer Neighborhood Pride Award Committee, made up of previous winners. Winners are 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 for 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 repaid funds can be recycled in the future to assist more homeowners.

The City of Kettering partners with the businesses who choose to call this community home. In response to the pandemic, the City of Kettering Economic Development team distributed PPE Safety Toolkits, donated by JobsOhio, to assist small businesses throughout our community. These PPE Safety Toolkits provided small businesses in Kettering resources to stay protected and operate within the State's safety guidelines.

Ohio Conference of Community Development (OCCD), a statewide association of community and economic development practitioners, awarded the 8th Annual OCCD President's Award for Innovative Practices to the City of Kettering Planning & Development Department for its COVID-19 Business Assistance Program. In the face of the pandemic, the City repurposed business loan funds providing a responsive lifeline to local businesses. A forgivable loan was created that was accessible and easy to get into the hands of challenged businesses owners. With hard work and flexible thinking, the City assisted businesses and retained jobs. The project reflects outstanding performance in addressing significant and immediate needs in the community.

Another ongoing 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. More than seven Kettering neighborhoods have benefited from this innovative program to date. With the care and ingenuity of the City's volunteers, this program was not forced to take a time out for 2020. Under the health and safety guidelines of the state, the program marched on resulting in mask distribution, holiday card production for military personnel and nursing home residents, as well as trees being planted in Van Buren Park.

INCLUSION

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 access and inclusion for individuals with disabilities to participate in programs, events, enrichment opportunities and camps throughout the City. Despite halted summer activities and several recreation programs, the Compliance and Inclusion Manager was busy helping community members and customers in need of accommodations—some trickier due to COVID-19 mandates.

YOUTH AND FAMILIES

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. The City of Kettering also provides three School Resource Officers (SROs) to the Kettering Schools. SROs provide education programs and demonstrate the human connection imperative for positive community relations.

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.

COLLABORATION

Our internal review of services and programs has included identifying collaborations with other government entities. This is both a cost effective way of doing business and 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, benefits the City financially and 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 and management of the fiber ring project
- 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

CHALLENGES

As we celebrate the successes of many initiatives, we must also prepare for some significant issues and forthcoming challenges. In developing the 2021 budget, we must maintain high quality customer service and programming, while at the same time controlling spending when faced with reductions of funds resulting from COVID 19 and the new realities it brings.

We pride ourselves on customer service. Our most recent customer satisfaction survey 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. Like most, this year has certainly brought the City of Kettering new challenges. We accept the challenges and continue to seek ways to strengthen our community.

COVID-19

In February 2020, news of a novel coronavirus made its way into state and local media outlets. The City of Kettering immediately began close watch on decisions being made by the Ohio Department of Health and the Centers for Disease Control & Prevention. The City administration quickly developed a COVID-19 Task Force to meet daily to develop plans to mitigate rumors, promote safe work conditions and keep employees physically and emotionally healthy. As the Governor began to conduct daily press conferences, Kettering was on the verge of opening its activities for spring and summer. On March 16, at 5:00 p.m., recreation facilities closed to the public. As we moved toward summer, the majority of city employees were working remotely in conjunction with health guidelines.

Some of the toughest, most heartbreaking decisions needed to be made swiftly and carefully. Kettering is home to summer fun. Frazee Pavilion offers summer music, and the Go Fourth Independence Day celebration includes fireworks with a festival at Delco Park. The Adventure Reef Waterpark is a daily must for kids of all ages, along with our splash pad and summer camps. Mayor, City Councilmembers and City Staff determined the need to cancel summer activities in Kettering. Without activities and with lower revenue, the City felt the impact of the overly used term “unprecedented” when layoffs and furloughs were now part of our history. Approximately 240 employees were impacted in this decision.

On June 29, 2020, employees returned to the office environment. Essential personnel, such as public safety and public service never left the work environment. Employees returned to new sanitization regimens, shielding, cordoning and Xs to ensure proper distancing. All were introduced to a distanced way of doing business using conference calls, drive-through events and mandatory facial coverings. The ebb and flow of pandemic requirements was fluid, and employees assimilated remarkably well.

Being reliant to a large degree on income tax revenues, the financial impact of the pandemic was uncertain. The City took prudent measures at the onset of the health emergency to reduce or delay expenditures. A hiring freeze was implemented, employee furloughs were enacted, travel and training was reduced, and several capital projects were re-scheduled for future years.

The City received \$3.2 million from Coronavirus Aid, Relief, and Economic Security Act (CARES Act) in response to the pandemic. The funds were used primarily for costs of public safety personnel substantially dedicated to mitigating or responding to the COVID-19 public health emergency. The City will also submit eligible expenditures for reimbursement by the Federal Emergency Management Agency (FEMA).

EMPLOYMENT CHALLENGES

Another challenge on the horizon is the impact of the departure of two large companies from the City.

WilmerHale operated a business services center at Miami Valley Research Park. The center opened in September 2010, and grew to 235 employees. Despite significant efforts to keep WilmerHale offices in Kettering, including incentive offerings, the decision was made to move to Miami Township. The firm is leaving behind nearly 45,000 square feet of space in the Miami Valley Research Park.

Synchrony Financial announced its departure from the Kettering Business Park in September 2020. As the COVID-19 pandemic forced employees to work remotely, Synchrony discovered that the work-from-home model better fit their needs. The company employed 1,900 at the Kettering location. The City worked with the company for nearly a year on a plan for it to stay at the Business Park, but COVID-19 changed the course of their business model.

News of these departures was cause for further budget cuts in preparation for 2021. Departments were tasked with decreasing 2021 budgets by five percent. It was determined that personnel costs would be decreased with a continued hiring freeze, with the exception of public safety and select positions, and through attrition (retirements and resignations). The 2021 budget reflects an across the board pay increase of 0% for non-organized employees. Pay increases for organized employees will be determined through contract negotiations over the next calendar year. Our employees recognize our responsibility to operate in a manner that reflects the economic conditions of our community. These efforts allowed the City to maintain a positive budgeted operating margin for 2021.

STATE FUNDING REDUCTIONS AND MUNICIPAL TAX REFORM

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 2021 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.

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 \$633,500 in 2020, and \$741,500 in 2021. 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 affect 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.

These funding challenges were offset by good news when 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 \$3 million per year of the original \$40 million 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 project 2028 will be the last year of this funding.

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 budget policies of Council and the operating guidelines of administration have been instrumental in maintaining a sufficient general fund balance, \$38.5 million estimated 2021 ending available balance. This has facilitated aggressive infrastructure improvements benefiting our housing system, roads, and facilities.

HEALTH INSURANCE

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 (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 citizens.

In 2021, the City will keep a High Deductible Health Insurance Plan (HDHP) with 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 work more effectively with employees to reduce health insurance costs. The 2021 budget includes a 10% increase in premium costs after a 5% increase in 2020. Employees will continue to pay 17% of health insurance premiums and pay 35% toward their HSA contributions.

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 encouraging employees to adopt healthier habits

THE FUTURE

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 2021 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.

FINANCIAL POLICIES

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. Please note that the City is in compliance with its financial policies.

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 three 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 2020 budget. Exceptions may be made for special projects, such as technology upgrades.
- The City's Parks, Recreation & Cultural Arts fund shall operate with a \$7.4 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 \$46.4 million and \$43.5 million for 2020 and 2021 respectively. Revenue and expenditure estimates for both 2020 and 2021 represent conservative projections consistent with our past budgeting practices.

The estimated 2020 available year-end balance of \$46.4 million for all funds is \$2.5 million less than the actual 2019 ending balance. The decrease in fund balance is partially due to the 2020 expenditure of Streets Maintenance and Capital Improvement fund balances for purchases/projects encumbered in 2019.

A 2020 fund balance decrease of \$1.1 million is also expected in the Frazee Operations Fund due to the cancelation of the 2020 concert season and the encumbrance of contracts for the 2021 season in fiscal year 2020. In May 2020, the Mayor and Council Members made the difficult decision to cancel the Frazee season due

to the COVID-19 pandemic. Our customers were given full refunds of tickets purchased earlier in the year. Unfortunately, this meant that revenues from ticket sales and concessions were not available to offset the facility's fixed costs and advertising purchased before the pandemic began.

The General Fund will see a \$4.7 million increase to its 2020 available fund balance largely due to CARES Act funding, dividends from the Ohio Bureau of Worker's Compensation, as well as a citywide effort to reduce expenditures in preparation for expected revenue reductions in 2020 and 2021.

The City received \$3.2 million in Coronavirus Aid, Relief, and Economic Security Act (CARES Act) funding used for public safety payroll and benefits (\$3,177,000), and laptop computers for employees to work remotely (\$14,000). City Council passed a resolution finding that the payroll and benefits of specific positions in the Police and Fire Departments meet the requirement for CARES Act funding. Therefore, \$3,177,000 in Fire Department personnel expenditures are recorded in the CARES Act Fund instead of the General Fund. (See Special Grants & Programs Fund). The Ohio Bureau of Worker's Compensation, at Governor Mike DeWine's request, approved several rounds of rebates and dividends to Ohio's employers in response to the pandemic. The City expects \$2.0 million, of which \$1.9 million benefits the General Fund.

The City took prudent measures at the onset of the COVID-19 health emergency to reduce expenditures and delay several capital projects. Being reliant to a large degree on income tax revenues, the financial impact of the pandemic was uncertain. A hiring freeze was implemented, employee furloughs were enacted – largely in Parks, Recreations & Cultural Arts – travel and training was reduced, and several capital projects were re-scheduled for future years.

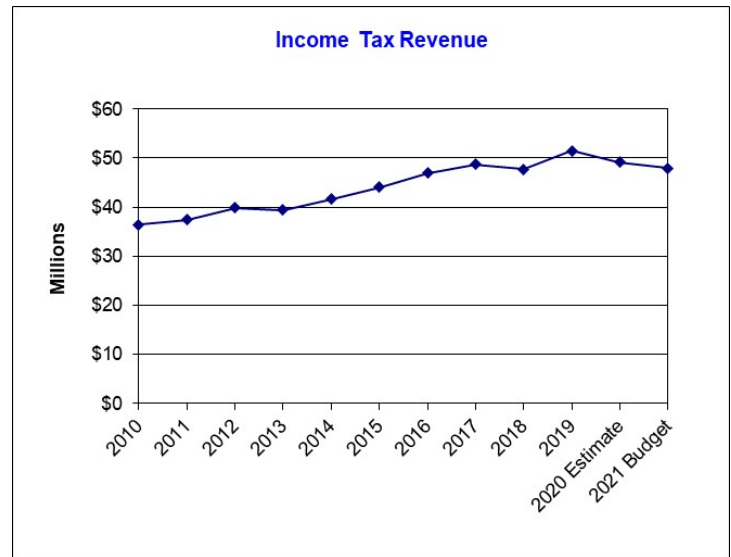
The budgeted 2021 year-end balance for all funds shows a \$2.9 million decrease from the estimated 2020 ending balance. The 2021 decrease is largely due to capital improvement expenditures requiring the use of General Fund balance in the form of a transfer. Other fund balance decreases are planned in the Special Grants & Programs Fund due to the implementation of grants and programs with dollars received in previous years; in the Debt Service Fund due to the use of 2020 Police Station bond premiums for 2021 interest expenditures and to reduced EMS revenues available for Fire Station Bond debt service; and in the Frazee Pavilion Operations Fund for its annual season.

The Capital Improvement Fund sees an annual \$3.0 million reduction in fund balance. As described in the short-term financial policies, the City of Kettering received a \$40 million one-time estate tax distribution in 2013. 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 usage of this estate tax funds reduces the amount of General Fund dollars needed to fund the annual CIP program.

The available ending balance for the City's General Fund alone is projected at \$40.9 million and \$38.6 million for 2020 and 2021 respectively. The planned decrease in 2021 is mainly attributable to capital improvements necessitating General Fund transfers to the CIP Fund of \$4.0 million. 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 \$1.7 million in 2020 and \$0.9 million in 2021. This means that the City continues to cover its operating costs with current operating revenues.

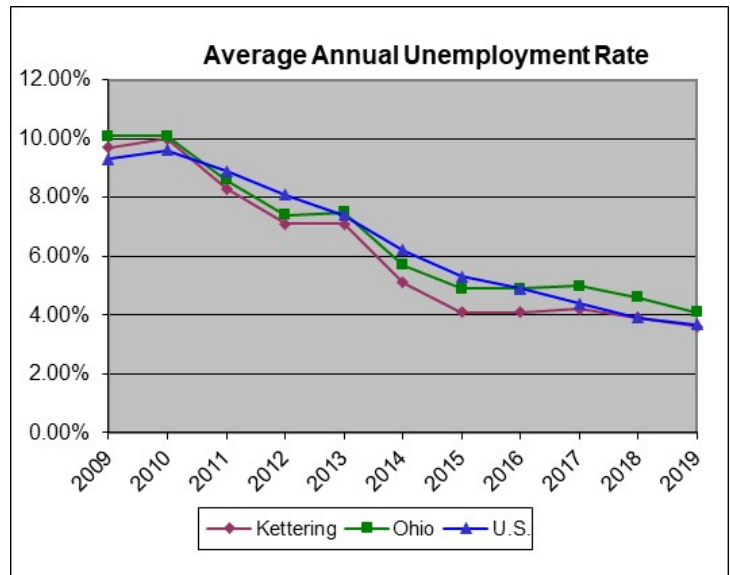
REVENUES

Year 2021 revenues for all funds are projected to be 1.5% less than estimated 2020 revenues, largely due to decreases in anticipated income tax receipts, federal grants, state and local grants, and reimbursements. Additional decreases are expected in local government fund, permissive tax, and County ED/GE Program. Income tax, the City’s greatest revenue source, is projected to be 2.72% less than 2020 primarily due to the COVID-19 pandemic. Increases are expected in property tax, tax increment, licenses and permits, homestead and rollback, gasoline tax, charges for services, fines, forfeits and costs, investment earnings, rental income, special assessments, and concessions. Vehicle license fees, liquor and beer permits, cigarette license, and wireless 911 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 as evidenced during 2020 and anticipated in 2021 due to the pandemic. Historically, Kettering’s unemployment rate has run below the averages for the local area, the State of Ohio and the United States.



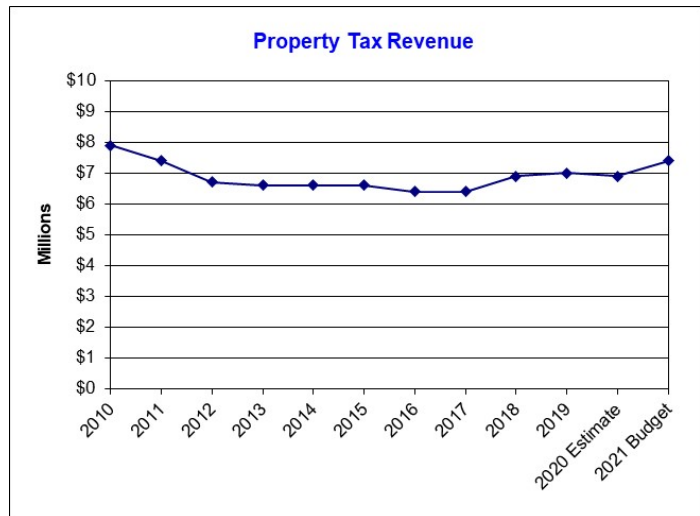
Although the City has been impacted by the COVID-19 pandemic, the unemployment rate continues to run below those for Ohio and the United States. The diversity of the City’s employment base helps to diminish the impact of economic downturns.

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), Reynolds & Reynolds, and Kettering City Schools.

KMC employs more than 3,500. After completing construction in late 2018, KMC opened a state of the art command center in the Kettering Business Park in early 2019. The facility handles all scheduling and patient management for the entire health network and could eventually house up to 300 employees. 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. Unfortunately, the City saw the departure of one of our largest employers, Synchrony Financial. The company opted to end its lease at KBP after moving the majority of employees to work from home status during the COVID-19 stay at home orders from the State of Ohio. The company had approximately 1,900 employees at the Kettering location, and vacated the building in early September. The company's departure had an immediate impact on employer-withheld income taxes that are reflected in 2020 and beyond. However, the City's Economic Development Manager is currently working on new employer projects that will begin to replace the loss of Synchrony in future years.

Projected 2021 income tax receipts are expected to be 2.72% less than 2020. Future years' income tax revenue projections have been adjusted for inflationary increases, as well as for anticipated changes in employment at various Kettering employers. The projected decrease in 2020 is reflective of the current regional economic conditions, the impact of the COVID-19 pandemic, and specific employment changes discussed above. (*\$1,340,000 decrease from 2020*)

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 .67 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 reappraisal completed in 2020 resulted in an average increase in Kettering's property values of about 9%. The 2021 receipts are expected to be higher by approximately 7% over 2020 due to this reappraisal. (*\$481,000 increase over 2020*)

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. This TIF is set to expire after 2020. 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. (\$10,000 increase over 2020)

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. (\$70,000 increase over 2020)

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 2021, the City anticipates \$2,365,000 in FAST Act funding for the County Line Road widening project. The City also expects funding of \$320,000 for the Research Boulevard resurfacing project. The City received \$3.2 million in Federal CARES Act funds in 2020 to assist with the financial impact of the COVID-19 pandemic. The City also expects funding of approximately \$125,000 (75%) in FEMA grant funding with a 25% City match of \$42,000 as public assistance reimbursements for emergency protective measures taken by the City during the COVID-19 pandemic. As a result, 2021 Federal Grants revenues are not expected to be as high as 2020. (\$6,011,000 decrease from 2020)

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 2021, the City anticipates receiving \$450,000 from the Ohio Facilities Construction Commission (OFCC) for the Rosewood Arts facility project. Projections are based on approval of specific grants for which the City has applied. (\$202,000 decrease from 2020)

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. (\$67,000 increase over 2020)

Local Government Fund: This revenue represents Kettering's share of the state sales tax distributed to area communities by Montgomery County. This revenue declined in the past several years as the state reduced allocations to municipalities. The most recent State Biennial Budget included increases in municipal

allocations. However, 2021 projections are lower as a result of the impact of COVID-19 on sales tax receipts. Revenue projections are based on historical data and estimates from the State of Ohio Department of Taxation and Montgomery County. (*\$108,000 decrease from 2020*)

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. (*\$95,000 increase over 2020*)

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 2020*)

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 and then to three in 2018. The number remains at three, including Kettering. Revenue projections are based on historical data and estimates from Montgomery County. (*No change from 2020*)

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. The higher payment in 2020 was due to a one-time catch up when the County moved from paying two years in arrears to now paying one year in arrears. (*\$218,000 decrease from 2020*)

Charges for Services: Close to 81% of these revenues are generated by recreation services and 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 (PRCA) 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 higher than normal increase is expected in 2021 due to the adjustments made in 2020 in response to the COVID-19 pandemic. In particular, numerous PRCA activities and events were canceled and facilities were closed during the pandemic including summer camps and programs, the outdoor waterpark, the Frazee Pavilion Amphitheater, and the indoor fitness centers. (*\$5,085,000 increase over 2020*)

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. (*\$150,000 increase over 2020*)

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. *(\$17,000 increase over 2020)*

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. *(\$489,000 increase over 2020)*

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. *(\$64,000 increase over 2020)*

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. A higher than normal increase is expected in 2021 due to the adjustments made in 2020 in response to the COVID-19 pandemic. In particular, numerous PRCA activities and events were canceled and facilities were closed during the pandemic including the outdoor waterpark, the Frazee Pavilion Amphitheater, and Kettering Recreation Center. *(\$1,698,000 increase over 2020)*

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 2020, Kettering received \$500,000 for the Tenneco project approved in an earlier year. No grants are expected for 2020. *(\$500,000 decrease from 2020)*

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. A higher than normal decrease is expected in 2021 due to receipt in 2020 of \$1.9 million in dividends from the Ohio Bureau of Workers' Compensation in an effort to assist businesses with the financial impact from the COVID-19 pandemic. *(\$1,077,000 decrease from 2020)*

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 actuals include \$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.

Other financing sources for 2020 include \$8.7 million proceeds (par \$8.3 million) from the issuance of general obligation debt for the Kettering Police Station Improvement project. A \$100,000 loan at 0% interest is expected from the Ohio Public Works Commission (OPWC) for the Ridgeway Road Bridge reconstruction project, \$985,000 is expected from the sale of city-owned properties, and \$137,000 is expected from the sale of equipment and vehicles through auction.

Other financing sources for 2021 include \$1,484,000 from the sale of city-owned properties and \$103,000 from the sale of equipment and vehicles through auction.

OPERATING EXPENDITURES

Operating costs (all funds) for 2021 are proposed at \$74.8 million compared to an estimated \$75.2 million in 2020. The total 2021 Operating budget (Personal Services, Operating Expenses and Capital Outlay combined) is 3.8% less than the original 2020 operating budget.

Proposed 2021 personal services are 2.4% less than the original 2020 budget. The 2021 budget reflects an across the board pay increase of 0% for non-organized employees. Pay increases for organized employees will be determined through contract negotiations that will take place over the next calendar year. In addition, several currently vacant positions shall remain unfunded for 2021. Please refer to pages 63 – 65 in the Budget Summary Section for detailed information on changes in positions and full time equivalents.

As previously mentioned, health insurance premiums will increase 10% over the 2020 level with no change to the split of 83% City and 17% employee. This increase follows a 5% increase in 2020 from the 2019 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.

Proposed 2021 operating expenditures, exclusive of personnel and capital outlay, are 0.9% less than the original 2020 budget. As part of the 2021 budget planning process, departments were initially asked to keep 2021 operating requests, excluding personnel and capital equipment, to not more than a 0% increase over their 2020 budgets. However, as the impact of COVID-19 became apparent, coupled with the departure of several large employers from the City, departments were asked to make additional budget reductions. Staff 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.

The proposed 2021 capital outlay budget of \$510,000 includes the routine replacements for patrol vehicles, unmarked sedans, dump trucks, and pickup trucks. One of the larger purchases planned for 2021 is a \$320,000 sweeper replacement for the Streets Department. Details on specific expenditures can be found within the department narratives on pages 74 – 149

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 \$0.4 million in 2020 and by \$1.6 million in 2021. General Fund operating margin is anticipated to be \$1.7 million in 2020 and \$0.9 million in 2021.

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 2021 is \$12.5 million. When combined with estimated 2020 expenditures of \$21.9 million, the two-year total of \$34.4 million reflects City Council's strong commitment to rebuilding and maintaining the community's neighborhoods, infrastructure, roadways, fire & police stations, and recreational facilities.

The 2021 Capital Improvement Program includes a variety of projects ranging from roadway improvements, neighborhood improvements, Rosewood Arts Centre updates, to the usual resurfacing and curb replacement programs.

A major project for 2021 will be the County Line Road Widening: Dorothy Lane to Vale Project for \$3,951,000. 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 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 costs include \$104,000 for right of way consultation and acquisition. The 2021 budget provides \$3,951,000 for construction. Federal funding has been awarded at a 60% level. The local share is to be split between Kettering and Beavercreek.

Please refer to pages 137-144 (Capital Improvement Fund — \$11,902,000) 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 (\$400,000) and the Community Development Block Grant Fund (\$181,000).

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.

Honorable Donald E. Patterson and
Members of Kettering City Council
December 15, 2020

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.

In February 2021, the City issued \$8.3 million in general obligation bonds to finance the Police Station Improvement project. The City also anticipates receiving a \$100,000 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 66-68 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 additional 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 2021 and will be prepared to make recommendations to modify the budget as necessary.

BUDGET PROCESS

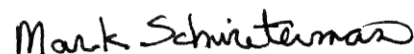
The City's budget process is perhaps, the most important process we facilitate in a given year. It represents a continuing cycle of reviewing long-range goals and objectives, planning, facilitation, and evaluation. A detailed explanation of our budget process is on pages 17 - 19.

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.

I am thankful for our city staff and 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.

Sincerely,



Mark W. Schwieterman
City Manager



CITY OF KETTERING

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:	
<p>HAVE ACTIVE LEADERSHIP IN REGIONAL INITIATIVES THAT IMPROVE CITY SERVICES, SAVE THE CITY RESOURCES, AND BOOST THE CITY’S REGIONAL PROMINENCE</p>	
ACTION AGENDA	TACTICS
<ul style="list-style-type: none"> Regional Presence - Identify our present regional presence 	<ul style="list-style-type: none"> Inventory and create a Master List of organizations in which Kettering is involved and at what level we participate. (Dir. Team) (Ongoing) Identify potential regional collaborations. (Dir. Team) (Ongoing)
<ul style="list-style-type: none"> Greater leadership in MVRPC 	<ul style="list-style-type: none"> Work with other surrounding jurisdictions via Miami Valley Regional Planning Commission (MVRPC) to determine the need for expanded transportation services. (PRCA, Asst. City Mgr.) (Ongoing)
<ul style="list-style-type: none"> Montgomery County — Greater leadership at the County level 	<ul style="list-style-type: none"> Participate and provide leadership in County Economic Development initiatives. (Ec. Dev.) (Ongoing) Participate and provide leadership in the Montgomery County 10-year Homeless Solutions Prevention Plan. (P&D and City Mgr.) (Ongoing) Continue to actively participate in regional fair housing initiatives. (P&D) (Ongoing)
<ul style="list-style-type: none"> MVCC - Greater leadership in and influence on MVCC to realize ROI 	<ul style="list-style-type: none"> 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.). (HR and Dir. Team) (Ongoing) Participate and provide leadership in utilizing the MVCC regional fiber ring for collaboration, cost reduction and revenue generation opportunities. (Admin Systems, Ec. Dev.) (Ongoing)
<ul style="list-style-type: none"> First Tier Suburbs 	<ul style="list-style-type: none"> Utilize the consortium to influence policy at the state level. (Council and City Mgr.) (Ongoing)
<ul style="list-style-type: none"> Dayton Development Coalition (DDC) 	<ul style="list-style-type: none"> Strengthen our relationship regarding Development Projects. (City Mgr. and Ec. Dev.) (Ongoing) Participate and provide leadership in DDC Economic Development initiatives through the DDC’s Public Sector Advisory Committee. (City Mgr.) (Ongoing)
<ul style="list-style-type: none"> School Board - Enhance communication 	<ul style="list-style-type: none"> Continue the joint meetings between Council and the School Board. (Council and City Mgr.) (Ongoing) Provide Police School Resource Officers to schools in Kettering to handle school-specific criminal activity and to provide drug/alcohol abuse training. (Police) (Ongoing) Develop Prevention Strategy with School and City Staff to be introduced in 2021. (PRCA, PFHY and All Departments) Continue to participate on the School’s MTSS Council to support the initiatives that will connect community resources to all Kettering youth. (PRCA) (Ongoing) Continue to work with the City/School Youth and Family Community Resource Coordinator to ensure the cities participation with connecting families with necessary resources in the community. (PRCA) (Ongoing)

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"> • Local Jurisdictions — Look for joint opportunities to save resources 	<ul style="list-style-type: none"> • Cooperate with other agencies on snow and ice control. (Public Service) (Ongoing) • Increase participation in the Fire/EMS Region 3 Strike Team and Regional Haz. Mat. (Fire) (Ongoing) • Continue the Automatic Mutual Aid Response System (AMARS) with Washington Twp., the City of Oakwood, the City of Moraine, and the City of Dayton. (Fire) (Ongoing) • Continued participation with regional organizations such as the Tactical Crime Suppression Unit (TCSU) to target specific reoccurring criminal activity. (Police) (Ongoing) • Provide building permitting and inspection services to the City of Oakwood. (Fire and P&D) (Ongoing) • Partner with the City of Dayton and Montgomery County to share building code inspection services. (P&D) (Ongoing) • Explore a similar arrangement with other jurisdictions regarding inspections. (P&D) (Ongoing arrangement with West Carrollton) • Continued participation in the Miami Valley Risk Management Association (MVRMA). (Finance) (Ongoing) • Continue active participation with the Miami Valley Fire and EMS Alliance. (Fire) (Ongoing)
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STRATEGIC PRIORITY:	
ENGAGE IN ECONOMIC DEVELOPMENT VENTURES THAT ATTRACT & EXPAND INVESTMENT IN THE CITY	
ACTION AGENDA	TACTICS
<ul style="list-style-type: none"> Utilize available communication tools to assist with business retention and attraction. 	<ul style="list-style-type: none"> Include business news section within <i>Contact with Kettering</i> quarterly newsletter and distribute to all businesses. (Ec. Dev. and CIM) (Ongoing) KMO Membership – Maintain Kettering-Moraine-Oakwood Chamber of Commerce (KMO) membership and appointment on Advisory Board. (Ec. Dev.) (Ongoing)
<ul style="list-style-type: none"> Attraction – Work to recruit new businesses to Kettering. 	<ul style="list-style-type: none"> Continue to work with the County Land Bank to identify and remove buildings causing blight in neighborhoods. (P&D) (Ongoing) T&C involvement – Work with Town & County Shopping Center (T&C) Management to take advantage of retail opportunities. (P&D and Ec. Dev.) (Ongoing) Create and maintain inventory of available development and redevelopment sites throughout the City in order to best match development possibilities to appropriate areas. (P&D) (Ongoing) Develop a City marketing packet that can be distributed to businesses. (Ec. Dev. and CIM) Work to attract development within the Miami Valley Research Park (Ec. Dev.) (Ongoing)
<ul style="list-style-type: none"> Retention – Create/retain relationships with existing businesses in the City. 	<ul style="list-style-type: none"> Visit existing businesses to discuss current operations and future needs. (Ec. Dev.) (Ongoing) Contact smaller companies through KMO Chamber participation and Business First visits. (Ec. Dev.) (Ongoing)
<ul style="list-style-type: none"> Expansion–Work with existing businesses interested in expanding their operations. 	<ul style="list-style-type: none"> Utilize existing federal, state and local resources to assist with business expansion. (Ec. Dev. and P&D) (Ongoing) Implement the Wilmington Pike Improvement Plan including the Facade and Demolition Programs. (Ec. Dev., P&D and Engr.) (Ongoing)

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

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

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"> • Safety Education, Knowledge and Prevention Safety Perception 	<ul style="list-style-type: none"> • Safety Education — Explore new ways of providing Citywide safety education and outreach to the public. (Police) (Ongoing) • Address senior safety issues. (Sr. Service Coord.)(Ongoing) • Continue with and advance the Kettering Safe Senior Program (KSSP). (Police) (Ongoing) • 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. (Fire) (Ongoing) • Develop and provide emergency family preparedness and fire prevention education programs and services to the citizens of Kettering. (Fire) (Ongoing) • Continue the City’s Safety Committee. (HR) (Ongoing)
<ul style="list-style-type: none"> • Public Works — Ensure Public Safety through quality and responsive public works. 	<ul style="list-style-type: none"> • Design & execute a 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. (Public Service) (Complete and Ongoing) • Streamline public service request process to establish and achieve standards for timely response to public safety issues (potholes, channels, etc.). (Public Service) (Ongoing) • Continue coordination and repair regarding the annual Bridge Inspection Program. (Engr.) (Ongoing)
<ul style="list-style-type: none"> • Police — Traffic Enforcement 	<ul style="list-style-type: none"> • Continue emphasis on Operating Vehicles while under the Influence (OVI). (Police) (Ongoing) • Increase traffic enforcement efforts in areas identified as high-accident or high-complaint locations. (Police and Engr.) (Ongoing)
<ul style="list-style-type: none"> • Police — Crime Prevention/ Deterrents 	<ul style="list-style-type: none"> • Participate with regional organizations such as the Tactical Crime Suppression Unit (TCSU) to target specific reoccurring criminal activity. (Police) (Ongoing) • Continue to use bike patrol on night watches to target problem areas. (Police) (Ongoing) • Continue to utilize Scanning Analysis Response Assessment forms to identify and address quality of life issues and criminal problems. (Police) (Ongoing) • Utilize the Crime Analyst position to work in conjunction with all KPD personnel, TCSU, and numerous outside agencies to collect, evaluate, analyze and disseminate crime data. (Police) (Ongoing)
<ul style="list-style-type: none"> • Police — Community-Based Problem Solving 	<ul style="list-style-type: none"> • 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. (Police) (Ongoing)
<ul style="list-style-type: none"> • Fire — Continue to develop & implement plans based on Risk Assessment and Hazard Analysis 	<ul style="list-style-type: none"> • Continue to benchmark and evaluate the progress of the Fire Department based on national standards for risk assessment and hazard analysis. (Fire) (Ongoing)

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

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

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

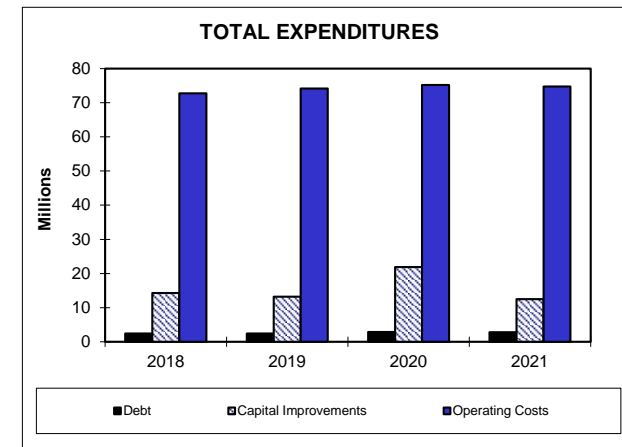
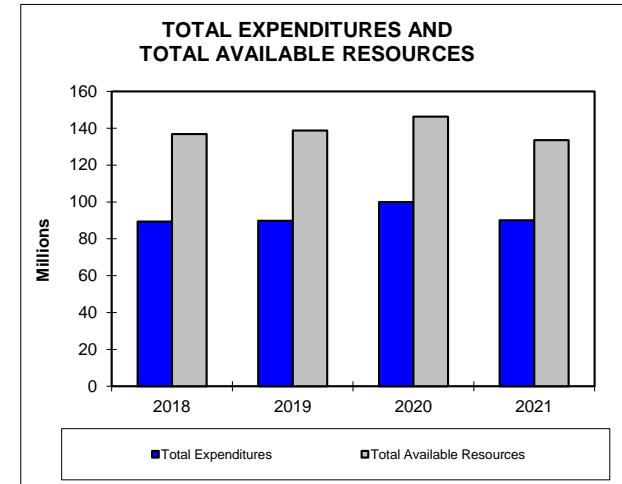
Admin. Systems: Administrative Systems Department
All Depts: All Departments
Asst. City Mgr: Assistant City Manager
CDBG: Community Development Block Grant Manager
CIM: Community Information
City Mgr: City Manager
Council: Mayor and Council
Dirs. Team: Directors Team
Ec. Dev: Economic Development
Engr: 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 2018	Actual 2019	Estimated 2020	Proposed 2021
Available Resources				
Balance January 1 ^a	\$89,993,550	\$81,805,836	\$79,817,246	\$73,898,739
Nonspendable: Inventory & Loans	6,283,345	5,835,191	3,326,352	3,141,379
Restricted for: CDBG Loans	876,470	895,379	856,300	857,000
Committed to: Economic Development	1,454,842	307,346	763,543	1,263,543
Committed to: Capital Improvement	25,842,681	23,391,025	21,391,284	18,651,284
Assigned to: Capital Improvement	0	403,706	1,126,043	873,083
Net Balance	55,536,212	50,973,189	52,353,724	49,112,450
Revenues	79,471,198	86,673,888	84,129,000	82,899,000
Other Financing Sources	1,797,781	7,974,270	9,895,000	1,588,000
Less: Other Financing Uses	0	6,850,568	0	0
Total Available Resources	136,805,191	138,770,779	146,377,724	133,599,450
Expenditures				
Operating Costs	72,766,710	74,166,205	75,182,020	74,784,692
Capital Improvements	14,276,797	13,200,639	21,879,000	12,483,000
Debt Service	2,413,186	2,419,336	2,881,487	2,829,640
Total Expenditures	89,456,693	89,786,180	99,942,507	90,097,332
Revised Budget (Total Expenditures) b.	101,208,155	101,494,005	105,249,670	
Net Balance December 31^c	\$47,348,498	\$48,984,599	\$46,435,217	\$43,502,118
Net Balance Change From Prior Year	(\$6,198,516)	\$1,636,101	(\$2,549,382)	(\$2,933,099)



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

^b 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.

^c Total available resources less total expenditures.

ESTIMATED 2021 FUND BALANCE*

**TABLE II
Page 1 of 2**

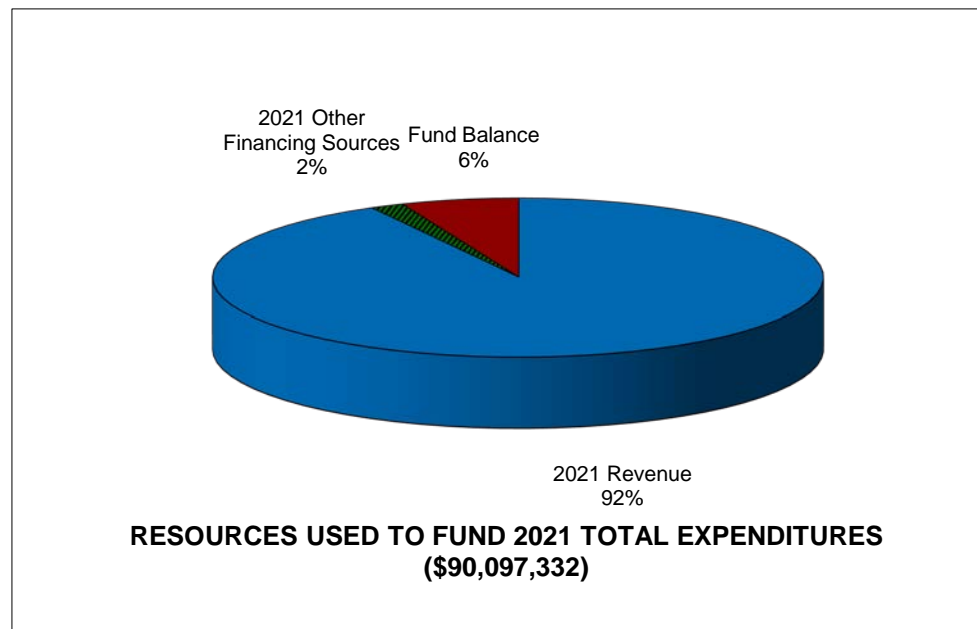
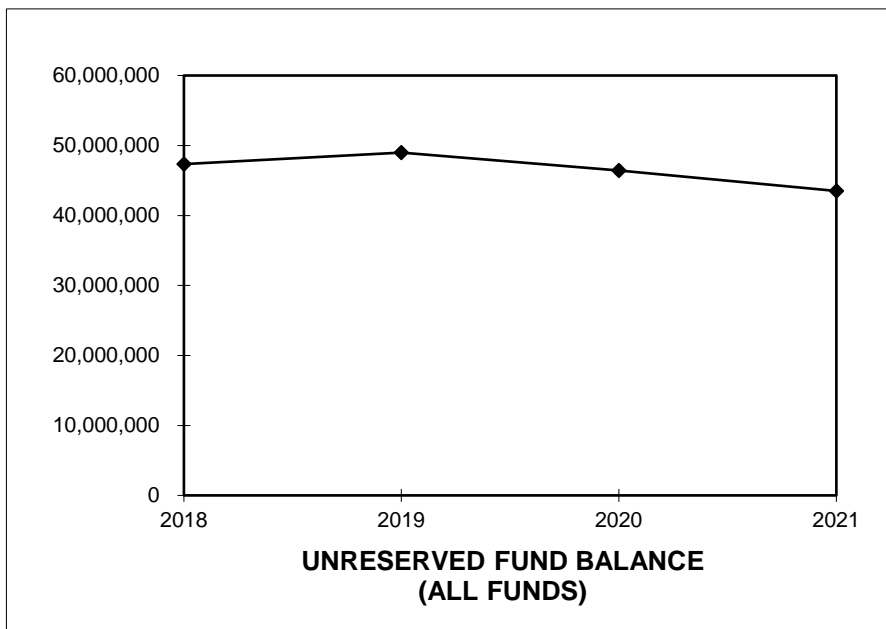
<u>Code</u>	<u>Fund</u>	<u>Balance January 1, 2021</u>	<u>Nonspendable Inventory, Restrictions, Commitments, & Assignments **</u>	<u>Receipts</u>	<u>Other Financing Sources/(Uses)</u>	<u>Transfers and Advances***</u>	<u>Operating Costs</u>	<u>Capital Improvements</u>	<u>Debt Service</u>	<u>Balance December 31, 2021</u>
101	General	45,882,078	(5,008,005)	60,719,000	1,512,000	(16,285,000)	48,249,500	0	0	38,570,573
	Special Revenue:									
202	Street Maintenance	280,267	(270,000)	3,690,000	75,000	2,523,000	6,287,900	0	0	10,367
203	State Highway	10,221	0	568,000	0	27,000	195,000	400,000	0	10,221
205	Cemetery	454,639	0	15,000	0	0	20,000	0	0	449,639
213	Police Pension	10,114	0	367,000	0	1,376,000	1,743,100	0	0	10,014
220	EMS Fund	379,487	0	306,000	0	0	20,000	0	0	665,487
246	Parks & Recreation	10,471	0	3,063,000	0	7,400,000	10,462,350	0	0	11,121
247	Lincoln Park Civic Commons & Amphitheatre Operations	430,351	0	5,585,000	0	0	5,885,000	0	0	130,351
260	DESC Reuse Funds	10,811	0	12,000	0	155,000	166,700	0	0	11,111
271	Special Grants & Programs	2,858,185	0	570,000	0	0	918,342	0	0	2,509,843
283	Community Dev.Block Grant	1,101,207	(857,000)	971,000	1,000	0	784,800	181,000	0	250,407
	Total Special Revenue	5,545,753	(1,127,000)	15,147,000	76,000	11,481,000	26,483,192	581,000	0	4,058,561
318	Debt Service	1,014,816	0	1,806,000	0	828,000	52,000	0	2,829,640	767,176
	Capital Projects:									
406	Capital Improvement	21,456,092	(18,651,284)	5,227,000	0	3,976,000	0	11,902,000	0	105,808
	GRAND TOTAL	73,898,739	(24,786,289)	82,899,000	1,588,000	0	74,784,692	12,483,000	2,829,640	43,502,118

* 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 14. The 2021 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.

2021 FUND BALANCE



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The estimated reduction in 2020 unreserved fund balance is partially due to the 2020 expenditure of Streets Maintenance and Capital Improvement fund balances for purchases/projects encumbered in 2019.

The 2020 and 2021 Frazee Pavilion Fund balance will also decrease due to the cancelation of the 2020 concert season and normal 2021 operations.

The reduction in 2021 unreserved fund balance is largely due to the planned use of General Fund reserves for a portion of the City's capital improvement program.

2021 revenues will fund 92% of the City's proposed 2021 expenditures, while 6% of the expenditures will require the use of fund balance. Other Financing Sources, specifically the Sale of City Assets, will cover 2% of 2021 expenditures.

REVENUES CLASSIFIED BY SOURCE

**TABLE III
Page 1 of 2**

Object Code	Mills 2019	Actual 2018	Percent of Total	Actual 2019	Percent of Total	* Estimated 2020	Percent of Total	* Proposed 2021	Percent of Total	
Property Taxes:										
41110	Real (Non-voted)	2.50	2,556,282	3.2%	2,580,400	3.0%	2,579,000	3.1%	2,749,000	3.3%
41120	Real (Voted)	4.17	4,386,349	5.5%	4,427,716	5.1%	4,293,000	5.1%	4,604,000	5.6%
	Total Property Taxes	6.67	6,942,631	8.7%	7,008,116	8.1%	6,872,000	8.2%	7,353,000	8.9%
41300	Tax Increment		326,434	0.4%	436,314	0.5%	398,000	0.5%	408,000	0.5%
41500	City Income Tax		47,663,176	60.0%	51,507,371	59.4%	49,240,000	58.5%	47,900,000	57.8%
42000	Licenses and Permits		751,369	0.9%	762,716	0.9%	526,000	0.6%	596,000	0.7%
43100	Federal Grants		1,275,415	1.6%	2,319,931	2.7%	9,614,000	11.4%	3,603,000	4.3%
43400	State and Local Grants		485,274	0.6%	1,120,694	1.3%	738,000	0.9%	536,000	0.6%
43500	Homestead & Rollback		1,011,766	1.3%	1,005,824	1.2%	956,000	1.1%	1,023,000	1.2%
43510	Local Government Fund		570,018	0.7%	739,424	0.9%	842,000	1.0%	734,000	0.9%
43540	Gasoline Tax		1,979,098	2.5%	2,448,479	2.8%	2,825,000	3.4%	2,920,000	3.5%
43550	Vehicle License Fees		768,629	1.0%	766,314	0.9%	767,000	0.9%	767,000	0.9%
43560	Liquor & Beer Permits		67,784	0.1%	61,153	0.1%	60,000	0.1%	60,000	0.1%
43570	Cigarette License		1,415	0.0%	1,483	0.0%	1,000	0.0%	1,000	0.0%
43580	Wireless 911 Tax		151,244	0.2%	154,806	0.2%	153,000	0.2%	153,000	0.2%
43850	County Shared Revenues		206,576	0.3%	207,577	0.2%	424,000	0.5%	206,000	0.2%
44100	Charges for Services		7,140,682	9.0%	7,460,423	8.6%	2,134,000	2.5%	7,219,000	8.7%
45100	Fines, Forfeits & Costs		1,662,274	2.1%	1,522,604	1.8%	1,118,000	1.3%	1,268,000	1.5%
46100	Investment Earnings		1,539,999	1.9%	2,156,124	2.5%	1,018,000	1.2%	1,035,000	1.2%
44200	Rental Income		1,077,676	1.4%	1,168,998	1.3%	454,000	0.5%	943,000	1.1%
46300	Special Assessments		1,141,200	1.4%	1,340,996	1.5%	1,106,000	1.3%	1,170,000	1.4%
46900	Concessions		1,005,337	1.3%	1,097,963	1.3%	3,000	0.0%	1,266,000	1.5%
46910	Sponsorships		494,654	0.6%	484,142	0.6%	3,000	0.0%	438,000	0.5%
49400	County ED/GE Program		126,590	0.2%	100,000	0.1%	500,000	0.6%	0	0.0%
49400	Reimbursements & Miscellaneous		3,081,957	3.9%	2,802,436	3.2%	4,377,000	5.2%	3,300,000	4.0%
	TOTAL RECEIPTS		79,471,198	100.0%	86,673,888	100.0%	84,129,000	100.0%	82,899,000	100.0%
	REVISED BUDGET		81,564,212		87,213,804		83,204,662			

* Refer to page 36 (Budget Message) for a detailed listing of the assumptions used to project 2020 and 2021 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.

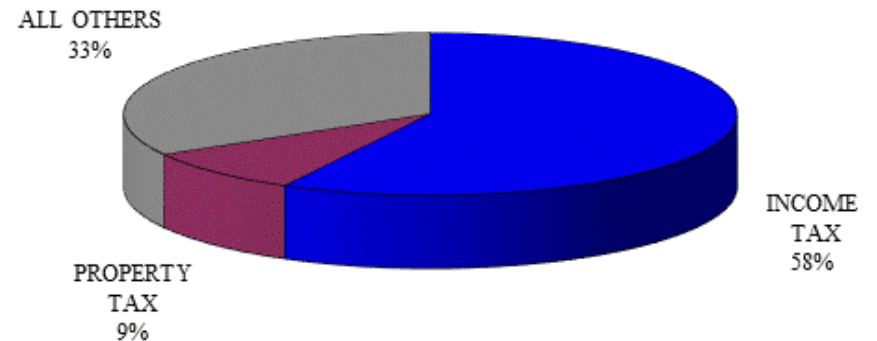
General Property Taxes

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 .67 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 6.67 mills represents 5.4% of the current total property tax rate of 123.99 mills with the remainder going to the Kettering schools, Montgomery County, and Libraries. The 123.99 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 106.08 mills for commercial property and 90.95 mills for residential property.

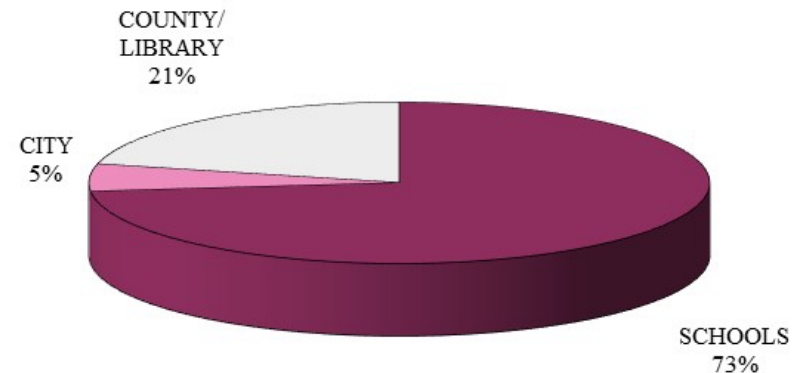
Other Revenues

No other source of revenue exceeds 10% of the total (in 2021). Additional discussion on revenues can be found in the City Manager's Budget Message.

2021 REVENUES



PROPERTY TAX RATES



APPROXIMATE SHARE OF TOTAL 2021 EXPENDITURES

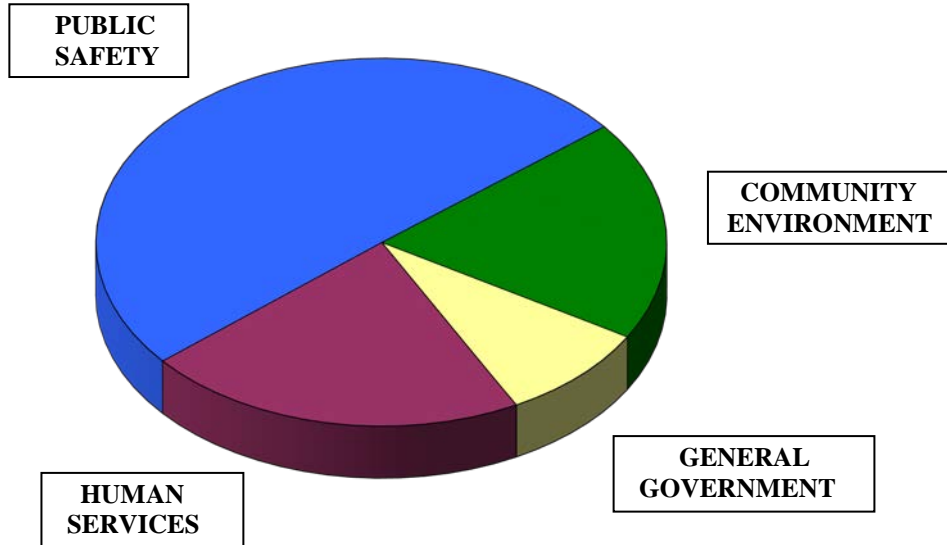
TABLE IV

Public Safety

Crime Prevention & Control	20.39%
Fire & Emergency Medical Services	18.20%
Highway Safety	7.84%
Court	<u>3.86%</u>
	50.29%

Community Environment

Economic and Community Development/Housing & Property Maintenance	5.94%
Streets & Drainage	<u>13.43%</u>
	19.37%



Human Services

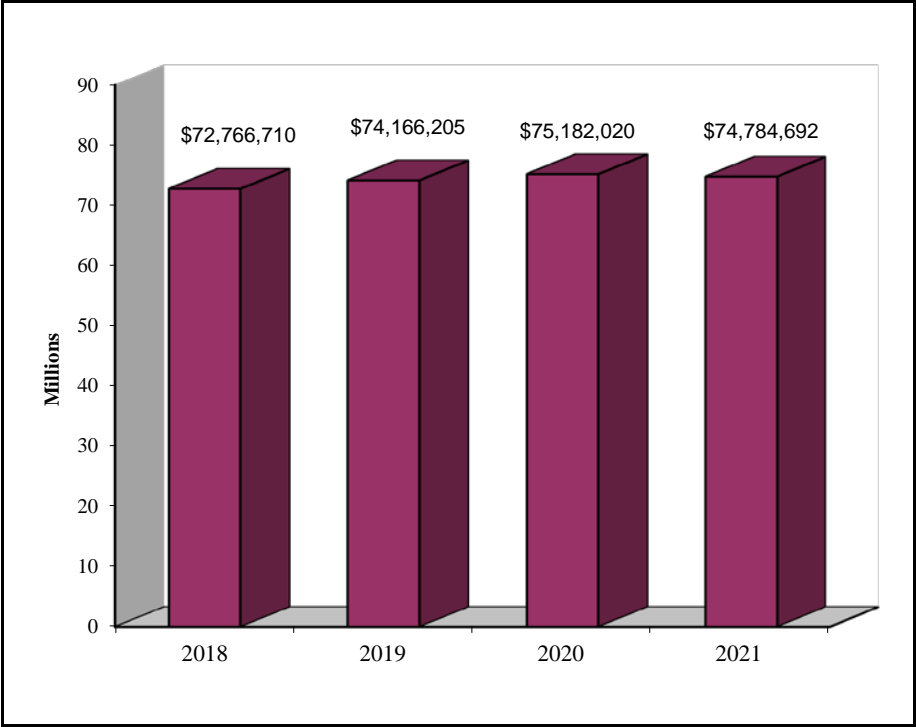
Parks, Recreation & Cultural Arts	21.46%
Public Health	0.03%
Youth Services	<u>0.19%</u>
	21.68%

General Government

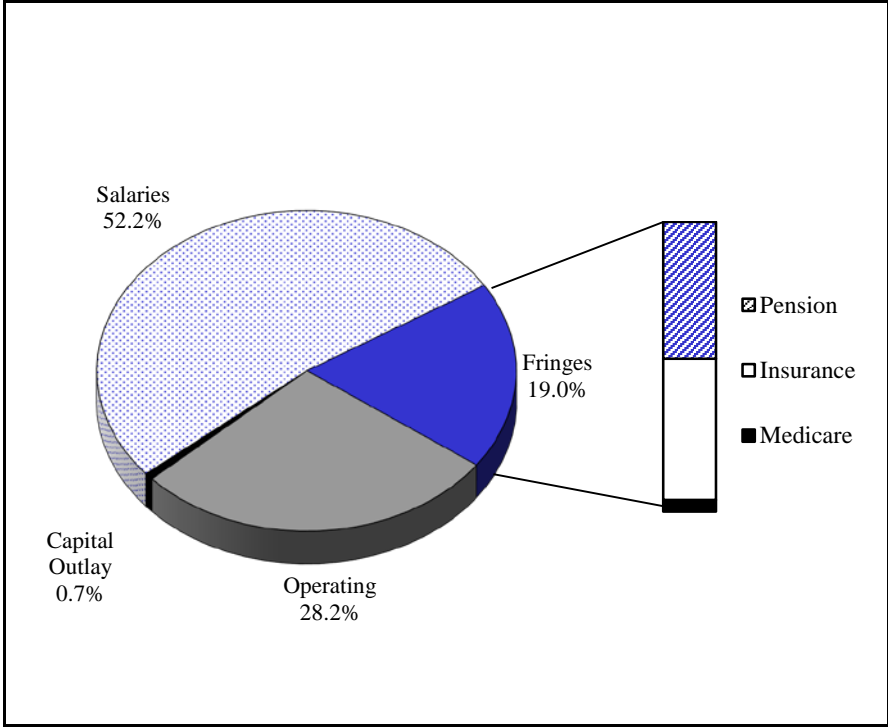
Citizen Committees	0.14%
Public Representation	0.27%
General Administration	1.29%
Legal Services	1.28%
Personnel Administration	1.33%
Financial Administration	3.04%
Administrative Support	1.05%
Volunteer Program	<u>0.25%</u>
	8.66%

PROPOSED 2021 OPERATING COSTS

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TOTAL OPERATING COSTS



DISTRIBUTION OF PROPOSED 2021 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 2018		Actual 2019		Estimated 2020		Proposed 2021		
		Amount	Percent of Total	Amount	Percent of Total	Amount	Percent of Total	Amount	Percent of Total	
0050	Mayor and Council	206,741	0.3%	221,115	0.3%	213,570	0.3%	221,350	0.3%	
0100	Municipal Court	1,586,323	2.2%	1,536,256	2.1%	1,499,940	2.0%	1,688,850	2.3%	
0150	Clerk of Courts	1,154,532	1.6%	1,129,075	1.5%	1,070,060	1.4%	1,325,500	1.8%	
0250	Office of the City Manager	736,215	1.0%	741,299	1.0%	750,530	1.0%	763,100	1.0%	
0300	Law Department	1,004,148	1.4%	984,452	1.3%	1,079,180	1.4%	1,092,600	1.5%	
0350	Finance Department	2,624,028	3.6%	2,684,305	3.6%	2,793,330	3.7%	2,719,610	3.6%	
0400	Administrative Support	914,052	1.3%	927,316	1.3%	978,380	1.3%	938,500	1.3%	
0450	Human Resource Department	1,196,485	1.6%	1,155,509	1.6%	1,275,700	1.7%	1,191,530	1.6%	
0500	Planning & Development Department	2,538,892	3.5%	2,521,857	3.4%	2,542,190	3.4%	2,584,100	3.5%	
0550	Economic Development	2,746,089	3.8%	2,950,306	4.0%	5,787,740	7.7%	1,587,100	2.1%	
0600	Police Department	16,563,477	22.8%	16,892,148	22.8%	17,530,610	23.3%	17,448,932	23.3%	
0700	Fire Department	14,640,085	20.1%	14,384,776	19.4%	13,430,540	17.9%	15,090,100	20.2%	
0800	Engineering Department	2,541,640	3.5%	2,514,738	3.4%	2,465,790	3.3%	2,668,460	3.6%	
0950	Street Lighting	446,926	0.6%	448,392	0.6%	429,000	0.6%	432,000	0.6%	
2000	Street Division	6,621,980	9.1%	6,775,563	9.1%	6,948,220	9.2%	6,467,900	8.6%	
2400	Parks, Recreation & Cultural Arts	10,394,423	14.3%	11,128,902	15.0%	9,359,570	12.4%	10,482,350	14.0%	
2200	Fraze Pavilion Operations	4,576,019	6.3%	5,147,055	6.9%	1,150,200	1.5%	5,885,000	7.9%	
	Special Grants and Programs	304,513	0.4%	366,905	0.5%	3,890,950	5.2%	275,000	0.4%	
	CDBG Programs	603,108	0.8%	567,034	0.8%	870,400	1.2%	784,800	1.0%	
1700	Community Information	244,885	0.3%	201,068	0.3%	216,250	0.3%	240,500	0.3%	
	DESC	197,935	0.3%	156,929	0.2%	162,500	0.2%	166,700	0.2%	
	Other Cost Centers	868,408	1.2%	617,440	0.8%	690,370	0.9%	678,710	0.9%	
	Debt Service	<u>55,806</u>	<u>0.1%</u>	<u>113,765</u>	<u>0.2%</u>	<u>47,000</u>	<u>0.1%</u>	<u>52,000</u>	<u>0.1%</u>	
	GRAND TOTAL OPERATING COSTS	72,766,710	100.0%	74,166,205	100.0%	75,182,020	100.0%	74,784,692	100.0%	
<u>Object Code</u>	<u>Object Code by Cost Center</u>									
Personnel:										
71100-71300	Salaries & Wages	37,248,999	51.2%	38,381,219	51.8%	37,565,370	50.0%	39,011,200	52.2%	
	Fringe Benefits:									
71500	Pension Contribution	6,348,781	8.7%	6,613,708	8.9%	6,486,820	8.6%	6,702,800	9.0%	
71600	Employee Insurance	6,076,529	8.4%	5,585,290	7.5%	5,935,650	7.9%	6,912,400	9.2%	
71700	Medicare	<u>518,130</u>	<u>0.7%</u>	<u>533,529</u>	<u>0.7%</u>	<u>527,970</u>	<u>0.7%</u>	<u>569,950</u>	<u>0.8%</u>	
	Total Personnel	50,192,439	69.0%	51,113,746	68.9%	50,515,810	67.2%	53,196,350	71.1%	
Operating Expenses:										
72000-72999		21,113,001	29.0%	21,632,319	29.2%	22,257,130	29.6%	21,078,342	28.2%	
Capital Outlay:										
77000-77999		<u>1,461,270</u>	<u>2.0%</u>	<u>1,420,140</u>	<u>1.9%</u>	<u>2,409,080</u>	<u>3.2%</u>	<u>510,000</u>	<u>0.7%</u>	
	GRAND TOTAL OPERATING COSTS	72,766,710	100.0%	74,166,205	100.0%	75,182,020	100.0%	74,784,692	100.0%	
	Revised Budget	80,621,068		82,478,537		79,291,112				

TABLE VI

STAFFING LEVEL (FTE) COMPARISON ¹

Code		Funded 2018			Funded 2019			Funded 2020			Proposed 2021		
		Full Time	Part Time	Total 2018	Full Time	Part Time	Total 2019	Full Time	Part Time	Total 2020	Full Time	Part Time	Total 2021
0050	Council and Mayor	1.0	7.0	8.0	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	12.0	0.1	12.1	12.0	0.1	12.1	12.0	0.0	12.0	11.0	0.0	11.0
0250	City Manager's Office	4.2	0.0	4.2	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	0.6	7.6
0350	Finance Department	19.0	2.2	21.2	19.0	2.2	21.2	19.0	2.2	21.2	19.0	1.1	20.1
0400	Administrative Support	4.0	4.6	8.6	4.0	4.6	8.6	4.0	4.6	8.6	4.0	4.0	8.0
0450	Human Resources Department	7.0	0.0	7.0	7.0	0.0	7.0	7.0	0.0	7.0	6.5	0.0	6.5
0500	Planning and Development	18.0	3.1	21.1	18.0	3.1	21.1	18.0	3.1	21.1	17.0	2.9	19.9
0550	Economic Development	1.0	0.1	1.1	1.1	0.0	1.1	1.1	0.0	1.1	1.1	0.0	1.1
0600	Police Department	110.0	6.7	116.7	112.0	6.7	118.7	114.0	6.7	120.7	112.0	5.4	117.4
0700	Fire Department ²	78.3	0.5	78.8	84.3	0.5	84.8	84.3	0.5	84.8	83.3	0.5	83.8
0800	Engineering Department	15.8	4.1	19.9	15.8	4.4	20.2	15.8	3.8	19.6	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	1.5	0.3	1.8
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	0.8	0.0	0.8	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	2.6	45.8	39.2	1.2	40.4
2200	Fraze Pavilion Operations Fund	3.0	21.0	24.0	3.0	21.0	24.0	5.0	19.3	24.3	4.4	19.3	23.7
2400	Parks, Recreation & Cultural Arts	37.0	96.7	133.7	39.0	94.2	133.2	39.0	96.5	135.5	35.8	84.2	120.0
4300	Vehicle Maintenance Center	8.0	0.6	8.6	8.0	0.6	8.6	8.0	0.0	8.0	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	5.1	31.1	25.0	2.6	27.6
TOTAL		414.3	158.2	572.5	424.3	155.9	580.2	428.3	153.9	582.2	413.5	134.1	547.6

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 64 and 65 for an analysis of material changes in staffing level.

This analysis should be reviewed in conjunction with Table VI (page 63).

STAFFING LEVEL (FTE) ANALYSIS

<u>Department</u>	<u>Explanation</u>
Mayor and Council	No significant increases or decreases in regular staffing from 2018-2021.
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.
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 2020. For 2021, a currently vacant full-time Deputy Clerk position will not be filled.
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 the Compliance cost center on a 25/75 basis to coincide with estimated hours supporting each function. The cost of the Secretary position is allocated between the City Manager’s Office and the Economic Development Department on a 95/05 basis.
Law Department	The regular part-time Clerk position (0.7 fte) will become vacant in early 2021 and will not be filled.
Finance Department	The currently vacant regular part-time Tax Clerk (0.7) and Tax Intern (0.2) positions will remain vacant in 2021. Also for 2021, the part-time Accounts Payable Technician will reduce hours from 20 to 12 per week.
Administrative Support	The currently vacant part-time Administrative Designer position (0.6) will remain vacant in 2021.
Human Resources	A currently vacant full-time Technician position will remain vacant for the first half of 2021.
Planning and Development	The currently vacant full-time Property Maintenance Inspector, Summer Intern (0.1) and Temporary Plumbing Inspector (0.1) positions will remain vacant in 2021.
Economic Development	No significant increases or decreases in regular staffing from 2018-2021.
Police Department	Effective 2019, funding is provided for two additional School Resource Officers in the Kettering Schools. The cost of the additional officers is partially reimbursed (70%) by the Kettering School District. Effective 2020, a full-time Crime Analyst position is funded and a full-time Secretary I position is eliminated. Also for 2020, two additional Patrol Officers are added to staffing levels based upon the results of a workforce study. For 2021, two currently vacant Patrol Officers, a part-time Court Security Officer (0.7) and a part-time Dispatcher (0.6) position will not be filled.
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 additional full-time staff reduce dependency on part-time positions and overtime. For 2021, one full-time Firefighter position will remain vacant.
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 and 2021, the temporary part-time Engineering Aide positions will remain vacant.
Volunteer Program	The currently vacant full-time Assistant Volunteer Administrator position will be filled with a part-time Aide for the first half of 2021 before resuming full-time status.

This analysis should be reviewed in conjunction with Table VI (page 63).

Community Info.	No significant increases or decreases in staffing from 2018-2021.
Compliance	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 the 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. Four currently vacant full-time Streets Service positions will remain vacant for 2021. Funding for part-time laborers is reduced in 2020 (0.7 fte) and in 2021 (1.4 fte) to reflect actual spending levels.
Fraze Pavilion Operations Fund	<p>The General Manager position has been vacant since September 2019. While the 2020 budget included funding for this position, it was not filled due to the cancellation of the 2020 performance season. The 2021 budget includes a partial year funding (0.4 fte) in anticipation of a mid-year 2021 recruitment.</p> <p>Effective 2020, the budget reflects the conversion of a regular part-time Facility Coordinator to full-time status. A new full-time Concessions Coordinator position was created, but like the General Manager position, the Concessions Coordinator position was not filled due to the cancellation of the 2020 season.</p> <p>The 2018 through 2021 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.</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>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. One result of the assessment was a change in the department's staffing model. New full-time positions included a Recreation Superintendent and Recreation Center/Arena Coordinator. Other changes included 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. This is certainly apparent with the 2021 personnel budget. COVID 19 prompted facility closures in 2020 that will extend into part of 2021. As a result, temporary and regular part-time recreation & arts positions are reduced for 2021. In addition, only partial year funding is provided for three currently vacant full-time positions, the recruitment of which will be delayed until mid-2021.</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 2018-2021.
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. Effective 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. A currently vacant full-time Building Service position and four regular part-time Maintenance Aide positions (2.5 fte) will remain vacant in 2021.

fte: Full Time Equivalent

DEBT STATEMENT

<u>Purpose</u>	Schedule of Bonds and Notes for The Years 2020 and 2021				Amount Outstanding <u>12/31/2020</u>
	<u>Date Issued</u>	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Amount Issued</u>	
General Obligation Bonds:					
Court Refunding Bonds, Series 2015	2-4-15	1.00%-4.00%	12-1-24	2,215,000	1,015,000
PRCA Improvement Refunding Bonds, Series 2019	12-17-19	2.12%-2.66%	12-1-28	6,825,000	6,135,000
Fire Station Improvement Bonds	2-4-15	1.00%-4.00%	12-1-34	15,500,000	11,755,000
Police Station Improvement Bonds	2-12-20	2.00%-3.00%	12-1-39	8,300,000	7,930,000
TOTAL				<u>32,840,000</u>	<u>26,835,000</u>
Promissory Notes:					
Ohio Public Works Commission:					
Spaulding Road	10-1-02	0.00%	1-1-23	1,520,719	190,090
Bigger Road	11-1-02	3.00%	1-1-24	511,071	112,721
County Line Road	12-1-02	0.00%	7-1-23	686,098	102,915
Ridgeway Road Bridge	6-1-05	1.00%	12-31-20	380,000	0
TOTAL				<u>3,097,888</u>	<u>405,726</u>
TOTAL				35,937,888	27,240,726

The City of Kettering has a "Aa1" bond credit rating from Moody's Investors Service.

Notes:

* 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. However, the City anticipates only using up to \$100,000 based upon the latest project estimate. The existing Ridgeway Road Bridge note dated 6-1-05 will be retired in 2020.

DEBT STATEMENT

**TABLE VII
PAGE 2 OF 3**

PURPOSE	Actual Payments in 2018			Actual Payments in 2019			Estimated Payments in 2020			Payments Due in 2021			Payments Due 2022 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	39,700	269,700	235,000	35,100	270,100	240,000	30,400	270,400	245,000	25,600	270,600	770,000	47,000	817,000
PRCA Improvement Bonds	595,000	329,018	924,018	625,000	302,768	927,768	0	0	0	0	0	0	0	0	0
PRCA Improvement Refunding Bonds, Series 2019	0	0	0	0	0	0	690,000	156,887	846,887	700,000	145,830	845,830	5,435,000	495,786	5,930,786
Fire Station Improvement Bonds	650,000	403,950	1,053,950	665,000	390,950	1,055,950	675,000	377,650	1,052,650	690,000	364,150	1,054,150	11,065,000	2,654,200	13,719,200
Police Station Improvement Bonds, Series 2020							370,000	146,065	516,065	340,000	174,550	514,550	7,590,000	1,655,900	9,245,900
TOTAL	1,475,000	772,668	2,247,668	1,525,000	728,818	2,253,818	1,975,000	711,002	2,686,002	1,975,000	710,130	2,685,130	24,860,000	4,852,886	29,712,886
Promissory Notes:															
Ohio Public Works Commission:															
Spaulding Road	76,036	0	76,036	76,036	0	76,036	38,018	0	38,018	76,036	0	76,036	114,054	0	114,054
Bigger Road	28,791	5,375	34,166	29,661	4,505	34,166	15,165	1,918	17,083	31,016	3,153	34,169	81,705	3,713	85,418
County Line Road	34,305	0	34,305	34,305	0	34,305	17,153	0	17,153	34,305	0	34,305	68,610	0	68,610
Ridgeway Road Bridge (Series 6-1-05)*	19,448	1,563	21,011	19,643	1,368	21,011	122,060	1,171	123,231	0	0	0	0	0	0
Ridgeway Road Bridge (estimate)*													100,000	0	100,000
TOTAL	158,580	6,938	165,518	159,645	5,873	165,518	192,396	3,089	195,485	141,357	3,153	144,510	364,369	3,713	368,082
TOTAL	1,633,580	779,606	2,413,186	1,684,645	734,691	2,419,336	2,167,396	714,091	2,881,487	2,116,357	713,283	2,829,640	25,224,369	4,856,599	30,080,968
REVISED BUDGET	1,633,580	779,607	2,413,187	1,684,646	734,692	2,419,338	2,167,438	715,782	2,883,220						

* 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. However, the City anticipates only using up to \$100,000 based upon the latest project estimate. The existing Ridgeway Road Bridge note dated 6-1-05 will be retired in 2020.

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 2019, the City redeemed the voted PRCA Improvement Bonds and issued new debt for the remaining par balance at lower interest rates. During 2020, the City issued \$8.3 million general obligation debt for the Police Station Improvement project.

LEGAL DEBT MARGIN - DECEMBER 31, 2019

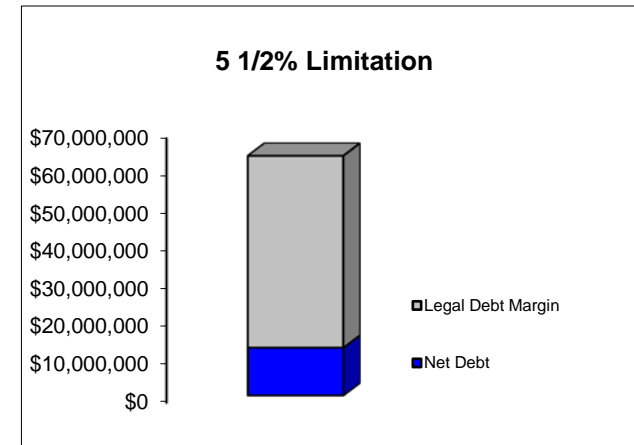
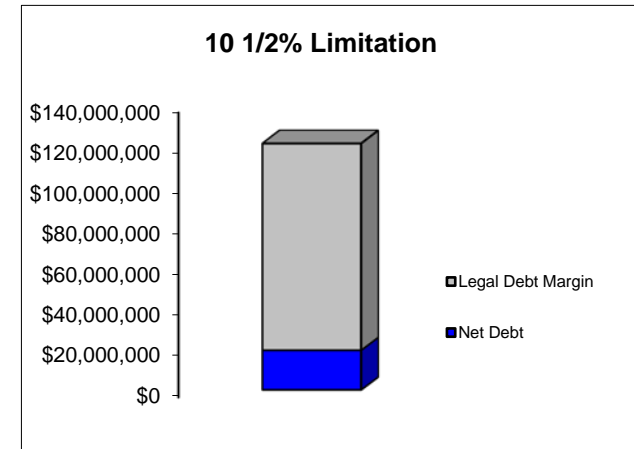
	10-1/2% OF ASSESSED <u>VALUATION (1)</u>	5-1/2% OF ASSESSED <u>VALUATION (2)</u>
OVERALL DEBT LIMITATIONS	\$121,128,614	\$63,448,322
GROSS INDEBTEDNESS	21,384,591	21,384,591
Less Debt outside limitations-		
Voted Debt		6,907,070
Special Assessment Debt	0	0
Promissory Notes	598,122	598,122
Less Debt Service Available Fund Balance	1,149,303	1,149,303
NET DEBT WITHIN LIMITATIONS	19,637,166	12,730,096
LEGAL DEBT MARGIN WITHIN LIMITATIONS	\$101,491,448	\$50,718,226

Source: City of Kettering, Ohio, Department of Finance

(1) Applies to both voted and unvoted debt. The total assessed valuation is \$1,153,605,850.

(2) Applies only to unvoted debt. The total assessed valuation is \$1,153,605,850.

LEGAL DEBT MARGIN



SUMMARY OF CAPITAL IMPROVEMENTS

TABLE VIII

Activity Code	Actual 2018	Actual 2019	Estimated 2020	Total Proposed 2021	Capital Improvement Fund	Special Revenue Funds
5100 Traffic Controls						
Miscellaneous Traffic Controls				55,000	55,000	
Shroyer & Issac Prugh Crosswalk Improvements				25,000	25,000	
Citywide Traffic Signal System Upgrade Phase 3 Right of way				25,000	25,000	
Total Traffic Controls	208,377	66,478	1,721,000	105,000	105,000	0
5200 Street Surfacing & Roadway Improvements						
Normal Program				1,010,000	1,010,000	
Gas Tax Program				1,000,000	1,000,000	
ADA Curb Ramp Replacement Program				45,000	45,000	
Curb, Sidewalk, & Drive Approach Repair Program				750,000	750,000	
Thoroughfares, Arterials & Collectors				180,000	180,000	
College Drive Cul-de-sac				400,000	400,000	
County Line Widening project				3,941,000	3,941,000	
Dorothy Lane Resurfacing: S. Dixie to County Line				350,000	350,000	
Hewitt Ave. Bikeway Right of way				20,000	20,000	
Marshall Road: South Corp. Line to Wilmington Pike				574,000	574,000	
Research Blvd (SR 835) Resurfacing				400,000	0	400,000
Ansel Bridge Rehabilitation Right of Way				16,000	16,000	
Danube Bridge Rehabilitation Design				100,000	100,000	
Ridgeway Rd. Bridge Landscaping Design				40,000	40,000	
Schantz Ave. Bridge Landscaping				200,000	200,000	
Total Street Surfacing & Roadway Improvements	5,211,473	8,550,595	9,110,000	9,026,000	8,626,000	400,000
5700 Streetscape Improvements						
Pole and Bus Stop Painting				20,000	20,000	
Bike program				10,000	10,000	
Total Streetscape Improvements	335,365	608,763	0	30,000	30,000	0
5900 Drainage Improvements						
Miscellaneous Drainage				25,000	25,000	
Total Drainage Improvements	22,665	227,350	15,000	25,000	25,000	0
6100 Parks, Recreation & Cultural Arts						
Miscellaneous Improvements				10,000	10,000	
Parks Painting & Repair Program				30,000	30,000	
Parks Irrigation Improvements				50,000	50,000	
KRC Improvements				7,000	7,000	
Water Park and Main Pool Improvements				80,000	80,000	
Kettering Fitness and Wellness Center Carpet Replacement				10,000	10,000	
City Sites Artwork Projects				5,000	5,000	
Rosewood Arts Centre Improvements				1,685,000	1,685,000	
Total Parks & Recreation	1,181,356	1,320,409	1,295,000	1,877,000	1,877,000	0
6500 Tree Planting and Landscaping	194,758	211,811	53,000	79,000	79,000	
6600 Other						
ADA Improvements				25,000	25,000	
Miscellaneous Building Improvements				742,000	742,000	
Police Station Improvement (Carryover)				138,000	138,000	
Public Service Improvements				25,000	25,000	
Government Center Campus Wayfinding				60,000	60,000	
Government Center Facility Security				85,000	85,000	
8000 Community Development Block Grant Projects and Acquisitions				181,000	0	181,000
6700 Municipal Court Locker Room Improvements				85,000	85,000	
Total Other	7,122,803	2,215,233	9,685,000	1,341,000	1,160,000	181,000
GRAND TOTAL CAPITAL IMPROVEMENTS	14,276,797	13,200,639	21,879,000	12,483,000	11,902,000	581,000
Revised Budget	18,173,901	16,596,130	23,075,338			

TABLE IX
Page 1 of 2

REVENUES AND EXPENDITURES BY FUND TYPE

	General Fund				Special Revenue Funds			
	Actual <u>2018</u>	Actual <u>2019</u>	Estimated <u>2020</u>	Proposed <u>2021</u>	Actual <u>2018</u>	Actual <u>2019</u>	Estimated <u>2020</u>	Proposed <u>2021</u>
REVENUES:								
Property Taxes	5,827,058	5,882,069	5,881,000	6,293,000	307,038	309,921	309,000	320,000
Payments in lieu of taxes	0	0	0	0	0	0	0	0
Income Tax	47,663,176	51,507,371	49,240,000	47,900,000	0	0	0	0
Licenses and Permits	730,259	746,966	512,000	582,000	21,110	15,750	14,000	14,000
Intergovernmental Revenues	1,614,863	1,746,126	2,218,000	1,667,000	3,966,540	4,148,450	9,549,000	5,211,000
Charges for Services	60,797	47,527	41,000	45,000	5,965,083	6,276,093	1,155,000	6,274,000
Fines, Forfeits and Costs	1,190,764	1,095,596	864,000	989,000	471,510	427,008	254,000	279,000
Investment Earnings	910,924	1,310,680	702,000	733,000	41,929	59,718	22,000	20,000
Special Assessments	402,881	414,601	410,000	400,000	0	0	0	0
Miscellaneous	2,475,734	2,084,918	3,525,000	2,110,000	3,070,847	3,235,610	947,000	3,029,000
TOTAL REVENUES	60,876,456	64,835,854	63,393,000	60,719,000	13,844,057	14,472,550	12,250,000	15,147,000
EXPENDITURES:								
Current:								
General Government	14,335,158	14,594,451	17,765,310	13,641,090	1,173,390	981,002	1,258,210	1,422,650
Public Safety	29,760,852	29,730,609	29,116,180	30,997,710	1,753,215	1,869,513	2,118,700	1,950,292
Public Works	2,742,873	2,708,155	2,689,360	2,765,790	6,621,980	6,775,563	6,948,220	6,467,900
Human Services	371,596	404,631	466,700	402,100	14,970,442	16,275,957	10,509,770	16,367,350
Miscellaneous	676,885	345,654	371,620	442,810	304,513	366,905	3,890,950	275,000
Capital Improvements:					167,858	96,634	1,802,000	581,000
Debt Service:								
Principal								
Interest								
TOTAL EXPENDITURES	47,887,364	47,783,500	50,409,170	48,249,500	24,991,398	26,365,574	26,527,850	27,064,192
Revised Budget	51,326,236	51,993,376	52,884,818		29,662,481	30,802,166	28,320,814	

For Fund Definitions, please see "Financial Structure" on page 13.

TABLE IX
Page 2 of 2

REVENUES AND EXPENDITURES BY FUND TYPE

	Debt Service Fund				Capital Projects Fund				Total			
	Actual <u>2018</u>	Actual <u>2019</u>	Estimated <u>2020</u>	Proposed <u>2021</u>	Actual <u>2018</u>	Actual <u>2019</u>	Estimated <u>2020</u>	Proposed <u>2021</u>	Actual <u>2018</u>	Actual <u>2019</u>	Estimated <u>2020</u>	Proposed <u>2021</u>
REVENUES:												
Property Taxes	808,535	816,126	682,000	740,000					6,942,631	7,008,116	6,872,000	7,353,000
Payments in lieu of taxes					326,434	436,314	398,000	408,000	326,434	436,314	398,000	408,000
Income Tax									47,663,176	51,507,371	49,240,000	47,900,000
Licenses and Permits									751,369	762,716	526,000	596,000
Intergovernmental Revenues	117,927	117,237	96,000	104,000	944,479	2,913,872	5,017,000	3,021,000	6,643,809	8,925,685	16,880,000	10,003,000
Charges for Services	1,114,802	1,136,803	938,000	900,000					7,140,682	7,460,423	2,134,000	7,219,000
Fines, Forfeits and Costs									1,662,274	1,522,604	1,118,000	1,268,000
Investment Earnings	38,802	47,467	24,000	22,000	548,344	738,259	270,000	260,000	1,539,999	2,156,124	1,018,000	1,035,000
Special Assessments	0	0	0	0	738,319	926,395	696,000	770,000	1,141,200	1,340,996	1,106,000	1,170,000
Miscellaneous	40,000	40,000	40,000	40,000	73,043	193,011	325,000	768,000	5,659,624	5,553,539	4,837,000	5,947,000
TOTAL REVENUES	2,120,066	2,157,633	1,780,000	1,806,000	2,630,619	5,207,851	6,706,000	5,227,000	79,471,198	86,673,888	84,129,000	82,899,000
EXPENDITURES:												
Current:												
General Government					442,453	576,222	0	85,000	15,951,001	16,151,675	19,023,520	15,148,740
Public Safety					208,377	66,478	1,721,000	105,000	31,722,444	31,666,600	32,955,880	33,053,002
Public Works					5,423,645	9,369,049	7,323,000	8,681,000	14,788,498	18,852,767	16,960,580	17,914,690
Human Services					1,354,114	1,453,245	1,348,000	1,956,000	16,696,152	18,133,833	12,324,470	18,725,450
Miscellaneous	55,806	113,765	47,000	52,000	6,680,350	1,639,011	9,685,000	1,075,000	7,717,554	2,465,335	13,994,570	1,844,810
Capital Improvements:									167,858	96,634	1,802,000	581,000
Debt Service:												
Principal	1,633,580	1,684,645	2,167,396	2,116,357					1,633,580	1,684,645	2,167,396	2,116,357
Interest	779,606	734,691	714,091	713,283					779,606	734,691	714,091	713,283
TOTAL EXPENDITURES	2,468,992	2,533,101	2,928,487	2,881,640	14,108,939	13,104,005	20,077,000	11,902,000	89,456,693	89,786,180	99,942,507	90,097,332
Revised Budget	2,477,187	2,543,338	2,947,220		17,742,251	16,155,125	21,096,818		101,208,155	101,494,005	105,249,670	

For Fund Definitions, please see "Financial Structure" on page 13.

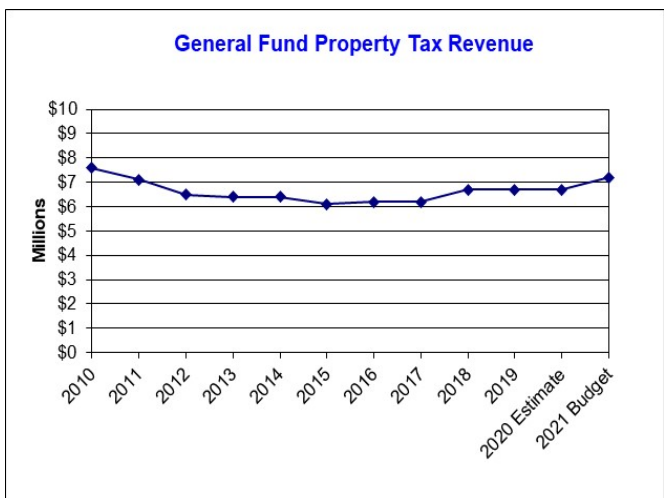
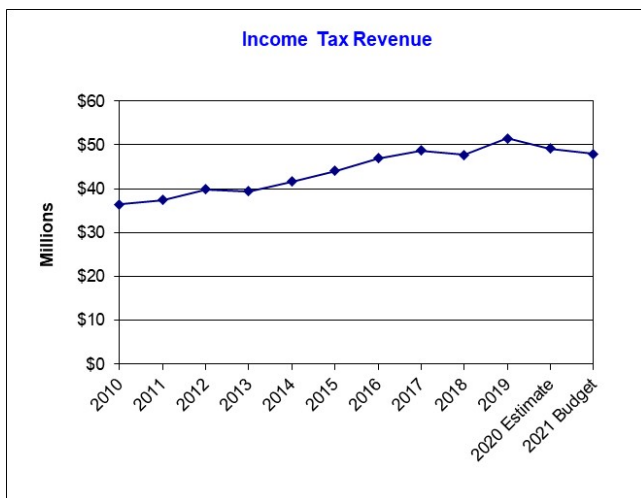


CITY OF KETTERING

GENERAL FUND RECEIPTS

FUND 101

	<u>Actual</u> <u>2018</u>	<u>Actual</u> <u>2019</u>	<u>Estimated</u> <u>2020</u>	<u>Proposed</u> <u>2021</u>
AVAILABLE FOR EXPENDITURES:				
Balance January 1	46,179,003	44,136,819	44,803,248	45,882,078
Nonspendable: Inventory, Loans & Prepaids	6,145,095	5,687,996	3,055,622	2,871,379
Committed to: Economic Development	1,454,842	307,346	763,543	1,263,543
Assigned to Capital Improvement	<u>0</u>	<u>403,706</u>	<u>1,126,043</u>	<u>873,083</u>
Net Balance	38,579,066	37,737,771	39,858,040	40,874,073
RECEIPTS				
Property Taxes				
Real Non-Voted 2.2 Mills	2,249,244	2,270,479	2,270,000	2,429,000
Real Voted 3.5 Mills	<u>3,577,814</u>	<u>3,611,590</u>	<u>3,611,000</u>	<u>3,864,000</u>
Total General Property Tax	5,827,058	5,882,069	5,881,000	6,293,000
City Income Tax				
City Income Tax	47,663,176	51,507,371	49,240,000	47,900,000
City Licenses and Permits	730,259	746,966	512,000	582,000
State Grants	0	0	0	0
Homestead & Rollback	849,056	844,066	815,000	872,000
Local Government Fund	570,018	739,424	842,000	734,000
Liquor & Beer Permits	67,784	61,153	60,000	60,000
Cigarette Tax	1,415	1,483	1,000	1,000
Charges for Services	60,797	47,527	41,000	45,000
Court Fines, Forfeits and Costs	1,190,764	1,095,596	864,000	989,000
Investment Earnings	910,924	1,310,680	702,000	733,000
Special Assessments	402,881	414,601	410,000	400,000
Reimbursements & Miscellaneous	<u>2,602,324</u>	<u>2,184,918</u>	<u>4,025,000</u>	<u>2,110,000</u>
TOTAL REVENUE	60,876,456	64,835,854	63,393,000	60,719,000
OTHER FINANCING SOURCES				
Sale of City Assets	1,745,701	950,929	1,020,000	1,512,000
Transfer in From Other Funds	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL OTHER FINANCING SOURCES	1,745,701	950,929	1,020,000	1,512,000
TOTAL AVAILABLE FOR EXPENDITURES	101,201,223	103,524,554	104,271,040	103,105,073



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 2018</u>	<u>Actual 2019</u>	<u>Estimated 2020</u>	<u>Proposed 2021</u>	<u>% of Total</u>
Personnel Expenditures	137,446	143,951	150,770	152,550	68.92%
Operating Expenditures	69,295	77,164	62,800	68,800	31.08%
Capital Equipment Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.00%</u>
Total	206,741	221,115	213,570	221,350	100.00%

The proposed 2021 budget is 5.3% less than the 2020 budget and 3.6% greater than estimated 2020 expenditures. 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 2018, 2019, and 2020 reflect an under-spending of each year's budget.

Staffing Levels

	<u>Actual 2018</u>	<u>Actual 2019</u>	<u>Estimated 2020</u>	<u>Proposed 2021</u>
Mayor & Council	<u>7</u>	<u>7</u>	<u>7</u>	<u>7</u>
Clerk of Council	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>
Total	8.0	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 2020 that the Court will distribute to the City's General Fund about \$864,000 for Court fines and fees. In addition, approximately \$70,000 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 2018</u>	<u>Actual 2019</u>	<u>Estimated 2020</u>	<u>Proposed 2021</u>	<u>% of Total</u>
Personnel Expenditures	1,045,028	1,066,994	1,071,530	1,156,400	82.22%
Operating Expenditures	247,842	261,309	258,300	250,100	17.78%
Capital Equipment Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.00%</u>
Total	1,292,870	1,328,303	1,329,830	1,406,500	100.00%

The proposed 2021 budget is 0.6% greater than the 2020 budget and 5.8% greater than estimated 2020 expenditures. The proposed 2021 operating budget includes reductions from the original 2020 budgeted level. This is part of a citywide effort to decrease 2021 expenditures in response to an expected decline in revenues.

Staffing Levels

	<u>Actual 2018</u>	<u>Actual 2019</u>	<u>Estimated 2020</u>	<u>Proposed 2021</u>
Judges	2	2	2	2
Bailiffs	2	2	2	2
Probation Off./Deputy Bailiff	2	2	2	2
Administrative Secretary	4	4	4	4
Court Reporter	2	2	2	2
Substitute Judge	0.3	0.3	0.3	0.3
Civil Magistrate	0.3	0.3	0.3	0.3
Part-Time Deputy Bailiff	0.3	0.3	0.3	0.3
Part-Time Clerical	<u>0.3</u>	<u>0.3</u>	<u>0.3</u>	<u>0.3</u>
Total	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)

	Actual <u>2018</u>	Actual <u>2019</u>	Estimated <u>2020</u>	Proposed <u>2021</u>	<u>% of Total</u>
Personnel Expenditures	954,306	954,074	898,460	1,002,100	88.16%
Operating Expenditures	121,332	125,915	116,400	134,600	11.84%
Capital Equipment Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.00%</u>
Total	1,075,638	1,079,989	1,014,860	1,136,700	100.00%

The proposed 2021 budget is 8.8% less than the 2020 budget and 12.0% greater than estimated 2020 expenditures.

Effective 2018, the budget includes funding for an Information Technology Deputy Clerk; however, the position has remained vacant through the end of 2020.

For 2021, a currently vacant full-time Deputy Clerk position will not be filled. Operating expenditures for years 2018 through 2020 reflect an under-spending of each year's budget.

Staffing Levels

	<u>Actual 2018</u>	<u>Actual 2019</u>	<u>Estimated 2020</u>	<u>Proposed 2021</u>
Clerk of Courts	1	1	1	1
Deputy Clerks	11	11	11	10
Part-Time Clerical	0	0	0	0
Temp. Part-Time	<u>0.1</u>	<u>0.1</u>	<u>0</u>	<u>0</u>
Total	12.1	12.1	12.0	11.0

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.
4. During the COVID-19 pandemic, work with seniors and the community to provide education about the virus and related benefits, assist with procuring personal protective equipment, and provide technical support for video conferencing as needed.

Measurements:	Actual <u>2018</u>	Actual <u>2019</u>	Estimated <u>2020</u>	Proposed <u>2021</u>
Number of seniors served ¹	2,115	2,102	3,670	2,750

¹. The 2020 increase in the number of seniors served reflects additional contacts related to COVID-19. The contacts are anticipated to decline in 2021 barring any additional complications that may arise.

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

	Actual <u>2018</u>	Actual <u>2019</u>	Estimated <u>2020</u>	Proposed <u>2021</u>	% of Total
Personnel Expenditures	677,036	680,562	697,730	710,300	93.08%
Operating Expenditures	59,179	60,737	52,800	52,800	6.92%
Capital Equipment Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.00%</u>
Total	736,215	741,299	750,530	763,100	100.00%

The proposed 2021 budget is 1.7% less than the 2020 budget and 1.7% greater than estimated 2020 expenditures.

The proposed 2021 operating budget includes reductions from the original 2020 budgeted level. This is part of a citywide effort to decrease 2021 expenditures in response to an expected decline in revenues.

Staffing Levels

	<u>Actual 2018</u>	<u>Actual 2019</u>	<u>Estimated 2020</u>	<u>Proposed 2021</u>
City Manager	1	1	1	1
Assistant City Manager	1	1	1	1
Senior Services Coordinator	1	1	1	1
Compliance & Inclusion Manager	0.25	0.25	0.25	0.25
Secretary	<u>0.95</u>	<u>0.95</u>	<u>0.95</u>	<u>0.95</u>
Total	4.2	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

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:

	Actual 2018	Actual 2019	Estimated 2020	Proposed 2021
<u>Prosecution</u>				
Cases Prosecuted:	3,467	2,434	1,970	2,850
<u>Legal Services</u>				
Ordinances	17	16	19	19
Resolutions	163	159	122	168
Contracts	442	387	145	380
Public Records Requests	262	205	210	200
Other General Legal	147	153	126	135

Law Department Expenditures — General Fund (Key 0300)

	Actual 2018	Actual 2019	Estimated 2020	Proposed 2021	% of Total
Personnel Expenditures	857,973	856,718	913,180	921,700	84.36%
Operating Expenditures	146,175	127,734	166,000	170,900	15.64%
Capital Equipment Expenditures	0	0	0	0	0.00%
Total	1,004,148	984,452	1,079,180	1,092,600	100.00%

The proposed 2021 budget is 1.0% less than the 2020 budget and 1.2% greater than estimated 2020 expenditures.

The actual 2019 personnel expenditures reflect a partial year vacancy of the full-time Secretary position. The regular part-time Clerk position (0.7 fte) will become vacant in early 2021 and will not be filled.

Staffing Levels

	<u>Actual 2018</u>	<u>Actual 2019</u>	<u>Estimated 2020</u>	<u>Proposed 2021</u>
Law Director	1	1	1	1
Administrative Attorney	1	1	1	1
Prosecuting Attorneys	2	2	2	2
Secretary	2	2	2	2
Clerk	1	1	1	1
Part-time Clerical	0.7	0.7	0.7	0.0
Part-time Paralegal	0.6	0.6	0.6	0.6
Total	8.3	8.3	8.3	7.6

FINANCE DEPARTMENT

The Finance Department is responsible for the programs of Administration and Budget, Accounting, Taxation and Purchasing. Managing over \$100 million annually in financial transactions requires processing over 8,000 accounts payable checks, 20,200 direct deposits of payroll and 2,000 purchase orders. In addition, the Tax Division collects in excess of \$49.2 million annually in City income tax and maintains active records on over 58,000 taxpayers. In 2020, through careful cash management efforts, over \$1.0 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-sixth 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-ninth 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:

<u>Accounting</u>	<u>Actual 2018</u>	<u>Actual 2019</u>	<u>Estimated 2020</u>	<u>Proposed 2021</u>
Checks processed	8,129	8,230	8,000	8,200
Late Penalties Paid	0	0	1	0
1099's issued	212	212	200	200
Receipts Processed	4,226	4,304	4,250	4,275
Invoices Processed	108	106	105	110
Travel Forms Processed	192	212	60	200
Payroll Checks Processed	5	1	5	5
Direct Deposits Processed	21,212	23,645	20,200	21,250

Measurements continued:

	<u>Actual 2018</u>	<u>Actual 2019</u>	<u>Estimated 2020</u>	<u>Proposed 2021</u>
<u>Taxation</u>				
New accounts established	5,834	6,176	6,000	5,823
Refunds processed	1,529	1,395	1,430	1,430
Accounts Maintained - Active	53,429	55,979	58,000	59,680
- Inactive	103,630	107,159	109,000	109,220
Accounts on Deferred Payment Plan	535	560	600	630
Amount of Delinquent Accounts	\$2,076,249	\$2,131,713	\$2,137,406	\$2,250,000
% of Accounts Delinquent	0.74%	0.65%	0.62%	0.65%
<u>Purchasing</u>				
Purchase Orders Issued	2,060	2,063	2,000	2,000
Bid Openings	7	10	10	10
Written Quotes Processed	98	98	100	100
Annual Inventories Completed	0	10	0	10

Finance Department Expenditures — General Fund (Key 0350)

	<u>Actual 2018</u>	<u>Actual 2019</u>	<u>Estimated 2020</u>	<u>Proposed 2021</u>	<u>% of Total</u>
Personnel Expenditures	2,129,979	2,156,736	2,168,330	2,201,500	80.95%
Operating Expenditures	494,049	527,569	625,000	518,110	19.05%
Capital Equipment Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.00%</u>
Total	2,624,028	2,684,305	2,793,330	2,719,610	100.00%

The proposed 2021 budget is 7.6% less than the original 2020 budget and 2.6% less than estimated 2020 expenditures.

The currently vacant regular part-time Tax Clerk (0.7 fte) and Tax Intern (0.2 fte) positions will remain vacant in 2021. Also for 2021, the part-time Accounts Payable Technician will reduce hours from 20 to 12 per week.

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. The proposed 2021 operating budget also includes other reductions from the original 2020 budgeted level. This is part of a citywide effort to decrease 2021 expenditures in response to an expected decline in revenues.

Staffing Levels

	<u>Actual 2018</u>	<u>Actual 2019</u>	<u>Estimated 2020</u>	<u>Proposed 2021</u>
Finance Director	1	1	1	1
Assistant Finance Dir.	1	1	1	1
Budget Manager	1	1	1	1
Purchasing Manager	1	1	1	1
Tax Manager	1	1	1	1
Financial Analyst	2	2	2	2
Finance Technician II	7.5	7.5	7.5	7.5
Finance Technician I	3.5	3.5	3.5	3.3
Secretary	1	1	1	1
Full-time Clerk	1	1	1	1
Part-Time Clerical	<u>1.2</u>	<u>1.2</u>	<u>1.2</u>	<u>0.3</u>
Total	21.2	21.2	21.2	20.1

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

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:

	<u>Actual 2018</u>	<u>Actual 2019</u>	<u>Estimated 2020</u>	<u>Proposed 2021</u>
<u>Reception Desk</u>				
Avg. daily phone calls answered	43.0	42.2	43.0	42.0
Avg. daily walk in patrons assisted	41.6	41.3	30	40
<u>Design and Publishing</u>				
Total Support Requests Completed	2,699	2,192	1,450	2,200
<u>Mail and Messenger Service</u>				
Outbound 1 st class pieces metered	76,872	86,138	77,000	82,000
Bulk mail pieces	374,676	419,147	180,000	310,000

Administrative Support Expenditures — General Fund (Key 0400)

	<u>Actual 2018</u>	<u>Actual 2019</u>	<u>Estimated 2020</u>	<u>Proposed 2021</u>	<u>% of Total</u>
Personnel Expenditures	713,710	729,861	723,980	701,500	74.75%
Operating Expenditures	200,342	197,455	254,400	237,000	25.25%
Capital Equipment Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.00%</u>
Total	914,052	927,316	978,380	938,500	100.00%

The proposed 2021 budget is 3.8% less than the original 2020 budget and 4.1% less than estimated 2020 expenditures. The decrease is partially due to a currently vacant part-time Administrative Designer position (0.6 fte) that will remain vacant through 2021.

Each year's Administrative Support operating budget includes funding for telecommunication services. The expenditures fluctuate due to encumbrances for several citywide multi-year phone service contracts. The proposed 2021 operating budget also includes reductions from the original 2020 budgeted level. This is part of a citywide effort to decrease 2021 expenditures in response to an expected decline in revenues.

Staffing Levels

	<u>Actual 2018</u>	<u>Actual 2019</u>	<u>Estimated 2020</u>	<u>Proposed 2021</u>
Administrative Systems Director	1	1	1	1
City Planner – GIS	1	1	1	1
Technician – GIS	0.5	0.5	0.5	0.5
Administrative Designer	2.6	2.6	2.6	2.0
Clerk Typist – Records Center	0.5	0.5	0.5	0.5
Part-Time Clerical - Records Center	0.2	0.2	0.2	0.2
Part-Time Clerical – Print Shop	1.6	1.6	1.6	1.6
Part-Time PBX Operators	<u>1.2</u>	<u>1.2</u>	<u>1.2</u>	<u>1.2</u>
Total	8.6	8.6	8.6	8.0

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 425 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 2018</u>	<u>Actual 2019</u>	<u>Estimated 2020</u>	<u>Proposed 2021</u>
Number of position evaluations performed	29	36	10	30
Number of examinations developed and/or administered	2	4	1	3
Number of positions filled:				
Regular appointments	26	34	14	20
Promotions	14	12	2	10
Total hours of training provided*				
Safety:	15,486	14,750	14,500	14,500
City-Wide:	15,486	14,750	14,500	14,500
HR Sponsored:	305	125	300	1,000
Regular full-time turnover rate	4%	4%	3%	3%
Grievances reaching third step	1	5	9	4
Average elapsed time in filling vacancies	15 wks.	18 wks.	13 wks.	13 wks.

*Training may cross categories

Human Resources Expenditures — General fund (Key 0450)

	<u>Actual 2018</u>	<u>Actual 2019</u>	<u>Estimated 2020</u>	<u>Proposed 2021</u>	<u>% of Total</u>
Personnel Expenditures	816,261	837,480	862,200	845,400	70.95%
Operating Expenditures	380,224	318,029	413,500	346,130	29.05%
Capital Equipment Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.00%</u>
Total	1,196,485	1,155,509	1,275,700	1,191,530	100.00%

The proposed 2021 budget is 6.1% less than the 2020 budget and 6.6% less than estimated 2020 expenditures. The decrease is partially due to a currently vacant full-time Technician position that will remain vacant for the first half of 2021.

Operating expenditures through 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 are not charged back to the Human Resources cost center. The proposed 2021 operating budget includes reductions from the original 2020 budgeted level. This is part of a citywide effort to decrease 2021 expenditures in response to an expected decline in revenues.

Staffing Levels

	<u>Actual 2018</u>	<u>Actual 2019</u>	<u>Estimated 2020</u>	<u>Proposed 2021</u>
Human Resources Director	1	1	1	1
Human Resources Managers	2	2	2	2
Human Resources Technicians	3	3	3	2.5
Secretary	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>
Total	7.0	7.0	7.0	6.5

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 2020, approximately 4,300 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 2021, 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. Coordinate with other departments/divisions on implementation of a new nuisance ordinance.

Measurements:

	Actual 2018	Actual 2019	Estimated 2020	Proposed 2021
<u>Building Code Enforcement</u>				
Building Permits	415	420	425	425
Building Inspections	2,400	2,023	2,200	2,200
Electrical Permits	795	840	850	850
Electrical Inspections	2,038	1,933	2,000	2,000
Plumbing Permits	1,610	2,030	2,050	2,050
Plumbing Inspections	2,359	2,590	2,500	2,500
Heating Permits	923	1,003	1,010	1,010
Heating Inspections	2,023	2,040	2,025	2,025
Zoning Permits	433	498	500	500
Zoning Inspections	523	580	575	575
<u>Community Development Program</u>				
CDBG Funds Secured	\$543,626	\$557,907	\$569,344	\$570,000
CDBG Program Income	\$23,419	\$17,630	\$21,000	\$21,000
Rehab Loan Applications Processed	33	82	85	90
Rehab Loan Dollar Amount	\$79,760	\$99,396	\$100,000	\$100,000
Housing Counseling				
Course/Participation	185	179	175	180
Down payment/Closing Cost				
Assistance Processed	6	0	0	10
Down payment/Closing Cost Assistance				
Dollar Amount	\$39,594	0	0	\$80,000
Fair Housing Contacts	158	200	200	200
Business Loans Processed	0	0	60	3
Business Loan Dollar Amount	\$0	\$0	\$180,000	\$20,000
Amount Spent to Acquire Real Property	\$66,032	\$0	\$0	\$0
Senior Resource Program	\$30,862	\$25,281	\$85,000	\$40,000
<u>Development Regulations</u>				
BZA Cases	1	1	5	3
Planning Commission Cases				
Major Subdivisions	0	0	0	0
Minor Subdivisions	9	3	8	8
Vacations	2	3	2	2
Zoning Code Amendments	2	1	2	2
Rezoning	4	2	2	2
Economic Development Overlays	0	0	0	0
Conditional Use	3	4	3	3
<u>Property Maintenance Code Enforcement</u>				
Code Enforcement Cases	3,566	4,090	4,100	4,100
Total Inspections	12,875	13,043	13,050	13,050

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

	<u>Actual 2018</u>	<u>Actual 2019</u>	<u>Estimated 2020</u>	<u>Proposed 2021</u>	<u>% of Total</u>
Personnel Expenditures	2,130,425	2,166,366	2,198,390	2,228,000	86.22%
Operating Expenditures	408,467	355,491	343,800	321,100	12.43%
Capital Equipment Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>35,000</u>	<u>1.35%</u>
Total	2,538,892	2,521,857	2,542,190	2,584,100	100.00%

The proposed 2021 budget is 3.6% less than the 2020 budget and 1.6% greater than estimated 2020 expenditures.

The currently vacant full-time Property Maintenance Inspector, Summer Intern (0.1 fte) and Temporary Plumbing Inspector (0.1 fte) positions will remain vacant in 2021.

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. The proposed 2021 operating budget includes reductions from the original 2020 budgeted level. This is part of a citywide effort to decrease 2021 expenditures in response to an expected decline in revenues.

The 2021 proposed capital equipment budget is for the replacement of a 2004 Ford van.

Staffing Levels

	<u>Actual 2017</u>	<u>Actual 2018</u>	<u>Estimated 2019</u>	<u>Proposed 2020</u>
Planning & Development Director	1	1	1	1
Planning & Development Architect	2	2	2	2
City Planner	2	2	2	2
Neighborhood Services Manager	1	1	1	1
Inspector	3	3	3	3
Property Maintenance Inspector	3	3	3	2
CDBG Program Administrator	1	1	1	1
CDBG Housing Specialist	1	1	1	1
CDBG Program Coordinator	1	1	1	1
Secretary	2	2	2	2
Clerk Typist	1	1	1	1
Planning & Development Aide	2.1	2.1	2.1	2.0
Seasonal Property Maintenance Inspectors	0.9	0.9	0.9	0.9
Temporary Plumbing Inspector	<u>0.1</u>	<u>0.1</u>	<u>0.1</u>	<u>0</u>
Total	21.1	21.1	21.1	19.9

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 2018</u>	<u>Actual 2019</u>	<u>Estimated 2020</u>	<u>Proposed 2021</u>	<u>% of Total</u>
Personnel Expenditures	154,629	153,995	158,040	161,100	10.15%
Operating Expenditures	2,591,460	2,796,311	5,629,700	1,426,000	89.85%
Capital Equipment Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.00%</u>
Total	2,746,089	2,950,306	5,787,740	1,587,100	100.00%

The proposed 2021 budget is 7.0% greater than the original 2020 budget and 72.6% less than estimated 2020 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. Estimated 2020 operating expenditures include \$3.6 million to record the forgiveness of a loan made to Kettering Medical Center. The City entered into a Forgivable Loan Agreement in July 2015 with Kettering Medical Center (KMC) to assist with the construction of a comprehensive cancer center and walkway to connect the facility to KMC's main hospital. The conditions for forgiveness have been met and include: 1) Construction of the project has been completed and final occupancy permit has been issued for the use of at least three floors of the facility, 2) As constructed, the facility is a minimum of 120,000 square feet in size, 3) The annual payroll directly attributable to the facility has been at least \$7.0 million per year for three consecutive years.

Staffing Levels

	<u>Actual 2018</u>	<u>Actual 2019</u>	<u>Estimated 2020</u>	<u>Proposed 2021</u>
Economic Development Manager	1	1	1	1
Secretary	<u>0.1</u>	<u>0.1</u>	<u>0.1</u>	<u>0.1</u>
Total	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

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 and community outreach programs, classes and events designed to serve the needs of area 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 connections through social media: Facebook, Twitter, Nextdoor, Neighbors/Ring, etc.
3. Ensure community connections through events, classes and presentations: Citizens Police Academy, Coffee with a Cop, RAD and radKIDS classes, National Night Out, Block Party, and more.
4. Continue our positive relationship with all media outlets.
5. 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. Successfully administer the cat Trap-Neuter-Return program in cooperation with the SICSA Pet Adoption & Wellness Center.
3. Promote education for responsible pet ownership by speaking in the schools and at special events.
4. Work with county agencies and veterinarians to promote licensing and spay/neuter programs.

Measurements:

	<u>Actual</u> <u>2018</u>	<u>Actual</u> <u>2019</u>	<u>Estimated</u> <u>2020</u>	<u>Proposed</u> <u>2021</u>
<u>Police Patrol</u>				
Traffic Accidents	1,098	932	800	1,000
Traffic Citations	5,927	3,732	2,500	4,000
Criminal Reports Taken	4,307	3,878	4,000	4,000
Number of Criminal Arrests	3,605	3,225	3,000	3,500
Number of Calls for Service	60,348	54,079	50,000	55,000

Criminal Investigation

Part I Crimes Reported	848	851	900	900
Part II Crimes Reported	3,986	2,839	3,900	3,800

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	200+	220+	100	225
False Alarms	600 est.*	600 est*	400 est*	500

Animal Control

Miles Driven	7,087	6,466	5,000	8,000
Complaints Received	3,827	4,399	3,500	4,000
Warnings	831	1,287	900	1,000
Citations	108	120	110	110
Dog Bites	17	43	30	40
Cat Bites	0	5	0	0

*The software to track alarm status is slated to be functional by the end of 2020.

Police Department Expenditures — General Fund (Key 0600)

	<u>Actual 2018</u>	<u>Actual 2019</u>	<u>Estimated 2020</u>	<u>Proposed 2021</u>	<u>% of Total</u>
Personnel Expenditures	12,823,950	12,933,389	13,239,110	13,497,000	86.89%
Operating Expenditures	1,863,569	1,943,604	2,444,100	1,956,640	12.60%
Capital Equipment Expenditures	<u>149,370</u>	<u>173,569</u>	<u>52,500</u>	<u>80,000</u>	<u>0.52%</u>
Total	14,836,889	15,050,562	15,735,710	15,533,640	100.00%

The proposed 2021 budget is 4.3% less than the 2020 budget and 1.3% less than estimated 2020 expenditures.

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, two additional Patrol Officers were added to staffing levels based upon the results of a workforce study. For 2021, two currently vacant Patrol Officers, a part-time Court Security Officer (0.7 fte) and a part-time Dispatcher (0.6 fte) position will not be filled.

The estimated 2020 operating expenditures include depreciation of a new computer aided dispatch and records management system, \$254,400 for the replacement of mobile data terminals and printers, \$236,100 for new body worn cameras and related technology, and \$69,700 for replacement body armor. The proposed 2021 operating budget includes reductions from the original 2020 budgeted level as part of a citywide effort to decrease expenditures in response to an expected decline in revenues.

Capital equipment expenditures for 2021 include the replacement of (2) marked SUVs.

Staffing Levels - Police

	<u>Actual 2018</u>	<u>Actual 2019</u>	<u>Estimated 2020</u>	<u>Proposed 2021</u>
Chief	1	1	1	1
Captains	2	2	2	2
Lieutenants	6	6	6	6
Sergeants	10	10	10	10
Patrol Officers	63	65	67	65
Jailers	5	5	5	5
Court Officers	2	2	2	2
Crime Analyst	0	0	1	1
Secretaries	3	3	2	2
Training & Support Specialist	0.6	0.6	0.6	0.6
Clerical	4	4	4	4
Community Service Specialist	1	1	1	1
Part-Time Court Security Off.	4.5	4.5	4.5	3.8
Part-Time Clerical	<u>0.3</u>	<u>0.3</u>	<u>0.3</u>	<u>0.3</u>
Sub-total	102.4	104.4	106.4	103.7
Public Safety Civilian Dispatchers	<u>14.3</u>	<u>14.3</u>	<u>14.3</u>	<u>13.7</u>
Total Police and Dispatch	116.7	118.7	120.7	117.4

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

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:

	Actual 2018	Actual 2019	Estimated 2020	Proposed 2021
<u>Fire Suppression Bureau</u>				
Fire Alarms	1,874	1,742	1,778	1,798
Fire—Residential Structure	89	73	42	68
Fire—Commercial/Other Structures	13	11	4	9
Fire—Vehicles	23	22	6	17
Fire—Outside, incl. brush, rubbish	61	118	56	78
False Alarms	398	421	366	395
Hazardous Materials Responses	112	137	82	110
Mutual Aid Given	68	64	20	51
Other Responses (incl. public service and non-emergency responses)	1110	896	1,202	1,069
<u>Emergency Medical Services</u>				
Medic Alarms	7,096	7,293	6,266	6,935
EMS—Illness	3,634	3,653	3,226	3,504
EMS—Injury	1,477	1,568	1,238	1,428
EMS—Cardiac	707	733	694	711
EMS—Full Arrest	154	175	128	152
EMS—Stroke	193	216	200	203
EMS—Vehicle Accident	241	241	148	210
EMS—Assault/Violence	49	49	10	35
EMS—Overdose	162	169	154	162
EMS—Mental	153	148	192	164
EMS—Maternity	47	20	20	29
EMS—Non-Emergency	24	21	129	58
EMS—Mutual Aid Given	255	300	52	202
EMS—Medical Alarm	-	-	75	75
<u>Fire Prevention Bureau</u>				
Plans Reviewed	221	245	116	200
Construction Inspections	240	269	251	260
Fire Safety Inspections	183	205	156	175
<u>Public Education/Community Relations</u>				
Fire safety talks/block parties/safety trailer visits, etc.	187	175	38	75
CPR Classes	46	79	14	45

Fire Department Expenditures — General Fund (Key 0700)

	<u>Actual 2018</u>	<u>Actual 2019</u>	<u>Estimated 2020</u>	<u>Proposed 2021</u>	<u>% of Total</u>
Personnel Expenditures	12,121,418	12,338,490	9,537,310	13,299,800	88.25%
Operating Expenditures	2,181,788	1,726,483	2,090,600	1,770,300	11.75%
Capital Equipment Expenditures	<u>317,708</u>	<u>300,486</u>	<u>1,487,030</u>	<u>0</u>	<u>0.00%</u>
Total	14,620,914	14,365,459	13,114,940	15,070,100	100.00%

The proposed 2021 budget is 5.7% less than the 2020 budget and 14.9% greater than estimated 2020 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. For 2021, one full-time Firefighter position will remain vacant.

The decrease in 2020 personnel expenditures in the Fire Department cost center is due to the receipt of Federal Emergency Management Agency (FEMA) and Coronavirus Aid, Relief, and Economic Security Act (CARES Act) funding for applicable public safety expenditures. City Council passed a resolution finding that public safety personnel are substantially dedicated to mitigating or responding to the COVID-19 public health emergency and that the payroll and benefits of specific positions in the Police and Fire Departments meet the requirement for CARES Act funding. Therefore, \$88,800 in Fire Department personnel expenditures is reported in the FEMA Grant fund and \$3,177,000 in the CARES Act fund. (See Special Grants & Programs Fund.)

Estimated 2020 operating expenditures include \$135,000 for the replacement of the department's rugged mobile data terminals (MDTs). The proposed 2021 operating budget includes reductions from the original 2020 budgeted level as part of a citywide effort to decrease expenditures in response to an expected decline in revenues.

Capital equipment expenditures in 2020 include a replacement engine (\$641,000), replacement battalion chief staff vehicle (\$41,300), replacement sedan (\$21,000), and an encumbrance for an aerial ladder truck (\$783,600 in the General Fund and \$300,000 in the EMS Fund).

Staffing Levels

	<u>Actual 2018</u>	<u>Actual 2019</u>	<u>Estimated 2020</u>	<u>Proposed 2021</u>
Chief	1	1	1	1
Assistant Fire Chiefs	2	2	2	2
Battalion Chiefs	5	5	5	5
Captains	14	15	15	15
Civilian Fire Marshal	1	1	1	1
Firefighters	52	57	57	56
Fire Service Specialist	1	1	1	1
Fire Inspector	0.3	0.3	0.3	0.3
Secretary	2	2	2	2
Part-Time Hydrant Inspection Crew	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>
Sub-total	78.8	84.8	84.8	83.8
Part-time Firefighters	5	3	2	2

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

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 247 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 (Centracs).
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.
2. Prepare sidewalk repair construction bid proposal by June.
3. 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:

	<u>Actual 2018</u>	<u>Actual 2019</u>	<u>Estimated 2020</u>	<u>Proposed 2021</u>
<u>Transportation Operations</u>				
Accident Statistics				
Red Light Violations	54	53	30	40
Non-Stop (at sign)	9	9	6	5
Right-of-Way after Stop (at sign)	61	49	38	37
Assured Clear Distance	245	208	106	105
Total Accidents	822	751	436	430
<u>Traffic Signals</u>				
Number of vehicle & pedestrian indications maintained				
	3,088	3,088	3,090	3,029
New signal indications installed	0	0	2	2
Maintenance & emergency calls	357	342	350	348
Vehicle Thoroughfare Volume Trends	99,699	98,788	107,123	108,000
<u>Transportation Safety & Education</u>				
Pedestrian Injuries	7	7	6	5
Pedestrian Fatalities	0	0	0	0
Bicycle Injuries	10	7	3	2
Bicycle Fatalities	0	0	0	0
Motorcycle Injuries	6	5	4	3
Motorcycle Fatalities	0	0	0	0
<u>Sidewalk Design and Construction</u>				
Miles of Walk Total	244.6	245.2	245.5	245.6
Existing Thoroughfare Walk (miles)	63.3	63.9	64.2	64.3
Existing Residential Walk (miles)	181.3	181.3	181.3	181.3
Projects in Plan Development	1	1	0	0
Projects under Construction	0	2	1	1
<u>ADA Curb Ramp Construction</u>				
Number of Curb Ramps Constructed	163	160	137	202
<u>Sidewalk, Curb & Drive Approach Repair</u>				
Sidewalk repair total (square feet)	44,035	25,061	23,536	19,800
Drive Approach (square feet)	40,126	13,254	27,844	16,000
Curb (linear feet)	16,212	16,632	11,179	9,000
<u>Street Lighting</u>				
Miles of Thoroughfare				
Lighting in Place	26.1	26.5	26.5	26.5
Miles of Residential				
Lighting in Place	89.7	89.7	89.7	89.7

Measurements continued:

	<u>Actual 2018</u>	<u>Actual 2019</u>	<u>Estimated 2020</u>	<u>Proposed 2021</u>
<u>Street Design & Construction</u>				
Total Miles of Thoroughfares	44.0	44.4	44.4	44.4
Mileage Improved to Standard	43.5	43.9	43.9	43.9
Mileage — Below Standard	0.5	0.5	0.5	0.5
Total Miles of Residential Streets	202.39	202.4	202.4	202.4
Projects under Study	3	0	0	0
Projects in Plan Development	2	0	0	0
Projects under Construction	1	1	0	0
<u>Street Surfacing</u>				
Local Streets - Square yards (Concrete)	1,062	574	0	959
Thoroughfares - Square Yards (Concrete)	0	0	0	0
Asphalt Resurfacing (miles)	14.0	10.2	8.9	14.0
<u>Storm Drainage Design and Construction</u>				
Storm system improvement:				
Storm sewer or open channel - Linear Feet	0	3,561	0	0
Projects in Plan Development	1	0	0	0
<u>Water and Sanitary Sewer</u>				
County/City Meetings	4	4	2	2
Water System Construction Projects Scheduled	1	4	1	0
Sewer System Construction Projects Scheduled	0	0	1	0

Engineering Department Expenditures — General Fund Key (0800)

	<u>Actual 2018</u>	<u>Actual 2019</u>	<u>Estimated 2020</u>	<u>Proposed 2021</u>	<u>% of Total</u>
Personnel Expenditures	1,977,376	2,024,116	2,027,980	2,210,500	83.31%
Operating Expenditures	439,136	448,416	429,610	442,960	16.69%
Capital Equipment Expenditures	<u>117,672</u>	<u>33,596</u>	<u>0</u>	<u>0</u>	<u>0.00%</u>
Total	2,534,184	2,506,128	2,457,590	2,653,460	100.00%

The proposed 2021 budget is 0.6% greater than the 2020 budget and 8.0% greater than estimated 2020 expenditures. For 2020 and 2021, the temporary part-time Engineering Aide positions (0.6 fte) will remain vacant. Actual 2019 operating expenditures include \$15,000 for the City's share of a countywide aerial photo project.

Staffing Levels

	<u>Actual 2018</u>	<u>Actual 2019</u>	<u>Estimated 2020</u>	<u>Proposed 2021</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	1	1	1	1
Engineering Technicians	4	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	3.8	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</u>	<u>0</u>
Total	19.9	20.2	19.6	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 2018</u>	<u>Actual 2019</u>	<u>Estimated 2020</u>	<u>Proposed 2021</u>	<u>% of Total</u>
Personnel Expenditures	147,396	108,019	115,550	124,200	51.64%
Operating Expenditures	97,489	93,049	100,700	116,300	48.36%
Capital Equipment Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.00%</u>
Total	244,885	201,068	216,250	240,500	100.00%

The proposed 2021 budget is 4.8% greater than the 2020 budget and is 11.2% greater than estimated 2020 expenditures.

The Community Information Manager position was vacant for part of 2019. Proposed 2021 operating expenditures include funding for Zen City, a tool that allows the City to manage social media comments en masse. It measures overall public sentiment relative to city services and improved communication with our citizens. Also included in the 2021 operating budget is funding for the printing and mailing costs of a postcard with City compensation information. An amendment to the City Charter passed in November 2016 requires that, in the odd numbered years, the City must mail a list of the top, middle and bottom 15 city employee positions by compensation to all registered voter households in the City of Kettering.

Staffing Levels

	<u>Actual 2018</u>	<u>Actual 2019</u>	<u>Estimated 2020</u>	<u>Proposed 2021</u>
Community Information Manager	1	1	1	1
Temporary Part-Time Personnel	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total	1.0	1.0	1.0	1.0

Other Cost Centers Expenditures — General Fund

	Actual <u>2018</u>	Actual <u>2019</u>	Estimated <u>2020</u>	Proposed <u>2021</u>
SUB-TOTAL OPERATING COSTS	46,572,030	46,717,668	49,289,800	47,138,790
OTHER COST CENTERS				
Communications	64,812	68,223	68,300	74,300
Street Lighting	446,926	448,392	429,000	432,000
Volunteer Program	211,995	228,948	192,960	213,300
Youth Services	147,022	153,518	250,940	166,200
Health Department	12,579	22,165	22,800	22,600
ED/GE Program Contribution	0	0	0	0
Board of Community Relations	1,881	1,882	1,200	2,180
Volunteer Celebration Committee	3,354	3,862	1,000	7,000
Sister City Committee	3,389	4,522	1,500	6,280
Compliance Program	82,756	87,409	89,780	94,500
Public Defender Program	31,209	32,479	26,000	50,000
Nuisance Abatement	0	0	0	5,000
Innovations	0	0	0	5,000
Election Fees	13,091	2,237	25,600	20,000
Contributions	285,330	601	6,000	1,000
Leadership Kettering	<u>10,990</u>	<u>11,594</u>	<u>4,290</u>	<u>11,350</u>
Total Other Cost Centers	1,315,334	1,065,832	1,119,370	1,110,710
GRAND TOTAL OPERATING COSTS	47,887,364	47,783,500	50,409,170	48,249,500
TRANSFERS TO OTHER FUNDS*				
Street Maintenance Fund	3,984,000	3,482,600	2,115,000	2,523,000
State Highway Fund	0	0	224,000	27,000
Police Pension Fund	1,334,000	1,380,200	1,399,000	1,376,000
Parks & Recreation Fund	6,667,000	7,209,200	7,906,000	7,400,000
Fraze Pavilion Operations Fund	0	0	0	0
DESC Reuse Funds	139,000	134,400	76,000	155,000
Special Grants and Programs	11,480	26,167	42,000	0
Debt Service	394,000	389,400	795,000	828,000
Capital Improvement Fund	<u>4,247,497</u>	<u>4,714,887</u>	<u>368,000</u>	<u>3,976,000</u>
Total Transfers to Other Budgeted Funds:	16,776,977	17,336,854	12,925,000	16,285,000
GRAND TOTAL GENERAL FUND	64,664,341	65,120,354	63,334,170	64,534,500

*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

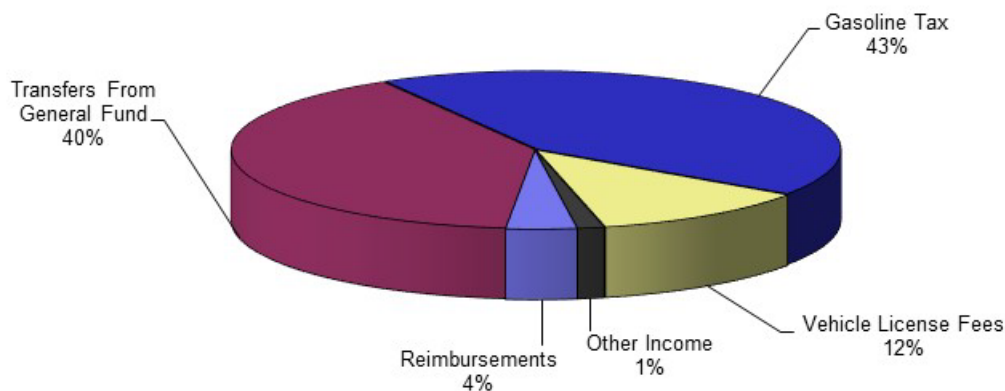
FUND 202

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 2020 we anticipate receiving revenues of \$3,701,000, but an additional \$2,115,000 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</u> <u>2018</u>	<u>Actual</u> <u>2019</u>	<u>Estimated</u> <u>2020</u>	<u>Proposed</u> <u>2021</u>
AVAILABLE FOR EXPENDITURE:				
Balance January 1	641,129	982,451	1,164,487	280,267
Nonspendable: Inventory & Prepaids	<u>138,250</u>	<u>147,195</u>	<u>270,730</u>	<u>270,000</u>
NET BALANCE	502,879	835,256	893,757	10,267
RECEIPTS:				
Federal and State grants	0	0	0	0
Gasoline Tax	1,830,665	2,264,843	2,614,000	2,700,000
Vehicle License Fees	741,940	739,846	740,000	740,000
Other Income	21,110	15,750	14,000	14,000
Reimbursements	<u>248,141</u>	<u>242,745</u>	<u>333,000</u>	<u>236,000</u>
TOTAL REVENUE	2,841,856	3,263,184	3,701,000	3,690,000
Sale of City Assets	12,835	78,615	88,000	75,000
Transfer from General Fund	3,984,000	3,482,600	2,115,000	2,523,000
TOTAL AVAILABLE	7,341,570	7,659,655	6,797,757	6,298,267

STREET MAINTENANCE FUND 2021 RECEIPTS



Proposed 2021 Streets Maintenance operations will require a \$2,523,000 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 247 miles of public streets, approximately 55 buildings and structures, and approximately 372 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.

Programs

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 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.

Measurements:	<u>Actual 2018</u>	<u>Actual 2019</u>	<u>Estimated 2020</u>	<u>Proposed 2021</u>
<u>Snow Removal and Ice Control</u>				
Number of Snow/Ice Events	21	25	22	22
Tons of Salt Used	4,625	4,575	5,500	5,500
Liquid De-icer Used (gallons)	62,835	104,301	75,000	75,000
<u>Street Cleaning</u>				
Number of cycles (1,700 miles per cycle)	2	2	2	2
<u>Street Maintenance</u>				
Asphalt Maintenance Man-hours	9,352	9,114	9,000	9,000
<u>Storm Drainage Maintenance</u>				
Channel Maintenance Man-hours	3,192	2,792	3,000	3,000
Sewer Maintenance Man-hours	7,818	7,167	7,500	7,500
<u>Leaf Pickup</u>				
Man-hours	8,992	9,389	9,000	9,000
Truckloads picked up	1,730	1,432	1,500	1,500
<u>Composting/Yard Debris</u>				
Man-hours	3,473	3,275	3,250	3,250

Street Division Expenditures — Street Maintenance Fund (Key 2000)

	<u>Actual 2018</u>	<u>Actual 2019</u>	<u>Estimated 2020</u>	<u>Proposed 2021</u>
Personnel Expenditures	4,111,826	4,283,207	4,245,220	4,136,700
Operating Expenditures	1,672,301	1,875,577	2,083,600	1,756,200
Capital Equipment Expenditures	<u>713,242</u>	<u>483,579</u>	<u>459,400</u>	<u>395,000</u>
TOTAL EXPENDITURES	6,497,369	6,642,363	6,788,220	6,287,900

The proposed 2021 budget is 4.7% less than the 2020 budget and 7.4% less than estimated 2020 expenditures. The reduction in 2021 is partially due to four currently vacant full-time Streets Service positions remaining vacant for 2021. Funding for part-time laborers is reduced in 2020 (0.7 fte) and in 2021 (1.4 fte) to reflect historical spending levels.

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. Fortunately, the 2019/20 winter was mild and the City did not need to purchase a large quantity of salt at the higher price. The 2020/21 contracted price per ton decreased 46% and estimated 2020 expenditures include an encumbrance for the purchase of 5,500 tons.

The proposed 2021 operating budget includes reductions from the original 2020 budgeted level as part of a citywide effort to decrease expenditures in response to an expected decline in revenues.

2021 capital equipment purchases will include replacements for a sweeper, a one-ton pick-up truck, and an asphalt tack coat trailer.

Staffing Levels

	<u>Actual 2018</u>	<u>Actual 2019</u>	<u>Estimated 2020</u>	<u>Proposed 2021</u>
Assistant Public Service Director	1	1	1	1
Street Maintenance Manager	1	1	1	1
Street Maintenance Supervisor	3	3	3	3
Street Service Workers	35	35	35	31
Traffic Control	2	2	2	2
Secretary	1.2	1.2	1.2	1.2
Part-time Maintenance Aide	1.2	1.2	1.2	1.2
Temporary Aides	<u>2.1</u>	<u>2.1</u>	<u>1.4</u>	<u>0</u>
Total	46.5	46.5	45.8	40.4

MISCELLANEOUS FACTS

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.

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 estimated 2020 expenditures include construction costs for the 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 (ODOT) under its Urban Paving Program. Federal funding at the 80% level will provide \$1,045,000 of the estimated \$1.3 million cost. Also included in 2020 expenditures is \$178,000 for concrete repairs to sections of SR 835 and Far Hills Avenue.

A \$400,000 resurfacing project is planned in 2021 for State Route 835. Federal funding at the 80% level from ODOT's Urban Paving Program will provide \$320,000 of the cost.

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

	<u>Actual</u> <u>2018</u>	<u>Actual</u> <u>2019</u>	<u>Estimated</u> <u>2020</u>	<u>Proposed</u> <u>2021</u>
AVAILABLE FOR EXPENDITURES:				
Balance January 1	67,630	113,329	188,421	10,221
RECEIPTS:				
Federal Grants	0	0	1,045,000	320,000
State Grants	0	0	0	0
Gasoline Tax	148,433	183,636	211,000	220,000
Vehicle License Fees	26,689	26,468	27,000	27,000
Investment Earnings	2,644	5,376	1,000	1,000
Refunds and Reimbursements	<u>0</u>	<u>1,422</u>	<u>0</u>	<u>0</u>
TOTAL REVENUE	177,766	216,902	1,284,000	568,000
Transfer from General Fund	0	0	224,000	27,000
TOTAL AVAILABLE	245,396	330,231	1,696,421	605,221
OPERATING COSTS:				
Transportation Engineering	7,456	8,610	8,200	15,000
Street Department	<u>124,611</u>	<u>133,200</u>	<u>160,000</u>	<u>180,000</u>
TOTAL OPERATING COSTS	132,067	141,810	168,200	195,000
CAPITAL IMPROVEMENTS:				
Street Surfacing and Traffic Controls	<u>0</u>	<u>0</u>	<u>1,518,000</u>	<u>400,000</u>
TOTAL CAPITAL IMPROVEMENTS	0	0	1,518,000	400,000
GRAND TOTAL	132,067	141,810	1,686,200	595,000

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)

	<u>Actual 2018</u>	<u>Actual 2019</u>	<u>Estimated 2020</u>	<u>Proposed 2021</u>
AVAILABLE FOR EXPENDITURES:				
Balance January 1	431,263	442,660	454,639	454,639
RECEIPTS:				
Interment/Foundations	10,346	14,794	7,000	7,000
Investment Earnings	7,789	11,955	5,000	5,000
Lot Sales	<u>3,900</u>	<u>2,300</u>	<u>3,000</u>	<u>3,000</u>
TOTAL REVENUE	22,035	29,049	15,000	15,000
TOTAL AVAILABLE	453,298	471,709	469,639	469,639
OPERATING COSTS:				
Cemetery Fund	<u>10,638</u>	<u>17,070</u>	<u>15,000</u>	<u>20,000</u>
TOTAL EXPENDITURES	10,638	17,070	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

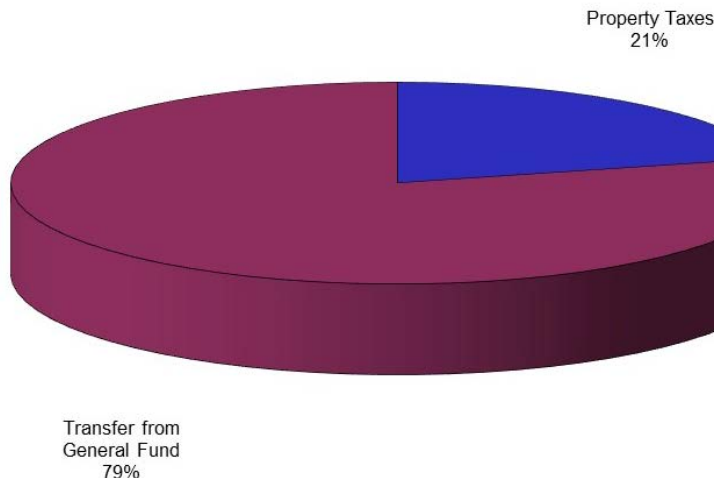
FUND 213

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 \$1,399,000 in 2020.

Police Pension Fund Resources and Expenditures (Key 2150)

	<u>Actual 2018</u>	<u>Actual 2019</u>	<u>Estimated 2020</u>	<u>Proposed 2021</u>
AVAILABLE FOR EXPENDITURES:				
Balance January 1	10,044	10,209	10,014	10,114
RECEIPTS:				
General Property Taxes	307,038	309,921	309,000	320,000
Homestead & Rollback	44,783	44,521	45,000	47,000
Refunds & Reimbursements	2,392	0	0	0
Transfer from General Fund	<u>1,334,000</u>	<u>1,380,200</u>	<u>1,399,000</u>	<u>1,376,000</u>
TOTAL AVAILABLE	1,698,257	1,744,851	1,763,014	1,753,114
POLICE (2100):				
Current Liability - Pension Contribution	<u>1,688,048</u>	<u>1,734,837</u>	<u>1,752,900</u>	<u>1,743,100</u>
GRAND TOTAL	1,688,048	1,734,837	1,752,900	1,743,100

POLICE PENSION FUND 2021 RECEIPTS



Proposed 2021 Police pension expenditures will require a \$1,376,000 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)

	<u>Actual 2018</u>	<u>Actual 2019</u>	<u>Estimated 2020</u>	<u>Proposed 2021</u>
AVAILABLE FOR EXPENDITURES:				
Balance January 1	33,023	40,026	377,087	379,487
RECEIPTS:				
Charges for Services	371,601	378,934	312,000	300,000
Investment Earnings	14,573	7,381	6,000	6,000
Reimbursements	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Revenue	386,174	386,315	318,000	306,000
TOTAL AVAILABLE	419,197	426,341	695,087	685,487
OPERATING COSTS:				
EMS (2220):				
Operating Expenditures	19,171	19,317	15,600	20,000
Capital Equipment	<u>0</u>	<u>0</u>	<u>300,000</u>	<u>0</u>
TOTAL OPERATING COSTS	19,171	19,317	315,600	20,000
TRANSFER TO OTHER BUDGETED FUNDS:				
Capital Improvement Fund	<u>360,000</u>	<u>29,937</u>	<u>0</u>	<u>0</u>
GRAND TOTAL	379,171	49,254	315,600	20,000

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 \$783,600 from the General Fund).

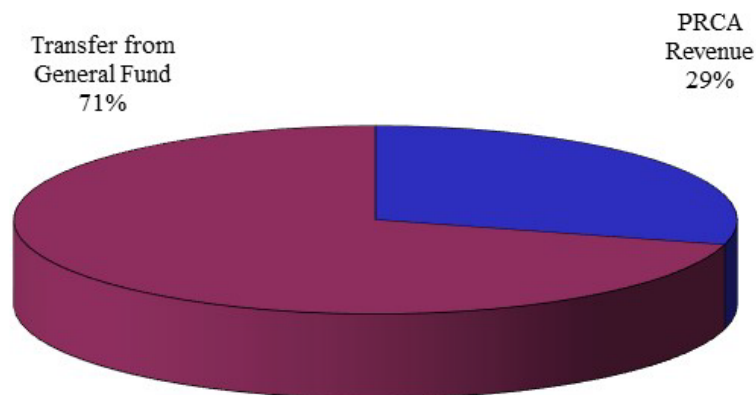
PARKS, RECREATION & CULTURAL ARTS - FUND 246

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

	<u>Actual</u> <u>2018</u>	<u>Actual</u> <u>2019</u>	<u>Estimated</u> <u>2020</u>	<u>Proposed</u> <u>2021</u>
AVAILABLE FOR EXPENDITURES:				
Balance January 1	151,471	231,662	71,041	10,471
RECEIPTS:				
Federal and State Grants	27,120	22,718	25,000	24,000
Charges for Services	2,718,422	2,731,234	810,000	2,207,000
Rentals	750,389	703,209	344,000	666,000
Concessions	92,734	93,262	3,000	101,000
Other Receipts	<u>170,543</u>	<u>164,051</u>	<u>182,000</u>	<u>65,000</u>
TOTAL REVENUE	3,759,208	3,714,474	1,364,000	3,063,000
Sale of City Assets	37,768	27,537	14,000	0
Transfer from General Fund	<u>6,667,000</u>	<u>7,209,200</u>	<u>7,906,000</u>	<u>7,400,000</u>
TOTAL AVAILABLE	10,615,447	11,182,873	9,355,041	10,473,471

PARKS, RECREATION AND CULTURAL ARTS FUND 2021 RECEIPTS



Proposed 2021 Parks, Recreation & Cultural Arts operations will require a \$7,400,000 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

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 (1/12th 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, Beaver Creek 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 for 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 1/8th 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, ceramics studios, a jewelry and metals studio, a glass studio, drawing and painting studios, private artist 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.
- The **Communications and Marketing** division has a critical role in informing Kettering residents of the amenities the City offers, as well as updates that may effect their leisure activities within the City. Using the principle of “Quality Service Focused on the Community”, information is delivered through print materials, emails, social media, an app service, and targeted paid/in-kind advertising in local and regional media outlets.

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. The Environmental Education program annually supports a programming partnership (Land Lab) with the Kettering School District. Land Lab is a fully curriculum based program for students in first through fifth grade focused in science with an emphasis on sustainability and stewardship. Most recently, the Environmental Education program has broadened its program offerings to engage the community in both indoor/outdoor educational based programs, but also outdoor experiential and skill building programs that engage participants with nature.

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 2018	Actual 2019	Estimated 2020**	Proposed 2021***
<u>Rosewood Arts Centre</u>				
Class Enrollment/Attendance	2,449/14,496	2,592/14,720	1,361/5,000	2,000/10,000
Virtual Class/Activity Engagement	N/A	N/A	600	N/A
Drop-In Studio Visits	1,922	2,742	1,500	2,000
Gallery Attendance	2,598	2,669	1,000	2,000
Special Events Attendance	15,544	18,539	126	5,000
Virtual Special Events Engagement	N/A	N/A	750	N/A
Facility Rental Attendance	17,128	9,190	1,652	5,000
Total Attendance	51,698	47,860	10,628	24,000

Measurements continued:	<u>Actual 2018*</u>	<u>Actual 2019</u>	<u>Estimated 2020**</u>	<u>Proposed 2021***</u>
<u>Recreation Class/Program Enrollment</u>				
Aquatics Class Enrollment	1,979	2,001	450	1,200
Arena Class Enrollment	1,063	1,257	1,200	1,100
Preschool/Youth/Family Program Enrollment	2,415	1,797	600	1,200
Youth Sports and Martial Arts Class Enrollment	3,436	2,759	1,200	2,000
Traditional/Sports/Specialty Camps Enrollment	3,932	4,729	0	4,000
Adult Sports League Players	6,500	4,912	1,850	3,000
Adult and Senior Registered Class Enrollment	2,415	2,431	900	1,000
Senior Adult Leisure Attendance	54,000	54,000	12,000	20,000
Fitness Class Enrollment/Personal Training Hours	866	1,240	400	1,000
Special Populations Enrollment	117	85	20	200
Special Event Attendance	45,000	50,000	0	40,000
Tot Lot Enrollment (ended in 2018)	40	0	0	0
Total Overall Program/Class Enrollment	121,763	125,211	18,520	74,700
<u>Recreation Drop-In and Pass Visits</u>				
Swimming	74,481	78,656	13,000	66,000
Skating	13,809	12,103	7,000	10,000
Nursery	3,375	3,497	500	500
Gymnasium	7,199	7,256	2,700	4,000
KRC Indoor Track	10,000	8,782	6,500	8,000
KFWC Indoor Track	5,583	7,941	3,500	5,000
KRC Fitness and Group Exercise	121,174	124,081	70,000	100,000
KFWC Fitness and Group Exercise	93,702	91,377	50,000	75,000
Combination Pass Visits	35,19	37,638	25,000	30,000
Total Attendance	364,519	371,331	178,200	298,500
<u>Recreation Rentals Attendance</u>				
Polen Farm	21,000	19,650	5,800	18,000
Aquatics	31,076	30,003	12,000	30,000
Arena	63,000	63,000	50,000	60,000
KRC/Senior Center	15,535	16,400	3,000	12,000
Gymnasium	4,878	4,250	100	4,000
Total Attendance	135,489	133,303	70,900	124,000

*Changes in reporting and measuring attendance occurred in 2018, these numbers are estimates.

**2020 numbers drastically reduced due to COVID-19 pandemic.

***2021 numbers are estimated lower than typical years based on the continued uncertainty due to COVID-19.

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

	<u>Actual 2018</u>	<u>Actual 2019</u>	<u>Estimated 2020</u>	<u>Proposed 2021</u>
OPERATING COSTS:				
Personnel Expenditures	6,164,092	6,338,445	5,621,470	6,488,800
Operating Expenditures	4,077,730	4,370,542	3,633,800	3,973,550
Capital Equipment Expenditures	<u>141,963</u>	<u>402,845</u>	<u>89,300</u>	<u>0</u>
Total	10,383,785	11,111,832	9,344,570	10,462,350

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. This is certainly apparent with 2020 and 2021. COVID-19 necessitated programming changes and facility closures, some of which will extend into 2021. The department faces uncertainty specifically as it relates to customer behavior and the potential impact on participation. Another challenge is the continued impact of the State and Health Department mandates on our various facilities and programs, and the timing of when regulations are reduced or canceled.

The decline in 2020 revenues prompted staff to make expenditure adjustments in order to mitigate the need for additional general fund subsidy dollars. Similarly, the proposed 2021 budget takes a conservative approach to revenues. Expenditure reductions were made as part of a citywide effort to decrease 2021 expenditures.

Part-time and temporary recreation personnel hours are reduced for 2021 due to anticipated facility closures and programming changes. In addition, only partial year funding is provided for three currently vacant full-time positions, the recruitment of which will be delayed until late 2021.

The 2020 capital purchases include replacements of (2) F-350 crew cab pickup trucks.

Staffing Levels

	<u>Actual 2018</u>	<u>Actual 2019</u>	<u>Estimated 2020</u>	<u>Proposed 2021</u>
Director	1	1	1	1
Parks Superintendent	1	1	1	1
Recreation Superintendent	0	1	1	1
Administration&Special Projects Superintendent	0	1	1	0.1
Division Manager of Recreation Facilities	1	0	0	0
Division Manager of Recreation	1	0	0	0
Division Manager of Cultural Arts	1	1	1	1
Division Manager of Business Services	1	0	0	0
Parks Managers	2	2	2	2
KRC Facility Manager	0	1	1	1
PRCA Division Manager - Recreation	0	1	1	1
Program Manager	1	0	0	0
Arena/Aquatics Manager	1	1	1	1
Supervisors Parks & Recreation	6	7	7	7
Communications & Marketing Supervisor	1	1	1	0.1
Recreation & Cultural Arts Coordinators	6	7	7	5.6
Parks Service Workers	12	12	12	12
Secretary	1	1	1	1
Clerical/Aide	3.4	2.7	2.7	2.7
Part-time Technician I	0	0.7	0.7	0.7
Part-time & Temp. Rec./Arts Personnel*	72.4	69.9	73.3	63.8
Part-time & Temp. Parks Personnel*	<u>21.9</u>	<u>21.9</u>	<u>20.8</u>	<u>18.0</u>
Total	133.7	133.2	135.5	120.0

*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.

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 2018</u>	<u>Actual 2019</u>	<u>Estimated 2020</u>	<u>Proposed 2021</u>
<u>Frazee Pavilion/Civic Commons</u>				
<u>Paid Concerts:</u>				
Number of Ticketed Performances	27	29	0	30
Number of Rental Performances	4	6	0	4
Number of Tickets Sold	74,358	80,340	0	80,000
Ticket Sales	\$3,222,465	\$3,925,030	\$0	\$3,760,000
<u>Free Events:</u>				
Number of Festivals (Events in Park)	11	11	0	10
Festival (Events in Park) Attendance	53,851	55,000	0	75,000
Number of Free Concerts	1	1	0	1
Free Concert Attendance	400	400	0	500
Total Concert/Festival Attendance	138,065	146,798	0	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 2018</u>	<u>Actual 2019</u>	<u>Estimated 2020</u>	<u>Proposed 2021</u>
AVAILABLE FOR EXPENDITURES:				
Balance January 1	1,734,842	1,650,366	1,543,551	430,351
RECEIPTS:				
Charges for Services	2,864,714	3,151,131	26,000	3,760,000
Rentals	155,597	355,085	0	200,000
Concessions	912,476	1,004,701	0	1,165,000
Sponsorships	474,648	468,672	3,000	425,000
Miscellaneous	<u>83,631</u>	<u>60,651</u>	<u>8,000</u>	<u>35,000</u>
TOTAL REVENUE	4,491,066	5,040,240	37,000	5,585,000
Sale of City Assets	477	0	0	0
Transfer from General Fund	0	0	0	0
TOTAL AVAILABLE	6,226,385	6,690,606	1,580,551	6,015,351
OPERATING COSTS:				
Personnel Expenditures	1,098,749	1,159,433	394,300	1,252,600
Operating Expenditures	3,455,955	3,986,622	755,900	4,632,400
Capital Equipment Expenditures	<u>21,315</u>	<u>1,000</u>	<u>0</u>	<u>0</u>
TOTAL OPERATING COSTS	4,576,019	5,147,055	1,150,200	5,885,000

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.

In May 2020, the Mayor and Council Members made the difficult decision to cancel the Fraze concert and festival season due to the COVID-19 pandemic. Our customers were given full refunds of tickets purchased earlier in the year. A 2020 fund balance decrease of \$1.1 million is expected in the Fraze Operations Fund due to the season's cancellation and the encumbrance of contracts for the 2021 season in fiscal year 2020.

The proposed 2021 budget reflects a subsidy of \$300,000, the same budgeted level 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.

Staffing Levels

	<u>Actual 2018</u>	<u>Actual 2019</u>	<u>Estimated 2020</u>	<u>Proposed 2021</u>
General Manager	1	1	1	0.4
Operations Manager	1	1	1	1
Supervisor	1	1	1	1
Facility Coordinator	0	0	2	2
Part-time Operations Specialist	0.6	0.6	0	0
Part-time Communication / Marketing Coordinator	0.6	0.6	0.6	0.6
Part-time Facility Coordinator	0.7	0.7	0	0
Temporary/Contractual Part-time*	<u>19.1</u>	<u>19.1</u>	<u>18.7</u>	<u>18.7</u>
Total	24.0	24.0	24.3	23.7

*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 2022. 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</u> <u>2018</u>	<u>Actual</u> <u>2019</u>	<u>Estimated</u> <u>2020</u>	<u>Proposed</u> <u>2021</u>
AVAILABLE FOR EXPENDITURES:				
Balance January 1	31,312	48,265	75,311	10,811
RECEIPTS:				
Rental of Land & Buildings	53,863	33,863	20,000	12,000
Reimbursements	<u>22,025</u>	<u>15,712</u>	<u>2,000</u>	<u>0</u>
TOTAL REVENUE	75,888	49,575	22,000	12,000
Transfer from/(To) the General Fund	139,000	134,400	76,000	155,000
TOTAL AVAILABLE	246,200	232,240	173,311	177,811
OPERATING COSTS:				
DESC Leasing Activities	<u>197,935</u>	<u>156,929</u>	<u>162,500</u>	<u>166,700</u>
TOTAL OPERATING COSTS	197,935	156,929	162,500	166,700

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.

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.

New for 2020 is the Crisis Intervention Program grant from the Montgomery County Alcohol, Drug Addiction and Mental Health Services Board. The grant provides funding for a behavioral specialist to assist the Kettering Police Department in identification of symptomatic behavior, utilization of placement services, and conduct follow up processes for individuals suffering from mental illness and substance abuse. The \$60,000 grant is renewed for 2021.

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 estimated 2020 expenditures include funding to set up wireless enhanced 911 capability in the planned emergency operations center located at Fire Headquarters/Station #36.

Grants and programs for one-time purchases or special non-recurring programs are included in this fund as well. An example is the acceptance of a \$24,245 grant from the Ohio Office of Criminal Justice Services. Funding is used to purchase audio/visual and teleconferencing equipment to increase the Municipal Court's ability to conduct court proceedings with participants from remote locations.

For 2020, the City established the CARES Act Fund to record the receipt of \$3,189,000 in Coronavirus Aid, Relief, and Economic Security Act (CARES Act) funding to be expended only to cover costs of the City of Kettering consistent with the requirements for Section 5001 of the CARES Act as described in 42 U.S.C. 801(d) and any applicable regulations and guidance. The City's expenditures include public safety payroll and benefits (\$3,177,000), and laptop computers for employees to work remotely (\$14,000). City Council passed a resolution finding that public safety personnel are substantially dedicated to mitigating or responding to the COVID-19 public health emergency and that

the payroll and benefits of specific positions in the Police and Fire Departments meet the requirement for CARES Act funding. Therefore, \$3,177,000 in Fire Department personnel expenditures are recorded in the CARES Act fund.

Also in 2020, the City established the FEMA Fund to record the anticipated receipt of approximately \$125,000 (75%) in Federal Emergency Management Agency funding and \$42,000 (25%) in City of Kettering matching funds as public assistance reimbursements for emergency protective measures taken by the City during the COVID-19 health emergency.

Special Grants and Programs Fund Resources and Expenditures

	Actual <u>2018</u>	Actual <u>2019</u>	Estimated <u>2020</u>	Proposed <u>2021</u>
AVAILABLE FOR EXPENDITURES:				
Balance January 1	2,664,272	2,769,902	2,874,445	2,858,185
RECEIPTS:				
Fraze Contributions	44,400	51,400	0	56,000
Court Computerization and Special Programs	471,510	427,008	254,000	279,000
Law Enforcement Funds & Grants	62,047	79,306	108,000	77,000
Wireless 911 Tax	151,244	154,806	153,000	153,000
Federal Emergency Management Agency Grant (COVID-19)	0	0	125,000	0
CARES Act State and County Distribution Fund	0	0	3,150,000	0
CARES Act Provider Relief Fund	0	0	39,000	0
CARES Act Funding Interest	0	0	2,000	0
Other	<u>102,349</u>	<u>175,524</u>	<u>269,000</u>	<u>5,000</u>
TOTAL REVENUE	831,550	888,044	4,100,000	570,000
Transfer from General Fund	11,480	26,167	42,000	0
Other Financing Sources	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL AVAILABLE	3,507,302	3,684,113	7,016,445	3,428,185
OPERATING COSTS:				
Court Computerization and Special Programs	372,347	257,039	225,310	471,150
Police Law Enforcement Funds	38,540	106,749	42,000	172,192
COVID 19 Public Safety personnel	0	0	3,265,800	0
COVID 19 Operating expenditures	0	0	92,200	0
Wireless 911 Government Assistance Fund	133,347	140,081	203,800	180,000
Other	<u>171,166</u>	<u>226,824</u>	<u>329,150</u>	<u>95,000</u>
TOTAL OPERATING COSTS	715,400	730,693	4,158,260	918,342
CAPITAL IMPROVEMENTS:				
Fraze Capital Improvements	<u>22,000</u>	<u>78,975</u>	<u>0</u>	<u>0</u>
TOTAL CAPITAL IMPROVEMENTS	22,000	78,975	0	0
GRAND TOTAL	737,400	809,668	4,158,260	918,342

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> <u>2018</u>	<u>Actual</u> <u>2019</u>	<u>Estimated</u> <u>2020</u>	<u>Proposed</u> <u>2021</u>
AVAILABLE FOR EXPENDITURES:				
Balance January 1*	1,097,640	1,253,975	1,200,607	1,101,207
Restricted: Loans Receivable	<u>876,470</u>	<u>895,379</u>	<u>856,300</u>	<u>857,000</u>
NET BALANCE	221,170	358,596	344,307	244,207
RECEIPTS:				
Federal Grants	884,039	512,626	1,052,000	918,000
Investment Earnings	5,568	7,919	2,000	2,000
Sale of City Assets	1,000	1,000	0	1,000
Reimbursements & Misc.	<u>14,694</u>	<u>9,780</u>	<u>1,000</u>	<u>51,000</u>
TOTAL RECEIPTS	905,301	531,325	1,055,000	972,000
Transfer from General Fund	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL AVAILABLE	1,126,471	889,921	1,399,307	1,216,207
OPERATING COSTS:				
Community Housing Improvement Program	(11,653)	13,184	1,000	1,000
Neighborhood Stabilization Program II	848	2,814	7,000	5,000
General Administration	381,602	99,043	203,800	174,600
Home Owner Counseling	27,000	27,000	27,000	27,000
Fair Housing	39,000	32,000	34,000	34,000
HOME Funds	102,566	42,288	0	0
Housing Rehabilitation	5,882	320,424	319,700	325,200
Business Loan Program	0	0	154,900	95,000
Brigid's Path	27,000	5,000	0	0
Senior Resource Program	30,863	25,281	90,000	90,000
Public Services	<u>0</u>	<u>0</u>	<u>33,000</u>	<u>33,000</u>
TOTAL OPERATING COSTS	603,108	567,034	870,400	784,800
PROGRAMS AND CAPITAL IMPROVEMENTS:				
Emergency Repair & Handicapped Needs Grants	35,428	7,725	66,000	66,000
Lead Based Paint Removal	34,863	4,810	14,000	14,000
Neighborhood Stabilization Program	(505)	0	0	0
Neighborhood Stabilization Program II	0	4,763	140,000	40,000
Disposition	290	361	1,000	1,000
Environmental Remediation of Former Cheerhart Site	9,750	0	3,000	0
Acquisitions	<u>66,032</u>	<u>0</u>	<u>60,000</u>	<u>60,000</u>
TOTAL CAPITAL IMPROVEMENTS	145,858	17,659	284,000	181,000
GRAND TOTAL	748,966	584,693	1,154,400	965,800

* 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**

	<u>Actual 2018</u>	<u>Actual 2019</u>	<u>Estimated 2020</u>	<u>Proposed 2021</u>
AVAILABLE FOR EXPENDITURES:				
Balance January 1	1,024,676	1,069,750	1,149,303	1,014,816
RECEIPTS:				
General Property Tax	808,535	816,126	682,000	740,000
Homestead & Rollback	117,927	117,237	96,000	104,000
Charges for Services	1,114,802	1,136,803	938,000	900,000
Investment Earnings	38,802	47,467	24,000	22,000
Reimbursements & Miscellaneous	<u>40,000</u>	<u>40,000</u>	<u>40,000</u>	<u>40,000</u>
TOTAL REVENUE	2,120,066	2,157,633	1,780,000	1,806,000
Transfer from General Fund	394,000	389,400	795,000	828,000
Proceeds of General Obligation Bonds	0	6,825,000	0	0
Premium on Bond Issuances	0	91,189	219,000	0
Payment to Refunded Bond Agent	0	(6,850,568)	0	0
TOTAL AVAILABLE	3,538,742	3,682,404	3,943,303	3,648,816
DEBT SERVICE:				
Contractual Services	55,806	113,765	47,000	52,000
Bond Principal	1,475,000	1,525,000	1,975,000	1,975,000
Note Principal	158,580	159,645	192,396	141,357
Bond Interest	772,668	728,818	711,002	710,130
Note Interest	<u>6,938</u>	<u>5,873</u>	<u>3,089</u>	<u>3,153</u>
GRAND TOTAL	2,468,992	2,533,101	2,928,487	2,881,640

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.

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. However, the City anticipates only using up to \$100,000 based upon the latest project estimate. The existing Ridgeway Road Bridge note dated 6-1-05 will be retired in 2020.

Also in 2020, the City issued \$8.3 million in general obligation debt for the Police Station Improvement project. The estimated 2020 and proposed 2021 debt service expenditures include principal and interest on this debt issuance.



CITY OF KETTERING

CAPITAL IMPROVEMENT PROGRAM PROJECT SELECTION CRITERIA

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. In addition, the following criteria are used when considering each project proposal:

- Impact on operating budget
- Fiscal Impact and Expenditure Targets
- Health & Safety Issues
- Economic Development Effects
- Environmental, Aesthetic & Social Effects
- Disruption & Inconvenience Caused
- Implications of Deferring the Project
- Effect on Inter-jurisdictional Relationships
- Advantages from Relation to Other Projects
- Availability of federal and State Funding

When prioritizing residential roadway projects, the City employs a Pavement Condition Rating Method. Every four years, the City's pavement conditions for the entire City are rated. Annual adjustments are made to the ratings to account for pavement deterioration caused by factors such as traffic patterns and weather.

Thoroughfares and collectors are historically resurfaced on a 12 – 15 year cycle. Often, these projects are aligned with the County's scheduled work on water mains.

Bridges are inspected annually and prioritization of replacements/repairs are based upon those ratings.

Other ranking systems are used by City departments for replacement programs such as traffic signals and poles, tree replacements and pruning, fencing and backstops, roofing replacement and repairs, among others.

City staff prepares a five-year capital improvement proposal that is presented to the Mayor and Council in a special workshop that is open to the public. This workshop typically takes place before the first Council meeting in September of each year. The program may be modified based upon discussion and input from City Council. The upcoming year's program is then incorporated into the budget proposal.

2021 CAPITAL IMPROVEMENT PROGRAM HIGHLIGHTS

The Capital Improvement Fund's estimated 2020 expenditures of \$11.1 million and proposed 2021 expenditures of \$11.9 million show Council's commitment to rebuilding and maintaining the community's infrastructure and neighborhoods.

Capital improvements from 2020 include \$1.7 million for the Citywide Traffic Signal Replacements – Phase 2 project, \$1.6 million for the resurfacing of Wilmington Pike from Stroop Road to the south corp. line, \$2.5 million for the replacement of the Ridgeway Road bridge, and \$8.7 million for the Police Department improvement project.

A highlight for 2020 is certainly the Kettering Police Department Improvement project. 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. The design phase of the project began in the second half of 2018. Construction started early 2020 and the project is expected to be complete in early 2021. The improvements are largely funded through the City's issuance of \$8.3 million general obligation bonds in February 2020.

Also during 2020, the City awarded the replacement of the Ridgeway Road Bridge. This project involves the 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, although the City anticipates only using up to \$100,000 of the loan based upon the latest project estimates. The schedule calls for the project to be bid and encumbered during 2020 and construction to take place late 2020 and throughout 2021.

Other 2020 projects include the completion of the Schantz Avenue bridge replacement, award and completion of Wilmington Pike Improvements (\$939,000 in federal funding), award of Kettering Traffic Signals Phase 2 (\$1,189,000 in federal funding), right of way acquisition for the 2021 County Line widening project, a new fence at Polen Farm, and the design of future improvements to Rosewood Arts Center. These are in addition to the City's regular programs such as the curb/drive approach/sidewalk repair, asphalt resurfacing, and thoroughfare improvement.

2021 CAPITAL IMPROVEMENT PROGRAM PROJECTS AND OPERATING IMPACT

The following highlights provide detailed information on the City's proposed 2021 capital improvement program.

Traffic Controls (\$105,000)

Annual Program (\$55,000)

Funding is provided in 2021 for traffic control maintenance items, the annual pavement marking program and miscellaneous traffic control needs.

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

The proposed 2021 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 on the east side of the City. This is a federally funded project at a 79% level.

Shroyer Road & Isaac Prugh Crosswalk Improvements (\$25,000)

This project will upgrade the pedestrian flashers at the intersection of Shroyer Road and Issac Prugh (at Fairmont High School) to flashing LED crosswalk signs, to match the upgraded crosswalk signs on Southern Blvd. at the pedestrian crossing for Kettering College.

Impact on operating budget: Traffic Controls

The impact on the City's operating budget for 2021 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 (\$8,626,000)

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 (\$180,000)

The City's annual asphalt resurfacing program, proposed at \$1.0 million in 2021, 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 2021 Thoroughfare Arterial & Collector program, proposed at \$180,000, includes the resurfacing of Hilton Avenue from Dorothy Lane to Cardington Road.

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.

State Gas Tax Revenue Program (\$1,000,000)

This program utilizes funds generated from the State of Ohio's gas tax increase implemented mid-year 2019. These funds allow the City to make infrastructure improvements within select neighborhoods throughout the City. The 2021 project involves resurfacing of local streets in the Indianola and Dayton Mutual Homes neighborhoods, as well as the first phase of concrete street repair on Windemere Drive.

Impact on operating budget: State Gas Tax Revenue Program

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 and concrete roadways resurfaced under this program are greatly reduced for at least the first 10 years after resurfacing.

ADA Curb Ramp Replacement Program (\$45,000)

This program includes reconstruction of curb ramps to meet guidelines promulgated by the Americans with Disabilities Act (ADA), primarily on thoroughfares that are due for resurfacing 3 to 5 years in the future 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 3,400 ramps throughout the City. This program will allow us to systematically program their replacement on an as-needed basis. The 2021 budget includes a lesser \$45,000 since a large number of curb ramps are being completed within the scope of other projects, such as the Dorothy Lane project.

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.

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 2021 program includes \$692,000 for Phase 2 CGS&D repair in the Indianola neighborhood; and \$58,000 for miscellaneous citywide repairs. The cost for replacement of concrete is assessed to property owners.

County Line Road Widening: Dorothy Lane to Vale Project (\$3,941,000)

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 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 costs include \$104,000 for right of way consultation and acquisition. The 2021 budget provides \$3,941,000 for construction. Federal funding has been awarded at a 60% level. The local share is to be split between Kettering and Beavercreek.

Impact on operating budget: County Line Road

In the short- to medium-term, there will be minimal impact on the operating budget, as the new roadway will require minimal maintenance other than snow and ice removal during winter. This is the expectation for at least the first 15 years of the roadway's life before significant infrastructure maintenance activities (resurfacing) may be necessary.

College Drive cul-de-sac (\$400,000)

This will involve a new cul-de-sac off College Drive, 350' north of Research Boulevard, to provide access for the future development of approximately 20 acres of City-owned property at the northeast corner of Wooman Drive & Research Blvd. Funding for the project will come from the anticipated sale of approximately 8 acres of the 20 acre development tract to Life Connection of Ohio.

Impact on operating budget: College Drive cul-de-sac:

In the short- to medium-term, there will be minimal impact on the operating budget, as the new roadway will require minimal maintenance other than snow and ice removal during winter. This is the expectation for at least the first 15 years of the roadway's life before significant infrastructure maintenance activities (resurfacing) may be necessary.

Dorothy Lane Curb Ramp Replacements (\$350,000)

Funding is provided in 2021 for curb ramp replacements on Dorothy Lane from South Dixie to Wilmington Pike. A second phase of curb replacements is planned for 2022 on Dorothy Lane from Wilmington Pike to County Line Road. These replacements are to prepare for the resurfacing of the entire stretch of Dorothy Lane in the 2025/2026 timeframe.

Impact on operating budget: Dorothy Lane Curb Replacements:

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.

Marshall Road Resurfacing: South Corp. to David Road (\$574,000)

This project involves the resurfacing of a portion of Marshall Road, as well as repairs to existing curb, sidewalks, and drive approaches.

Impact on operating budget: Marshal Road Resurfacing

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.

Schantz Avenue Bridge Landscaping (\$200,000)

The Shantz Ave. Bridge Landscape Design/Installation is a facet of a much larger project that included the demolition and reconstruction of the vehicular bridge that provides access to Dixie Highway from Shantz Avenue heading west. Additionally, a significant art installation was incorporated within the bridge design and redevelopment. The main goal of the landscape portion of the project was to compliment the architectural and artistic components of the bridge as the current landscape would be affected and demolished by the installation of the new bridge. Being a main thoroughfare to the City of Kettering from Dayton and from Kettering heading North to the University of Dayton and to the City of Dayton, the approach was to redesign the landscape plan within the entire corridor stretching from E. Mayo Avenue to Carillon Park. The current funding addresses only the landscape specifically surrounding the bridge. That said, the main focus/impact of the landscape will take place along the north bound exit ramp to Shantz Avenue and the western most two corners of the bridge. Utilizing input from the artist commissioned for the project, we selected plant material and incorporated design principles that are similar in color and texture.

Impact on operating budget: Schantz Avenue Bridge Landscaping:

The Shantz Avenue Bridge will include a slightly higher level of maintenance surrounding the east and west side of the bridge upon completion. With the introduction of more annual plantings and the increase of perennial plantings to provide the impact needed to complement the art work and the associated renovation to the bridge, the City's Parks Maintenance staff will adjust the approach seasonally to maintaining this area as compared to previous years. We anticipate an increase in actual time to amend, plant and remove annuals each spring and fall. At the same time, a considerable amount of landscape is being removed and replaced as turf which will reduce maintenance. This area is seen along the western edge of the bridge adjacent to the southbound lane of Dixie Highway. Currently this area is filled with a dense mature planting of spruce and hydrangea. The annual pruning and mulching will no longer be needed and it will reduce a significant amount of work that has been done in previous years. The City hopes to accomplish maintenance of the new landscaping with the current man hours allocated for the crew that maintains this site.

Other Roadway Projects (\$176,000)

Other smaller scale improvement and engineering/design costs for future roadway improvements are also included in the 2021 Capital Improvement Plan.

Streetscape Improvements (\$30,000)

The proposed 2021 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 (\$1,877,000)

Annual Program (\$90,000)

The 2021 budget includes funding for annual projects such as the painting/repair of park amenities and irrigation improvements,

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.

1% for the Arts Projects (\$5,000)

Public Art projects, as part of the City Sites program, utilize the 1% For the Arts fund. Currently, a large scale art installation is planned in conjunction with the Ridgeway Road Bridge Replacement project scheduled for 2020/21. The 2021 budget includes \$5,000 for various costs related to the bridge project.

Impact on operating budget: Ridgeway Road 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 (\$97,000)

The proposed 2021 budget includes \$97,000 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 water slide improvements, floor refinishing, and carpet replacement at the Kettering Fitness and Wellness Center.

Rosewood Art Centre Improvements (\$1,685,000)

The 2021 budget includes \$1,685,000 million funding as part of a multi-year improvement plan to Rosewood Arts Centre. Plans for 2021 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.

Impact on operating budget: Rosewood Art Centre Improvements:

The majority of the improvements during the 2021 phase of the project involve the building envelope - roof, facade, doors and windows. The current structure was built in 1964 with limited improvements over the past 20+ years. The 2021 improvements will eliminate significant water intrusion and provide more energy efficient windows and doors. The resulting maintenance costs for roof repairs and water damage repairs will be

significantly reduced. In addition, the energy efficiency (and eventual HVAC systems replacement) will result in lower utility bills.

Tree Planting and Landscaping (\$79,000)

Annual program (\$79,000)

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

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 (\$1,022,000) and Police Station Improvements Carryover (\$138,000)

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 2021 budget includes \$60,000 for wayfinding signage at the Government Center, \$85,000 in security improvements for the Human Resources Department and Income Tax Division, \$25,000 for HVAC improvements at the Public Service Building, \$25,000 for miscellaneous ADA projects, and \$85,000 for locker room improvements at the Municipal Court building among other miscellaneous projects.

Police Station Improvements Carryover (\$138,000)

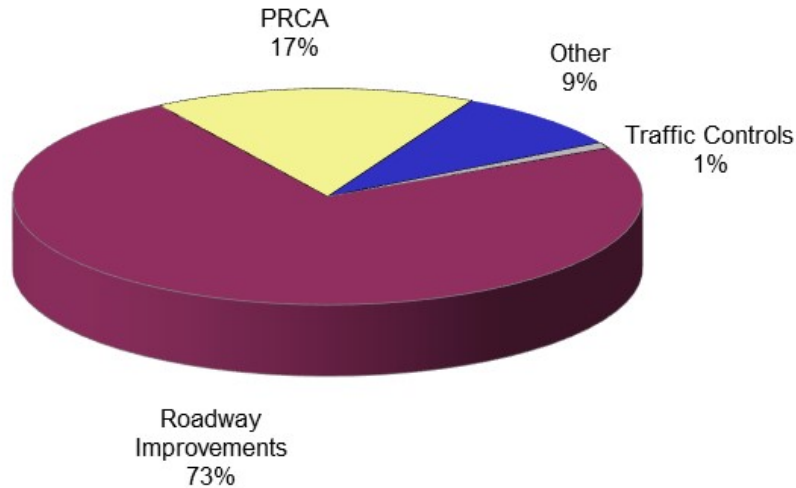
The Kettering Police Department Renovation project was developed to update the facility's HVAC systems and reconfigure the overall layout and office spaces to meet today's operational needs. The renovated facility will incorporate enhanced security, current technology, improved locker rooms, and additional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

Construction started early 2020 and the project is expected to be complete in early 2021. The proposed 2021 budget includes \$138,000 in carryover funding originally appropriated during 2020, but will not be encumbered or purchased before the end of the year.

Impact on operating budget: Police Station Improvements

The City issued \$8.3 million in general obligation bonds in February 2020 to fund the Police Station Improvement project. Debt service expenditures for 2021 are \$514,550. The bonds are scheduled to mature 12/01/2039.

2021 CAPITAL PROJECTS FUND EXPENDITURES



The Proposed 2021 budget includes \$11.9 million in planned projects. Roadway improvements, comprising 73% of the total, include \$2,365,000 in federal dollars and \$450,000 in state dollars.

Capital Projects Fund Resources and Expenditures

	<u>Actual 2018</u>	<u>Actual 2019</u>	<u>Estimated 2020</u>	<u>Proposed 2021</u>
AVAILABLE FOR EXPENDITURES				
Balance January 1	35,927,245	29,056,422	25,905,092	21,456,092
Committed to: Capital Improvements	<u>25,842,681</u>	<u>23,391,025</u>	<u>21,391,284</u>	<u>18,651,284</u>
Net Balance	10,084,564	5,665,397	4,513,808	2,804,808
RECEIPTS				
Tax Increment Revenue	326,434	436,314	398,000	408,000
Federal Grants	382,098	1,791,843	4,193,000	2,365,000
State & Local Grants	355,805	914,452	400,000	450,000
County Shared Revenue	206,576	207,577	424,000	206,000
Investment Earnings	548,344	738,259	270,000	260,000
Special Assessments	738,319	926,395	696,000	770,000
Reimbursements & Miscellaneous	<u>73,043</u>	<u>193,011</u>	<u>325,000</u>	<u>768,000</u>
Total Revenue	2,630,619	5,207,851	6,706,000	5,227,000
Transfer from General Fund	4,247,497	4,714,887	368,000	3,976,000
Transfer from EMS Fund	360,000	29,937	0	0
Proceeds of Promissory Notes/General Obligation Bonds	0	0	8,400,000	0
Premium on Bond Issuance	0	0	154,000	0
Sale of City Assets	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Other Financing Sources	4,607,497	4,744,824	8,922,000	3,976,000
TOTAL AVAILABLE	17,322,680	15,618,072	20,141,808	12,007,808

EXPENDITURES:

		<u>Actual 2018</u>	<u>Actual 2019</u>	<u>Estimated 2020</u>	<u>Proposed 2021</u>
	<u>2021 Detail</u>				
Traffic Controls		208,377	66,478	1,721,000	105,000
Miscellaneous Traffic Controls	55,000				
Shroyer & Issac Prugh Crosswalk Improvements	25,000				
Citywide Traffic Signal System Upgrade Phase 3 Right of way	25,000				
Street Surfacing & Roadway Improvements		5,065,615	8,532,936	7,308,000	8,626,000
Normal Program	1,010,000				
Gas Tax Program	1,000,000				
ADA Curb Ramp Replacement Program	45,000				
Curb, Sidewalk, & Drive Approach Repair Program	750,000				
Thoroughfares, Arterials & Collectors	180,000				
College Drive Cul-de-sac	400,000				
County Line Widening project	3,941,000				
Dorothy Lane Resurfacing: S. Dixie to County Line	350,000				
Hewitt Ave. Bikeway Right of way	20,000				
Marshall Road: South Corp. Line to Wilmington Pike	574,000				
Ansel Bridge Rehabilitation Right of Way	16,000				
Danube Bridge Rehabilitation Design	100,000				
Ridgeway Rd. Bridge Landscaping Design	40,000				
Schantz Ave. Bridge Landscaping	200,000				
Streetscape Improvements		335,365	608,763	0	30,000
Pole and Bus Stop Painting	20,000				
Bike program	10,000				
Drainage		22,665	227,350	15,000	25,000
Miscellaneous Drainage	25,000				
Parks & Recreation		1,159,356	1,241,434	1,295,000	1,877,000
Miscellaneous Improvements	10,000				
Parks Painting & Repair Program	30,000				
Parks Irrigation Improvements	50,000				
KRC Improvements	7,000				
Water Park and Main Pool Improvements	80,000				
Kettering Fitness and Wellness Center carpet replacement	10,000				
City Sites Artwork Projects	5,000				
Rosewood Arts Centre Improvements	1,685,000 *				
Tree Planting & Landscaping		194,758	211,811	53,000	79,000
Landscaping and Tree programs	25,000				
Ash Tree Removal and re-planting	54,000				
Other		7,122,803	2,215,233	9,685,000	1,160,000
ADA Improvements	25,000				
Miscellaneous Building Improvements	742,000				
Public Service Improvements	25,000				
Police Station Improvement (Carryover)	138,000 *				
Government Center Campus Wayfinding	60,000				
Government Center Facility Security	85,000				
Municipal Court Locker Room Improvements	85,000				
TOTAL CAPITAL IMPROVEMENTS		14,108,939	13,104,005	20,077,000	11,902,000

*Denotes all or part of funding is carried over from 2020. These projects total: \$1,373,000

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 74 - 144 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:	<u>Actual</u> <u>2018</u>	<u>Actual</u> <u>2019</u>	<u>Estimated</u> <u>2020</u>	<u>Proposed</u> <u>2021</u>
<u>IS Support</u>				
Total Support Requests Completed	1,391	999	1,290	1,200

Information Systems Expenditures — Internal Service Fund (Key 4400)

	<u>Actual</u> <u>2018</u>	<u>Actual</u> <u>2019</u>	<u>Estimated</u> <u>2020</u>	<u>Proposed</u> <u>2021</u>	<u>% of Total</u>
Personnel Expenditures	491,514	405,295	449,040	465,600	53.96%
Operating Expenditures	428,496	443,569	315,600	397,300	46.04%
Capital Equipment Expenditures	0	0	0	0	0.00%
Total	920,010	848,864	764,640	862,900	100.00%

The proposed 2021 budget is 8.7% less than the 2020 budget and 12.9% greater than estimated 2020 expenditures. Each year's operating budget includes \$105,000 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. This replacement program was temporarily suspended in 2020. Proposed 2021 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 2018</u>	<u>Actual 2019</u>	<u>Estimated 2020</u>	<u>Proposed 2021</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 240 vehicles and 148 other pieces of equipment and ancillary devices. Maintenance requests cover a broad range of equipment sizes and types, including automobiles / trucks, public safety vehicles (including select fire apparatus), heavy construction / snow removal equipment, and other public works specialty vehicles and equipment. 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; and to operate the City's two fuel islands.

Program Description:

The Vehicle Maintenance Center services equipment on a regularly scheduled basis through the preventive maintenance program as recommended by the manufacturer and/or industry best practices. Component failure and accident damage occurring between normal service periods is repaired in the most safe, expedient, and cost-effective manner.

Objectives:

1. Maintain a high quality automotive and equipment fleet through repair and replacement.
2. Support the City's internal departments with vehicle and equipment repairs in a cost effective manner.
3. Maintain accurate records through the Fleet Management System regarding the lifetime costs of maintaining and operating the vehicles and equipment.
4. Research and recommend standard specifications and provide guidance in the timing and type of replacement vehicles and equipment.
5. Maintain a qualified staff of mechanics, technicians, and parts inventory.
6. Maintain and manage the City's fuel supplies in accordance with applicable rules and regulations.
7. Inspect, evaluate and ensure all Environmental Protection Agency and Occupational Safety and Health Act regulations are being followed in all operations.
8. Investigate all technological advancements and study these advancements for possible City fleet applications.

Measurements:

	<u>Actual 2018</u>	<u>Actual 2019</u>	<u>Estimated 2020</u>	<u>Proposed 2021</u>
Fleet Management				
Number service/repair requests	1,130	1,161	1,100	1,170
Number of vehicles/equipment processed	341	361	372	353
Number of gallons of fuel dispensed	183,385	214,407	190,000	207,000

Vehicle Maintenance Center Expenditures — Internal Service Fund (Key 4300)

	<u>Actual 2018</u>	<u>Actual 2019</u>	<u>Estimated 2020</u>	<u>Proposed 2021</u>	<u>% of Total</u>
Personnel Expenditures	811,275	800,545	848,200	889,100	72.27%
Operating Expenditures	238,770	244,297	243,000	273,600	22.24%
Capital Equipment Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>67,500</u>	<u>5.49%</u>
Total	1,050,045	1,044,842	1,091,200	1,230,200	100.00%

The proposed 2021 personnel and operating expenditures are 1.3% greater than the 2020 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. Proposed 2021 capital equipment expenditures include the replacement of three sedans.

Staffing Levels

	<u>Actual 2018</u>	<u>Actual 2019</u>	<u>Estimated 2020</u>	<u>Proposed 2021</u>
Equipment Maintenance Manager	1	1	1	1
Equipment Maintenance Supervisor	1	1	1	1
Equipment Mechanics	4	4	4	4
Parts/Inventory Attendant	2	2	1	1
Clerical	<u>0.6</u>	<u>0.6</u>	<u>1</u>	<u>1</u>
Total	8.6	8.6	8.0	8.0

ADMINISTRATIVE SYSTEMS - PRINTING/REPRODUCTION FUND 744
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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.

Measurements:	Actual 2018	Actual 2019	Estimated 2020	Proposed 2021
<u>Printing and Copying Volume</u>				
Black and White	473,739	425,746	316,000	430,000
Color	347,857	373,942	290,000	350,000
<u>Cost per Print</u>				
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)

	Actual 2018	Actual 2019	Estimated 2020	Proposed 2021	% of Total
Personnel Expenditures	0	0	0	0	0.00%
Operating Expenditures	44,639	44,579	44,100	62,700	100.00%
Capital Equipment Expenditures	0	0	0	0	0.00%
Total	44,639	44,579	44,100	62,700	100.00%

The proposed 2021 budget is equal to the 2020 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
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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:

<u>Building Maintenance</u>	<u>Actual</u> <u>2018</u>	<u>Actual</u> <u>2019</u>	<u>Estimated</u> <u>2020</u>	<u>Proposed</u> <u>2021</u>
Number of buildings serviced	57	56	55	54
Building(s) space footage*	910,500	713,900	709,100	594,100

*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 Station #37 for a total of 4,800 square feet.

*In 2021, the City will sell approximately half of Building #46 in the Kettering Business Park for a total 115,000 square feet.

Facilities Division Expenditures — Internal Service Fund (Key 4410)

	<u>Actual</u> <u>2018</u>	<u>Actual</u> <u>2019</u>	<u>Estimated</u> <u>2020</u>	<u>Proposed</u> <u>2021</u>	<u>% of Total</u>
Personnel Expenditures	2,921,890	2,516,704	2,519,990	2,501,600	81.56%
Operating Expenditures	492,985	506,146	525,900	510,600	16.65%
Capital Equipment Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>55,000</u>	<u>1.79%</u>
Total	3,414,875	3,022,850	3,045,890	3,067,200	100.00%

Proposed 2021 personnel and operating expenditures are 7.1% less than the 2020 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. A currently vacant full-time Building Service position and four regular part-time Maintenance Aide positions (2.5 fte) will remain vacant in 2021.

The proposed 2021 capital equipment budget includes funding for a replacement 3/4 ton pickup with lift.

Staffing Levels

	<u>Actual 2018</u>	<u>Actual 2019</u>	<u>Estimated 2020</u>	<u>Proposed 2020</u>
Public Service Director	1	1	1	1
Facilities Maintenance Manager	1	1	1	1
Facilities Maintenance Supervisor	1	1	1	1
Lead Facilities Attendant	1	0	0	0
Facilities Mechanics	4	4	4	4
Facilities Service Workers	7	7	7	6
Facilities Attendants	12	12	12	12
Part-time Clerical	1.2	1.2	0.6	0.6
Part-Time/Temp.Maint. Aides	<u>4.5</u>	<u>4.5</u>	<u>4.5</u>	<u>2.0</u>
Total	31.7	31.7	31.1	27.6



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 21st 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.



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