



CITY OF KETTERING

2016 Budget Document

CITY OF KETTERING

**2016 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.

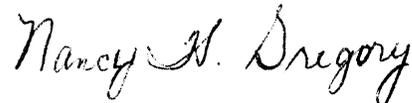
A key element of this document is its use as a planning and policy tool in addition to the legal and financial control aspects normally associated with budgets. Each departmental budget contains commentary relating to that department's programs and objectives. Unless stated otherwise, each department is expected to continue to maintain its programs at current levels of service. Pages 9 and 10 provide a description of the financial structure of the city including the definition of the various fund types. Pages 12 through 14 provide a more thorough description of the budget process.

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

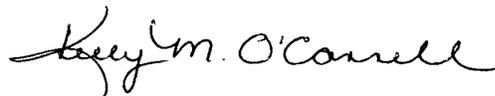
ACKNOWLEDGMENTS

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,

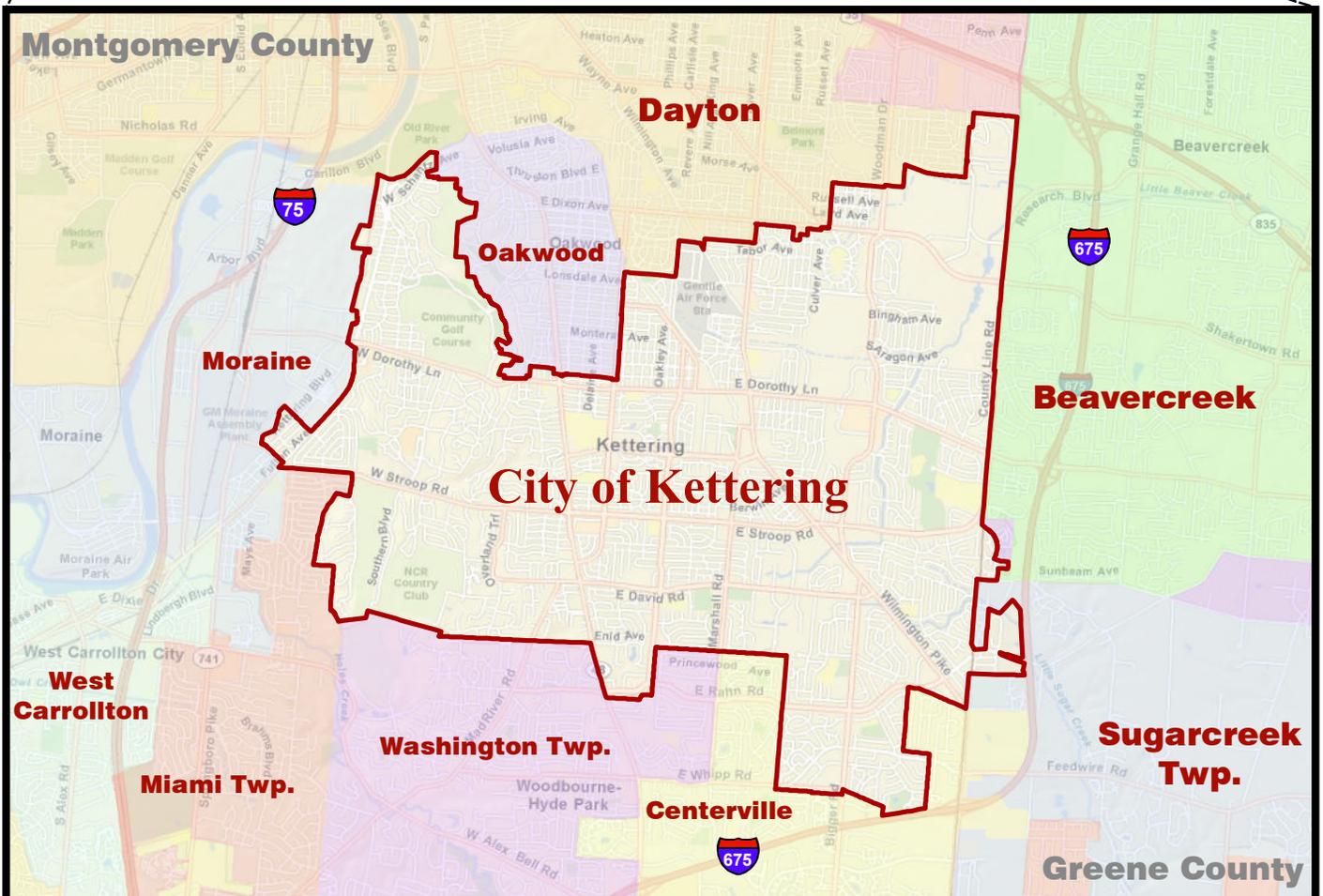


Nancy H. Gregory, CPA
Director of Finance



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, the community of choice to live, work & play!

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 7,400 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 ten departments nationally to be accredited three times. The department offers more than 1,300 recreational programs and classes for everyone from tots to senior adults, plus special populations.

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, 19 public tennis 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 226-1144.

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	13.52%
Synchrony Financial	1,800	6.82%
Reynolds & Reynolds Company	1,307	4.95%
Kettering City Schools	1,032	3.91%
Limited Brands Inc.	1,000	3.79%
Kroger	630	2.39%
Meijer Inc.	550	2.08%
City of Kettering	550	2.08%
Tenneco	<u>522</u>	<u>1.98%</u>
Total	10,961	41.52%

UNEMPLOYMENT RATE: 3.7% (September 2015)**MEDIAN HOUSEHOLD INCOME:** \$49,350 (2010 census)**FIRE PROTECTION:**

Number of stations	7
Number of firefighters and officers	55
Number of part-paid firefighters	45

POLICE PROTECTION:

Number of stations	1
Number of patrol officers	62

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)	\$87.04 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.

2015 CITY OFFICIALS

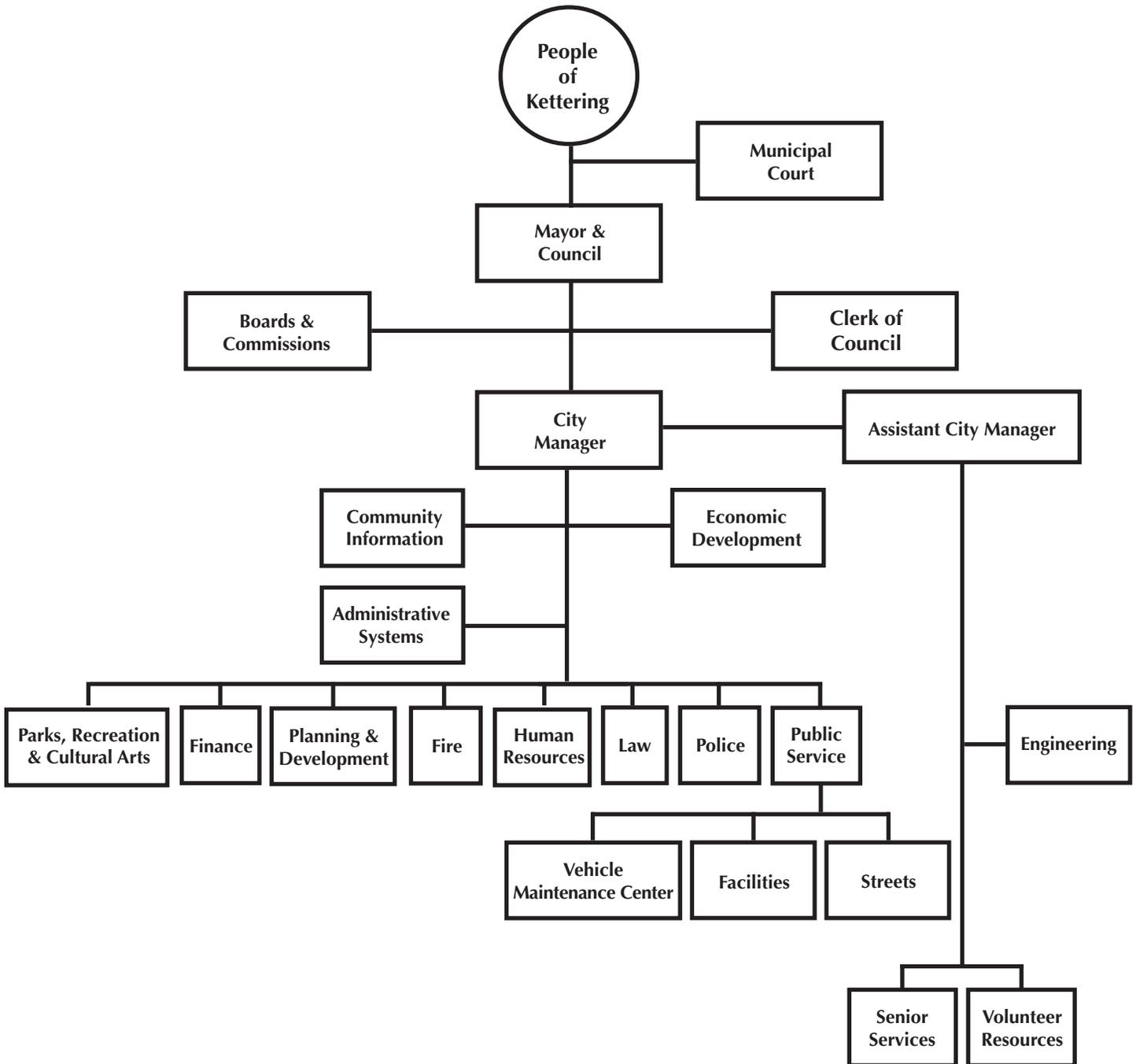
MAYOR AND COUNCIL

DONALD E. PATTERSON	Mayor
BRUCE E. DUKE	Vice Mayor
TONY KLEPACZ	Councilmember
BILL LAUTAR	Councilmember
AMY SCHRIMPF	Councilmember
ROBERT SCOTT	Councilmember
JOSEPH D. WANAMAKER	Councilmember

CITY ADMINISTRATION

MARK W. SCHWIETERMAN	City Manager
STEVEN E. BERGSTRESSER	Assistant City Manager and City Engineer
DAVID J. DURITSCH JR.	Public Service Director
NANCY H. GREGORY	Finance Director
THEODORE A. HAMER III	Law Director
TERRY A. JONES	Fire Chief
SARA E. MILLS	Human Resources Director
CHRISTOPHER PROTSMAN	Police Chief
THOMAS R. ROBILLARD	Planning & Development Director
MARY BETH THAMAN	Parks, Recreation and Cultural Arts Director

City of Kettering 2015 Organizational Chart





GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of Kettering
Ohio**

For the Fiscal Year Beginning

January 1, 2015

A handwritten signature in cursive script, reading "Jeffrey R. Emery".

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented an Award for Distinguished Budget Presentation to the City of Kettering for its annual budget for the fiscal year beginning January 1, 2015.

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

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

FINANCIAL STRUCTURE

REPORTING ENTITY

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

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

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

BASIS OF PRESENTATION

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

MAJOR GOVERNMENTAL FUNDS

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

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

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

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

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

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

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

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

NON-MAJOR GOVERNMENTAL FUNDS

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

INTERNAL SERVICE FUNDS

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

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

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

Please see Page 11 for a description of the relationship between the City's funds and departments.

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.

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.

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	Frazee 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

FIRST QUARTER (January - March)

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

SECOND QUARTER (April - June)

- The City Manager and Assistant City Manager prepare an agenda for the Annual Council Retreat.
- The Mayor and Council hold an annual retreat, including the City Manager, the Assistant City Manager, Finance Director, Budget Manager and other Department Directors to discuss and reassess goals and objectives for the current and following year. Staff progress on strategic plan tactics is discussed. 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, and 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 and priorities for the upcoming year. They 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 and Information Systems Managers provide significant 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 ADMINISTRATION

The following is a description of the process used to amend the budget. In the appropriation resolution, Council adopts a typical department budget by summarizing the budget into three subtotals: personnel, operating expenses and capital outlay.

- 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.

December 15, 2015

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

Dear Mayor and Council Members:

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

As you prepare to adopt the 2016 annual budget, please allow me to reflect on some of the successes we enjoyed in 2015 and outline some of the significant issues and forthcoming challenges shaping the City's financial status for your consideration.

2015 was an exciting year for redevelopment and reinvestment in Kettering.

One of the greatest signs of a thriving community is reinvestment. When large corporations, family owned businesses and our residents make a commitment to re-invest in their properties it is a vote of confidence for the future strength of our city. With that in mind we are excited about some of the wonderful projects that took place in 2015 and those that are proceeding into 2016.

Three 2015 announcements highlight the significant impact of reinvestment.

Town & Country Shopping Center began a \$7 million extensive renovation project this year and will welcome a new primary anchor tenant, TJ MAXX and junior anchor PetCo. The interior is receiving a complete facelift and exterior work is underway to create a new façade, parking lot reconfiguration, new lighting, landscaping and sidewalks. This reinvestment in the signature facility in Kettering's "downtown" is important because it solidifies a future of commercial success for our largest shopping center.

Kettering Health Network broke ground this year on a brand new \$49 million state of the art comprehensive cancer care center. The facility will be complete in 2016. With a presence in many cities throughout the area, we are proud that Kettering Health Network chose to locate this important regional facility on their Kettering campus. The Cancer Care Center is not only a sign of the growing commitment Kettering Health Network has to the Kettering community, but will provide an important resource for our residents who will soon be able to receive the highest level of cancer care right here at home.

Alternate Solutions Health Network announced a major expansion in the Kettering community. The business purchased a 200,000 square foot facility at 1050 Forrer Boulevard in the Kettering Business Park. The expansion will allow a projected growth in employment of more than 340 jobs in the next five years. This reinvestment is critical to the ongoing success of the Kettering Business Park, a city operated economic development project at the site of the former Gentile Air Force Station.

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

The City of Kettering is committed to supporting residential development that ensures families looking for affordable homes with modern amenities have options here in Kettering. We are excited to announce that construction will be underway in 2016 on Prugh Woods, a new residential development featuring more than 35 single-family homes adjacent to our Kettering Recreation Complex and Indian Riffle Park.

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

Our residents' efforts to maintain and improve their properties are important and appreciated by the City of Kettering. As a way to recognize and promote these improvement efforts the City continued to sponsor the Neighborhood Pride Awards Program. The Neighborhood Pride Award recognizes residents and businesses that have made significant improvements to their home or business or have maintained their places impeccably year after year. Neighborhood Pride has been tremendously successful – because our residents and businesses take an interest. This year over 400 properties were nominated and 37 awards were presented. Winners are selected by the volunteer Neighborhood Pride Award Committee, which is made up of previous winners. All award winners are publicly recognized at a City Council meeting and an attractive sign is placed in their yard to let everyone in our community know they received the special award.

The Community Development division continued to facilitate numerous programs throughout 2016 geared toward providing quality housing to both current and future Kettering homeowners. The division also continued to provide education opportunities to residents for foreclosure prevention and homeownership. Emergency home repair and handicapped accessibility grants continue to allow Kettering residents to remain in their homes. Community Development funds assisted with the installation of smoke detectors for income qualified households, the redevelopment of vacant lots and several infrastructure projects in collaboration with the Engineering Department. In spite of delays in federal funding and budget approvals, our funding levels have been consistent and are able to fund existing programs. Historically the City of Kettering has consisted of a good balance of residential and business properties. This balance can be credited for much of the City's success as a diverse community.

Another exciting initiative is the Cities of Service program. Mayor Patterson signed a declaration of service in August of 2012 to participate in the Cities of Service initiative – 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 involved in the initiative. The City is focusing efforts on neighborhood revitalization. The first neighborhood chosen for this initiative was Richman Heights, followed by Indianola and Southern Hills North. Since its inception hundreds of volunteers from churches, service organizations, schools and universities have assisted residents of these neighborhoods with general outdoor clean-up as part of our Cities of Service initiative. Other activities included educational seminars on home repair, CDBG Program, Neighborhood Watch, water and energy conservation, and recycling. In October 2015, more than 225 residents and volunteers from 29 different organizations worked together to clean up the Berwin Park neighborhood, the most recent Cities of Service focus area. The model established in 2012 will be carried through 2016. This is a great example of neighbors and volunteers working together to make sure our community remains the city of choice in which to live, work, play and volunteer!

There are many efforts underway within the City of Kettering to make reinvestments in our infrastructure and facilities. In 2015 we completed several major roadway projects in both our commercial and residential areas including \$783,000 in improvements to Far Hills Avenue, nearly \$2 million in residential curb, drive approaches, sidewalks and asphalt resurfacing, \$600,000 in improvements on County Line Road and Shroyer Road, a \$290,000 replacement of the Burchdale Street Bridge, and a \$1.2 million project in cooperation with Montgomery County to reconstruct West David Road. Lincoln Park/Civic Commons improvements, totaling over \$2.1 million, included refurbished fountains and a new patio.

The largest and most significant capital investment underway is the construction of our new fire stations. A strategic planning process began in 2006 and resulted in a comprehensive modernization strategy for all aspects of the department. Gradual implementation of the plan began in 2010. The plan is expected to conclude in 2017 with the completion of four modern fire stations. With an average age of 42 years, Kettering's current fire stations lack the physical space or available land to properly allow for the improvements necessary to upgrade to current standards. Existing stations are undersized for modern apparatus, devoid of mixed gender facilities for 24/7 operations and do not meet current ADA standards. The four new stations will provide appropriate facilities for the storage and safety requirements of modern apparatus in addition to modern facilities to accommodate 24/7 operations. Kettering held multiple public meetings and met with key stakeholders to gain input on the design of the new stations. Construction of the first fire station located at 3484 Far Hills Avenue will be completed in 2015. Construction is underway on the second station at 4745 Hempstead Station Road and is anticipated to be complete by early 2016. The remaining stations, one on Woodman Drive and the other at a yet undetermined location, will follow in 2016 and beyond.

I am excited to share with you some new features available on our www.ketteringoh.org website. Residents are now able to apply for engineering right of way permits, inspections, building permits, and search property records 24/7 online through our new Access Kettering system. We believe in transparency and making city information accessible for our residents is a priority for City Council. We launched checkbook online on our webpage which offers user friendly access to detailed expenditure records that are searchable by various categories including by year, by department, and by vendor.

I'd like to thank our city staff for their commitment to providing outstanding customer service to our Kettering residents and businesses. We are exceptionally proud that our recent community survey revealed that 97% of our residents are satisfied or very satisfied with living in Kettering. This remarkable level of satisfaction 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. The full results of the Citizen Survey can be found here: <http://www.ketteringoh.org/news/resident-survey>.

As we celebrate these successes, we must also prepare for some significant issues and forthcoming challenges. The principal issues we face as we develop the 2016 budget are threefold: the current economic environment and how its challenges affect our citizens; the aging infrastructure of the community; and how to maintain the high quality of customer service and programming while controlling spending when faced with the implementation of significant state funding reductions. The state budget cuts were first reflected in the 2012 budget with additional cuts to be incurred in each year beyond. As a result, it is necessary to complete the 2016 budget recognizing past and future revenue reductions and accordingly we must critically evaluate our programs and services to determine how to continue a high service level approach within resource constraints.

As a governing body you have established a number of directives related to the manner in which we allocate general fund dollars. You reinforced that the budget process be utilized to reflect the desires of the citizens and businesses of this community. You have 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 the utilization of the City's reserves. Therefore, the 2016 budget must address your understanding for the overall economic condition of the City's population base while maintaining quality services and an aggressive capital improvement program, all within budget constraints.

This is not a new approach for the City of Kettering. Council has maintained a conservative approach toward spending even before the 2007 income tax increase, realizing then 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 has served the City well during the economic difficulties of the last several years.

Due to our conservative approach toward spending, the City is well positioned to allocate the dollars necessary toward programs and services that make Kettering the community of choice to live, work and play. A culture of fiscal responsibility has long been established in the community, and we have several prestigious awards to support this fact. In 2015 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 2015 Budget document and 2014 Comprehensive Annual Financial Report (CAFR) respectively. 2015 marks the thirtieth year for the receipt of the Budget Award and the thirty-third year for receipt of the CAFR award. In addition, we received the Award with Distinction for excellence in financial reporting from the Auditor of State of Ohio. Another very significant financial success for the City in 2015 was the upgrade to our bond rating by Moody's Investors Service from Aa2 to Aa1. The upgrade was made in conjunction with the issuance of debt for the fire stations project. Moody's cited the City's strong financial management practices, healthy General Fund reserves and additional liquidity in the Capital Projects Fund, and moderate debt burden as the primary reasons for the upgrade.

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 2016 budget. As you prepare to adopt the 2016 budget, please recognize that City administration has spent months preparing a budget proposal that balances conservative spending with the type of quality service that has long been outlined in the City's Strategic Plan and is expected of us by our residents and businesses.

We pride ourselves on customer service. The customer satisfaction survey conducted in 2015 confirms that our focus on customer service is on point. The economic downturn has not changed the expectations of our citizens. While we enjoy a 97% overall satisfaction rate, any real or perceived decrease in service threatens that ranking. To date, we have not been forced to make drastic changes in the quality of service to our residents, businesses and patrons.

One critical service we are currently challenged to provide is snow and ice removal. The harsh winter of 2013/2014 placed a significant strain on our resources, both equipment and personnel. As a result, and at the direction of City Council, we created a winter operations strategy for 2015 that included additional personnel and new equipment, as well as a shift to an "all hands on deck" philosophy. Another impact of the harsh winter was the dramatic decrease in salt supply available throughout this region. In response, we implemented alternative treatment options and started the winter season with intent to conserve limited salt supplies. The approach worked, and we will continue the "all hands on deck" approach for 2016.

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. Actual and anticipated

cuts in state funding are \$853,000 in 2015 and \$819,000 in 2016 resulting from a 50% reduction in the Local Government Fund and from the accelerated elimination of the tangible personal property tax reimbursement. 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 Governor signed House Bill 5 (HB5) that requires significant municipal income tax changes. The City has been supportive of changes to promote uniformity and simplification. However, HB5 goes beyond uniformity, and requires changes that negatively impact tax revenues. For example, HB5 increases Kettering's net operating loss carry-forward period from 3 to 5 years. HB5 also changes the 12-day rule to a 20-day rule, prohibiting a municipality from taxing or requiring withholding on non-resident employees who work 20 days or fewer in the City. As the changes are fully implemented, by fiscal year 2023, Kettering will experience an estimated \$628,000 annual revenue reduction.

In addition to the above state cuts, the impact of Montgomery County's revaluation of properties in 2011 produced a 9% decrease in property valuations in Kettering. As a result, property tax revenues have decreased by \$818,200 from 2011 to 2014. The County's revaluation process conducted in 2014 will result in a further \$231,000 reduction in 2015 property tax revenue. We anticipate a slight increase of \$26,000 in 2016.

Despite these funding challenges, there is good news. The budget policies of Council and the operating guidelines of administration have been instrumental in maintaining a sufficient general fund balance (\$41.7 million estimated ending balance for 2015) which has facilitated aggressive infrastructure improvements to improve our housing system, roadway system, and facilities.

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

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

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

In addition to evaluating our fee structure, we scrutinize each new vacancy, only filling positions for core personnel. During 2015, there were several hirings and promotions that took place as we experienced retirements throughout the City. Personnel costs continue to be a significant piece of total general fund expenditures. The 2016 budget reflects an across the board pay increase of 2.00% for non-organized

employees. Pay increases for organized employees are budgeted at either 2.00% or 2.75% depending upon the contracted rate for each bargaining unit. Our employees fully recognize our responsibility to operate in a manner that reflects the economic conditions of our community.

Providing health insurance to our employees continues to be a challenge for us as an employer. On March 23, 2010, the Patient Protection and Affordable Care Act (commonly known as PPACA or National Health Care Reform) was signed into law. Since that time certain aspects of the law have been gradually implemented. Over the last few years, the City of Kettering and its leadership team have been working to understand National Health Care Reform and its impact on the City of Kettering and our employees. This process has been very difficult due to the complexity of the law 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. With the implementation of National Health Care Reform, the City has had to make tough choices while balancing the interests of our employees and our citizens. In 2016, the City will keep a High Deductible Health Insurance Plan (HDHP) with our existing carrier - United Healthcare. In 2012, the City moved from a fully funded plan to a self-funded plan. This change allows us to take greater control of our health insurance data and to more effectively work with employees to reduce overall health insurance costs. In 2016, the budget includes a 7% increase in premium costs versus a 3.5% increase in 2015. Employees will continue to pay 17% of health insurance premium and will now pay 30% toward deductible. In an effort to continue reducing claim payments under our self-funded plan, the City utilizes a wellness program to offer employees incentives to earn additional HSA contributions.

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

Examples of current and possible future collaborations are:

- Providing building inspection services to the City of Oakwood
- Providing GIS services to Washington Township & West Carrollton
- Utilizing Miami Valley Communications Council for negotiations of street lighting costs, and gas and electric rates
- Housing prisoners in the Kettering Municipal Jail for five other jurisdictions
- Utilizing County Corp for loan origination on Community Development projects
- Utilizing County Corp for the facilitation of business loans through Community Development
- Review of our Fiber Optic infrastructure to determine if collaboration with Oakwood and Centerville could improve our internal utilization of the fiber as well as make services available to our businesses
- 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

The capital improvement program continues to be an area of emphasis for City Council. The proposed 2016 capital improvement budget is \$28.7 million, \$4.9 million of which is covered through outside funding and \$1.8 million through 2015 debt proceeds. Major projects include a city-wide traffic signal system upgrade, East Stroop Road resurfacing, Prugh Woods Drive construction, Civic Commons lighting upgrades, and further Fire Station construction.

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 job creation. The City of Kettering is a unique mixture of business and residential, with the business climate being a combination of large corporations and locally owned companies. It is a great scenario that poses its own set of unique challenges. The art of recruiting and maintaining businesses has risen to an extremely competitive level over the last several years. Businesses, no matter their size, turn to the government for aid in expansion, relocation or even to sustain their operations. The Kettering Incentive Program (KIP), established in 2010, incentivizes companies that move into the community with the expectation they will bring an established amount of jobs and payroll, and make a commitment to longevity in Kettering. The City also works with the Dayton Development Coalition and the State of Ohio to ensure that all applicable incentives are secured through the State for our new and growing companies. We entered in to a partnership with the Kettering Development Corporation to aggressively market the Kettering Business Park commercial site owned by the City. In 2012 – 2014 we enhanced our economic development tools in order to address the needs of smaller businesses. Council approved, through legislation, an annual commitment of \$500,000 for economic development purposes. The funds are used to assist a small business owner with relocation and site improvements, demolition of blighted commercial properties and the comprehensive study of the Wilmington Pike corridor. We continue to place emphasis on the recruitment of companies to Kettering, as well as on 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.

2015 was a busy year for our Kettering businesses. We welcomed a new office building in our Kettering Business Park. On January 14, 2015 PriMed Physicians and Oberer Construction hosted a groundbreaking ceremony for the Patterson Woods II facility located at 1900 Composite Drive. PriMed Physicians moved in to the 7,200-square-foot facility in spring 2015. This new office building is exciting for the City because it is the first lot sale for construction in the Kettering Business Park.

Day Air Credit Union recently celebrated 70 years of service to its members in Kettering and throughout the region. Over the past 70 years, Day Air has helped thousands of members financially, but is as well known for its deep commitment to the Kettering community. From blood drives and holiday gifts for children in need, to innovative products and financial education, Day Air Credit Union is a great example of a business partner who helps the community thrive.

In early 2010 international law firm WilmerHale conducted a search for a place to locate their professional services division. Following a six month long site selection process with 31 locations in the running, WilmerHale chose Kettering. When the office first opened in Kettering's Miami Valley Research Park more than 200 jobs were created, with 90% filled locally. In the five years since WilmerHale opened they have grown from those 200 employees to more than 250 and an annual payroll of more than \$16 million. More impressive than the growth in employees and payroll is the manner in which WilmerHale has invested in the Kettering community through their Community Partnership model. Through this focused model, the law firm's Kettering office concentrates resources on a specific group of organizations for multi-year cycles, with an eye toward long-term relationship and capacity building. Earlier this year, WilmerHale announced its newly formed philanthropic partnership with Kettering Backpack Inc. (KBI), a nonprofit organization dedicated to fighting

childhood hunger within the Kettering city school district. The firm is committed to providing KBI with \$25,000 per year for two years, in-kind support, including use of WilmerHale office space, donations of office materials, professional training for staff, and volunteer support during KBI events and activities.

In 2015 we again saw great strides with smaller businesses in the City. We were proud to work with Advantic to expand their 4250 Display Lane location to 32,000 square feet. The expansion will result in at least 20 new jobs. The Carlyle House broke ground in March of 2015 on a new, state of the art care wing to be known as the Renaissance. Specializing in advanced care for residents with memory impairment, the building is expected to be complete in 2016.

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 economic development. City Council adopted the recommendations set forth in this plan in December 2013 and we have made progress this year with their implementation. Several commercial properties along Wilmington Pike benefited from two recently introduced programs. 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 purposes of redevelopment. The properties at 2645, 3613 and 4125 Wilmington Pike were demolished in 2015 as a part of this program. The City of Kettering Façade & Site Improvement Program is available for exterior building façade or site improvements in the Wilmington Pike corridor. The property at 3600 Wilmington Pike was renovated using this program in 2015.

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 2016 and beyond.

For the benefit of the residents and businesses of Kettering we are strategically planning for the future in order to continue to be the “Community of Choice to Live Work and Play”. Our goals for 2016 will focus on seven strategic areas as identified through our Strategic Plan:

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

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

LONG TERM FINANCIAL POLICIES

REVENUE:

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

EXPENDITURES:

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

DEBT:

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

FUND BALANCE:

- A balanced budget means that the appropriations for any given year shall not exceed the sum of available cash balances, less reserves, plus revenues to be received during the year. The City's goal, however, is not only to achieve a balanced budget, but to maintain an ending General Fund balance of not less than 90 days of operating expenditures and transfers.
- Current year operating expenditures and debt service obligations shall be covered using current year operating revenues. Long-term capital outlay items and some capital improvements may be funded from City reserves.
- The City's excess cash shall be invested in accordance with the Investment Policy adopted by City Council, and last updated November 28, 2000. In general, this policy authorizes investments in obligations of the U.S. Treasury, agencies, and instrumentalities, commercial paper rated A-1 by Standard & Poors Corporation or P-1 by Moody's Commercial Paper Record, corporate bonds rated A or better by Standard & Poors Corporation or Moody's Bond Rating, bankers acceptances issued by banks ranked nationally as being in the top 50 in asset and deposit size, repurchase and reverse repurchase agreements, money market mutual funds whose portfolio consists of authorized investments, and the state treasurer's investment pool. The policy states that no more than 20% of the City's investment portfolio will be placed with any particular issuer, and unless matched to a specific cash flow requirement, the City will not invest in securities maturing more than five years from the date of purchase. It has been the City's practice to invest in securities maturing no more than two years from the date of purchase, and to hold all investments until maturity.

SHORT TERM FINANCIAL POLICIES:

- The City's departments shall keep operating expenditures to not more than a 0% increase over the 2015 budget. Exceptions may be made for special projects, such as technology upgrades.
- The City's Parks, Recreation and Cultural Arts fund shall maintain a budget of not more than a 0% subsidy increase over the 2015 budget. The Frazee Pavilion operations fund subsidy shall be no greater than \$300,000. A subsidy represents funding that must be transferred from the General Fund to cover the excess in expenditures over revenues in these funds.
- 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 \$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 \$57.9 million and \$36.7 million for 2015 and 2016 respectively. Revenue and expenditure estimates for both 2015 and 2016 represent conservative projections consistent with our past budgeting practices.

The estimated 2015 available year-end balance of \$57.9 million for all funds is \$5.7 million less than the actual 2014 ending balance. The decrease in fund balance is primarily due to capital improvement spending in the CIP Fund, requiring a transfer from the General Fund, and in the Frazee Founder / Fan Club Fund.

In 2015 significant improvements were made to the City's roadways, parks & recreational facilities, and other city-owned facilities. Examples of 2015 improvements include: \$1,072,000 for asphalt resurfacing,

\$1,203,000 for the reconstruction of David Road between Overland Trail to Twilight Hill, and \$2,284,000 for improvements to Civic Commons fountain, patio, pond and lighting. Further improvements include \$620,000 from the Frazee Founder / Fan Club Fund for a master plan and renovations to the facility's spotlight tower. The Enhanced 911 (E911) Fund also decreased during 2015 due to the purchase of new dispatch consoles and the implementation of next generation E911 technology.

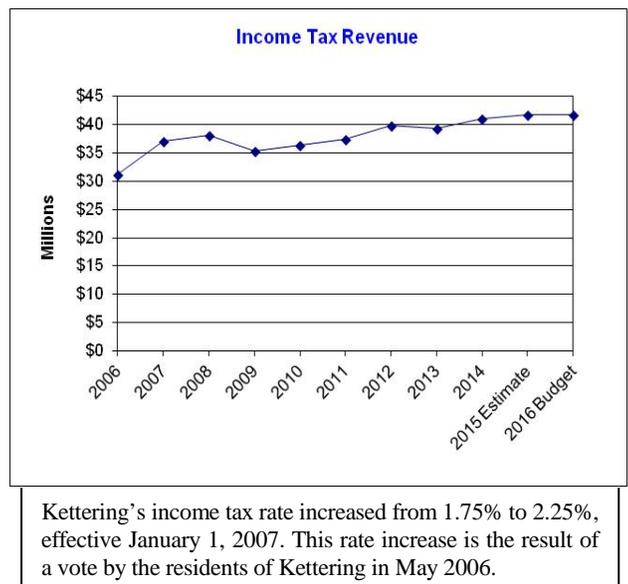
In 2015, the City continued to implement its Fire Station Improvement Project. Funding for the fire station improvements come from the City's Emergency Medical Services (EMS) Fund balance and from the issuance of general obligation debt – to be re-paid using EMS Fund revenues. Prior to 2015, the City spent \$3.8 million on the project, including land and site preparation for Station #32 on Far Hills Avenue, Station #36 at E. David Road and Hempstead Station, and Station #34 at Woodman Drive and design and architectural services and partial construction of Station #32. Estimated 2015 expenditures of \$12.7 million and Proposed 2016 budget of \$12.6 million are a continuation of the multi-year improvement project.

The budgeted 2016 year-end balance for all funds shows a \$21.1 million decrease from the estimated 2015 ending balance. As in 2015, the 2016 decrease is largely due to capital improvement expenditures. Fire station improvement expenditures are budgeted at \$12.6 million. Of this amount \$1.8 million will come from the 2015 debt proceeds and \$10.8 million will use EMS Fund proceeds previously transferred to the CIP Fund. Fund balance decreases are planned in the General Fund due to transfers to the CIP Fund, the Frazee Pavilion Operations Fund, and the Special Grants & Programs Fund.

The available ending balance for the City's General Fund alone is projected at \$36.2 million and \$30.8 million for 2015 and 2016 respectively. The planned decreases are attributable to loans and commitments related to economic development and to capital improvements necessitating General Fund transfers to the CIP Fund of \$5.5 million in 2015 and \$7.1 million in 2016. The transfers 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 \$140,660 in 2015 and \$1,395,270 in 2016. This means that the City continues to cover its operating costs with current operating revenues.

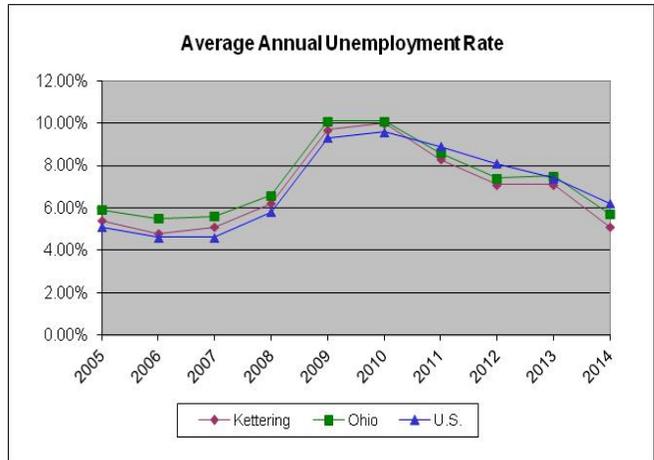
REVENUES

Year 2016 revenues for all funds are projected to be 4.1% more than estimated 2015 revenues, largely due to an increase in federal grants expected for 2016 roadway improvements and community development projects. The City's two major sources of revenue – income tax and property tax - are projected to be more than 2015 at 3.0% and .4% respectively. Decreases are expected in tax increment, licenses and permits, state and local grants, local government fund, estate tax, gasoline tax, wireless 911 tax, charges for services, special assessments, concessions, sponsorships, the Montgomery County ED/GE program, and reimbursements. Increases are anticipated in federal grants, fines and forfeitures, investment earnings, and rental income. Further discussion of all revenue categories is shown below.



MAJOR REVENUE SOURCES

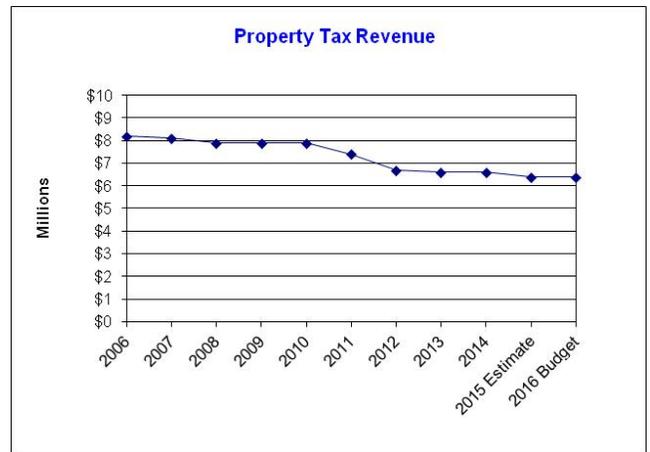
Income Taxes: Approved by a vote of Kettering citizens, this is the City’s largest revenue source. Earnings tax would better describe this revenue, as it is essentially a 2.25% tax on the payroll of employees working in Kettering or on the earnings of Kettering residents working elsewhere, except that a credit is given up to 2.25% if income tax is paid to another city. This tax is also applied to business profits. Income tax revenue provides a good hedge against inflation compared with most other City revenue, but it is more subject to swings in the local economy. Historically, Kettering’s unemployment rate has run well below the averages for the local area, the State of Ohio and the United States. The City’s unemployment rate increased during the Great Recession coinciding with the loss of auto manufacturing jobs throughout the region and the state. However, in recent years, the City’s unemployment rate has decreased.



The business base ranges from major employers headquartered in Kettering, to midsize companies specializing in technology or professional services, to smaller family-owned businesses. Kettering’s largest employers include Kettering Medical Center (KMC), Synchrony Financial (formerly G.E. Money), and Reynolds & Reynolds. KMC employs more than 3,500 and continued its commitment to growth in the community with the ground breaking on a new 120,000 sq. ft., \$49 million comprehensive cancer care center to be constructed on vacant land across from the main campus. Reynolds & Reynolds, a fortune 1000 company that has been based in Dayton since 1866, increased employment from 1,150 to 1,300 at its Miami Valley Research Park campus.

Projected 2016 income tax receipts are expected to be about 3.0% more than 2015. Future years’ income tax revenue projections have been adjusted for inflationary increases, as well as for new employment at various Kettering employers. The projected increase in 2016 is reflective of the current regional economic conditions and the implementation of mandatory filing that began with returns due in 2013. (\$1,324,000 increase over 2015)

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. 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. The remaining .79 mills is a voted bond levy for repayment of the debt on the Kettering Recreation Complex and other improvements to the City's parks. The levy was passed by a vote of the taxpayers in November 2008.

The tax on tangible property was phased out over the period from 2006 to 2009. During this time – the “Hold Harmless Period” – the State of Ohio fully replaced lost revenue to localities; and in the following years (2010 – 2017), the state reimbursement was to be phased out. As part of the State's effort to balance its 2012/2013 budget, this phase out period was accelerated based upon a formula of reliance.

Property Tax Revenue projections are based on historical trends, with adjustments in revaluation and update years based on the results. A revaluation completed in 2014 resulted in an average decrease in Kettering's property values of about 4%. Proposed 2016 revenues are just slightly more than 2015 reflecting the results of the revaluation and the stabilization of property values in the area. Future years' projections reflect a conservative growth of 1% except for revaluation years with growth of 2%. (*\$26,000 increase over 2015*)

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 area and Hempstead Station business park areas. The portion of tax increment for Meijer ended in 2013. Beginning in 2003, the City began receiving additional tax increment revenue for property located in Governor's Place that will continue for 20 years. Beginning in 2014, the City began receiving tax increment revenue for the former H&H parcel and the Acorn Walk Development. (*\$5,000 decrease from 2015*)

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., 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. (*\$171,000 decrease from 2015*)

Federal Grants: A primary source of federal grant revenue for 2016 is the Community Development Block Grant (CDBG) Program. These revenues are based on approved funding from the various federal agencies administering the programs. Another source of federal grant revenue is MAP-21 funding for roadway and transportation programs. The City expects approximately \$2,299,000 for roadway and bike trail projects in 2016. The City also expects to receive \$2,240,000 from SAFETEA-LU funding for a citywide traffic signal upgrade. (*\$3,542,000 increase over 2015*)

State & Local Grants: The City receives state and local grants for Parks and Recreation programs, Law Enforcement programs and other CIP projects. In past years, a primary source of state grants revenue was funding from the Ohio Public Works Commission (OPWC) for various roadway or bridge improvement programs. However, no such projects are planned for 2016. (*\$332,000 decrease from 2015*)

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 phases out the

rollback so that reductions will not apply to new levies enacted after August 31, 2013. The State budget also applies a means/income test to determine eligibility for the Homestead exemption. *(No change from 2015)*

Local Government Funds: This revenue represents Kettering's share of the state sales tax distributed to the communities in this area by Montgomery County. This revenue has declined as the state continues to reduce allocations to municipalities. Revenue projections are based on historical data and estimates received from the State of Ohio Department of Taxation and Montgomery County. *(\$15,000 decrease from 2015)*

Estate Tax: This revenue source is the City's share of income tax from the estates of deceased Kettering residents. In November 2013, the city received a \$40 million distribution stemming from a 2011 estate tax return – the largest estate tax payment ever received in Montgomery County. The state eliminated the estate tax beginning in 2013. Conservative revenue projections allowed for a phase out of estate tax returns in past years, but the City now anticipates no future receipts from this source. *(\$58,000 decrease from 2015)*

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 specifically designated to fund street repairs and improvements as well as improvements to state highways within the City's borders. Projections are made based on historical data, trends and information received from the State of Ohio. *(\$10,000 decrease from 2015)*

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 2015)*

Wireless 911 Tax: Monthly surcharges fees paid to the State of Ohio by wireless phone users through their cellular providers make up this revenue. The funds are remitted to Montgomery County and then distributed by a set formula to the five jurisdictions with the largest public safety dispatching operations, including the county. The monthly surcharge decreased from \$0.28 to \$0.25 effective January 1, 2013. Revenue projections are based on historical data and estimates from Montgomery County. Effective January 2016, limitations on funding will be implemented and Kettering anticipates a 50% reduction in revenue. *(\$62,000 decrease from 2015)*

County Shared Revenues: This revenue is the City's share of the County Motor Vehicle License Tax (Permissive Tax). The tax is applied at a rate of \$5.00 per motor vehicle registered and located within Montgomery County. The City then receives its share of those revenues to be used for paying all or part of the costs in planning, constructing, reconstructing, improving, maintaining and repairing highways, roads and streets designated as necessary or conducive to the orderly and efficient flow of traffic within and through the County. Historical data is used to project future years' revenues. *(No change from 2015)*

Charges for Services: Close to 78% of the Charges for Services revenues are generated by recreation services and the Frazee Pavilion performances. Revenue projections are based on information regarding programming and expected activity levels developed by the City's Parks, Recreation & Cultural Arts Department and on revisions to the fee structure. Also included in Charges for Services are fees for Emergency Medical Services performed by the City's firefighter paramedics. *(\$203,000 decrease from 2015)*

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. *(\$16,000 increase over 2015)*

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. (\$62,000 increase over 2015)

Rental Income: Close to 84% 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. (\$66,000 increase over 2015)

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. Advance notifications regarding special assessments are sent to property owners. (\$128,000 decrease from 2015)

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. (\$215,000 decrease from 2015)

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 an application for funds is filed and a board of local officials for the communities reviews and approves the projects. During 2015, the City received \$185,000 Edge funding to provide forgivable loans to two organizations – National Composite Center and Miami Valley Research Foundation. To date, no money is expected to be received in 2016. (\$185,000 decrease from 2015)

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 Inspectors on federally funded roadway projects. 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 primarily based on historical data and trends adjusted for specific information we obtain regarding the various miscellaneous revenue sources. (\$606,000 decrease from 2015)

OTHER FINANCING SOURCES AND USES

Other financing sources are generally comprised of proceeds from the issuance of debt, and from the sale of city-owned assets and properties previously acquired through the Community Development Block Grant's (CDBG) purchase rehabilitation program. Estimated Other Financing Sources for 2015 include \$17.7 million in proceeds from the issuance of 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 will partially finance the construction of four new fire stations as part of the City's Fire Station Improvement Plan. The 2015 Other Financing Uses of approximately \$2.3 million reflect the refunding of the Series 2005 Court Facility Bonds.

Other Financing Sources for 2016 include \$375,000 in proceeds from the sale of city-owned properties, equipment, and vehicles through auction and \$260,000 in sales of city-owned properties through the CDBG programs.

OPERATING EXPENDITURES

Operating costs (all funds) for 2016 are proposed at \$68.8 million compared to an estimated \$70.7 million in 2015. The total 2016 Operating budget (Personal Services, Operating Expenses and Capital Outlay combined) is 2.6% more than the original 2015 operating budget.

Proposed 2016 personal services are 4.3% higher than the original 2015 budget. The 2016 budget reflects an across the board pay increase of 2.00% for non-organized employees. Pay increases for organized employees are budgeted at either 2.00% or 2.75% depending upon the contracted rate for each bargaining unit. The 2016 budget includes funding for six new full-time Firefighters, among other personnel changes. Please refer to pages 53 – 55 in the Budget Summary Section for detailed information on changes in positions and full time equivalents.

As previously mentioned, health insurance premiums will increase 7.0% over the 2015 level with no change to the split of 83% City and 17% employee. The City's contribution into employees' HSA accounts will be reduced from 75% to 70% of the deductible amount. Employees do have an opportunity to "earn back" additional 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 the Patient Protection and Affordable Care Act (PPACA).

The 2015 operating expenditures, excluding personnel and capital equipment, are estimated at \$23.2 million and include non-recurring purchases related to the migration to the MARCS Radio System in conjunction with Montgomery County. Over the past several years, the region has worked diligently to create an effective solution to address the aging radio infrastructure and platform that currently serves communities throughout Montgomery County. The County decided to partner with the state-wide MARCS (Multi-Agency Radio Communication System) solution to provide efficient and safe communications for government use throughout our region. The City of Kettering currently utilizes the Montgomery County 800MHz analog system which will no longer exist in 2016 when migration to MARCS 700/800 digital P25 compliant system occurs. As such, the City purchased \$1.7 million in new radio consoles, portables and mobile units in 2015 to participate in the new system and ensure effective and continual communications for our public safety and public works personnel.

As part of the 2016 budget planning process, departments were asked to keep 2016 operating requests, excluding personnel and capital equipment, to not more than a 0% increase over their 2015 budgets. Departments made significant efforts to balance the requirement to meet this objective with the need to provide the same level of efficient, effective, quality services. Most of the departments were able to meet or even exceed this objective. Some exceptions were made where a department made significant budget reductions in the prior year, or where a new project or initiative is being implemented. For example, the Engineering Department will see a \$20,000 increase for costs associated with the bike route signage and the Administrative Services Information Systems Division will see an increase of \$34,000 for costs associated with server replacements. Even with these special items, the General Fund maintains a positive operating margin.

The 2016 proposed capital outlay budget at \$1.7 million is \$663,900 less than the 2015 budget. Details on specific expenditures can be found within the department narratives on pages 62 – 135. Some of the larger purchases will include replacements for patrol vehicles, unmarked sedans, dump trucks, pickup trucks, and a street sweeper.

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 City-wide current operating revenues are anticipated to exceed expenditures related to operations and debt by \$257,600 in 2015 and by \$1,372,900 in 2016. General Fund operating margin is anticipated to be \$140,660 in 2015 and \$1,395,270 in 2016.

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 2016 is \$28.7 million. When combined with estimated 2015 expenditures of \$26.4 million, the two-year total of \$55.1 million reflects City Council's strong commitment to rebuilding and maintaining the community's neighborhoods, infrastructure, roadway, fire stations, and recreational facilities.

The 2016 Capital Improvement Program includes a variety of projects ranging from roadway improvements and signal rebuilds, to the usual resurfacing and curb replacement programs. A major resurfacing project is planned for East Stroop Road from Shroyer to County Line, an upgraded city-wide signal system is in the works, and Civic Commons Park will be improved with a second phase of lighting and pathways. Capital improvements are planned in both 2015 and 2016 related to Kettering's fire station projects.

Please refer to pages 127-132 (Capital Improvement Fund — \$28,314,000) for a detailed look at the proposed projects and their related impact on operating costs. Capital improvement expenditures are also budgeted in the Community Development Block Grant Fund (\$330,000) and Frazee Founder Fund (\$10,000).

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. Prior to 2015 the last debt issuance took place in 2009. Kettering voters passed a bond levy in November 2008 for capital improvements to our Parks, Recreation, and Cultural Arts (PRCA) facilities, and during 2009, the City issued \$12.4 million in debt for this purpose. 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 will partially finance 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 will be allocated to the Debt Service Fund to pay \$1,055,000 in annual principal and interest on the \$15.5 million debt issuance.

Honorable Donald E. Patterson and
Members of Kettering City Council
December 15, 2015

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

MODIFICATIONS

We continue to be living in very uncertain times. The City's revenues are a direct function of the health of the local economy. This document details several aspects of uncertainties regarding the corporate environment of Kettering. While I hope to see no significant adverse change in the corporate structure of the community, it is prudent to be conservative with revenue projections. City staff will closely monitor revenues during 2016 and will be prepared to make recommendations to modify the budget as necessary.

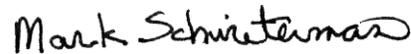
BUDGET PROCESS/DOCUMENT

The City's budget process is, perhaps, the most important process we facilitate in a given year. It represents a continuing cycle of reviewing long-range goals and objectives, planning, facilitation, and evaluation. A detailed explanation of our budget process is on pages 12 - 14.

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

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

Sincerely,



Mark W. Schwieterman
City Manager

STRATEGIC PLAN

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

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

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

Vision: Kettering: Distinguished as the community of choice to live, work and play.

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).

CITY OF KETTERING STRATEGIC PLAN 2015 – 2016

MISSION: A PROGRESSIVE COMMUNITY WHERE CITIZENS THRIVE IN A SAFE, INCLUSIVE, DIVERSIFIED, ENJOYABLE ENVIRONMENT

VISION: DISTINGUISHED AS THE COMMUNITY OF CHOICE TO LIVE, WORK AND PLAY

STRATEGIC PRIORITY	ACTION AGENDA	TACTICS
<p>HAVE ACTIVE LEADERSHIP IN REGIONAL INITIATIVES THAT IMPROVE CITY SERVICES, SAVE THE CITY RESOURCES, AND BOOST THE CITY'S REGIONAL PROMINENCE</p>	<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. (Dirs. Team) Create a list of organizations in which we should become more involved. (Council and City Mgr.) Identify potential regional collaborations such as transportation, emergency dispatch services, or building code enforcement. (Dirs. Team) (Ongoing)
	<ul style="list-style-type: none"> MVRPC — Greater leadership in MVRPC 	<ul style="list-style-type: none"> Work with other surrounding jurisdictions via MVRPC to determine the need for expanded senior transportation services. (PRCA) (Ongoing) Actively participate in the “Going Places” Regional Land Use Plan. (P&D) (Complete)
	<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 plus the Kettering, Centerville, Oakwood LGIF Fiber Study. (P&D and City Mgr.) (Ongoing) Establish regional partnerships to pilot demonstration projects with Countywide replication potential, i.e. Preschool Promise and LED Streetlight projects. (CIM) (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 the training MVCC provides to meet the City's needs (ex. public records training, succession planning, etc.). (HR and Dirs. Team) (Ongoing) Investigate MVCC broadcasting training. (Fire) (Ongoing)
	<ul style="list-style-type: none"> First Tier Suburbs — Greater leadership 	<ul style="list-style-type: none"> Utilize the consortium to influence policy at the state level, such as the effort for Tax Uniformity. (Council and City Mgr.) (Ongoing)
	<ul style="list-style-type: none"> Dayton Development Coalition (DDC) — Greater leadership 	<ul style="list-style-type: none"> Strengthen our relationship regarding Development Projects. (City Mgr. and Ec. Dev.) (Ongoing)
	<ul style="list-style-type: none"> Business First — Actively engage in interviews 	<ul style="list-style-type: none"> Continue working with DDC through the implementation of the Jobs Ohio Program (City Mgr. and Ec. Dev.) (Ongoing) Initiate and conduct business interviews with City Businesses. (Ec. Dev.) (Ongoing)
	<ul style="list-style-type: none"> School Board — Enhance communications 	<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) Work closely with the Fairmont Building Trades Program to construct new homes, provide park facilities assistance, construct additions, decking and out buildings within the community, while teaching health and safety. (P&D and PRCA) (Ongoing)

CITY OF KETTERING STRATEGIC PLAN 2015 – 2016

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STRATEGIC PRIORITY	ACTION AGENDA	TACTICS
<p style="text-align: center;">HAVE ACTIVE LEADERSHIP IN REGIONAL INITIATIVES THAT IMPROVE CITY SERVICES, SAVE THE CITY RESOURCES, AND BOOST THE CITY’S REGIONAL PROMINENCE (CONT’D.)</p>	<ul style="list-style-type: none"> • Local Jurisdictions — Look for joint opportunities to save resources 	<ul style="list-style-type: none"> • Cooperation with other agencies on snow and ice control. (Public Service) (Ongoing) • Participate with multiple jurisdictions on Youth Drug and Alcohol Task Force (South Suburban Coalition). (City Mgr., Clerk of Court, Police and Council) (Ongoing) • Increase participation in the Fire/EMS Region 3 Strike Team and Regional Haz. Mat. (Fire) (Ongoing) • Establish the Automatic Mutual Aid Response System (AMARS) with Washington Twp. and City of Oakwood. (Complete) Reevaluate the inclusion of Miami Valley Fire District, Moraine and Beavercreek. (Fire) (Ongoing) • Continued participation with regional organizations such as the Tactical Crime Suppression Unit (TCSU) and the Ohio Organized Crime Investigative Commission (OOCIC) 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) • Continued participation in the Miami Valley Risk Management Association (MVRMA). (Finance) (Ongoing)
<p style="text-align: center;">ENGAGE IN ECONOMIC DEVELOPMENT VENTURES THAT ATTRACT AND EXPAND INVESTMENT IN THE CITY</p>	<ul style="list-style-type: none"> • Utilize available communication tools to assist with business retention and attraction. 	<ul style="list-style-type: none"> • Business News – Produce quarterly e-newsletter and distribute to all businesses. Include business news section within <i>Contact with Kettering</i> quarterly newsletter and distribute to all businesses. (Ec. Dev. and CIM) (Ongoing) • Biz Appreciation Events – Conduct Business Appreciation Events to keep businesses informed and show City’s appreciation for their presence. (Ec. Dev.) • KMO Membership – Maintain 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"> • Explore Land Banking Techniques – Work with other regional organizations to determine if land banking opportunities exist. (Asst. City Mgr., Ec. Dev. and P&D) (Ongoing) • T&C involvement – Work with 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) (Complete/Ongoing) • Prepare new zoning code, which streamlines development process, identifies design requirements up front and creates flexibility of redevelopment. (P&D) (Complete) • Develop a City marketing packet that can be distributed to businesses. (Ec. Dev.)
	<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 Demo Programs. (Ec. Dev., P&D and Engr.) (Ongoing)

CITY OF KETTERING STRATEGIC PLAN 2015 – 2016

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STRATEGIC PRIORITY	ACTION AGENDA	TACTICS
IMPROVE AND MAINTAIN HOUSING OPTIONS AND NEIGHBORHOOD ENVIRONMENTS	<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 desire to live, work and play in Kettering. 	<ul style="list-style-type: none"> Complete a neighborhood assessment identifying housing type, condition, current demographics, infrastructure, neighborhood safety and neighborhood needs. (P&D) (Complete) Encourage and participate in neighborhood social events. (Police) (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) Each of the Police Department’s Community-Oriented Policing (COP) teams will plan and organize one event involving officers and the community. (Police) (Ongoing) Complete park and parkway improvements in neighborhoods. (PRCA) (Ongoing) Initiate the “Kettering Cares” program and address a different neighborhood each year. (Vol. and P&D) (Ongoing) Implement “Cities of Service” program in the Indianola neighborhood. (P&D, Vol., etc.) (Complete) Implement “Cities of Service” program in the Southern Hills neighborhood. (P&D, Vol., etc.) (Complete) Implement “Cities of Service” program in the Berwin Park neighborhood. (P&D, Vol., etc.) (Ongoing)
	<ul style="list-style-type: none"> Ensure adequate maintenance on all properties throughout Kettering. 	<ul style="list-style-type: none"> Coordinate with PRCA programs and street improvement programs to encourage neighborhood pride. (PRCA and Engr.) Examine the property maintenance code to ensure it provides adequate tools for City inspectors to use in enforcing the code. (P&D and Law) (Ongoing)

CITY OF KETTERING STRATEGIC PLAN 2015 – 2016

MISSION: A PROGRESSIVE COMMUNITY WHERE CITIZENS THRIVE IN A SAFE, INCLUSIVE, DIVERSIFIED, ENJOYABLE ENVIRONMENT

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STRATEGIC PRIORITY	ACTION AGENDA	TACTICS
MAINTAIN FISCAL RESPONSIBILITY WHILE MAKING STRATEGIC CAPITAL INVESTMENTS	<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). (Finance, City Mgr., and All Depts.) (Ongoing) Continue to provide a Long-Range Financial Forecast. (Finance and City Mgr.) (Ongoing) Update Fire Apparatus Replacement Plan and use for budgeting. (Fire) (Complete) 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 and Frazee Pavilion Master Plans and use for CIP budgeting. (PRCA) (Ongoing) Seek bond rating upgrade (Finance and City Mgr.) (Complete)
	<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.)
	<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) Continue to work with the Volunteer Office to define the role and expectations of volunteers in the PRCA Department and grow the number of active volunteers contributing to the department. (Vol. and PRCA) Evaluate programs and operations at departmental levels for potential savings and efficiencies. (All Depts.) (Ongoing) Evaluate and determine staffing models for Fire Department. (Fire) (Ongoing) Require departments to evaluate operating impact of capital improvement projects as part of budget request. (All Depts.) (Complete) Eliminate conflicting Fire Codes and revised Codified Ordinances on Fire and Life Safety. (Fire) (Ongoing)
	<ul style="list-style-type: none"> Utilize sources for leveraging and supplementing 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) Work with City CDBG personnel to evaluate opportunities to complete necessary projects utilizing CDBG assistance. (CDBG, P&D, City Mgr. and Engr.) (Ongoing) Grow alternative revenue sources through increased obligation of sponsorships, grants and the growing of the Kettering Parks Foundation. (PRCA) (Ongoing)

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STRATEGIC PRIORITY	ACTION AGENDA	TACTICS
PROVIDE PUBLIC SAFETY VIA POLICE, FIRE AND OTHER SERVICES THAT EXCEL AT CUSTOMER SERVICE AND RESOURCE ALLOCATION	<ul style="list-style-type: none"> Public Works — Ensure Public Safety through quality and responsive public works. 	<ul style="list-style-type: none"> Implement Snow and Ice Control Plan to ensure reasonably safe travel within and through Kettering while managing the increasing cost of fuel, anti-icing, and manpower. (Public Service) (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"> 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 related to driving and hoarding. (Sr. Service Coord.) (Ongoing) Continue with and advance the Kettering Safe Senior Program (KSSP). (Police) (Ongoing) Safety Education — Explore new ways of providing Citywide 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"> Police — Crime Prevention/Deterrents 	<ul style="list-style-type: none"> Participate with regional organizations such as the Tactical Crime Suppression Unit (TCSU) and the Ohio Organized Crime Investigative Commission (OOCIC) to target specific reoccurring criminal activity. (Police) (Ongoing) Make available on the KPD website a link to leave anonymous tips. (Police) (Complete) Continue to use bike patrol on night watches to target problem areas. (Police) (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)

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STRATEGIC PRIORITY	ACTION AGENDA	TACTICS
PROVIDE PUBLIC SAFETY VIA POLICE, FIRE AND OTHER SERVICES THAT EXCEL AT CUSTOMER SERVICE AND RESOURCE ALLOCATION (CONT'D.)	<ul style="list-style-type: none"> • Police — Community-Based Problem Solving 	<ul style="list-style-type: none"> • Community-Oriented Policing (COP) officers will conduct biannual meetings to seek long-term solutions to reoccurring problems in each of the 6 COP Beats of the City. (Police) (Ongoing) • 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) • Each of the COP teams will plan and organize one event involving officers and the community. (Police)
	<ul style="list-style-type: none"> • Fire — Continue to develop and implement plans based on the recommendations from the Matrix Report. 	<ul style="list-style-type: none"> • Continue to benchmark and evaluate the progress of the Fire Department based on the recommendations of the Matrix Report. (Fire) (Ongoing)
	<ul style="list-style-type: none"> • Fire — Alarm Response Goals 	<ul style="list-style-type: none"> • Establish response time goals and minimum response levels that should be met 90% of the time for fire and EMS alarms. (Fire) (Complete)
	<ul style="list-style-type: none"> • Fire — Station Master Plan 	<ul style="list-style-type: none"> • Evaluate current location of fire stations for effectiveness and ensure their location supports alarm response goals. (Fire) (Complete) • Construct four new fire stations according to the fire station master plan. (Fire and Public Service) (Ongoing)
	<ul style="list-style-type: none"> • Fire — Part-Paid Volunteer Firefighters (PPVFs) 	<ul style="list-style-type: none"> • Develop plan to ensure we maintain an adequate number of part-paid volunteer firefighters (PPVFs). (Fire) (Ongoing) • Develop plan to increase the usage of citizens in non-hazardous conditions to support the functions of the fire department. (Fire)
	<ul style="list-style-type: none"> • Fire — Increase PPVF Retention 	<ul style="list-style-type: none"> • Ensure that our PPVFs remain with the organization to become fully functioning and well-trained. (Fire) (Ongoing) • Ensure we maintain an adequate number of PPVFs rostered to staff stations and apparatus. (Ongoing)

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STRATEGIC PRIORITY	ACTION AGENDA	TACTICS
PROVIDE PUBLIC SAFETY VIA POLICE, FIRE AND OTHER SERVICES THAT EXCEL AT CUSTOMER SERVICE AND RESOURCE ALLOCATION (CONT'D.)	<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) (Complete)
	<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 (EOP). (Fire) • Ensure all key personnel practice their roles in a disaster to provide better service during a disaster. (Fire)

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STRATEGIC PRIORITY	ACTION AGENDA	TACTICS
<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>	<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.) Gain CALEA accreditation for the City's Combined Public Safety Communications Unit. (Police) (Complete) Obtain PRCA re-accreditation. (PRCA) (Ongoing)
	<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.) (Complete/Ongoing)
	<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, communicate. (City Mgr.) (Ongoing) Promote philosophy of excellent customer service throughout the departments. (Individual Depts.)
	<ul style="list-style-type: none"> Enhance external customer service: City processes to our citizens 	<ul style="list-style-type: none"> Focus portion of Biennial Survey on customer service: Responsiveness of City, questions answered, number of stops or handoffs in process, follow-up. (CIM) (Ongoing) 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.)

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STRATEGIC PRIORITY	ACTION AGENDA	TACTICS
<p>DEVELOP AND MAINTAIN A COMMUNICATION PLAN THAT EDUCATES OUR COMMUNITY AS WELL AS PRODUCES AN IMAGE OF OUR CITY</p>	<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 quarterly to discuss current events; upcoming marketing opportunities; update one another on our areas of communication and plan for the year. (CIM) (Ongoing) Promote the City’s Live Work Play motto in all publications, speeches, ads. (CIM) (Ongoing)
	<ul style="list-style-type: none"> Communicate City’s successes 	<ul style="list-style-type: none"> Create a “shameless promotion” policy regarding promoting the City’s successes. (Dept. Directors) Utilize banners to announce appropriate City successes/awards. (CIM) (Ongoing) Send press releases announcing successes and broaden the distribution list. (CIM)
	<ul style="list-style-type: none"> Implement a core philosophy regarding marketing resources and targets 	<ul style="list-style-type: none"> Decide annually what media outlets to target. (CIM) (Ongoing) Identify City programs to support annually. (CIM) (Ongoing)
	<ul style="list-style-type: none"> Actively participate in Social Media where it makes sense 	<ul style="list-style-type: none"> Institute a Social Media policy for the City of Kettering. (CIM and HR) (Complete) 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) Utilize the Block Party to hand out block party kits and for sign-ups for neighborhood block parties. (CIM) (Complete) Continue to promote the Mayor’s Christmas Tree Lighting as a premier event in the community. (PRCA) (Ongoing) Continue to promote Go 4th! as a premier event in the community. (PRCA) (Ongoing) Promote the City’s Community Art Program as a program that sets us apart from other communities. (PRCA) (Ongoing) Capitalize on the heritage of Charles F. Kettering. (CIM) (Ongoing) Improve the updated website to make it even more dynamic and user friendly. (CIM) (Ongoing)

CITY OF KETTERING STRATEGIC PLAN 2015 – 2016

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STRATEGIC PRIORITY	ACTION AGENDA	TACTICS
<p>DEVELOP AND MAINTAIN A COMMUNICATION PLAN THAT EDUCATES OUR COMMUNITY AS WELL AS PRODUCES AN IMAGE OF OUR CITY (CONT'D.)</p>	<ul style="list-style-type: none"> Communicate Important Topical Information 	<ul style="list-style-type: none"> Utilize Govt. Access TV to communicate current events. (All Depts.) (Ongoing) Expand <i>Contact with Kettering</i> to better communicate with residents about topical information. (CIM) (Ongoing) Utilize <i>Dayton Daily News</i> Editorials to communicate information to residents. (CIM and City Mgr.) (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 WebQA system to respond to “customer” 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"> Place ads in WPAFB publication to promote Kettering as a great place to Live, Work and Play. (CIM) (Complete) Correspond with realtors in order to “train” them on the Kettering Live Work Play motto and way of life. (CIM) Promote the City in the Frazee program book. (PRCA) (Ongoing) Staff a booth at Frazee events to promote the City of Kettering events, services and programs. (PRCA) Create a guide for non-residents that highlights the City’s Live Work Play motto and way of life. (CIM) Develop a branding campaign and sub-branding for selected core services and programs. (CIM) Improve the website to make it more dynamic and user-friendly. (CIM and All Depts.) Develop tools to measure marketing effectiveness and develop methods to quantify the marketing plan. (CIM)

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|------------------------|--|
| • All Depts. — | All Departments |
| • Asst. City Mgr. — | Assistant City Manager |
| • CDBG — | Community Development Block Grant Manager |
| • CIM — | Community Information Manager |
| • City Mgr. — | City Manager |
| • Council — | Mayor and Council |
| • Dirs. Team — | Directors Team |
| • Ec. Dev. — | Economic Development Department |
| • Engr. — | Engineering Department |
| • Fire — | Fire Department |
| • HR — | Human Resource Department |
| • Individual Depts. — | Individual Departments |
| • PRCA — | Parks, Recreation & Cultural Arts Department |
| • Parks Dept. — | Parks Maintenance |
| • P&D — | Planning & Development |
| • Police — | Police Department |
| • Sr. Service Coord. — | Senior Service Coordinator |
| • Vol. — | Volunteer Resources |

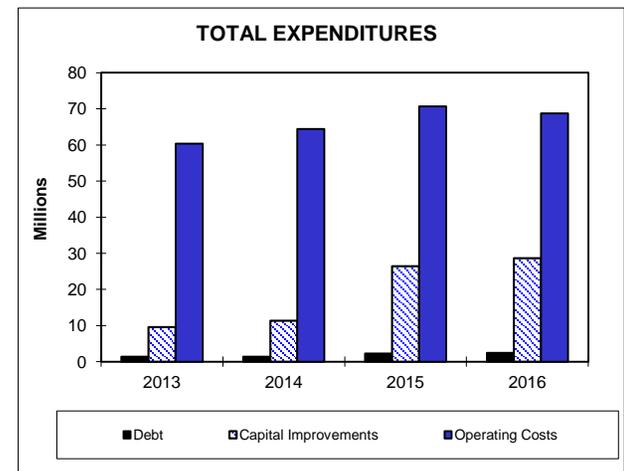
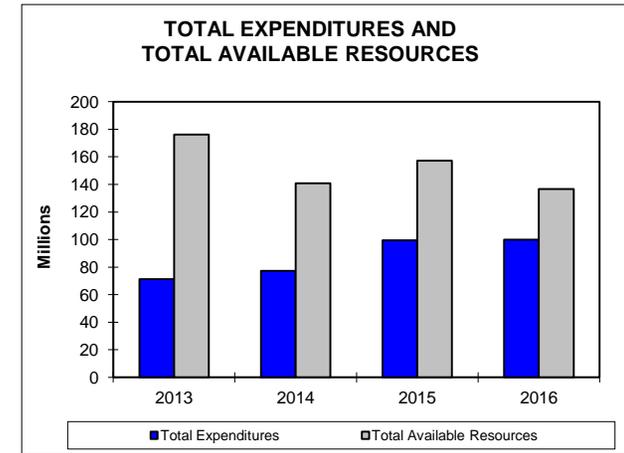


CITY OF KETTERING

OVERALL BUDGET SUMMARY (All Budgeted Funds)

TABLE I

	Actual 2013	Actual 2014	Estimated 2015	Proposed 2016
Available Resources				
Balance January 1 ^a	64,549,566	107,051,076	103,594,848	94,870,839
Nonspendable: Inventory & Loans	184,886	357,962	507,752	1,475,670
Restricted for: Loans	1,014,072	1,063,850	826,731	828,000
Committed to: Economic Development	949,994	1,449,994	1,891,007	3,841,441
Committed to: Capital Improvement	0	37,135,503	33,786,892	30,576,943
Net Balance	62,400,614	67,043,767	66,582,466	58,148,785
Revenues	113,511,143	73,500,438	74,747,000	77,793,000
Other Financing Sources	329,264	224,538	18,221,714	635,000
Less: Other Financing Uses	0	0	2,264,714	0
Total Available Resources	176,241,021	140,768,743	157,286,466	136,576,785
Expenditures				
Operating Costs	60,383,992	64,429,370	70,726,480	68,772,840
Capital Improvements	9,546,221	11,342,544	26,436,000	28,654,000
Debt Service	1,408,684	1,409,290	2,265,529	2,422,040
Total Expenditures	71,338,897	77,181,204	99,428,009	99,848,880
<i>Revised Budget (Total Expenditures) b.</i>	<i>82,359,682</i>	<i>98,850,800</i>	<i>109,343,639</i>	
Net Balance December 31 ^c	104,902,124	63,587,539	57,858,457	36,727,905



^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 2016 FUND BALANCE*

<u>Code</u>	<u>Fund</u>	<u>Balance January 1, 2016</u>	<u>Nonspendable Inventory, Restrictions, Commitments, & Assignments **</u>	<u>Receipts</u>	<u>Other Financing Sources</u>	<u>Transfers and Advances***</u>	<u>Operating Costs</u>	<u>Capital Improvements</u>	<u>Debt Service</u>	<u>Balance December 31, 2016</u>
101	General	41,709,423	(5,116,441)	56,763,000	30,000	(19,345,000)	43,200,730	0	0	30,840,252
	Special Revenue:									
202	Street Maintenance	211,175	(200,670)	2,696,000	20,000	4,161,000	6,877,010	0	0	10,495
203	State Highway	9,278	0	168,000	0	0	155,000	0	0	22,278
205	Cemetery	421,710	0	15,000	0	0	30,000	0	0	406,710
213	Police Pension	10,415	0	324,000	0	1,196,000	1,519,700	0	0	10,715
220	EMS Fund	142	0	362,000	0	(333,000)	28,500	0	0	642
246	Parks & Recreation	10,537	0	3,909,000	325,000	6,215,000	10,448,600	0	0	10,937
247	Lincoln Park Civic Commons & Amphitheatre Operations	2,379,605	0	4,030,000	0	0	4,362,000	0	0	2,047,605
260	DESC Reuse Funds	9,972	0	81,000	0	221,000	301,000	0	0	10,972
271	Special Grants & Programs	1,940,083	0	668,000	0	0	915,500	10,000	0	1,682,583
283	Community Dev. Block Grant	1,008,142	(828,000)	904,000	260,000	0	872,800	330,000	0	141,342
	Total Special Revenue	6,001,059	(1,028,670)	13,157,000	605,000	11,460,000	25,510,110	340,000	0	4,344,279
318	Debt Service	1,135,211	0	2,022,000	0	404,000	62,000	0	2,422,040	1,077,171
	Capital Projects:									
406	Capital Improvement	46,025,146	(30,576,943)	5,851,000	0	7,481,000	0	28,314,000	0	466,203
	GRAND TOTAL	94,870,839	(36,722,054)	77,793,000	635,000	0	68,772,840	28,654,000	2,422,040	36,727,905

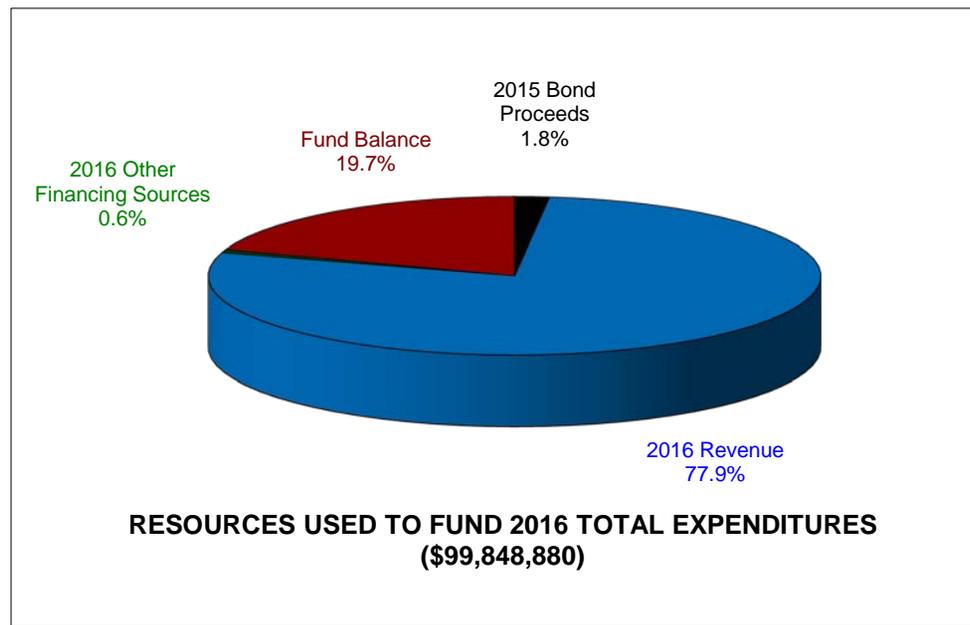
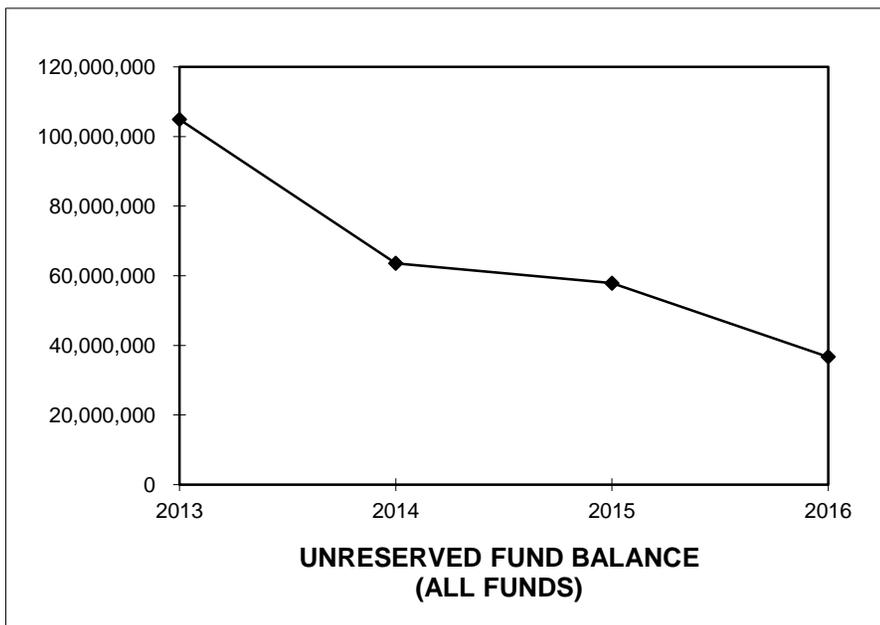
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* Fund Balance represents the funds remaining after the application of available revenues and resources to support the expenditures for the fund.

** Please see Fund Balance Classifications discussion on page 11.

*** 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.

2016 FUND BALANCE



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The 2013 unreserved fund balance reflects the receipt of a \$40 million estate tax settlement originating from a 2011 return. Consistent with existing policy, the funds were placed in the Capital Improvement Fund. The 2014 decrease in unreserved fund balance is largely due to Council's commitment, by ordinance, of this estate tax receipt for future years' capital improvement purposes. The planned 2015 and 2016 decreases are due to the use of General Fund balance for a portion of the City's capital improvement program and for economic development loans and commitments, the use of EMS Fund balance for fire station improvements, and the use of the Frazee Founder/Fan Club Fund balance for improvements at the City's Frazee Pavilion for Performing Arts. Please see pages 24 and 25 of the Budget Message for a detailed fund balance discussion.

2016 revenues will fund 78% of the City's proposed 2016 expenditures, while 20.0% of the expenditures will require the use of fund balance. Other Financing Sources and 2015 Bond Proceeds will cover just over 2% of 2016 expenditures - specifically expenditures for the Fire Station Improvements.

REVENUES CLASSIFIED BY SOURCE

**TABLE III
Page 1 of 2**

Object Code	Mills 2015	Actual 2013	Percent of Total	Actual 2014	Percent of Total	* Estimated 2015	Percent of Total	* Proposed 2016	Percent of Total	
Property Taxes:										
41110	Real (Non-voted)	2.50	2,414,445	2.1%	2,422,577	3.3%	2,341,000	3.1%	2,341,000	3.0%
41120	Real (Voted)	4.29	4,142,403	3.6%	4,156,353	5.7%	4,010,000	5.4%	4,039,000	5.2%
41210	Tangible (Non-voted)		6,329	0.0%	6,358	0.0%	3,000	0.0%	0	0.0%
41220	Tangible (Voted)	—	<u>0</u>	<u>0.0%</u>	<u>31</u>	<u>0.0%</u>	<u>0</u>	<u>0.0%</u>	<u>0</u>	<u>0.0%</u>
	Total Property Taxes **	6.79	6,563,177	5.8%	6,585,319	9.0%	6,354,000	8.5%	6,380,000	8.2%
41300	Tax Increment		455,575	0.4%	36,977	0.1%	310,000	0.4%	305,000	0.4%
41500	City Income Tax		39,386,072	34.7%	41,624,574	56.6%	44,000,000	58.9%	45,324,000	58.3%
42000	Licenses and Permits		538,267	0.5%	524,535	0.7%	705,000	0.9%	534,000	0.7%
43100	Federal Grants		2,053,103	1.8%	2,292,203	3.1%	1,897,000	2.5%	5,439,000	7.0%
43400	State and Local Grants		794,799	0.7%	626,755	0.9%	367,000	0.5%	35,000	0.0%
43500	Homestead & Rollback **		1,025,229	0.9%	1,026,777	1.4%	980,000	1.3%	980,000	1.3%
43510	Local Government Fund		771,137	0.7%	760,852	1.0%	745,000	1.0%	730,000	0.9%
43530	Estate Tax		43,242,544	38.1%	947,540	1.3%	58,000	0.1%	0	0.0%
43540	Gasoline Tax		1,894,394	1.7%	1,912,357	2.6%	1,910,000	2.6%	1,900,000	2.4%
43550	Vehicle License Fees		760,835	0.7%	765,975	1.0%	767,000	1.0%	767,000	1.0%
43560	Liquor & Beer Permits		69,144	0.1%	57,657	0.1%	60,000	0.1%	60,000	0.1%
43570	Cigarette License		3,813	0.0%	1,892	0.0%	2,000	0.0%	2,000	0.0%
43580	Wireless 911 Tax		149,771	0.1%	128,871	0.2%	125,000	0.2%	63,000	0.1%
43850	County Shared Revenues		204,325	0.2%	203,950	0.3%	204,000	0.3%	204,000	0.3%
44100	Charges for Services		6,417,442	5.7%	6,965,392	9.5%	7,092,000	9.5%	6,889,000	8.9%
45100	Fines, Forfeits & Costs		1,640,474	1.4%	1,586,869	2.2%	1,709,000	2.3%	1,725,000	2.2%
46100	Investment Earnings		305,673	0.3%	563,251	0.8%	764,000	1.0%	826,000	1.1%
44200	Rental Income		1,252,694	1.1%	1,089,060	1.5%	1,050,000	1.4%	1,116,000	1.4%
46300	Special Assessments		961,250	0.8%	934,463	1.3%	1,031,000	1.4%	903,000	1.2%
46900	Concessions		1,267,548	1.1%	1,294,549	1.8%	1,215,000	1.6%	1,115,000	1.4%
46910	Sponsorships		480,223	0.4%	541,828	0.7%	533,000	0.7%	418,000	0.5%
49400	County ED/GE Program		131,250	0.1%	83,555	0.1%	185,000	0.2%	0	0.0%
49400	Reimbursements & Miscellaneous		<u>3,142,404</u>	<u>2.8%</u>	<u>2,945,237</u>	<u>4.0%</u>	<u>2,684,000</u>	<u>3.6%</u>	<u>2,078,000</u>	<u>2.7%</u>
	TOTAL RECEIPTS		113,511,143	100.0%	73,500,438	100.0%	74,747,000	100.0%	77,793,000	100.0%
	REVISED BUDGET		73,000,330		73,460,680		75,070,031			

* Refer to page 25 (Budget Message) for a detailed listing of the assumptions used to project 2015 and 2016 revenues.

** Homestead & Rollback revenues were previously included in Property Tax totals.

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.

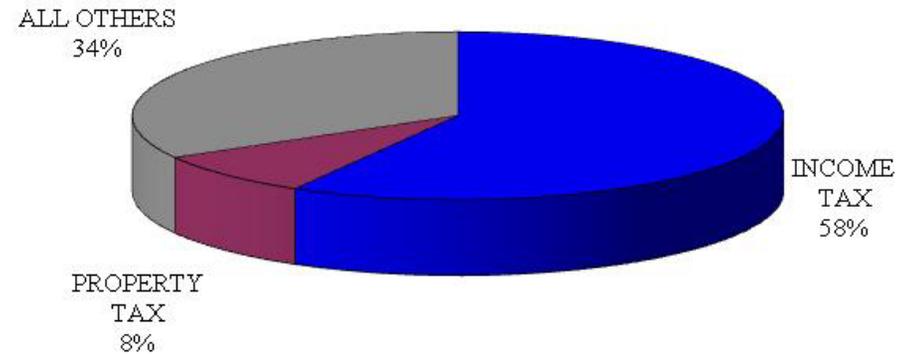
General Property Taxes

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 2014 tax rates collected in 2015, the other .79 mills are earmarked to pay off the debt on the City's improvements to sports parks, neighborhood parks and recreation complex. The City's total of 6.79 mills represents 5.9% of the current total property tax rate of 115.03 mills with the remainder going to the Kettering schools, Montgomery County, and Libraries. The 115.03 mills represents 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 98.20 mills for commercial property and 87.04 mills for residential property.

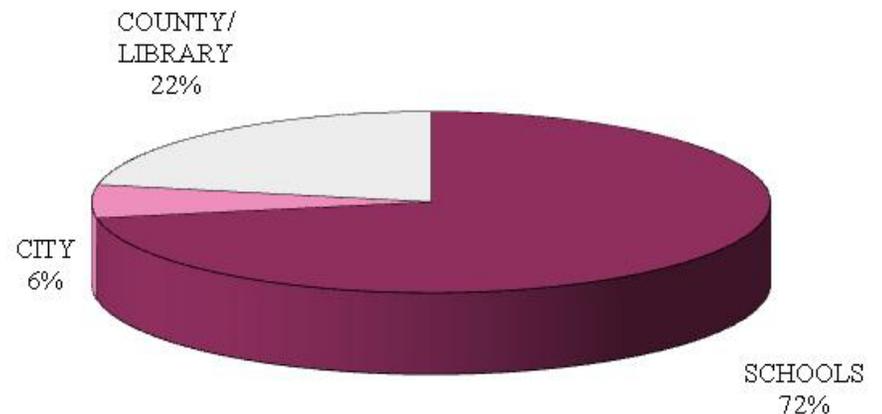
Other Revenues

No other source of revenue exceeds 10% of the total (in 2016). Additional discussion on revenues can be found in the City Manager's Budget Message.

2016 REVENUES



PROPERTY TAX RATES



APPROXIMATE SHARE OF TOTAL 2016 EXPENDITURES

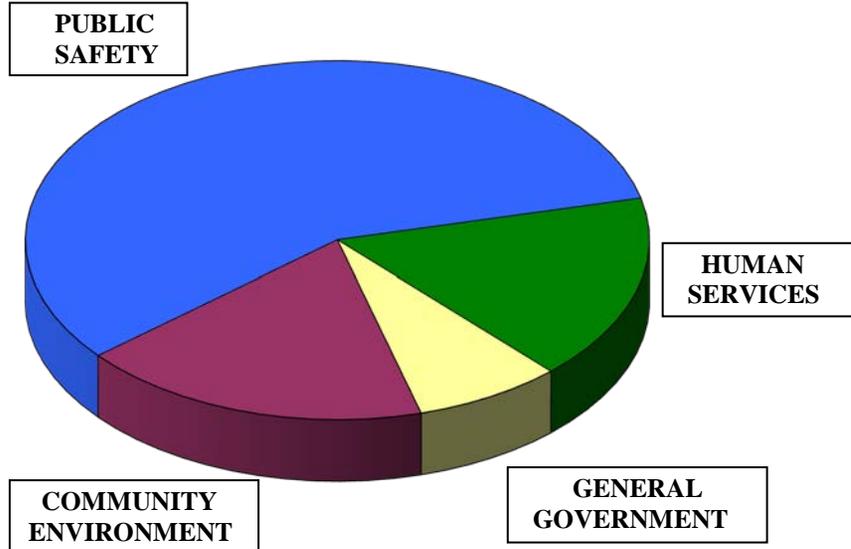
TABLE IV

Public Safety

Crime Prevention & Control	16.36%
Fire & Emergency Medical Services	26.66%
Highway Safety	10.98%
Court	<u>3.38%</u>
	57.38%

Human Services

Parks, Recreation & Cultural Arts	18.01%
Public Health	0.02%
Youth Services	<u>0.19%</u>
	18.21%



Community Environment

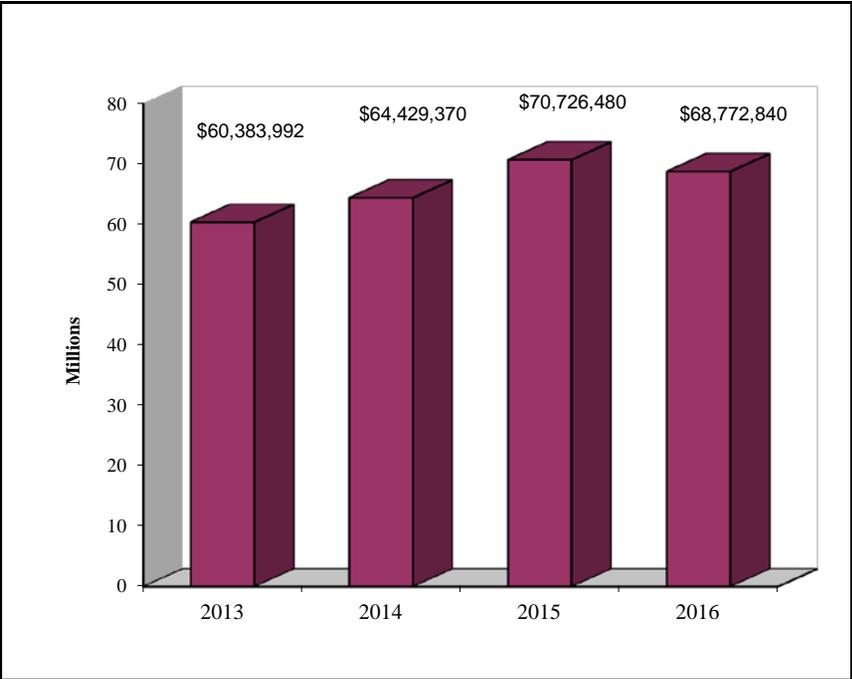
Economic and Community Development/Housing & Property Maintenance	5.10%
Streets & Drainage	<u>11.65%</u>
	16.76%

General Government

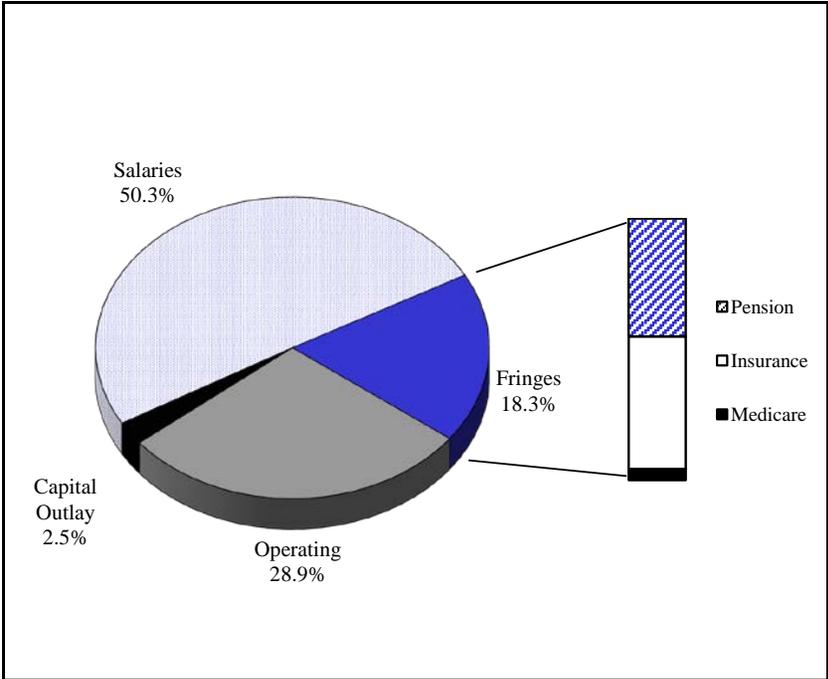
Citizen Committees	0.03%
Public Representation	0.22%
General Administration	1.39%
Legal Services	1.07%
Personnel Administration	1.16%
Financial Administration	2.60%
Administrative Support	0.93%
Volunteer Program	<u>0.26%</u>
	7.65%

PROPOSED 2016 OPERATING COSTS

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TOTAL OPERATING COSTS



DISTRIBUTION OF PROPOSED 2016 OPERATING COSTS

SUMMARY AND COMPARISON OF OPERATING COSTS

TABLE V
Page 2 of 2

Cost Center Code	Operating Cost by Cost Center	Actual 2013		Actual 2014		Estimated 2015		Proposed 2016	
		Amount	Percent of Total						
0050	Mayor and Council	311,271	0.5%	256,594	0.4%	226,340	0.3%	194,620	0.3%
0100	Municipal Court	1,525,626	2.5%	1,552,341	2.4%	1,676,470	2.4%	1,790,900	2.6%
0150	Clerk of Courts	1,074,269	1.8%	1,113,396	1.7%	1,102,670	1.6%	1,187,700	1.7%
0250	Office of the City Manager	645,469	1.1%	712,270	1.1%	703,840	1.0%	710,840	1.0%
0300	Law Department	970,023	1.6%	1,062,229	1.6%	951,870	1.3%	1,012,440	1.5%
0350	Finance Department	2,265,877	3.8%	2,262,583	3.5%	2,419,740	3.4%	2,578,330	3.7%
0400	Administrative Support	913,304	1.5%	885,959	1.4%	1,370,530	1.9%	920,060	1.3%
0450	Human Resource Department	906,318	1.5%	988,318	1.5%	1,028,380	1.5%	1,150,840	1.7%
0500	Planning & Development Department	2,121,999	3.5%	2,204,351	3.4%	2,418,100	3.4%	2,477,940	3.6%
0550	Economic Development	522,532	0.9%	1,144,236	1.8%	2,042,430	2.9%	696,640	1.0%
0600	Police Department	14,791,593	24.5%	14,978,061	23.2%	16,197,450	22.9%	16,087,540	23.4%
0700	Fire Department	10,935,461	18.1%	12,647,060	19.6%	12,562,680	17.8%	12,579,160	18.3%
0800	Engineering Department	2,237,402	3.7%	2,146,695	3.3%	2,255,000	3.2%	2,634,190	3.8%
0950	Street Lighting	469,010	0.8%	456,997	0.7%	461,000	0.7%	491,000	0.7%
2000	Street Division	5,604,273	9.3%	6,453,092	10.0%	7,925,750	11.2%	7,017,010	10.2%
2400	Parks, Recreation & Cultural Arts	9,106,493	15.1%	9,243,112	14.3%	10,064,640	14.2%	10,478,600	15.2%
2200	Fraze Pavilion Operations	4,208,579	7.0%	4,448,044	6.9%	4,321,980	6.1%	4,362,000	6.3%
	Special Grants and Programs	260,368	0.4%	232,815	0.4%	905,080	1.3%	231,000	0.3%
	CDBG Programs	725,162	1.2%	699,718	1.1%	891,400	1.3%	872,800	1.3%
1700	Community Information	144,481	0.2%	180,305	0.3%	233,190	0.3%	254,890	0.4%
	DESC	222,762	0.4%	262,630	0.4%	304,700	0.4%	301,000	0.4%
	Other Cost Centers	421,720	0.7%	498,112	0.8%	577,140	0.8%	681,340	1.0%
	Debt Service	<u>0</u>	<u>0.0%</u>	<u>452</u>	<u>0.0%</u>	<u>86,100</u>	<u>0.1%</u>	<u>62,000</u>	<u>0.1%</u>
	GRAND TOTAL OPERATING COSTS	60,383,992	100.0%	64,429,370	100.0%	70,726,480	100.0%	68,772,840	100.0%
Object Code	Object Code by Cost Center								
Personnel:									
71100-71300	Salaries & Wages	31,606,453	52.3%	32,133,757	49.9%	32,971,870	46.6%	34,611,000	50.3%
	Fringe Benefits:								
71500	Pension Contribution	5,203,357	8.6%	5,231,034	8.1%	5,383,720	7.6%	5,665,400	8.2%
71600	Employee Insurance	5,001,765	8.3%	5,233,755	8.1%	5,420,150	7.7%	6,372,100	9.3%
71700	Medicare	<u>449,766</u>	<u>0.7%</u>	<u>483,808</u>	<u>0.8%</u>	<u>503,210</u>	<u>0.7%</u>	<u>539,700</u>	<u>0.8%</u>
	Total Personnel	42,261,341	70.0%	43,082,354	66.9%	44,278,950	62.6%	47,188,200	68.6%
Operating Expenses:									
72000-72999		17,437,857	28.9%	19,067,996	29.6%	23,186,210	32.8%	19,861,140	28.9%
Capital Outlay:									
77000-77999		<u>684,794</u>	<u>1.1%</u>	<u>2,279,020</u>	<u>3.5%</u>	<u>3,261,320</u>	<u>4.6%</u>	<u>1,723,500</u>	<u>2.5%</u>
	GRAND TOTAL OPERATING COSTS	60,383,992	100.0%	64,429,370	100.0%	70,726,480	100.0%	68,772,840	100.0%
	Revised Budget	67,807,604		71,560,662		72,882,474			

TABLE VI

STAFFING LEVEL (FTE) COMPARISON *

Code	Actual 2013			Actual 2014			Estimated 2015			Proposed 2016		
	Full Time	Part Time	Total 2013	Full Time	Part Time	Total 2014	Full Time	Part Time	Total 2015	Full Time	Part Time	Total 2016
0050 Council and Mayor	1.0	7.6	8.6	1.0	7.0	8.0	0.0	7.6	7.6	0.0	7.7	7.7
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	10.0	2.4	12.4	11.0	1.4	12.4	11.0	0.8	11.8	11.0	0.8	11.8
0200 Juvenile Court	0.0	0.5	0.5	0.0	0.5	0.5	0.0	0.0	0.0	0.0	0.0	0.0
0250 City Manager's Office	3.0	1.4	4.4	4.0	0.5	4.5	4.0	0.5	4.5	4.0	0.4	4.4
0300 Law Department	6.0	2.3	8.3	7.0	1.3	8.3	7.0	1.3	8.3	7.0	1.3	8.3
0350 Finance Department	16.0	5.3	21.3	16.0	3.6	19.6	17.0	2.7	19.7	18.0	2.7	20.7
0400 Administrative Support	6.0	3.6	9.6	4.0	4.6	8.6	4.0	4.6	8.6	4.0	4.6	8.6
0450 Human Resources Department	5.0	0.9	5.9	7.0	0.0	7.0	7.0	0.0	7.0	7.0	0.0	7.0
0500 Planning and Development	17.0	6.3	23.3	16.0	5.2	21.2	16.0	5.2	21.2	16.0	5.2	21.2
0550 Economic Development	1.0	0.1	1.1	1.0	0.1	1.1	1.0	0.1	1.1	1.0	0.1	1.1
0600 Police Department	109.0	6.1	115.1	108.0	7.5	115.5	108.0	7.2	115.2	108.0	7.2	115.2
0700 Fire Department	58.5	0.5	59.0	59.5	0.5	60.0	59.5	0.5	60.0	65.0	0.5	65.5
0800 Engineering Department	15.8	4.2	20.0	15.8	3.9	19.7	15.8	3.9	19.7	15.8	3.9	19.7
1000 Volunteer Program	1.3	0.0	1.3	1.3	0.0	1.3	1.3	0.0	1.3	1.8	0.0	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
2000 Street Division	42.7	5.2	47.9	39.7	4.2	43.9	42.7	3.9	46.6	42.7	3.9	46.6
2200 Fraze Pavilion Operations Fund	2.0	21.4	23.4	3.0	20.4	23.4	3.0	20.4	23.4	3.0	20.4	23.4
2400 Parks, Recreation & Cultural Arts	28.8	99.3	128.1	32.8	95.0	127.8	35.8	92.4	128.2	36.8	94.3	131.1
4300 Vehicle Maintenance Center	9.5	0.0	9.5	9.5	0.0	9.5	9.5	0.0	9.5	9.5	0.0	9.5
4400 Information Systems	3.0	0.0	3.0	4.0	0.0	4.0	4.0	0.0	4.0	4.0	0.0	4.0
4410 Facilities Department	25.5	7.2	32.7	25.5	7.2	32.7	25.5	5.1	30.6	26.5	5.1	31.6
TOTAL	374.1	175.5	549.6	379.1	164.1	543.2	385.1	157.4	542.5	394.1	159.3	553.4

* 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.

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

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

STAFFING LEVEL (FTE) ANALYSIS

<u>Department</u>	<u>Explanation</u>
Mayor and Council	Starting in 2013, part-time clerical hours are reduced in the Mayor and Council cost center and re-assigned to the Law Department and Recreation Center in order to better align with clerical staffing needs. Effective 2015, the Clerk of Council position is changed from full-time to part-time status.
Municipal Court	No significant increases or decreases in regular staffing from 2013-2016. Staffing levels exclude one temporary probation officer hired for a period of October 1, 2015 through June 30, 2017 and 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	For 2009 through 2013, two full-time Deputy Clerk positions were converted to part-time positions (1.9 fte). For 2014, one part-time Deputy Clerk position was converted back to full-time status while other part-time Deputy Clerk hours and temporary Clerk hours were reduced to maintain a flat overall full-time equivalent level. For 2015 and 2016, a part-time Deputy Clerk position will not be filled.
Juvenile Court	Effective 2015, Juvenile Court services are contracted with Washington Township and part-time contractual staffing (0.5 fte) is eliminated.
City Manager's Office	In 2013, the previous Assistant City Manager converted from full-time to part-time basis (0.9 fte). This position returned to full-time status mid-year 2014.
Law Department	Starting in 2012, part-time clerical hours (0.25 fte) are reduced in the Mayor and Council cost center and re-assigned to the Law Department in order to better align with clerical staffing needs. For 2014, funding is provided to convert a current regular part-time Clerk to full-time status. In addition, a regular part-time Paralegal position (0.6 fte) replaces former temporary part-time Intern positions.
Finance Department	During 2012, the Income Tax Division increased its staffing by two full-time Technician II positions as the City implements mandatory income tax filing. For 2013, temporary part-time hours were funded but not used. It is expected that any increased staffing costs will be more than offset by additional income tax revenues collected as part of the initiative. Effective mid-year 2015, the Assistant Finance Director resumed full-time status. The 2016 budget includes funding for a second full-time Payroll Technician II.
Administrative Support	During 2013, a full-time Engineering Technician–GIS retired. This position was replaced as a part-time position (0.5 fte). Also during 2013, the City's full-time Printer retired. This position will not be replaced; however, additional part-time Print Shop Aide hours (0.5 fte) are funded for 2014 - 2016. For 2016, the Administrative Systems Manager will be re-classified to a new Director.
Human Resources	For 2013, a Human Resource Manager converted from full-time to part-time basis (0.9 fte). This position returned to full-time status mid-year 2014. A new full-time Technician position is funded for 2014 - 2016.
Planning and Development	During 2013, the full-time Senior Inspector retired. This position will not be replaced; however, a new full-time Property Maintenance Inspector position is funded effective 2014. A reduction in temporary property maintenance hours (1.7 fte) coincides with the hiring of this new Property Maintenance Inspector. Also in 2013, a full-time Clerk retired. This position is replaced with a part-time Clerk position (0.6 fte).
Economic Development	No significant increases or decreases in staffing from 2013-2016.
Police Department	For 2011 through 2016, two police officer positions will remain vacant. In addition, the currently vacant full-time Lab Technician position will not be filled. As part of the reorganization of the Administrative Systems, the full-time Police Systems Administrator position is transferred to the Information Systems cost center.
Fire Department	In 2013 and 2014, a command staff reorganization plan allows for 5 new Battalion Chief positions with a reduction of 2 Captains and 2 Firefighters. Due to planned staffing and response profile changes, the additional positions are necessary in order to maintain effective supervisory requirements for the part-time personnel for 24 hour operations. For 2016, an additional 6 full-time firefighter positions are funded.

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

Engineering Division	The full-time Project Manager transitioned to part-time status (0.5 fte) in 2012 and is not funded effective 2014. An increase in Safety Supervisor hours (0.2 fte) is shown starting in 2014 to maintain committed staffing level for pedestrian crossing posts at designated Kettering City School District elementary schools. Also during 2014, the City Engineer was promoted to the Assistant City Manager position. He will retain the position of City Engineer with the roles and responsibilities of directly overseeing the Engineering Department. As a result, a new Assistant City Engineer position is funded in 2015 to oversee and manage day-to-day operations of the Engineering Department.
Volunteer Program	No significant increases or decreases in staffing from 2013-2016.
Community Info.	No significant increases or decreases in staffing from 2013-2016.
Street Division	The Streets Division and Facilities Department form one Public Service Department. Accordingly, the personnel costs for the Public Service Director, the Assistant Public Service Director, and the Public Service Secretary are allocated to the two divisions on a 50/50 basis. The 2014 budget reduced funding for two vacant Streets Maintenance positions and one vacant Street Supervisor. For 2015 and 2016, funding is restored these three full-time positions.
Fraze Pavilion Operations Fund	In 2014, a new full-time Ticket/Merchandise/Customer Relations Supervisor was added. Each year's temporary part-time staffing levels are determined based upon the anticipated number of shows and festivals scheduled for each performance season.
Parks, Recreation & Cultural Arts	Part-time and temporary recreation personnel hours fluctuate each year according to changes in programming. The goal of the PRCA Department is to add recreation personnel hours only if sufficient revenue is earned to offset the increased costs. Starting in 2014, one full-time Fitness Coordinator and three full-time Facility Coordinators are funded. These functions, previously performed by part-time employees, are converted to full-time status in order to eliminate part-time hour restrictions and better manage operations. Also during 2014, the PRCA Department proposed a reorganizational plan to improve alignment of personal resources in the department with the intent to increase efficiency in operations, enhance communication, produce better products/services to customers, and to clearly outline advancement opportunities and a succession plan process. New pay grade levels/job titles include Superintendents, Administrators, Managers, Supervisors, and Coordinators. The impact is an increase of two additional full-time employees coupled with a reduction in part-time personnel hours. During 2015, a regular part-time Art Program Coordinator (0.66 fte) was converted to full-time status. Staffing changes for 2016 include a new regular part-time Facility Coordinator for Polen Farm to provide direct oversight for all weekend events and a conversion of the regular part-time Environmental Education Coordinator to a full-time Supervisor for an expansion of the Habitat Center's program offerings. Also for 2016 is a change in the Parks Maintenance staffing model designed to address challenges with PPACA implications, wage competitiveness, and skill levels. The Parks Maintenance division will hire eight regular part-time Assistant Crew Leaders and correspondingly reduce temporary part-time Groundskeeper hours.
Vehicle Maintenance	No significant increases or decreases in staffing from 2013-2016.
Information Systems	As part of the reorganization of the Administrative Systems, the full-time Police Systems Administrator position was transferred to the Information Systems cost center in 2014.
Facilities Department	The Streets Division and Facilities Department form one Public Service Department. Accordingly, the personnel costs for the Public Service Director, the Assistant Public Service Director, and the Public Service Secretary are allocated to the two divisions on a 50/50 basis. The 2015 and 2016 reflect a reduction in funding from 2014 levels for currently vacant part-time Maintenance Aide hours. A new full-time Building Attendant position is added for 2016.

fte: Full Time Equivalent

**TABLE VII
PAGE 1 OF 3**

DEBT STATEMENT

<u>Purpose</u>	Schedule of Bonds and Notes for The Years 2015 and 2016				Amount Outstanding <u>12/31/2015</u>
	<u>Date Issued</u>	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Amount Issued</u>	
General Obligation Bonds:					
Court Facility	4-1-05	3.00%-4.50%	12-1-15	3,950,000	0
Court Refunding Bonds, Series 2015	2-4-15	1.00%-4.00%	12-1-24	2,215,000	2,170,000
PRCA Improvement Bonds	5-28-09	3.00%-4.375%	12-1-28	12,300,000	9,160,000
Fire Station Improvement Bonds	2-4-15	1.00%-4.00%	12-1-34	15,500,000	14,995,000
TOTAL				33,965,000	26,325,000
Promissory Notes:					
Ohio Public Works Commission:					
Rushland Project	7-1-96	0.00%	7-1-16	122,577	6,129
S. Dixie at Schantz-Bridge Replacement	12-1-94	0.00%	1-1-15	190,000	0
W. David Road-Bridge Replacement	12-1-94	0.00%	7-1-15	90,393	0
Spaulding Road	10-1-02	0.00%	7-1-22	1,520,719	532,252
Bigger Road	11-1-02	3.00%	7-1-23	511,071	241,413
County Line Road	12-1-02	0.00%	1-1-23	686,098	257,287
Ridgeway Road Bridge	6-1-05	1.00%	7-1-25	380,000	199,468
TOTAL				3,500,858	1,236,549
TOTAL				37,465,858	27,561,549
REVISED BUDGET				37,465,858	27,561,549

DEBT STATEMENT

PURPOSE	Actual Paid in 2013			Actual Payments in 2014			Estimated Payments in 2015			Payments Due in 2016			Payments Due 2017 through Maturity		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
General Obligation Bonds:															
Court Facility Bonds	180,000	115,300	295,300	190,000	108,280	298,280	195,000	8,775	203,775	0	0	0	0	0	0
Court Refunding Bonds, Series 2015	0	0	0	0	0	0	45,000	42,446	87,446	220,000	51,000	271,000	1,950,000	224,400	2,174,400
PRCA Improvement Bonds	495,000	432,717	927,717	505,000	420,343	925,343	525,000	400,143	925,143	545,000	379,143	924,143	8,615,000	2,485,506	11,100,506
Fire Station Improvement Bonds	0	0	0	0	0	0	505,000	363,248	868,248	620,000	435,250	1,055,250	14,375,000	4,613,750	18,988,750
TOTAL	675,000	548,017	1,223,017	695,000	528,623	1,223,623	1,270,000	814,612	2,084,612	1,385,000	865,393	2,250,393	24,940,000	7,323,656	32,263,656
Promissory Notes:															
Ohio Public Works Commission:															
Rushland Project	6,129	0	6,129	6,129	0	6,129	6,129	0	6,129	6,129	0	6,129	0	0	0
S. Dixie at Schantz	9,500	0	9,500	9,500	0	9,500	4,750	0	4,750	0	0	0	0	0	0
W. David Road	4,519	0	4,519	4,519	0	4,519	4,520	0	4,520	0	0	0	0	0	0
Spaulding Road	76,036	0	76,036	76,036	0	76,036	76,036	0	76,036	76,036	0	76,036	456,216	0	456,216
Bigger Road	24,809	9,359	34,168	25,558	8,609	34,167	26,331	7,836	34,167	27,127	7,040	34,167	214,286	24,884	239,170
County Line Road	34,305	0	34,305	34,305	0	34,305	34,305	0	34,305	34,305	0	34,305	222,982	0	222,982
Ridgeway Road Bridge	18,501	2,509	21,010	18,687	2,324	21,011	18,874	2,136	21,010	19,063	1,947	21,010	180,405	8,690	189,095
TOTAL	173,799	11,868	185,667	174,734	10,933	185,667	170,945	9,972	180,917	162,660	8,987	171,647	1,073,889	33,574	1,107,463
TOTAL	848,799	559,885	1,408,684	869,734	539,556	1,409,290	1,440,945	824,584	2,265,529	1,547,660	874,380	2,422,040			
REVISED BUDGET	848,800	559,886	1,408,686	869,734	539,556	1,409,290	1,550,945	915,795	2,466,740						

DEBT POLICY AND LEGAL DEBT MARGIN

TABLE VII

Page 3 of 3

DEBT POLICY

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

LEGAL DEBT MARGIN - DECEMBER 31, 2014

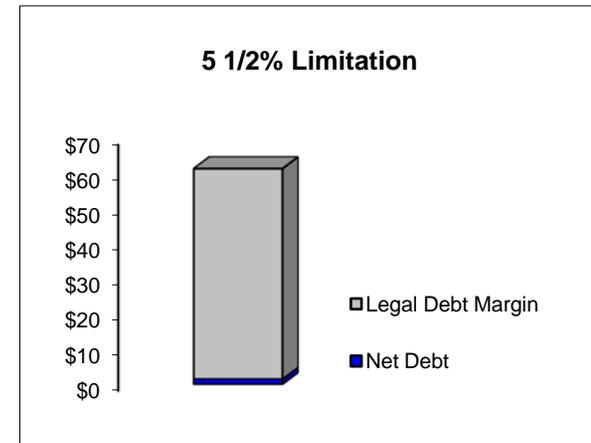
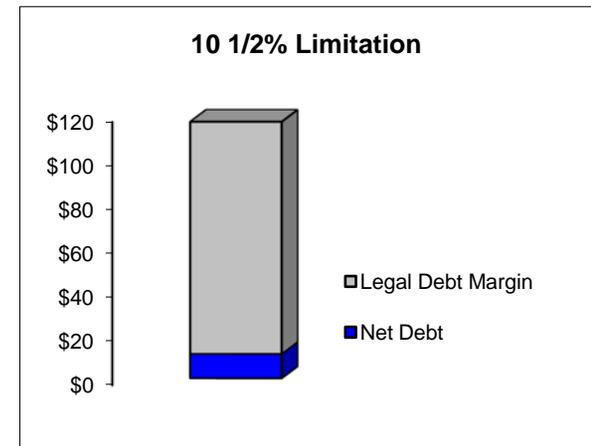
	10-1/2% OF ASSESSED <u>VALUATION (1)</u>	5-1/2% OF ASSESSED <u>VALUATION (2)</u>
OVERALL DEBT LIMITATIONS	\$116,866,227	\$61,215,643
GROSS INDEBTEDNESS	13,462,493	13,462,493
Less Debt outside limitations-		
Voted Debt		9,685,000
Special Assessment Debt	0	0
Promissory Notes	1,407,493	1,407,493
Less Debt Service Available Fund Balance	901,840	901,840
 NET DEBT WITHIN LIMITATIONS	 11,153,160	 1,468,160
 LEGAL DEBT MARGIN WITHIN LIMITATIONS	 \$105,713,067	 \$59,747,483

Source: City of Kettering, Ohio, Department of Finance

(1) Applies to both voted and unvoted debt. The total assessed valuation is \$1,212,924,900.

(2) Applies only to unvoted debt. The total assessed valuation is \$1,212,924,900.

LEGAL DEBT MARGIN



SUMMARY OF CAPITAL IMPROVEMENTS

TABLE VIII

Activity Code	Actual 2013	Actual 2014	Estimated 2015	Total Proposed 2016	Capital Improvement Fund	Special Revenue Funds
5100	Traffic Controls					
	Miscellaneous Traffic Controls			195,000	195,000	
	Citywide Traffic Signal System Upgrade			2,990,000	2,990,000	
	Bigger Rd & Rahn Rd Signal Rebuild			175,000	175,000	
	Total Traffic Controls			3,360,000	3,360,000	0
5200	144,680	277,317	356,000	3,360,000	3,360,000	0
Street Surfacing & Roadway Improvements						
	Normal Program			1,000,000	1,000,000	
	Construction Material Testing			10,000	10,000	
	Residential Rebuild: Valleywood			700,000	700,000	
	Curb, Gutter, Sidewalk Repair Program			750,000	750,000	
	Prugh Woods Drive			1,000,000	1,000,000	
	Thoroughfares, Arterials & Collectors			440,000	440,000	
	Smithville Bikeway			220,000	220,000	
	Stroop Rd East Resurfacing: Shroyer to County Line			3,064,000	3,064,000	
	Wilmington Pike Improvements			180,000	180,000	
	Total Street Surfacing & Roadway Improvements			7,364,000	7,364,000	0
5700	Streetscape Improvements					
	Strop Rd: Tait to Overland Sidewalk (Nouth Side)			150,000	150,000	
	Wilmington Pike Improvements: Marshall to Stroop			700,000	700,000	
	Bus Stop/Pole Painting Program			20,000	20,000	
	Total Streetscape Improvements			870,000	870,000	0
5900	1,026,835	875,384	190,000	870,000	870,000	0
5900	Drainage					
	51,846	173,945	176,000	50,000	50,000	
6100	Parks, Recreation & Cultural Arts					
	Miscellaneous Improvements			84,000	84,000	
	Tennis/Basketball Court Resurfacing			85,000	85,000	
	Dog Park Design			50,000	50,000	
	Acorn Walk Park Design			144,000	144,000	
	Polen Farm Pavers and Barn Elevator			210,000	210,000	
	Skate Plaza Concrete Repair			40,000	40,000	
	KRC Concrete Drive Turnaround Replacement			135,000	135,000	
	KRC Improvements including Water line, Lighting, DDC Control and Electric Panel Replacements)			263,000	263,000	
	KRC Locker Room Improvements			30,000	30,000	
	KRC and Rosewood Floor Refinishing Projects			40,000	40,000	
	Parks Maintenance Center Improvements			18,000	18,000	
	Water Park and Main Pool Improvements			155,000	155,000	
	Delco Park Fencing, Signage and Electric Panel Repairs			115,000	115,000	
	Indian Riffle Park Shelter Replacement and Asphalt			135,000	135,000	
	Kennedy Park Fencing, Asphalt and Amenities			110,000	110,000	
	Pondview Park Pond Dredging			100,000	100,000	
	Civic Commons Improvements			210,000	200,000	10,000
	Rosewood Miscellaneous Improvements			5,000	5,000	
	Total Parks & Recreation			1,929,000	1,919,000	10,000
6500	1,005,995	1,182,903	3,648,000	1,929,000	1,919,000	10,000
6500	Tree Planting and Landscaping					
	82,891	94,237	191,000	140,000	140,000	
6600	Other					
	Public Service Improvements (\$275,000 carryover)			350,000	350,000	
	Government Center Police Station Improvements			18,000	18,000	
	Government Center North Building Skylight Replacement			50,000	50,000	
	Vehicle Maintenance Center Fuel Island and Overhead Door Improvements			65,000	65,000	
8000	Community Development Block Grant Projects and Acquisitions			330,000	0	330,000
	Defense Electronics Supply Center (DESC) /Kettering Business Park			370,000	370,000	
	Miscellaneous Building Improvements			768,000	768,000	
	Miscellaneous Roofing Projects			325,000	325,000	
8200	Fire Station Improvements			12,665,000	12,665,000	0
	Total Other			14,941,000	14,611,000	330,000
	2,198,633	3,014,411	13,704,000	14,941,000	14,611,000	330,000
GRAND TOTAL CAPITAL IMPROVEMENTS						
	9,546,221	11,342,544	26,436,000	28,654,000	28,314,000	340,000
Revised Budget						
	13,143,392	25,880,848	33,994,425			

TABLE IX
Page 1 of 2

REVENUES AND EXPENDITURES BY FUND TYPE

	General Fund				Special Revenue Funds			
	Actual <u>2013</u>	Actual <u>2014</u>	Estimated <u>2015</u>	Proposed <u>2016</u>	Actual <u>2013</u>	Actual <u>2014</u>	Estimated <u>2015</u>	Proposed <u>2016</u>
REVENUES:								
Property Taxes	5,502,933	5,521,529	5,330,000	5,330,000	296,642	297,618	284,000	281,000
Payments in lieu of taxes	0	0	0	0	0	0	0	0
Income Tax	39,386,072	41,624,574	44,000,000	45,324,000	0	0	0	0
Licenses and Permits	516,042	514,255	698,000	528,000	22,225	10,280	7,000	6,000
Intergovernmental Revenues	1,935,689	1,865,603	1,899,000	1,615,000	3,865,214	3,801,616	5,021,000	3,708,000
Charges for Services	64,219	65,248	76,000	63,000	6,353,223	6,806,089	5,816,000	5,738,000
Fines, Forfeits and Costs	1,219,818	1,137,979	1,212,000	1,215,000	420,656	448,890	497,000	510,000
Investment Earnings	43,336	770,437	325,000	520,000	106,037	125,717	162,000	12,000
Special Assessments	413,977	407,844	423,000	415,000	0	0	0	0
Miscellaneous	2,340,930	2,040,841	1,900,000	1,753,000	3,485,347	3,755,148	3,140,000	2,902,000
TOTAL REVENUES	51,423,016	53,948,310	55,863,000	56,763,000	14,549,344	15,245,358	14,927,000	13,157,000
EXPENDITURES:								
Current:								
General Government	10,833,686	11,752,353	13,306,840	12,124,810	1,370,926	1,392,272	1,829,630	1,769,300
Public Safety	24,365,878	24,806,352	26,985,480	27,375,610	1,656,354	3,122,007	2,080,860	1,652,200
Public Works	2,506,394	2,395,614	2,504,990	2,859,280	5,604,273	6,453,092	7,925,750	7,017,010
Human Services	241,605	328,079	383,900	454,830	13,315,072	13,691,156	14,386,620	14,840,600
Miscellaneous	229,436	255,178	331,230	386,200	260,368	232,815	905,080	231,000
Capital Improvements:					2,108,742	851,218	1,975,000	340,000
Debt Service:								
Principal								
Interest								
TOTAL EXPENDITURES	38,176,999	39,537,576	43,512,440	43,200,730	24,315,735	25,742,560	29,102,940	25,850,110
Revised Budget	41,594,535	42,937,061	44,376,335		30,775,923	30,621,455	31,372,128	

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

TABLE IX

REVENUES AND EXPENDITURES BY FUND TYPE

	Debt Service Fund				Capital Projects Fund				Total			
	Actual <u>2013</u>	Actual <u>2014</u>	Estimated <u>2015</u>	Proposed <u>2016</u>	Actual <u>2013</u>	Actual <u>2014</u>	Estimated <u>2015</u>	Proposed <u>2016</u>	Actual <u>2013</u>	Actual <u>2014</u>	Estimated <u>2015</u>	Proposed <u>2016</u>
REVENUES:												
Property Taxes	763,602	766,172	740,000	769,000					6,563,177	6,585,319	6,354,000	6,380,000
Payments in lieu of taxes					455,575	36,977	310,000	305,000	455,575	36,977	310,000	305,000
Income Tax									39,386,072	41,624,574	44,000,000	45,324,000
Licenses and Permits									538,267	524,535	705,000	534,000
Intergovernmental Revenues	119,503	119,681	114,000	114,000	45,179,938	3,021,484	266,000	4,743,000	51,100,344	8,808,384	7,300,000	10,180,000
Charges for Services	0	94,055	1,200,000	1,088,000					6,417,442	6,965,392	7,092,000	6,889,000
Fines, Forfeits and Costs									1,640,474	1,586,869	1,709,000	1,725,000
Investment Earnings	20,797	15,709	11,000	11,000	135,503	(348,612)	266,000	283,000	305,673	563,251	764,000	826,000
Special Assessments	0	0	0	0	547,273	526,619	608,000	488,000	961,250	934,463	1,031,000	903,000
Miscellaneous	50,624	46,344	44,000	40,000	265,968	28,341	398,000	32,000	6,142,869	5,870,674	5,482,000	4,727,000
TOTAL REVENUES	954,526	1,041,961	2,109,000	2,022,000	46,584,257	3,264,809	1,848,000	5,851,000	113,511,143	73,500,438	74,747,000	77,793,000
EXPENDITURES:												
Current:												
General Government					18,709	16,051	22,000	370,000	12,223,321	13,160,676	15,158,470	14,264,110
Public Safety					144,680	277,317	356,000	3,360,000	26,166,912	28,205,676	29,422,340	32,387,810
Public Works					5,516,604	6,599,886	7,202,000	8,284,000	13,627,271	15,448,592	17,632,740	18,160,290
Human Services					871,612	599,712	3,229,000	2,059,000	14,428,289	14,618,947	17,999,520	17,354,430
Miscellaneous	0	452	86,100	62,000	885,874	2,998,360	13,652,000	14,241,000	1,375,678	3,486,805	14,974,410	14,920,200
Capital Improvements:									2,108,742	851,218	1,975,000	340,000
Debt Service:												
Principal	848,799	869,735	1,440,945	1,547,660					848,799	869,735	1,440,945	1,547,660
Interest	559,885	539,555	824,584	874,380					559,885	539,555	824,584	874,380
TOTAL EXPENDITURES	1,408,684	1,409,742	2,351,629	2,484,040	7,437,479	10,491,326	24,461,000	28,314,000	71,338,897	77,181,204	99,428,009	99,848,880
Revised Budget	1,410,686	1,411,290	2,559,740		8,578,538	23,880,994	31,035,436		82,359,682	98,850,800	109,343,639	

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

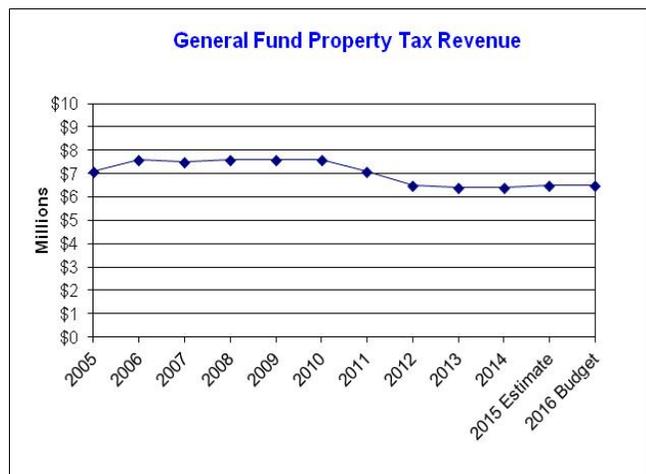
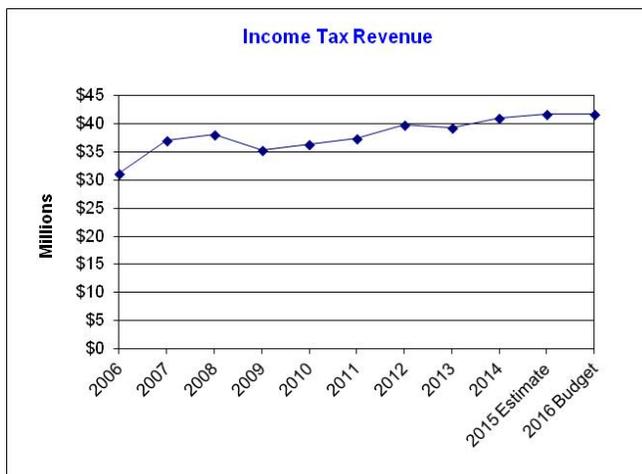


CITY OF KETTERING

GENERAL FUND RECEIPTS

FUND 101

	<u>Actual 2013</u>	<u>Actual 2014</u>	<u>Estimated 2015</u>	<u>Proposed 2016</u>
AVAILABLE FOR EXPENDITURES:				
Balance January 1	44,240,762	47,074,738	47,221,763	41,709,423
Nonspendable: Loans	40,000	156,250	64,805	1,275,000
Committed to: Economic Development	<u>949,994</u>	<u>1,449,994</u>	<u>1,891,007</u>	<u>3,841,441</u>
Net Balance	43,250,768	45,468,494	45,265,951	36,592,982
RECEIPTS				
Property Taxes				
Real Non-Voted 2.2 Mills	2,124,132	2,131,291	2,060,000	2,060,000
Real Voted 3.5 Mills	3,378,801	3,390,188	3,270,000	3,270,000
Tangible Personal - Non-Voted	0	19	0	0
Tangible Personal - Voted	<u>0</u>	<u>31</u>	<u>0</u>	<u>0</u>
Total General Property Tax	5,502,933	5,521,529	5,330,000	5,330,000
City Income Tax	39,386,072	41,624,574	44,000,000	45,324,000
City Licenses and Permits	516,042	514,255	698,000	528,000
State Grants	0	0	26,000	0
Homestead & Rollback	860,345	861,647	823,000	823,000
Local Government Fund	771,137	760,852	745,000	730,000
Estate Tax	100,000	100,000	58,000	0
Liquor & Beer Permits	69,144	57,657	60,000	60,000
Cigarette Tax	3,813	1,892	2,000	2,000
Charges for Services	64,219	65,248	76,000	63,000
Court Fines, Forfeits and Costs	1,219,818	1,137,979	1,212,000	1,215,000
Investment Earnings	43,336	770,437	325,000	520,000
Special Assessments	413,977	407,844	423,000	415,000
Reimbursements & Miscellaneous	<u>2,472,180</u>	<u>2,124,396</u>	<u>2,085,000</u>	<u>1,753,000</u>
TOTAL REVENUE	51,423,016	53,948,310	55,863,000	56,763,000
OTHER FINANCING SOURCES				
Sale of City Assets	22,897	90,765	50,000	30,000
Proceeds from Notes	0	0	0	0
Transfer in From Other Funds	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL OTHER FINANCING SOURCES	22,897	90,765	50,000	30,000
TOTAL AVAILABLE FOR EXPENDITURES	94,696,681	99,507,569	101,178,951	93,385,982



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 2013</u>	<u>Actual 2014</u>	<u>Estimated 2015</u>	<u>Proposed 2016</u>	<u>% of Total</u>
Personnel Expenditures	249,291	182,446	140,740	109,500	56.26%
Operating Expenditures	61,980	74,148	85,600	85,120	43.74%
Capital Equipment Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.00%</u>
Total	311,271	256,594	226,340	194,620	100.00%

The proposed 2016 budget is 17.6% less than the 2015 budget and 14.0% less than estimated 2015 expenditures. Personnel expenditures for all years include changes in compensation for the Mayor and At-Large Council members per the Charter Amendment effective January 1, 2013 (Ord. 4202-12; passed 8/7/12). Effective mid-year 2015, the Clerk of Council position is re-classified from full-time to part-time status. The 2013 and 2014 operating expenditures reflect under-spending of each year's budget.

Staffing Levels

	<u>Actual 2013</u>	<u>Actual 2014</u>	<u>Estimated 2015</u>	<u>Proposed 2016</u>
Mayor & Council	7	7	7	7
Clerk of Council	1	1	0	0
Part-Time Clerk of Council	0	0	0.6	0.6
Part-time Clerical/Aide	<u>0.6</u>	<u>0</u>	<u>0</u>	<u>0.1</u>
Total	8.6	8.0	7.6	7.7

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 2015 that the Court will distribute to the City's General Fund about \$1,212,000 for Court fines and fees. Also, approximately \$98,000 will come to Kettering from Centerville and Moraine, and another \$177,000 will be reimbursed from Montgomery County.

Kettering Municipal Court Expenditures — General Fund (Key 0100)

	<u>Actual 2013</u>	<u>Actual 2014</u>	<u>Estimated 2015</u>	<u>Proposed 2016</u>	<u>% of Total</u>
Personnel Expenditures	953,160	925,459	870,270	1,028,700	79.95%
Operating Expenditures	233,101	250,202	257,700	258,000	20.05%
Capital Equipment Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.00%</u>
Total	1,186,261	1,175,661	1,127,970	1,286,700	100.00%

The proposed 2016 budget is 9.5% greater than the 2015 budget and 14.1% greater than estimated 2015 expenditures. The 2015 personnel reduction is due to a temporary change in funding for the Court Administrator from the General Fund to the Courts Special Projects Fund.

Staffing Levels

	<u>Actual 2013</u>	<u>Actual 2014</u>	<u>Estimated 2015</u>	<u>Proposed 2016</u>
Judges	2	2	2	2
Bailiffs	3	3	3	3
Court Administrator	1	1	1	1
Probation Off./Deputy Bailiff	1	1	1	1
Administrative Secretary	3	3	3	3
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 hired for a period of October 1, 2015 through June 30, 2017 and 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)

	<u>Actual 2013</u>	<u>Actual 2014</u>	<u>Estimated 2015</u>	<u>Proposed 2016</u>	<u>% of Total</u>
Personnel Expenditures	865,809	919,491	878,510	944,300	87.32%
Operating Expenditures	105,953	124,745	123,950	137,100	12.68%
Capital Equipment Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.00%</u>
Total	971,762	1,044,236	1,002,460	1,081,400	100.00%

The proposed 2016 budget is 4.4% greater than the 2015 budget and 7.9% greater than 2015 estimated expenditures. Years 2013 through 2015 operating expenditures reflect an under-spending of each year's budget.

Staffing Levels

	<u>Actual 2013</u>	<u>Actual 2014</u>	<u>Estimated 2015</u>	<u>Proposed 2016</u>
Clerk of Courts	1	1	1	1
Deputy Clerks	9	10	10	10
Part-Time Clerical	1.9	1.1	0.5	0.5
Temp. Part-Time	<u>0.5</u>	<u>0.3</u>	<u>0.3</u>	<u>0.3</u>
Total	12.4	12.4	11.8	11.8

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 also provides supervision over certain City Offices, as assigned by the City Manager.

Key Objectives

1. Improve overall efficiency of City operations.
2. Improve customer service to a point where the public notices a difference.
3. Focus on projects that have been identified as high priorities through the strategic plan update process.

Programs

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 and information to Kettering's senior citizens. The City of Kettering is a senior friendly community. We've 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 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.

Measurements:	<u>Actual</u> <u>2013</u>	<u>Actual</u> <u>2014</u>	<u>Estimated</u> <u>2015</u>	<u>Proposed</u> <u>2016</u>
Kettering Connection Attendance	2,540	2,398	2,475	2,425

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

	<u>Actual</u> <u>2013</u>	<u>Actual</u> <u>2014</u>	<u>Estimated</u> <u>2015</u>	<u>Proposed</u> <u>2016</u>	<u>% of Total</u>
Personnel Expenditures	568,718	633,699	615,740	643,000	90.46%
Operating Expenditures	76,751	78,571	88,100	67,840	9.54%
Capital Equipment Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.00%</u>
Total	645,469	712,270	703,840	710,840	100.00%

The proposed 2016 budget is 4.5% greater than the 2015 budget and 1.0% greater than estimated 2015 expenditures. For 2013, the Assistant City Manager position converted from full-time to part-time basis. This position returned to full-time status mid-year 2014. The actual 2013 and 2014 operating expenditures include funding for artwork installed in the recently renovated Government Center South Building. Estimated 2015 operating expenditures include costs to prepare a new space for the Kettering Connection at Town & County Shopping Center.

Staffing Levels

	<u>Actual 2013</u>	<u>Actual 2014</u>	<u>Estimated 2015</u>	<u>Proposed 2016</u>
City Manager	1	1	1	1
Assistant City Manager	0.9	1	1	1
Senior Services Coordinator	1	1	1	1
Secretaries	1	1	1	1
Administrative Aide	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.4</u>
Total	4.4	4.5	4.5	4.4

LAW DEPARTMENT

The Law Department is responsible for the programs of Legal Services and Prosecution. This includes acting as legal advisor, attorney and advocate for the City and for City officials and employees in matters relating to their official duties. The department prepares or reviews all contracts, prepares all legislation, and prepares other necessary legal documents and instruments. The Law Department has responsibility for certain aspects of land acquisition and disposition and for appropriation proceedings for right-of-way acquisition in conjunction with capital improvement projects. The Law Department also provides for public prosecution in the Kettering Municipal Court with a prosecutor assigned to each of the court's two judges.

Programs

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:

- Provide day-to-day advice to Kettering and Centerville Police Officers and Montgomery County Sheriff Office Deputies serving Washington Township on decisions relating to arrest, filing of charges and search and seizure. Provide similar advice to inspectors on matters relating to filing of code enforcement cases. Assist as requested and necessary for continuing legal education program for Police, Fire and City inspectors on enforcement matters. Also, provide advice to the Tax Division and prosecute failure to file and failure to pay municipal income tax cases.
- As necessary, conduct arraignments and pretrials of cases charging violations of City ordinances and State misdemeanors. Perform legal research and provide courtroom representations in pretrial motions filed in such cases, and participate in negotiations with defense counsel.
- Prepare for and conduct trials in Kettering Municipal Court. Perform all research for and preparation of legal briefs. In appellate cases, prepare briefs and make oral arguments in the Court of Appeals and Supreme Court.

Objectives:

1. Maintain a consistent level of prosecution services.
2. Attend additional training for particularized criminal matters, such as domestic violence, in light of caseload trend.
3. Update the Law Library for particularized criminal prosecution research as necessary.

Legal Services

Program Purpose:

To act as the City's legal advisor and advocate.

Program Description:

The Law Department serves as general counsel for the City and provides legal services for the City's Administration, Council, Boards, and Commissions. The Law Director or the Law Director's designee attends all City Council meetings. The Law Department represents the City and its officials and employees in civil litigation or arranges for outside attorneys as special counsel for civil litigation, environmental problems, and other issues requiring specialized legal services. Also, the Law Department prepares legal instruments, legislation, and performs such other duties as assigned by the City Manager and Council, and as may be prescribed by state law.

Objectives:

1. As necessary, required and/or requested, provide legal advice and representation to members of the City Council, boards, commissions and administrative staff.
2. Prepare or review contracts as requested.
3. As necessary and proper, prepare revisions to City's Codified Ordinances.
4. Use appropriate legal procedures to seek recovery of income tax and accounts owed to the City.
5. Assist with recovery for damages to City property.
6. Receive and, as appropriate, review and process claims for damage or loss caused by City personnel and equipment.
7. Identify legal issues that require the services of outside counsel; select those attorneys and coordinate and assist, as necessary, with outside counsel.
8. Coordinate and work with City staff to advise of legal implications of City activities (i.e. economic development, planning and zoning, property acquisition, purchasing and code enforcement activities).
9. Respond to public records requests.

Measurements:

	Actual 2013	Actual 2014	Estimated 2015	Proposed 2016
Prosecution				
Cases Prosecuted:	3,700	3,939	3,850	3,850
Scheduled Trials:	1,098	1,047	1,030	1,040

Legal Services

Ordinances	13	14	30	15
Resolutions	141	158	178	165
Contracts	395	478	400	425
Public Records Requests	138	150	155	160

Law Department Expenditures — General Fund (Key 0300)

	Actual 2013	Actual 2014	Estimated 2015	Proposed 2016	% of Total
Personnel Expenditures	749,766	806,293	753,070	834,900	82.46%
Operating Expenditures	220,257	255,936	198,800	177,540	17.54%
Capital Equipment Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.00%</u>
Total	970,023	1,062,229	951,870	1,012,440	100.00%

The proposed 2016 budget is 1.5% less than the 2015 budget and 6.4% greater than 2015 estimated expenditures. Actual 2013 personnel expenditures reflect a partial-year vacancy of the Administrative Attorney position and 2014 personnel expenditures include the conversion of a regular part-time Clerk to full-time status. The decrease in estimated 2015 personnel expenditures is due to a partial year vacancy of a Prosecutor position.

Staffing Levels

	Actual 2013	Actual 2014	Estimated 2015	Proposed 2016
Law Director	1	1	1	1
Administrative Attorney	1	1	1	1
Prosecuting Attorneys	2	2	2	2
Secretary	2	2	2	2
Clerk	0	1	1	1
Part-time Clerical	1.4	0.7	0.7	0.7
Part-time Paralegal	0	0.6	0.6	0.6
Legal Interns	<u>0.9</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total	8.3	8.3	8.3	8.3

FINANCE DEPARTMENT

The Finance Department is responsible for the programs of Administration and Budget, Accounting, Taxation and Purchasing. Managing over \$99 million annually in financial transactions requires processing over 7,450 accounts payable checks, 21,350 direct deposits of payroll and 2,100 purchase orders. Also, the Tax Division collects in excess of \$44.0 million annually in City income tax and maintains active records on over 45,000 taxpayers. In 2015, through careful cash management efforts, over \$764,000 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 that have been 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-first 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 that have been 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-fourth 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. Promote our reputation of professionalism and excellence.
 - a. Provide general information about our tax to our citizens and annual updates to our tax preparers through cable television appearances, Contact with Kettering, and Kettering's website.
 - b. Encourage and support the efforts of all staff interested in attaining degrees or higher levels of education, specialized professional certificates, etc.
 - c. Accept speaking engagements related to the area of income tax and continue providing professional assistance to tax practitioners, businesses, attorneys, etc., on a daily basis, as needed.
2. Maintain a high level of technical competence among our employees.
 - a. Continue to provide training to all employees in all areas of technical expertise (i.e., computer training, federal and city income tax training, business writing, etc.)
 - b. Provide all employees with current technical literature regarding income tax to enable them to remain current on relevant issues.
 - c. Provide all employees with training on the extensive changes in ORC 718 effective beginning tax year 2016.

3. Provide quality services in an efficient, effective and courteous manner.
 - a. Promote greater usage of on-line tax return filing tool for qualifying individual filers.
 - b. Analyze policies and procedures so that changes can be made in order to maximize revenues and increase both time and cost efficiency.
 - c. Develop and implement projects to identify non-filers.
 - d. Provide an environment in which all employees regularly review our procedures and communicate their ideas to one another in an effort to improve our services in the areas of efficiency, effectiveness and courtesy.
 - e. Update/change tax forms and tax system as necessary. Update Income Tax Code and Rules and Regulations to reflect any changes in the Ohio Revised Code affecting local income tax.
 - f. Continue to review, process and collect all material delinquent accounts through the analysis of delinquent reports and the utilization of the court system.
 - g. Demonstrate our ongoing commitment to excellent customer service by continuing to provide professional assistance to taxpayers on a daily basis through person-to-person meetings, written correspondence, and telephone communication.

4. Enhance an environment that promotes teamwork.
 - a. Encourage all employees to participate in social activities outside the workplace (i.e., Employee Council events).
 - b. Hold regular Division meetings (i.e., bi-monthly).
 - c. Continue an open-door policy between all employees and supervisors.

5. Provide leadership and innovation in all areas of municipal finance.
 - a. Participate in various municipal finance and income tax organizations.
 - b. Continue to work with other city tax offices to provide ideas and assistance related to income tax and to enhance our system of information sharing.

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>Actual 2013</u>	<u>Actual 2014</u>	<u>Estimated 2015</u>	<u>Proposed 2016</u>
<u>Accounting</u>				
Checks processed	8,648	7,398	7,450	7,500
Late Penalties Paid	0	0	0	0
1099's issued	194	202	185	200
Receipts Processed	4,712	4,138	4,050	4,100
Invoices Processed	440	694	600	600
Travel Forms Processed	182	223	220	225
Payroll Checks Processed	3,921	13	5	5
Direct Deposits Processed	16,791	21,274	21,350	21,400
Number of Investments Made	133	87	85	90
<u>Taxation</u>				
New accounts established	6,349	5,100	5,100	5,000
Refunds processed	1,406	1,394	1,425	1,410
Accounts Maintained - Active	42,228	43,776	45,000	46,000
- Inactive	88,198	91,531	95,000	98,000
Accounts on Deferred Payment Plan	585	683	730	780
Amount of Delinquent Accounts	1,538,626	1,514,460	1,771,918	1,888,564
% of Accounts Delinquent	.56%	.55%	.63%	.65%
<u>Purchasing</u>				
Purchase Orders Issued	2,051	2,030	2,100	2,100
Bid Openings	10	18	20	20
Written Quotes Processed	124	109	110	110
Annual Inventories Completed	10	0	10	0

Finance Department Expenditures — General Fund (Key 0350)

	<u>Actual 2013</u>	<u>Actual 2014</u>	<u>Estimated 2015</u>	<u>Proposed 2016</u>	<u>% of Total</u>
Personnel Expenditures	1,863,901	1,849,211	1,929,800	2,058,100	79.82%
Operating Expenditures	401,976	413,372	489,940	520,230	20.18%
Capital Equipment Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.00%</u>
Total	2,265,877	2,262,583	2,419,740	2,578,330	100.00%

The proposed 2016 budget is 6.0% greater than the original 2015 budget and 6.6% greater than estimated 2015 expenditures. The proposed 2016 personnel budget includes funding for one new Finance Technician II for payroll processing purposes. Operating expenditures for all years include annual audit costs and fees paid to Montgomery County for the collection and processing of property taxes.

Staffing Levels

	<u>Actual 2013</u>	<u>Actual 2014</u>	<u>Estimated 2015</u>	<u>Proposed 2016</u>
Finance Director	1	1	1	1
Assistant Finance Dir.	0.9	0.9	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	6.5	6.5	6.5	7.5
Finance Technician I	3.5	3.5	3.5	3.5
Secretary	1	1	1	1
Part-Time Clerical	<u>3.4</u>	<u>1.7</u>	<u>1.7</u>	<u>1.7</u>
Total	21.3	19.6	19.7	20.7

ADMINISTRATIVE SYSTEMS – ADMINISTRATIVE SUPPORT

The Administrative Systems is responsible for the programs for Records Management, Design and Publishing, Telecommunications, Front Desk Reception, Mail (standard & bulk) and Messenger Service, Geographical Information Services, Printing and Copying, and Information Systems.

The Print Shop is responsible for providing printing services to all City departments and for maintaining various copiers and printing machinery to maximize the City's investment in this equipment. Use of on-demand printing offers economical short run printing and allows the use of up-to-date data. Please see the Internal Service Funds for more information on the City's Print Shop.

The Information Systems staff is responsible for the Information Systems Program. The staff coordinates Information Systems (IS) activities throughout the life cycle of the various citywide and departmental specific systems to include installation and maintenance services. Please see the Internal Service Funds for more information on the City's Information Systems Program.

Programs

Records Management

Program Purpose:

The Records Management Program is designed 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.

Design and Publishing

Program Purpose:

To provide high-quality documents and graphics that support of the branding of the City of Kettering while facilitating departments in getting information to citizens with both print and electronic design. To assist departments with creation of internal documents, both printed and electronic, in order to improve work flow and efficiency.

Program Description:

- Create/prepare documents using Adobe Photoshop, InDesign, Illustrator and Acrobat, as well as Microsoft Word, Access, Excel, and PowerPoint for both in-house and outsourced printing.
- 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.
5. Provide assistance to other departmental staff in a variety of software including Microsoft Word, Access, Excel, PowerPoint, Windows, Adobe Acrobat, and GroupWise.
6. Manage the City's pool of loaner presentation equipment.

Telecommunications Service

Program Purpose:

To manage, maintain, and provide an effective communication system that serves internal and external requirements.

Program Description:

- Administer and maintain all cell phones, pagers, digital and analog circuits and associated service contracts.
- Maintain inventory, manage costs, and perform periodic audits of telecommunication service usage and needs.
- Administer the City's Cellular Device Stipend program.
- Ensure compliance with all FEMA telecommunications regulations regarding the City's communication lines.
- Monitor emergency communication access through the GETS (Government Communication Emergency Telecommunication Services) and WPS (Wireless Priority Services).

Objectives:

1. Plan for and implement telecommunications acquisitions, updates, installation and training of telephones, voice mail, cellular phones, and pagers.
2. Participate in the preparation of communications and telecommunications equipment specifications and operational procedures for the equipment.
3. Coordinate all departments' communication related maintenance and training needs involving pagers and cell phones.
4. Serve as liaison between the City and external communication vendors.
5. Serve as the non-emergency administrator for the CodeRed citizen notification system.

Reception Desk

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.

Mail and Messenger Service

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.
- Prepare mailing list databases with Satori Bulk Mailer postal software for imprint on mail pieces.
- Assemble mail for delivery per standard mail permit requirements and deliver to Business Mail Entry Unit.
- Maintain training on postal software for processing standard mail addresses for merge to mail piece.
- Ship and receive City packages via Fed Ex, UPS, and USPS.
- Obtain and organize appropriate mail supplies for the various carriers.
- Participate in Postal Customer Council as an avenue of current communication with USPS representatives and mailing industry.

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. Distribute GIS efforts over a greater number of City departments.
5. Focus more resources on workflow or business consulting related activities that will help to improve the efficiency of City operations and to expand the City's ability to deliver services to the public.
6. Apply major effort toward data maintenance in areas that impact all users, such as street centerlines, parcels, and addresses.
7. Manage the integration between GIS software and department record keeping applications, such as permitting and dispatching, that utilize spatial data.

Measurements:

	<u>Actual 2013</u>	<u>Actual 2014</u>	<u>Estimated 2015</u>	<u>Proposed 2016</u>
<u>Records Management</u>				
Number of hours worked	1,560	1,560	1,560	1,560
Volunteer hours worked	362	246	180	250

Measurements continued:	Actual <u>2013</u>	Actual <u>2014</u>	Estimated <u>2015</u>	Proposed <u>2016</u>
<u>Telecommunications</u>				
Number of hours worked	1,040	520 ¹	520	520
<u>Reception Desk</u>				
Number of hours worked	2,340	2,385	2,340	2,340
Avg. daily phone calls answered	65.4	65.0	61.0	64.0
Avg. daily walk in patrons assisted	56.1	59.2	55.0	56.0
<u>Design and Publishing</u>				
Number of hours worked	4,570	4,570	4,800	4,800
Total Support Requests Completed	2,606	2,637	2,680	2,400
<u>Mail and Messenger Service</u>				
Administrative hours	910	910	910	910
Volunteer hours	703	861	900	850
Outbound 1 st class pieces metered	102,928	103,176	99,000	100,000
<u>Geographic Information Systems</u>				
Number of hours worked	3,293	3,480	3,120	3,120

¹ Responsibility for management of City phone system transferred to Information Systems in 2014.

Administrative Support Expenditures — General Fund (Key 0400)

	Actual <u>2013</u>	Actual <u>2014</u>	Estimated <u>2015</u>	Proposed <u>2016</u>	<u>% of Total</u>
Personnel Expenditures	693,704	633,351	628,670	687,000	74.67%
Operating Expenditures	219,600	252,608	730,000	233,060	25.33%
Capital Equipment Expenditures	<u>0</u>	<u>0</u>	<u>11,860</u>	<u>0</u>	<u>0.00%</u>
Total	913,304	885,959	1,370,530	920,060	100.00%

The proposed 2016 budget is 5.5% greater than the original 2015 budget and 32.9% less than estimated 2015 expenditures. During 2013, one full-time Engineering Technician retired and was replaced as a part-time position (0.5 fte). Also during 2013, the full-time Printer retired. While this position will not be replaced, additional part-time Print Shop Aide hours (0.5 fte) are funded for 2014 through 2016. For 2016, the Administrative Systems Manager will be re-classed to a director level.

Estimated 2015 operating expenditures include an encumbrance for multiple years of city-wide telephone service, costs related to the continued phase-in of replacement telephone handsets, and charges for the phone system upgrade.

Staffing Levels

	<u>Actual 2013</u>	<u>Actual 2014</u>	<u>Estimated 2015</u>	<u>Proposed 2016</u>
Administrative Systems Director	0	0	0	1
Administrative Systems Manager	1	1	1	0
City Planner – GIS	1	1	1	1
Technician – GIS	1	0.5	0.5	0.5
Corresponding Secretaries	2.6	2.6	2.6	2.6
Printer	1	0	0	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	1.1	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	9.6	8.6	8.6	8.6

HUMAN RESOURCES DEPARTMENT

The Human Resources Department is responsible for the Human Resources administration program. This includes the selection, retention, development, safety, coordination of wages and benefits, communications, and organizational effectiveness for our total work force. The City identifies its work force in terms of its approximately 385 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 of time 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 to fit this 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 and medical insurance, retirement programs and Worker's Compensation.

Objectives:

1. Focus on projects that have been 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 medical 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 2013</u>	<u>Actual 2014</u>	<u>Estimated 2015</u>	<u>Proposed 2016</u>
Number of position evaluations performed	55	47	40	40
Number of examinations developed and/or administered	4	1	5	2
Number of positions filled:				
Regular appointments	43	41	30	35
Promotions	8	6	10	5
Total hours of training provided*	3,285	2,200	10,500	7,000
Safety:	3,000	1,829	9,000	6,000
City-Wide:	200	140	1,000	1,000
HR Sponsored:	600	405	900	750
Regular full-time turnover rate	4%	6%	3%	3%
Grievances reaching third step	1	0	1	1
Average elapsed time in filling vacancies	10.5 wks.	13 wks.	12 wks.	11 wks.

*Training may cross categories

Human Resources Expenditures — General fund (Key 0450)

	<u>Actual 2013</u>	<u>Actual 2014</u>	<u>Estimated 2015</u>	<u>Proposed 2016</u>	<u>% of Total</u>
Personnel Expenditures	609,747	711,697	692,050	729,700	63.41%
Operating Expenditures	296,571	276,621	336,330	421,140	36.59%
Capital Equipment Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.00%</u>
Total	906,318	988,318	1,028,380	1,150,840	100.00%

The proposed 2016 budget is 6.3% greater than the 2015 budget and is 11.9% greater than estimated 2015 expenditures. For 2013, a Human Resource Manager converted from full-time to part-time basis (0.9 fte). This position returned to full-time status mid-year 2014. A new full-time Technician position is funded effective 2014.

Operating expenditures for all years include costs associated with the employee wellness program. Costs related to the wellness program include health screenings, lectures, and fitness passes to City facilities. Operating costs also include Finance/Human Resources software and the benefits enrollment program. New funding is provided in 2014 - 2016 for the City's Safety program.

Staffing Levels

	<u>Actual 2013</u>	<u>Actual 2014</u>	<u>Estimated 2015</u>	<u>Proposed 2016</u>
Human Resources Director	1	1	1	1
Human Resources Managers	1.9	2	2	2
Human Resources Technicians	2	3	3	3
Secretary	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>
Total	5.9	7.0	7.0	7.0

PLANNING & DEVELOPMENT DEPARTMENT

The Planning and Development Department is responsible for the programs of Development Regulations, Building Permitting and Inspections, Community Development, and Property Maintenance. The department is responsible for both short and long range planning, monitoring trends and developing community and neighborhood improvement initiatives. The department is also responsible for day-to-day activities centered on enforcement of the Zoning, Building, and Property Maintenance Codes. The emphasis is to help residents, businesses and builders design, build and maintain quality projects in keeping with the tradition of excellence that exists in Kettering. In 2015, approximately 4,550 construction and mechanical permits will be reviewed and approximately 7,900 structural and mechanical inspections will be performed, resulting in a total construction value of about \$50 million. 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 2016, 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 and the joint Kettering/Dayton Woodman Drive redevelopment plans.
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 process for 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.
- Enforce codes to correct violations by builders or owners 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 90% 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 90% of mechanical and fence permits within one day of application.
4. Issue 90% of all plumbing, electrical, gas, mechanical, and fence permits over-the-counter or within 3 days.
5. Continue efforts to streamline the permitting process.
6. Upgrade the permit tracking software.
7. Work with Montgomery County and Dayton Building Departments to develop better coordination, efficiency and effectiveness.
8. 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.
- Coordinate with County Corp. to 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 development programs.

Property Maintenance**Program Purpose:**

To enforce the residential and commercial property maintenance code so as 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 requests for inspections and proactive inspections of properties in all areas of the community.
- Coordinate the implementation of the property maintenance program.
- 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.

Measurements:

	Actual 2013	Actual 2014	Estimated 2015	Proposed 2016
<u>Building Code Enforcement</u>				
Building Permits	326	501	550	500
Building Inspections	2,294	1,119	2,200	2,200
Building Valuations	\$24,209,832	\$27,570,000	\$50,000,000	\$25,000,000
Electrical Permits	699	914	700	650
Electrical Inspections	1,888	1,728	2,500	1,800
Plumbing Permits	975	2,458	2,500	1,000
Plumbing Inspections	1,204	3,793	2,500	2,000
Heating Permits	668	743	750	700
Heating Inspections	732	612	675	650
<u>Community Development Program</u>				
CDBG Funds Secured	\$490,874	\$477,554	\$477,554	\$477,554
CDBG Program Income	\$48,508	\$134,201	\$58,000	\$58,000
Rehab Loan Applications Processed	57	39	68	68
Rehab Loan Dollar Amount	\$184,782	\$87,181	\$185,000	\$185,000
Homeowner Counseling				
Course/Participation	253	242	250	250
Down payment/Closing Cost				
Assistance Processed	5	12	10	10
Down payment/Closing Cost Assistance				
Dollar Amount	\$22,298	0	\$50,000	\$50,000
Fair Housing Contacts	9,451	9,000	9,000	9,000
Business Loans Processed	0	1	1	1
Business Loan Dollar Amount	0	50,000	50,000	50,000
Amount Spent to Acquire Real Property	\$13,221	0	\$20,000	\$20,000
Demolition of Real Property	8	4	1	1
Demolition Amount	\$123,189	\$7,655	\$10,000	\$10,000
Senior Resource Program	\$34,000	\$28,909	\$32,000	\$32,000
<u>Development Regulations</u>				
BZA Cases	23	13	2	2
Planning Commission Cases				
Major Subdivisions	0	0	2	0
Minor Subdivisions	7	3	2	3
PUD Applications - Commercial	1	7	0	0
PUD Applications – Residential	1	0	0	0
Vacations	0	1	3	1
Zoning Code Amendments	2	4	1	1
Rezoning	2	0	5	5
Master Plans/Reuse Plan/Concept Plan	5	1	0	0
Economic Development Overlays	0	0	0	0
<u>Property Maintenance Code Enforcement</u>				
Code Enforcement Cases	2,793	3,485	3,430	3,430
Total Inspections	9,950	10,455	10,290	10,350

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

	<u>Actual 2013</u>	<u>Actual 2014</u>	<u>Estimated 2015</u>	<u>Proposed 2016</u>	<u>% of Total</u>
Personnel Expenditures	1,855,694	1,907,095	1,950,700	2,054,100	82.90%
Operating Expenditures	266,305	297,256	467,400	423,840	17.10%
Capital Equipment Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.00%</u>
Total	2,121,999	2,204,351	2,418,100	2,477,940	100.00%

The proposed 2016 budget is 3.1% greater than the 2015 budgeted level and 2.5% greater than estimated 2015 expenditures. During 2013, the full-time Senior Inspector retired. This position will not be replaced; however, a new full-time Property Maintenance Inspector position is funded for 2014 through 2016. A reduction in temporary property maintenance hours (1.7 fte) will coincide with the hiring of this new Property Maintenance Inspector. Also in 2013, a full-time Clerk retired. This position is replaced with a part-time Clerk position (0.6 fte). The estimated 2015 and proposed 2016 operating expenditures include funding for costs associated with the new enterprise-wide software application.

Staffing Levels

	<u>Actual 2013</u>	<u>Actual 2014</u>	<u>Estimated 2015</u>	<u>Proposed 2016</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
Senior Inspector	1	0	0	0
Inspector	3	3	3	3
Property Maintenance Inspector	2	3	3	3
CDBG Program Administrator	1	1	1	1
CDBG Housing Specialist	1	1	1	1
CDBG Program Coordinator	0.5	0.5	0.5	0.5
Secretary	1	1	1	1
Clerk Typist	3	2.6	2.6	2.6
Planning & Development Aide	2.1	2.1	2.1	2.1
Seasonal Property Maintenance Inspectors	2.6	0.9	0.9	0.9
Temporary Plumbing Inspector	<u>0.1</u>	<u>0.1</u>	<u>0.1</u>	<u>0.1</u>
Total	23.3	21.2	21.2	21.2

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 information e-newsletter for distribution to over 1,700 Kettering businesses.
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 2013</u>	<u>Actual 2014</u>	<u>Estimated 2015</u>	<u>Proposed 2016</u>	<u>% of Total</u>
Personnel Expenditures	136,028	139,837	142,700	147,100	21.12%
Operating Expenditures	386,504	1,004,399	1,899,730	549,540	78.88%
Capital Equipment Expenditures	0	0	0	0	0.00%
Total	522,532	1,144,236	2,042,430	696,640	100.00%

The proposed 2016 budget is 29.6% less than the original 2015 budget and 65.9% less than estimated 2015 expenditures.

Operating expenditures in the Economic Development Department fluctuate based upon incentives, grants, or loans for local businesses. Actual 2014 expenditures include the purchase of property on West Dorothy Lane. Estimated 2015 expenditures include costs associated with the sale of 1050 Forrer Boulevard, as well as costs associated with the city's Wilmington Pike Improvement Plan.

Staffing Levels

	<u>Actual 2013</u>	<u>Actual 2014</u>	<u>Estimated 2015</u>	<u>Proposed 2016</u>
Economic Development Manager	1	1	1	1
Secretary	0.1	0.1	0.1	0.1
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 Animal Control. We will continue to place an emphasis on Crime Prevention/Community Relations in an effort to reduce the number of crimes committed. In 2015, the department will focus on projects that have been identified as high priorities through the strategic plan update process.

Programs

Police Patrol

Program Purpose:

To protect the property and lives of our citizens and to preserve the public peace and good order by deployment of uniformed personnel to respond to calls from the public. To prevent crimes by having enough available time to give would-be violators of the law the impression that apprehension is inevitable if they commit a crime.

Program Description:

The Police Department 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 interviews. This provides the reinforcement to reduce criminal activity through Police presence.

Objectives:

1. Ensure that the department's personnel are apprised of their performance on a consistent basis. Inspect employee logs on a semi-annual basis to ensure there are the necessary entries for all personnel.
2. Continue to aggressively prevent property crimes throughout the City through proactive patrol and consistent business checks.
3. Utilize the Bike Patrol Program in a pro-active manner in apartment complexes, parks, business districts, and high crime areas in a further effort to reduce thefts, burglaries, drug activity, and other property 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 complaints assigned to detectives and ensure they are worked and completed in a timely manner.
2. Ensure that each detective is responsive to his COP (Community Oriented Policing) assignment and actively participates in the program.

Crime Prevention/Community Relations

Program Purpose:

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

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 in a committed relationship with the schools and the student body to create a safe learning environment for students, teachers, administrators, and officers within the City and parochial schools. This section also maintains information and compiles statistics of crimes for reports, alarms and registrations and coordinates neighborhood and business watch. It is the link between the public and the Police Department.

Objectives:

1. Accomplish a safe learning environment within City and parochial schools by working together with school employees and members of the community. Officers will be positive role models for students and create a positive learning atmosphere by holding parents, staff, students, and themselves accountable for their behavior.
2. Continue to promote, develop, and enhance the Neighborhood Watch Program throughout the City
3. Continue to market the police department through the media and continue our positive relationship with all media outlets.
4. Reduce the amount of false alarms through public education and the application of the City alarm ordinance.

Animal Control

Program Purpose:

To minimize the nuisance factor of animals.

Program Description:

The Community Service Officer (CSO) is responsible for maintaining control of domestic animals through enforcement of City animal control ordinances. The CSO works as a liaison with County Health Department and Animal Resource Center. The CSO responds to complaints dealing with wildlife problems within City limits.

Objectives:

1. Continue to assist with and resolve animal problems in the City.
2. Promote education for responsible pet ownership by speaking in the schools and at special events.
3. Work with county agencies and veterinarians to promote licensing and spay/neuter programs.
4. Revise or update current policies and ordinances as needed to improve the animal control program.

Measurements:

	Actual 2013	Actual 2014	Estimated 2015	Proposed 2016
<u>Police Patrol</u>				
Response times (minutes)				
Emergency (Code 3)	2:50	3:12	3:19	3:15
Non-emergency (Code 2)	4:26	4:32	4:29	4:30
Routine	7:29	7:27	7:32	7:30
Number Criminal Arrests	3,267	3,059	1,290	2,605
Number Calls for Service*	64,562	60,686	23,917	62,624

*As of July 2005, includes self initiated activity

Criminal Investigation

Part I Crimes Reported	1,344	1,142	1,200	1,200
Part II Crimes Reported	1,008	927	975	1,000

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	73	149	150	150
Active Regional Watch Coordinators	31	28	30	30
False Alarms	664	788	750	725

Animal Control

Miles Driving	5,164	3,338	1,900	5,000
Complaints Received	3,168	2,543	2,357	2,800
Warnings	362	207	375	400
Arrests	18	17	25	20
Dog Bites	23	16	8	15
Cat Bites	2	2	1	2

*Van out of service much of 2014

*There was no CSO/Animal Control for most of 2015

Police Department Expenditures — General Fund (Key 0600)

	Actual 2013	Actual 2014	Estimated 2015	Proposed 2016	% of Total
Personnel Expenditures	11,165,331	11,222,468	11,687,490	12,017,800	83.00%
Operating Expenditures	1,889,281	1,979,119	2,445,630	2,131,540	14.72%
Capital Equipment Expenditures	<u>170,560</u>	<u>233,325</u>	<u>447,870</u>	<u>329,500</u>	<u>2.28%</u>
Total	13,225,172	13,434,912	14,580,990	14,478,840	100.00%

The proposed 2016 budget is 4.0% greater than the 2015 budget and 0.7% less than estimated 2015 expenditures.

In 2014 the full-time Police Systems Administrator position was transferred to the Information Systems cost center as part of the reorganization of the Administrative Systems Department.

Actual 2014 operating expenditures include \$127,000 for the replacement of rugged laptop computers and modems for use in cruisers. Estimated 2015 operating expenditures include \$610,000 for the purchase and installation of new radios as part of an upgrade to the City's radio system. This upgrade, in conjunction with the Montgomery County MARCS Radio System Migration Project, is to provide effective communications for Public Safety, Parks Maintenance, the Vehicle Maintenance Center and Public Service Departments. The 2015 operating costs also include an encumbrance for multiple years of SONET ring service. Proposed 2016 operating expenditures include \$243,000 for the implementation of an in-car camera video recording system.

Capital equipment expenditures for 2016 include the replacement of (5) marked cruisers and (6) unmarked sedans.

Staffing Levels - Police

	<u>Actual 2013</u>	<u>Actual 2014</u>	<u>Estimated 2015</u>	<u>Proposed 2016</u>
Chief	1	1	1	1
Captains	2	2	2	2
Lieutenants	6	6	6	6
Sergeants	10	10	10	10
Patrol Officers	62	62	62	62
Jailers	5	5	5	5
Laboratory Technician	1	0	0	0
Court Officers	2	2	2	2
Police Systems Administrator	1	0	0	0
Secretaries	3	3	3	3
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.	2.7	4.1	3.8	3.8
Part-Time Clerical	<u>0.3</u>	<u>0.3</u>	<u>0.3</u>	<u>0.3</u>
Sub-total	101.6	101.0	100.7	100.7
Public Safety Civilian Dispatchers	<u>13.5</u>	<u>14.5</u>	<u>14.5</u>	<u>14.5</u>
Total Police and Dispatch	115.1	115.5	115.2	115.2

2013 – 2015 staffing levels shown above exclude the full-time Director of Tactical Crime Suppression Unit position. This position was employed to benefit multiple jurisdictions through the coordination of the Miami Valley Communications Council (MVCC). The costs associated with this position were 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 Commission on Accreditation for Corrections, 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 education, 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 including wellness/fitness and citizen safety services.
- 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 participation in FEMA region V meetings, 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, Fire Corps, and Citizen Emergency Response Training (CERT).
7. Continue to implement recommendations provided in Matrix study.
8. Continue implementation of vehicle replacement guidelines.
9. Implement recommendations from the Fire Station Master Plan.
10. 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. Development of 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.
- Development and implementation of 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 system.
3. Continue to support and expand the Quartermaster Program to provide personnel with safe work clothing.
4. Submit 5-year facilities plan.

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 or obtain remedial educational support for juvenile fire setters.
- 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.
- Coordinate the Citizen Fire Academy program and the Fire Department’s citizen volunteer programs and services.

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, such as the Child Passenger Safety Program, the Bicycle Helmet Program, and Risk Watch for children with special needs.
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 (part-paid/volunteer and career strength authorized at 107) responding to over 7,800 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. Implement new ways of utilizing part-paid/volunteer and career personnel to provide a better service to the public.
3. Improve inventory control through the final implementation of a computer-based equipment tracking system.
4. 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.
5. Continue efforts to interface Computer Aided Dispatch (CAD) system with the department's Management Information System.
6. Maintain certifications of all primary and backup fire department dispatchers through a nationally recognized EMD training program.
7. 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 the National Fire Department accreditation process and the National Firefighters 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 career and part-paid/volunteer 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 child 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:

	<u>Actual 2013</u>	<u>Actual 2014</u>	<u>Estimated 2015</u>	<u>Proposed 2016</u>
<u>Fire Suppression Bureau</u>				
Fire Alarms	1,902	1,664	1,797	1,851
Fire—Residential Structure	46	85	92	95
Fire—Commercial/Other Structures	17	31	33	34
Fire—Vehicles	19	18	19	20
Fire—Outside, incl. brush, rubbish	41	94	102	304
False Alarms	328	273	295	105
Hazardous Materials Responses	74	94	102	98
Mutual Aid Given	142	88	95	98
Other Responses (incl. public service and non-emergency responses)	1,235	981	1,059	1,091
<u>Emergency Medical Services</u>				
Medic Alarms	5,554	6,192	6,451	6,709
EMS—Illness	3,123	2,825	3,051	3,173
EMS—Injury	1,205	1,484	1,603	1,667
EMS—Cardiac	555	714	771	802
EMS—Full Arrest	120	92	99	103
EMS—Stroke	94	216	230	240
EMS—Vehicle Accident	161	216	233	243
EMS—Assault/Violence	36	38	41	43
EMS—Overdose	97	93	100	104
EMS—Mental	88	118	127	133
EMS—Maternity	25	29	31	33
EMS—Non-Emergency	50	148	160	166
EMS—Mutual Aid Given	N/A	219	237	246
<u>Fire Prevention Bureau</u>				
Plans Reviewed	187	161	226	250
Construction Inspections	22	15	36	50
Fire Safety Inspections	199	145	276	300
<u>Public Education/Community Relations</u>				
Fire safety talks/block parties/safety trailer visits, etc.	115	127	132	150
CPR Classes	109	94	100	110
Child Safety Seat	164	122	125	150

Fire Department Expenditures — General Fund (Key 0700)

	<u>Actual 2013</u>	<u>Actual 2014</u>	<u>Estimated 2015</u>	<u>Proposed 2016</u>	<u>% of Total</u>
Personnel Expenditures	9,098,511	9,431,368	9,604,680	10,647,700	84.84%
Operating Expenditures	1,698,389	1,639,428	2,409,000	1,780,960	14.19%
Capital Equipment Expenditures	<u>50,977</u>	<u>0</u>	<u>93,600</u>	<u>122,000</u>	<u>0.97%</u>
Total	10,847,877	11,070,796	12,107,280	12,550,660	100.00%

The proposed 2016 budget is 10.5% greater than the 2015 budget and 3.7% greater than estimated 2015 expenditures.

In 2013 and 2014, a command staff reorganization plan was implemented allowing for 5 new Battalion Chiefs with a reduction of 2 Captains and 2 Firefighters. Due to planned staffing and response profile changes, the additional positions are necessary in order to maintain effective supervisory requirements for the part-time personnel for 24 hour operations. In addition, six new firefighters are funded for 2016.

The 2013 operating expenditures include \$179,000 for mobile data terminals and related installation in vehicles. Estimated 2015 operating expenditures include \$573,000 for the purchase and installation of new radios as part of an upgrade to the City's radio system. This upgrade, in conjunction with the Montgomery County MARCS Radio System Migration Project, is to provide effective communications for Public Safety, Parks Maintenance, the Vehicle Maintenance Center and Public Service Departments. The 2015 operating costs also include an encumbrance for multiple years of SONET ring service.

Capital equipment expenditures for 2016 include the replacement of (3) SUV's and a medic unit modification.

Staffing Levels

	<u>Actual 2013</u>	<u>Actual 2014</u>	<u>Estimated 2015</u>	<u>Proposed 2016</u>
Chief	1	1	1	1
Assistant Fire Chiefs	2	2	2	2
Battalion Chiefs	0	5	5	5
Captains	12	10	10	10
Civilian Fire Marshal	1	1	1	1
Fire Fighters	39	37	37	43
Fire Service Specialist	1	1	1	1
Secretary	2	2	2	2
Volunteer Coordinator	0.5	0.5	0.5	0
Part-Time Hydrant Inspection Crew	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>
Sub-total	59.0	60.0	60.0	65.5
Part-paid Firefighters	51	45	45	52

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 244 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, 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 basically 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.

In 2015, the department will focus on projects that have been identified as high priorities through the strategic plan update process.

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 through the use of traffic engineering techniques.
- The planning and design of intersection and street geo-metrics.
- 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 Kettering Area Responsive Traffic System.
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.
4. Continue the investigation of and seek funding for a central computer system to replace the existing distributed computer system for KARTS.

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 school children 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 state statutes.

Objectives:

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

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 constructed at existing intersections that have curbs, to bring them into conformance with the state statute.

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 the Dayton Power and Light Company. The City contracts with DP&L 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. A new front foot assessment is being studied at this time.
- Thoroughfares: The City lights thoroughfares when they are improved. Existing improved thoroughfares are lit in order of need.
- Residential Streets: Street lights are installed upon petitioning from residents.

Objectives:

1. Coordinate with Dayton Power and Light the design and installation of lights in locations designated by City Council.
2. Enhance the lighting of at least one additional thoroughfare per year.

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.
4. Prioritize projects and develop a 10 year plan for reconstruction of residential streets.

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.

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. Develop comprehensive flooding and erosion control plan and possible solutions for high priority drainage problem areas.
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 2013</u>	<u>Actual 2014</u>	<u>Estimated 2015</u>	<u>Proposed 2016</u>
<u>Transportation Operations</u>				
Accident Statistics				
Red Light Violations	65	65	60	60
Non-Stop (at sign)	8	12	12	12
Right-of-Way after Stop (at sign)	46	46	46	45
Assured Clear Distance	234	210	205	200
Total Accidents	933	933	930	880
<u>Traffic Signals</u>				
Number of vehicle & pedestrian indications maintained				
	3,076	3,077	3,080	3,090
New signal indications installed	5	1	3	10
Maintenance & emergency calls	480	470	460	450
Vehicle Thoroughfare Volume Trends	127,245	128,500	129,750	126,500
<u>Transportation Safety & Education</u>				
Pedestrian Injuries	15	2	2	2
Pedestrian Fatalities	0	0	0	0
Bicycle Injuries	7	7	6	6
Bicycle Fatalities	0	0	0	0
Motorcycle Injuries	6	7	6	6
Motorcycle Fatalities	0	0	0	0
<u>Sidewalk Design and Construction</u>				
Miles of Walk Total	243.4	243.4	244.0	244.0
Existing Thoroughfare Walk (miles)	62.3	62.3	63.0	63.0
Existing Residential Walk (miles)	181.1	181.1	181.0	181.0
Projects in Plan Development	0	1	1	1
Projects Under Construction	0	0	1	0
<u>Sidewalk, Curb & Drive Approach Repair</u>				
Sidewalk repair total (square feet)	19,000	22,030	26,200	22,000
Drive Approach	16,800	20,850	17,900	22,000
Curb	7,200	10,700	9,400	10,000
<u>Street Lighting</u>				
Miles of Thoroughfare				
Lighting in Place	26.1	26.1	26.1	26.1
Miles of Residential				
Lighting in Place	89.7	89.7	89.7	89.7
<u>Street Design & Construction</u>				
Total Miles of Thoroughfares				
	44.0	44.0	44.0	44.0
Mileage Improved to Standard	43.0	43.0	43.5	43.5
Mileage — Below Standard	1.0	1.0	0.5	0.5
Total Miles of Residential Streets	202.12	202.12	202.12	202.12
Projects Under Study	2	2	2	2
Projects in Plan Development	3	3	3	3
Projects Under Construction	3	4	4	4
<u>Street Surfacing</u>				
Local Streets - Square yards (Concrete)	1,750	1,800	1,125	1,200
Thoroughfares - Square Yards (Concrete)	0	0	0	0
Asphalt Resurfacing (miles)	9.76	10.34	9.37	15.0

	<u>Actual 2013</u>	<u>Actual 2014</u>	<u>Estimated 2015</u>	<u>Proposed 2016</u>
<u>Storm Drainage Design and Construction</u>				
Storm system improvement:				
Storm sewer or open channel - Linear Feet	2,000	1,500	850	1,000
Projects in Plan Development	0	1	1	1
<u>Water and Sanitary Sewer</u>				
County/City Meetings	4	4	4	4
Water System Construction Projects Scheduled	0	1	2	1
Sewer System Construction Projects Scheduled	0	0	0	0

Engineering Department Expenditures — General Fund Key (0800)

	<u>Actual 2013</u>	<u>Actual 2014</u>	<u>Estimated 2015</u>	<u>Proposed 2016</u>	<u>% of Total</u>
Personnel Expenditures	1,890,872	1,785,607	1,806,260	2,046,100	78.12%
Operating Expenditures	293,135	358,494	423,000	503,090	19.21%
Capital Equipment Expenditures	<u>51,046</u>	<u>0</u>	<u>16,740</u>	<u>70,000</u>	<u>2.67%</u>
Total	2,235,053	2,144,101	2,246,000	2,619,190	100.00%

The proposed 2016 budget is 11.1% greater than the original 2015 budget and is 16.6% greater than estimated 2015 expenditures

Estimated 2015 expenditures include \$9,000 for new bike route signs and a \$25,000 commitment for a county-wide ortho-rectified aerial photograph project. Proposed 2016 operating expenditures include \$20,000 for additional bike route signage.

The 2015 capital equipment expenditures include an optical time domain reflectometer – a device used to precisely measure when a fiber optic line is broken. The proposed 2016 capital equipment budget includes funding for a utility truck with aerial bucket.

Staffing Levels

	<u>Actual 2013</u>	<u>Actual 2014</u>	<u>Estimated 2015</u>	<u>Proposed 2016</u>
City Engineer	1	1	0	0
Assistant City Engineer	0	0	1	1
Civil Engineer	3	3	3	3
Engineering Surveyor	1	1	1	1
Engineering Technicians	5	5	5	5
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	3.1	3.3	3.3	3.3
Project Manager	0.5	0	0	0
Secretary	1.8	1.8	1.8	1.8
Temporary Engineering Aides	<u>0.6</u>	<u>0.6</u>	<u>0.6</u>	<u>0.6</u>
Total	20.0	19.7	19.7	19.7

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. In 2016, the department 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 and recognition of brand ambassadors.

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.

Internal Relations

- Strengthen employee communication through an improved employee e-newsletter, internal state of the city and customer service recognition.

Community Information Expenditures — General Fund (Key 1700)

	<u>Actual 2013</u>	<u>Actual 2014</u>	<u>Estimated 2015</u>	<u>Proposed 2016</u>	<u>% of Total</u>
Personnel Expenditures	70,705	100,226	131,690	140,400	55.08%
Operating Expenditures	73,776	80,079	101,500	114,490	44.92%
Capital Equipment Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.00%</u>
Total	144,481	180,305	233,190	254,890	100.00%

The proposed 2016 budget is 2.3% greater than the 2015 budget and is 9.3% greater than estimated 2015 expenditures. Estimated 2015 operating expenditures include \$6,600 for a citizen survey and \$21,000 for a new communications initiative. The proposed 2016 budgeted maintains funding for the new communications initiative.

Staffing Levels

	<u>Actual 2013</u>	<u>Actual 2014</u>	<u>Estimated 2015</u>	<u>Proposed 2016</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

	<u>Actual</u> <u>2013</u>	<u>Actual</u> <u>2014</u>	<u>Estimated</u> <u>2015</u>	<u>Proposed</u> <u>2016</u>
SUB-TOTAL OPERATING COSTS	37,267,399	38,566,551	42,459,120	42,013,390
OTHER COST CENTERS				
Juvenile Court	18,870	15,916	15,180	15,000
Communications	95,160	95,160	95,200	95,200
Street Lighting	469,010	456,997	461,000	491,000
Volunteer Program	136,821	140,243	147,370	255,640
Youth Services	94,298	176,465	225,100	184,000
Health Department	10,486	11,371	11,430	15,190
ED/GE Program Contribution	0	0	0	0
Board of Community Relations	1,599	464	1,240	2,180
Volunteer Celebration Committee	3,990	2,998	2,400	7,000
Sister City Committee	2,005	460	1,300	6,280
Ombudsman Program	0	0	0	500
Public Defender Program	24,736	32,785	37,600	45,000
Nuisance Abatement	0	0	0	5,000
Innovations	9,588	388	10,040	5,000
Election Fees	7,366	3,005	5,000	20,000
Contributions	25,738	25,300	31,000	31,000
Leadership Kettering	<u>9,933</u>	<u>9,473</u>	<u>9,460</u>	<u>9,350</u>
Total Other Cost Centers	909,600	971,025	1,053,320	1,187,340
GRAND TOTAL OPERATING COSTS	38,176,999	39,537,576	43,512,440	43,200,730
TRANSFERS TO OTHER FUNDS*				
Street Maintenance Fund	2,828,000	3,828,500	4,093,000	4,161,000
State Highway Fund	0	0	105,000	0
Police Pension Fund	1,123,000	1,121,100	1,182,000	1,196,000
EMS Fund	0	0	0	0
Parks & Recreation Fund	5,808,000	5,777,000	6,362,000	6,215,000
Fraze Pavilion Operations Fund	0	0	0	0
DESC Reuse Funds	114,000	160,000	160,000	221,000
Special Grants and Programs	18,789	4,042	41,900	0
Community Development Block Grant Fund	47,917	32,583	0	0
Debt Service	421,400	435,000	427,000	404,000
Capital Improvement Fund	<u>73,832</u>	<u>2,996,249</u>	<u>5,542,000</u>	<u>7,148,000</u>
Total Transfers to Other Budgeted Funds:	10,434,938	14,354,474	17,912,900	19,345,000
GRAND TOTAL GENERAL FUND	48,611,937	53,892,050	61,425,340	62,545,730

*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

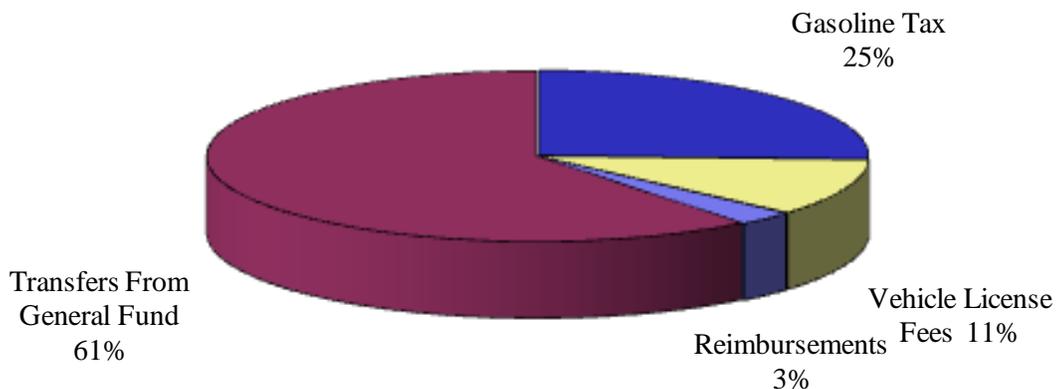
FUND 202

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 gasoline taxes 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. However, this source of revenue has been short of the necessary resources to accomplish this task. For example, in 2015 we anticipate receiving revenues of \$2,727,000, but an additional \$4,093,000 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 2013</u>	<u>Actual 2014</u>	<u>Estimated 2015</u>	<u>Proposed 2016</u>
AVAILABLE FOR EXPENDITURE:				
Balance January 1	350,126	471,019	1,125,925	211,175
Nonspendable: Inventory	<u>144,886</u>	<u>201,712</u>	<u>442,947</u>	<u>200,670</u>
NET BALANCE	205,240	269,307	682,978	10,505
RECEIPTS:				
Federal and State grants	0	0	0	0
Gasoline Tax	1,752,314	1,768,930	1,770,000	1,760,000
Vehicle License Fees	733,581	738,617	740,000	740,000
Other Income	22,225	10,280	7,000	6,000
Reimbursements	<u>239,697</u>	<u>590,216</u>	<u>210,000</u>	<u>190,000</u>
TOTAL REVENUE	2,747,817	3,108,043	2,727,000	2,696,000
Sale of City Assets	30,477	42,942	51,000	20,000
Transfer from General Fund	2,828,000	3,828,500	4,093,000	4,161,000
TOTAL AVAILABLE	5,811,534	7,248,792	7,553,978	6,887,505

STREET MAINTENANCE FUND 2016 RECEIPTS



Proposed 2016 Streets Maintenance operations will require a \$4,158,000 transfer from the General Fund.

The Public Service Department is responsible for maintaining much of the existing infrastructure within the City of Kettering, including the public streets, city-owned buildings, and City vehicles and equipment. The department's purpose is to maintain all city assets in a safe, clean, attractive and professional manner so as to add value to the community. By providing year-round service, the Public Service Department maintains and improves over 258 miles of public streets, over 60 buildings and structures and more than 450 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.

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 twice per year. 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 late October and continuing into December. The process starts in District 1 and finishes in District 11.

Objectives:

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

Signing & Pavement Marking

Program Purpose:

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

Program Description:

The Streets Division evaluates the need for sign replacement and lane line painting on an annual basis. The division fabricates and installs signs, repaints crosswalks, and assists the Engineering Department with roadway marking contracting and traffic signal bulb replacements.

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.

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.

Measurements:	Actual 2013	Actual 2014	Estimated 2015	Proposed 2016
<u>Snow Removal and Ice Control</u>				
Number of Snow/Ice Events	21	21	22	17
Tons of Salt Used	5,584	5,721	5,200	5,200
Calcium Chloride Used (gallons)	14,132	20,841	16,000	14,500
<u>Street Cleaning</u>				
Number of cycles (1,700 miles per cycle)	2	2	2	2
<u>Street Maintenance</u>				
Asphalt Maintenance Man-hours	8,889	9,823	9,500	9,500
<u>Storm Drainage Maintenance</u>				
Channel Maintenance Man-hours	3,011	3,003	2,800	2,800
Sewer Maintenance Man-hours	5,252	5,149	5,000	5,000
Storm Debris Clean-ups Man-hours	0	0	250	0
Routine Storm System Cleaning (23.17 miles channel)	2	2	2	2
<u>Leaf Pickup</u>				
Man-hours	8,764	10,500	9,500	9,500
Truckloads picked up	1,540	1,815	1,600	1,600
<u>Composting/Yard Debris</u>				
Man-hours	7,000	588	2,500	2,500

Street Division Expenditures — Street Maintenance Fund (Key 2000)

	Actual 2013	Actual 2014	Estimated 2015	Proposed 2016
Personnel Expenditures	3,454,220	3,689,838	3,813,780	4,042,700
Operating Expenditures	1,652,370	2,142,421	2,439,420	1,819,310
Capital Equipment Expenditures	<u>378,811</u>	<u>492,320</u>	<u>1,532,550</u>	<u>1,015,000</u>
TOTAL EXPENDITURES	5,485,401	6,324,579	7,785,750	6,877,010

The proposed 2016 budget is 4.8% greater than the 2015 budget and 11.7% less than estimated 2015 expenditures.

Actual 2014 expenditures reflect the impact of the harsh 2013/2014 winter – one of the Midwest’s coldest winters in 20 years with unusually high snowfall totals. Overtime, vehicle maintenance, fuel, salt and calcium chloride costs increased as a result. The spring’s thaw and re-freeze necessitated additional asphalt to repair roadways. Amid salt shortages, the city was fortunate to have obtained a bid for 8,000 tons (\$761,000) of salt for the 2014/2015; however, prices were at a premium. Half of the 8,000 tons were re-sold to other communities in the region that were unable to obtain bids. Estimated 2015 expenditures include the purchase of a Global Positioning System to aid snow plow removal and additional contract snow removal services. Also included in 2015 operating expenditures is \$73,300 for the purchase and installation of new radios as part of an upgrade to the City’s radio system. This upgrade, in conjunction with the Montgomery County MARCS Radio System Migration Project, is to provide effective communications for Public Safety, Parks Maintenance, the Vehicle Maintenance Center and Public Service Departments. Planned 2016 capital equipment purchases include (1) new and (2) replacement dump trucks. Also planned are replacements for a 1-ton pick-up, a platform sign truck, and a sweeper.

Staffing Levels

	Actual 2013	Actual 2014	Estimated 2015	Proposed 2016
Public Service Director	0.5	0.5	0.5	0.5
Assistant Public Service Director	0.5	0.5	0.5	0.5
Street Maintenance Manager	1	1	1	1
Street Maintenance Supervisor	3	2	3	3
Street Service Workers	35	32	35	35
Traffic Control	3	3	2	2
Secretary	0.7	0.7	0.7	0.7
Part-Time Clerical	0.6	0.6	0.6	0.6
Part-time Maintenance Aide	1.0	1.0	0.6	0.6
Temporary Laborers	<u>2.6</u>	<u>2.6</u>	<u>2.7</u>	<u>2.7</u>
Total	47.9	43.9	46.6	46.6

STATE HIGHWAY FUND**FUND 203**

The state law provides that 7.5% of gasoline taxes and vehicle license fees be earmarked for the State highways within the borders of the municipality. In Kettering's case, we have two state highways - Far Hills Avenue (State Route 48), and a portion of Woodman Drive (State Route 835). 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 2014 and estimated 2015 expenditures include engineering design and construction costs for a safety improvement project along Far Hills Avenue. The project will upgrade the existing roadway lighting from Stroop Road to David Road, replace traffic signals at Far Hills & Shroyer Road and at Far Hills & David Road, and will modify the commercial driveway at the Arbor Shopping Center onto Far Hills. Federal funding has been awarded for 75% of construction costs.

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

	<u>Actual 2013</u>	<u>Actual 2014</u>	<u>Estimated 2015</u>	<u>Estimated 2016</u>
AVAILABLE FOR EXPENDITURES:				
Balance January 1	28,642	79,188	81,278	9,278
RECEIPTS:				
Federal Grants	0	0	587,000	0
State Grants	0	0	0	0
Gasoline Tax	142,080	143,427	140,000	140,000
Vehicle License Fees	27,254	27,358	27,000	27,000
Investment Earnings	2,433	1,047	1,000	1,000
Refunds and Reimbursements	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL REVENUE	171,767	171,832	755,000	168,000
Transfer from General Fund	0	0	105,000	0
TOTAL AVAILABLE	200,409	251,020	941,278	177,278
OPERATING COSTS:				
Transportation Engineering	2,349	2,594	9,000	15,000
Street Department	<u>118,872</u>	<u>128,513</u>	<u>140,000</u>	<u>140,000</u>
TOTAL OPERATING COSTS	121,221	131,107	149,000	155,000
CAPITAL IMPROVEMENTS:				
Street Surfacing and Traffic Controls	<u>0</u>	<u>38,635</u>	<u>783,000</u>	<u>0</u>
TOTAL CAPITAL IMPROVEMENTS	0	38,635	783,000	0
GRAND TOTAL	121,221	169,742	932,000	155,000

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 2013</u>	<u>Actual 2014</u>	<u>Estimated 2015</u>	<u>Estimated 2016</u>
AVAILABLE FOR EXPENDITURES:				
Balance January 1	420,148	417,786	421,710	421,710
RECEIPTS:				
Interment/Foundations	8,112	7,984	7,000	7,000
Investment Earnings	3,679	4,406	5,000	5,000
Lot Sales	<u>3,120</u>	<u>3,080</u>	<u>3,000</u>	<u>3,000</u>
TOTAL REVENUE	<u>14,911</u>	<u>15,470</u>	<u>15,000</u>	<u>15,000</u>
TOTAL AVAILABLE	435,059	433,256	436,710	436,710
OPERATING COSTS:				
Cemetery Fund	<u>17,273</u>	<u>11,546</u>	<u>15,000</u>	<u>30,000</u>
TOTAL EXPENDITURES	17,273	11,546	15,000	30,000

MISCELLANEOUS FACTS**TRANSPORTATION:**

All neighborhoods in Kettering receive public transportation service from the Regional Transit Authority. For route information call (937) 226-1144.

POLICE PENSION FUND

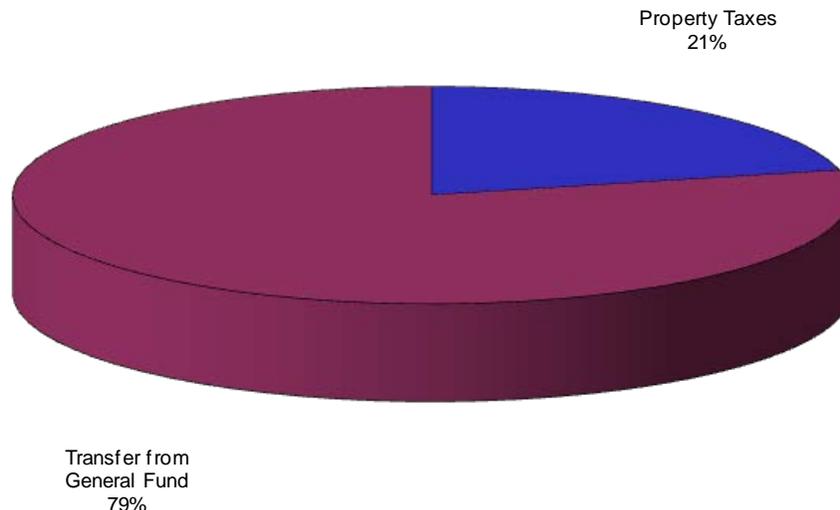
FUND 213

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 in the amount of \$1,182,000 in 2015

Police Pension Fund Resources and Expenditures (Key 2150)

	<u>Actual 2013</u>	<u>Actual 2014</u>	<u>Estimated 2015</u>	<u>Proposed 2016</u>
AVAILABLE FOR EXPENDITURES:				
Balance January 1	10,449	10,769	10,475	10,415
RECEIPTS:				
General Property Taxes	296,642	297,618	284,000	281,000
Homestead & Rollback	45,381	45,449	43,000	43,000
Transfer from General Fund	<u>1,123,000</u>	<u>1,121,100</u>	<u>1,182,000</u>	<u>1,196,000</u>
TOTAL AVAILABLE	1,475,472	1,474,936	1,519,475	1,530,415
POLICE (2100):				
Current Liability - Pension Contribution	<u>1,464,703</u>	<u>1,464,461</u>	<u>1,509,060</u>	<u>1,519,700</u>
GRAND TOTAL	1,464,703	1,464,461	1,509,060	1,519,700

POLICE PENSION FUND 2016 RECEIPTS



Proposed 2016 Police pension expenditures will require a \$1,196,000 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)

	Actual <u>2013</u>	Actual <u>2014</u>	Estimated <u>2015</u>	Proposed <u>2016</u>
AVAILABLE FOR EXPENDITURES:				
Balance January 1	10,188,986	10,424,858	468,542	142
RECEIPTS:				
Charges for Services	1,458,680	1,353,270	400,000	362,000
Investment Earnings	83,931	101,990	150,000	0
Reimbursements	<u>10,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Revenue	1,552,611	1,455,260	550,000	362,000
TOTAL AVAILABLE	11,741,597	11,880,118	1,018,542	362,142
OPERATING COSTS:				
EMS (2220):				
Operating Expenditures	87,584	86,003	20,000	28,500
Capital Equipment	<u>0</u>	<u>1,490,261</u>	<u>435,400</u>	<u>0</u>
TOTAL OPERATING COSTS	87,584	1,576,264	455,400	28,500
CAPITAL IMPROVEMENTS:				
EMS (8200):				
Fire Station Improvements	<u>1,229,155</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL CAPITAL IMPROVEMENTS	1,229,155	0	0	0
TRANSFER TO OTHER BUDGETED FUNDS:				
Capital Improvement Fund	0	9,835,312	563,000	333,000
GRAND TOTAL	1,316,739	11,411,576	1,018,400	361,500

During 2012 through 2014, the City incurred \$3.8 million in capital improvement expenditures as part of a multi-year fire station improvement project. In all, the City intends to complete four new fire stations in coming years. Funding for the fire station improvements will come from the EMS Fund balance and from the issuance of general obligation debt – to be re-paid using EMS Fund revenues. Effective 2014, costs related to the improvements are recorded in the Capital Improvement Fund. As such, there are planned transfers from the EMS Fund to the CIP Fund.

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 fire station improvements.

2014 capital equipment expenditures include the replacement of an aerial ladder, pumper and rescue trailer. Estimated 2015 equipment purchases include the replacement of two medic units.

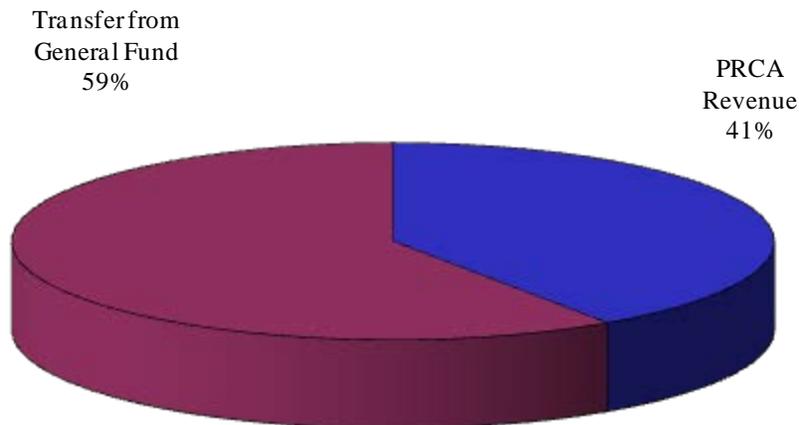
PARKS, RECREATION & CULTURAL ARTS - FUND 246

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>2013</u>	<u>Actual</u> <u>2014</u>	<u>Estimated</u> <u>2015</u>	<u>Proposed</u> <u>2016</u>
AVAILABLE FOR EXPENDITURES:				
Balance January 1	15,655	32,755	44,177	10,537
RECEIPTS:				
Federal and State Grants	19,122	19,914	30,000	35,000
Charges for Services	2,457,415	2,517,138	2,712,000	2,919,000
Rentals	583,199	648,750	651,000	727,000
Concessions	115,241	115,052	125,000	140,000
Other Receipts	<u>123,343</u>	<u>136,077</u>	<u>129,000</u>	<u>88,000</u>
TOTAL REVENUE	3,298,320	3,436,931	3,647,000	3,909,000
Sale of City Assets	0	29,057	7,000	325,000
Transfer from General Fund	<u>5,808,000</u>	<u>5,777,000</u>	<u>6,362,000</u>	<u>6,215,000</u>
TOTAL AVAILABLE	9,121,975	9,275,743	10,060,177	10,459,537

PARKS, RECREATION AND CULTURAL ARTS FUND 2016 RECEIPTS



Proposed 2016 Parks, Recreation & Cultural Arts operations will require a \$6,215,000 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 social services. 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 strive to enhance the customer experience through innovation and excellence in service to make Kettering a wonderful place to live, work and play.

Programs

Facilities/Programs

Program Purpose:

To provide parks, recreation, and cultural arts spaces, places, and programs that make Kettering a premiere community to live, work, and play and to distinguish Kettering as a community of choice.

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 and seasonal water park; seasonal ice arena; state-of-the-art fitness center and aerobics studio; 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 and leisure skating. The arena was constructed in 1973 and then enclosed and renovated in 1990 as part of the first KRC renovation. 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 April. The heated seating area can accommodate 700 spectators. The Kettering Ice Arena is home ice for Beavercreek Varsity Hockey, University of Dayton Hockey as well as Wright State University Hockey. The KIA also is home to South Dayton Figure Skating Club and Ice Force Synchronized Skating Teams,
- **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 state-of-the-art fitness equipment, personal viewing screens on the various cardiovascular machines, locker rooms, café/lounge, and 1/8th mile indoor walking/running track. A limited amount of group exercise classes (Boot Camp, Yoga and Senior Adult Exercise) are taught in the Trent Arena at various times during the week. A group exercise and cycling room was added in 2015.
- **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 mainly weddings, graduation parties, corporate retreats and picnics, as well as family reunions and social gatherings. The meticulously maintained and picturesque grounds also serve as an area park when rentals are not occurring.
- **Rosewood Arts Centre** is used for community arts, education, and support activities. Included are gallery space, a theatre, a dance studio, a darkroom, a pottery studio, a jewelry studio, a glass studio, drawing and painting classrooms, seven private studios, and general meeting space. Rosewood also hosts the TotLot Preschool Program and the Montgomery County Health Department. Other Miami Valley organizations, including the Kettering Children's Choir, Dayton Islamic Academy, the Kettering Civic Band, and Richens/Timm Academy of Irish Dance call Rosewood their home.

- **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 Labor Day. Emphasis is placed on presenting events that reflect the diverse musical and cultural tastes in the Miami Valley while maintaining affordable ticket prices. Approximately 15 of these events are offered at no charge to the public. This is accomplished through the presentation of free signature festivals and other free events. 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. In 2015 a new light tower for Fraze was constructed plus major upgrades were completed to the iconic Civic Commons Fountains.
- **Pondview Park and the Habitat Environmental Education Center** provides environmental programs for City of Kettering school children.
- **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** encompasses a wide variety of programs and services provided for individuals of all ages with varying degrees of disabilities. Programs range from summer day camps to socials, such as dances and trips, to individualized leisure counseling. In addition Kettering PRCA leads the effort to collaborate regionally on training and assessment for recreation accessibility. In 2015 a day-hab program was started in which participants achieved satisfying and rewarding recreation, connections and relationships within their community. Participants experienced fitness opportunities, group exercise classes, swimming, team sports, job skills, crafts, martial arts, and kitchen skills. Our person-centered program raises a level of comfort ability and confidence for the participants. The day-hab allows participants to make choices, develop new skills and meet new friends.
- **Youth Development Programs** include opportunities such as the free Summer Food & Fun program conducted in partnership with the Kettering Police Department. Held in two neighborhood parks, the program provides a summer camp experience for Kettering families in need. The program includes a nutritious snack, dinner, and focuses on building relationships between youth and positive adult role models.
- The **Partners for Healthy Youth** Initiatives include mentoring, the community-wide character campaign, and an effort to increase service opportunities for young people. The Kettering Youth Leadership Academy and Kettering Youth Council are programs provided by Partners for Healthy Youth whose goal it is to make Kettering a place where all young people can grow and succeed. This mission will be enhanced by the implementation of a mentoring campaign and a community-wide day of service.
- **Adult Athletic Leagues** encompass a variety of athletic leagues offered for adults each season. Men's, women's and co-ed leagues are offered for softball, volleyball, sand volleyball, basketball and corn hole.
- **Youth Sports** of all sorts are offered to every member of the family. Programs include disc golf, soccer, basketball, volleyball, kickball, martial arts, camps and more.

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, 19 miles of median areas, a plaza-style skate park, two environmental center facilities, and a new environmental education center. Responsibilities include turf care; tree and plant care; athletic field maintenance; general park maintenance; and environmental education programs.

PRCA Objectives

Objectives: Positive Experiences

1. Meet or Exceed Customer Expectations
 - a. Develop a process to improve the consistency of customer experiences.
 - Develop service standards for the department related to timeliness, courtesy, knowledge, consistency and accessibility.
 - Training & reinforcement for services standards.
 - Measure accomplishment of service standards.
 - Measure customer satisfaction toward meeting or exceeding expectations.
 - b. Identify core audiences for key programs and facilities.
 - Define customer/patron/guest profiles.
 - Identify current and future customer groups and market segments. Determine which customers and market segments to pursue for business growth.
 - Implement efforts to reach new audiences, patrons, customers, users, and guests.
 - c. Improve the overall approach to measuring customer satisfaction.
 - Evaluate surveys to improve quality of feedback gained through evaluations and explore alternative methods for feedback.
 - Improve utilization of evaluation data.
2. Manage the Service Continuum.
 - a. Identify methods to engage and transition customers through the service continuum.
 - Capture – Collect – Capitalize on opportunities.
 - Leverage initial experience to incentivize future engagement.

Objectives: Fiscal Strength

1. Wise Allocation/Alignment of Resources
 - a. Evaluate core services.
 - Develop an evaluation process to determine future positioning of programs, services, facilities and personnel.
 - Create long-term plans to transition programs, services, facilities and personnel based on evaluation results and prioritization.
 - Remain committed to progressive planning in all areas (facilities and parks).
 - b. Build strategic alliances.
 - Define partnerships and sponsorships.
 - Identify service gaps and determine potential partnerships and sponsorships.
 - Evaluate partner/sponsor satisfaction.

Objectives: Operational Innovation

1. Improve Productivity and Efficiency.

- a. Leverage technology to strengthen information management process.
 - Determine priorities for investment in technology to increase process efficiency.
 - Improve data analysis and reports to manage programs, services and facilities.
 - Analyze purpose of information collection.
 - Improve consistency of reported information.

2. Communication 360

- a. Complete marketing study.
 - Develop branding campaign and sub-branding for selected core services and programs.
 - Develop tools to measure marketing effectiveness and develop methods to quantify the marketing plan.
- b. Evaluate and improve interdepartmental communication.
 - Identify existing methods and areas for improved sharing of information.
 - Strengthen agenda of Quarterly, Supervisors & Leadership meetings.
 - Maximize use of the Barn to improve ease of information flow and consistency of content.
- c. Maximize use of existing methods and networks.
 - Utilize statistics recorded from community responses on satisfaction surveys and in recent focus group discussion for marketing.
 - Develop and improve social media and email blasts.

Objectives: Motivate Employees through Development and Support

1. Encourage Professional Development and Growth.

- a. Improve the department's human resource process.
 - Evaluate and improve the recruitment and hiring process.
 - Evaluate and improve the performance evaluations and employee feedback.
 - Evaluate and improve the training and orientation processes.

2. Strengthen professional development for all staff.

- a. Develop core competencies by position for continued learning and growth.
- b. Align training with core competency needs.

3. Foster a Positive and Rewarding Work Environment.

- a. Strengthen commitment to mission and vision.
- b. Measure employee satisfaction on a regular basis.

Measurements:	<u>Actual 2013</u>	<u>Actual 2014</u>	<u>Estimated 2015</u>	<u>Proposed 2016</u>
<u>Rosewood Arts Centre</u>				
Class Enrollment/Attendance	2,778/14,089	2,764/12,841	2,770/12,900	3,000/14,000
Studio/Gallery/Dark Room Attendance	3,642	3,776	3,800	4,000
Facility Special Usage Attendance	4,447	4,367	4,500	5,000
Rental Attendance	29,957	18,903	19,000	20,000
Art on the Commons	7,000	10,000	10,000	10,000
Total Facility Attendance	60,130	49,887	50,000	50,000
<u>Recreation Classes/Programs</u>				
Aquatics Class Enrollment	2,983	2532	2,300	2,500
Arena Class Enrollment	963	966	950	950
Sports Activities Enrollment	2,986	2,416	2,400	2,500
Adult & Martial Arts Program Enrollment	1,220	1,112	1,200	1,200
Senior Adult Leisure Attendance	65,293	59,835	59,600	59,600
Fitness/Wellness Class Enrollment (both centers)	3,147	4,921	5,300	5,500
Number of Adult Sports League Players	7,165	6,163	6,100	6,100
Special Populations/ Camp Enrollment	402	209	200	200
Special Event Attendance	31,055	74,207	74,000	74,000
Pre School/Youth/Adult Program/Camp Enrollment	2,835	3,423	3,600	3,600
Tot Lot Enrollment	51	60	70	70
Total Overall Program/Class Enrollment	118,100	155,844	155,720	156,220
<u>Recreation Drop-Ins and Pass Visits</u>				
Swimming	114,211	104,193	105,000	110,000
Skating	14,664	15,363	15,100	15,200
Nursery	5,440	5,589	5,500	5,500
Gymnasium	8,516	5,320	6,000	6,000
Walking/Running Track (KRC)	50,377	46,598	47,000	47,000
Walking/Running Track (KFWC)	14,650	17,445	18,600	18,600
Fitness Room/Aerobics (KRC)	173,500	185,639	195,400	195,400
Fitness Room/Aerobics (KFWC)	94,100	99,380	108,323	108,300
Total Attendance	475,458	479,527	500,923	506,000
<u>Recreation Rentals Attendance</u>				
Polen Farm/Corporate Rec.	28,591	20,657	21,778	22,000
Aquatics	30,236	24,337	25,000	28,000
Arena	34,383	45,875	46,000	46,000
KRC/Senior Center	27,539	24,357	19,000	21,000
Gymnasium	3,342	62	700	700
Total Attendance	124,091	115,288	112,478	117,700

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

	Actual <u>2013</u>	Actual <u>2014</u>	Estimated <u>2015</u>	Proposed <u>2016</u>	<u>% of Total</u>
OPERATING COSTS:					
Personnel Expenditures	5,311,120	5,321,451	5,543,940	6,063,200	58.03%
Operating Expenditures	3,778,100	3,852,061	4,199,600	4,280,400	40.97%
Capital Equipment Expenditures	<u>0</u>	<u>58,054</u>	<u>306,100</u>	<u>105,000</u>	<u>1.00%</u>
Total	9,089,220	9,231,566	10,049,640	10,448,600	100.00%

Each year, the Parks, Recreation and Cultural Arts budget is revised to reflect changes in programming and facilities. A cost of service model is used during the budget process to help examine cost recovery levels. The proposed 2016 budget reflects a 0.4% reduction in operational subsidy over the 2015 budget and a 2.1% increase over the estimated 2015 level. Revenue increases for 2015 and 2016 are anticipated at 6.1% and 7.2% respectively. The PRCA staff shall continuously monitor revenues and make expenditure adjustments as needed to mitigate the need for additional general fund subsidy dollars.

Part-time and temporary recreation personnel hours fluctuate each year according to changes in programming. The goal of the PRCA Department is to add recreation-related personnel hours only if sufficient revenues will be gained to offset the increase. Effective 2014, one full-time Fitness Coordinator and three full-time Facility Coordinators are funded for the Recreation Center. These functions, previously performed by part-time employees, are converted to full-time status in order to eliminate part-time hour restrictions and better manage operations. Also during 2014, the PRCA Department proposed a reorganizational plan to improve alignment of personal resources in the department with the intent to increase efficiency in operations, enhance communication, produce better products/services to customers, and to clearly outline advancement opportunities and a succession plan process. New pay grade levels/job titles include Superintendents, Administrators, Managers, Supervisors, and Coordinators. The impact is an increase of two additional full-time employees coupled with a reduction in part-time personnel hours. New positions are italicized in the Staffing Level chart below. Staffing changes for 2016 include a new regular part-time Facility Coordinator for Polen Farm to provide direct oversight for all weekend events, and a conversion of the regular part-time Environmental Education Coordinator to a full-time Supervisor for an expansion of the Habitat Center's program offerings. Also for 2016 is a change in the Parks Maintenance staffing model designed to address challenges with PPACA implications, wage competitiveness, and skill levels. The Parks Maintenance division will hire eight regular part-time Assistant Crew Leaders and correspondingly reduce temporary part-time Groundskeeper hours.

2015 capital equipment expenditures include the replacement of vehicles for use by the Parks Maintenance crews including two heavy-duty pickups, a tractor, tree tower/lift, utility vehicle, and zero turn mower. Proposed 2016 capital purchases include a new one-ton pickup truck and replacements of a utility vehicle and bed truck.

Staffing Levels*

	<u>Actual 2013</u>	<u>Actual 2014</u>	<u>Estimated 2015</u>	<u>Proposed 2016</u>
Director	1	1	1	1
Parks Superintendent	1	1	1	1
<i>KRC/CIL Manager/Facility Administrator</i>	1	1	1	1
<i>Sports&Fitness Manager/Administrator</i>	1	1	1	1
<i>Cultural Arts Superintendent/Administrator</i>	1	1	1	1
<i>Business Service Manager/Administrator</i>	1	1	1	1
<i>Manager Programs/Special Projects</i>	1	1	0	0
<i>Parks Supevisors/ Managers</i>	2	2	2	2
<i>Program Manager</i>	0	0	1	1
<i>Arena/Aquatics Manager</i>	0	0	1	1
Supervisors Recreation	3	3	4	5
<i>Communications&Marketing Mgr/Supervisor</i>	1	1	1	1
Recreation & Cultural Arts Coordinators	2	6	7	7
Parks Service Workers	12.5	12.5	12.5	12
Secretary	1	1	1	1
Clerical/Aide	2.8	3.3	3.5	3.5
Part-time & Temp. Rec./Arts Personnel	72.5	68.5	65.7	67
Part-time & Temp. Parks Personnel	<u>24.3</u>	<u>23.5</u>	<u>23.5</u>	<u>24.6</u>
Total	128.1	127.8	128.2	131.1

*New position titles are italicized.

FRAZE PAVILION OPERATIONS

FUND 247

This fund is created 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 Labor Day. 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 24th 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, Martina McBride, ZZ Top, Earth Wind & Fire, Journey, Kris Kristofferson and Bob Dylan. The largest attended events of the 2015 season were the 5th annual Kickin Chicken Wing Fest and the August 2015 Bacon Fest - both presented in conjunction with the MiamiValley Restaurant Association. 2015 shows that played to sold out audiences included Heart, Weird Al, The Menus, Boston, Huey Lewis/Richard Marx, Marshall Tucker, Harry Connick, Jr, Reba, Willie Nelson/Old Crow Medicine Show and 3 Doors Down.

The construction cost of Frazee Pavilion was \$2.4 million and was financed entirely with donations. In 2015, a new entry way to the seating area/light tower was constructed and financed through Founder/Fan Club contributions throughout the years. Upgrades were made to the Lincoln Park fountains and a new park patio was added – both paid with city CIP dollars. The costs shown below include all programming and operation costs, including all free activities. 2016 amounts are slightly higher to reflect additional events associated with Frazee Pavilion’s upcoming 25th Anniversary Season.

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, Blues Festival, Louisiana Swamp Romp, Festival of the Vine, Bacon Fest and the Kickin Chicken Wing Fest.

Measurements:

	<u>Actual 2013</u>	<u>Actual 2014</u>	<u>Estimated 2015</u>	<u>Proposed 2016</u>
<u>Frazee Pavilion/Civic Commons</u>				
Number of Ticketed Performances	24	32	31	30
Ticketed Performance Attendance	78,355	89,446	89,000	90,000
Number of Rental Performances	12	7	5	6
Rental Performance Attendance	31,012	21,056	11,386	25,000
Ticket Sales	\$3,424,781	3,634,994	\$3,300,000	\$3,500,000
Number of Festivals (Events in Park)	8	13	11	13
Festival (Events in Park) Attendance	74,155	54,600	40,000	60,000
Number of Free Concerts	5	3	3	6
Free Concert Attendance	3,200	2,500	3,000	15,000
Total Concert/Festival Attendance	186,702	168,602	143,386	190,000



The City of Kettering’s Frazee Pavilion for the Performing Arts

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

	<u>Actual 2013</u>	<u>Actual 2014</u>	<u>Estimated 2015</u>	<u>Proposed 2016</u>
AVAILABLE FOR EXPENDITURES:				
Balance January 1	1,297,209	1,679,456	2,176,585	2,379,605
RECEIPTS:				
State Grants	0	0	0	0
Charges for Services	2,429,016	2,927,697	2,697,000	2,450,000
Rentals	485,505	255,473	210,000	200,000
Concessions	1,152,307	1,179,497	1,090,000	975,000
Sponsorships	458,898	522,878	488,000	400,000
Miscellaneous	<u>65,100</u>	<u>59,628</u>	<u>40,000</u>	<u>5,000</u>
TOTAL REVENUE	4,590,826	4,945,173	4,525,000	4,030,000
Transfer from General Fund	0	0	0	0
TOTAL AVAILABLE	5,888,035	6,624,629	6,701,585	6,409,605
OPERATING COSTS:				
Personnel Expenditures	886,749	952,533	1,048,350	1,053,900
Operating Expenditures	3,321,830	3,495,511	3,273,630	3,276,100
Capital Equipment Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>32,000</u>
TOTAL OPERATING COSTS	4,208,579	4,448,044	4,321,980	4,362,000
CAPITAL IMPROVEMENTS:				
Parks & Recreation	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL CAPITAL IMPROVEMENTS	0	0	0	0
GRAND TOTAL	4,208,579	4,448,044	4,321,980	4,362,000

No general fund dollars have been transferred to the Fraze Pavilion operations fund since 2006. Therefore, the annual budgeted general fund subsidy has been decreased from a past level of \$500,000 down to \$300,000 for 2010 through 2016. While this level of subsidy is typically not needed, conservative budgeting practices are used to ensure appropriate funding levels are available since the outdoor facility is subject to unpredictable weather conditions and other external factors. The actual season results for the 2013 and 2014 seasons were profits of \$382,000 and \$497,000 respectively. The estimated profit for the 2015 season is approximately \$203,000.

Staffing Levels

	<u>Actual 2013</u>	<u>Actual 2014</u>	<u>Estimated 2015</u>	<u>Proposed 2016</u>
General Manager	1	1	1	1
Operations Manager	1	1	1	1
Supervisor	0	0	1	1
Part-time Staff	<u>21.4</u>	<u>21.4</u>	<u>20.4</u>	<u>20.4</u>
*Total employed to be controlled by budget dollar authorization				
Total	23.4	23.4	23.4	23.4

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 has 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. Building #45, which is approximately 200,000 square feet of office space, comes with significant utility costs in order to ensure it remains leasable and/or saleable. The City is marketing this building for lease or sale through the Kettering Development Corporation. In late 2004, the last remaining parcel of land was transferred to the City. Current plans for this parcel call for the construction of a neighborhood park and residential development.

KEY OBJECTIVES

1. Implement the full reuse of the DESC/Gentile facility by attracting high-quality employers.
2. Pursue funding for the revitalization of the existing vacant buildings or demolition to create green space.
3. Coordinate the City's efforts with federal, state and local agencies to facilitate the re-use of the DFAS facility.
4. Partner with a private developer for a residential development on the south portion of the site.

DESC Reuse Funds Resources and Expenditures

	<u>Actual 2013</u>	<u>Actual 2014</u>	<u>Estimated 2015</u>	<u>Proposed 2016</u>
AVAILABLE FOR EXPENDITURES:				
Balance January 1	65,163	39,174	73,672	9,972
RECEIPTS:				
Federal Grants	0	0	0	0
State Grants	0	0	0	0
Rental of Land & Buildings	68,580	68,580	69,000	69,000
Reimbursements	<u>14,193</u>	<u>14,013</u>	<u>12,000</u>	<u>12,000</u>
TOTAL REVENUE	82,773	82,593	81,000	81,000
Sale of City Assets	0	54,535	0	0
Transfer from/(To) the General Fund	114,000	160,000	160,000	221,000
TOTAL AVAILABLE	261,936	336,302	314,672	311,972
OPERATING COSTS:				
DESC Leasing Activities	<u>222,762</u>	<u>262,630</u>	<u>304,700</u>	<u>301,000</u>
TOTAL OPERATING COSTS	222,762	262,630	304,700	301,000
CAPITAL IMPROVEMENTS: *				
Grant projects	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL CAPITAL IMPROVEMENTS	0	0	0	0
GRAND TOTAL:	222,762	262,630	304,700	301,000

*Please see the Capital Improvement Program Fund for further costs and details of projects scheduled for the improvements at the former DESC property.

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. The 2014 projects include concession building improvements and new equipment, guest seating replacements, various ADA improvements, and sound galley. 2015 projects include a master plan and new spotlight tower.

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. A Special Projects fund was 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 Law Enforcement Trust Fund, the Drug Enforcement Fund, the Federal Furtherance of Justice Fund, the 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 Healthy Youth Task Force Grant, Regional Transit Authority grants, the Kettering Memorial Fund and the Christmas Day Dinner Fund. The Healthy Youth Task Force Grant provides funding from the Ohio Department of Mental Health and Addiction Services for various youth services. The Regional Transit Authority (RTA) Community Grant Program promotes transit-related planning and development in the RTA service area to enhance mobility alternatives for Montgomery County residents. The City of Kettering uses these grant funds for the construction of bus stops located throughout the City. 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. In 2005 through 2015, the Kettering Parks Foundation contributed funds to the City designated for the Parks, Recreation and Cultural Arts Department's Financial Assistance Program. These funds will be used by the City as a grant to certain individuals to reduce fees charged by the City for programs, camps or other services offered by the PRCA Department.

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. Estimated 2015 expenditures include the implementation next generation 911 emergency services and the purchase of dispatch consoles.

Also included in the Other Special Grants and Programs category are grants and programs for one-time purchases or special non-recurring programs. An example is the acceptance of a \$29,583 grant from the Ohio Bureau of Worker's Compensation Division of Safety & Hygiene for the purchase of three chest compression systems and accessories. The City of Kettering provides matching funds of \$9,861. Another example is the acceptance of a \$6,000 grant from the Dorwood Optimists for the purchase of trailers and tools used in the City's "Make a Difference Day" activities.

Special Grants and Programs Fund Resources and Expenditures

	<u>Actual 2013</u>	<u>Actual 2014</u>	<u>Estimated 2015</u>	<u>Proposed 2016</u>
AVAILABLE FOR EXPENDITURES:				
Balance January 1	3,666,540	3,608,374	3,092,193	1,940,083
RECEIPTS:				
Fraze Contributions	127,150	144,150	96,000	80,000
Regional Transit Authority Grant	51,916	0	24,000	0
Access to Recreation Grant	152,978	0	3,000	0
Wireless 911 Tax	149,771	128,871	125,000	63,000
Court Computerization and Special Programs	420,656	448,890	529,000	510,000
Law Enforcement Funds	20,581	43,865	54,000	12,000
Other	<u>67,250</u>	<u>132,856</u>	<u>261,000</u>	<u>3,000</u>
TOTAL REVENUE	990,302	898,632	1,092,000	668,000
Transfer from General Fund	18,789	4,042	41,900	0
Other Financing Sources	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL AVAILABLE	4,675,631	4,511,048	4,226,093	2,608,083
<hr/>				
OPERATING COSTS:				
Court Computerization and Special Programs	423,002	429,924	633,530	595,500
Police Law Enforcement Funds	101,718	78,688	107,400	89,000
Other	<u>260,368</u>	<u>232,815</u>	<u>905,080</u>	<u>231,000</u>
TOTAL OPERATING COSTS	785,088	741,427	1,646,010	915,500
CAPITAL IMPROVEMENTS:				
Pondview Park Improvements	130,693	0	0	0
Handicap Accessible Improvements	9,295	14,910	0	0
Fraze Capital Improvements	77,286	662,518	610,000	10,000
RTA Grants	<u>64,895</u>	<u>0</u>	<u>30,000</u>	<u>0</u>
TOTAL CAPITAL IMPROVEMENTS	282,169	677,428	640,000	10,000
GRAND TOTAL	1,067,257	1,418,855	2,286,010	925,500

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*

	Actual <u>2013</u>	Actual <u>2014</u>	Estimated <u>2015</u>	Proposed <u>2016</u>
AVAILABLE FOR EXPENDITURES:				
Balance January 1*	1,376,015	1,135,236	1,128,542	1,008,142
Restricted: Loans Receivable	<u>1,014,072</u>	<u>1,063,850</u>	<u>826,731</u>	<u>828,000</u>
NET BALANCE	361,943	71,386	301,811	180,142
RECEIPTS:				
Federal Grants	701,132	702,586	1,205,000	900,000
State & Local Grants	25,885	72,935	0	0
Investment Earnings	2,651	2,424	1,000	1,000
Sale of City Assets	275,890	7,239	115,000	260,000
Reimbursements & Misc.	<u>28,326</u>	<u>10,412</u>	<u>2,000</u>	<u>3,000</u>
TOTAL RECEIPTS	1,033,884	795,596	1,323,000	1,164,000
Transfer from General Fund	<u>47,917</u>	<u>32,583</u>	<u>0</u>	<u>0</u>
TOTAL AVAILABLE	1,443,744	899,565	1,624,811	1,344,142
OPERATING COSTS:				
Community Housing Improvement Program	4,288	(17,144)	67,000	0
Neighborhood Stabilization Program	24,169	76	7,000	3,000
Neighborhood Stabilization Program II	27,991	9,687	26,000	25,000
Lead Based Paint	26,529	0	0	0
General Administration	304,658	125,287	134,500	128,500
Fair Housing	32,000	34,100	34,000	32,000
HOME Funds	195,393	258,805	290,000	363,000
Housing Rehabilitation	19,179	215,953	251,900	241,300
Business Loan Program	56,955	51,045	50,000	50,000
Senior Resource Program	<u>34,000</u>	<u>21,909</u>	<u>31,000</u>	<u>30,000</u>
TOTAL OPERATING COSTS	725,162	699,718	891,400	872,800
PROGRAMS AND CAPITAL IMPROVEMENTS:				
Neighborhood Improvements	159,623	12,115	50,000	61,000
Lead Based Paint Removal	10,813	0	0	0
Neighborhood Stabilization Program	139,364	9,404	51,000	9,000
Neighborhood Stabilization Program II	86,125	3,820	307,000	170,000
Energy Efficiency Improvements	31,325	0	0	0
Rental Accessibility Grant	877	0	0	0
Clearance and Demolition	21,064	7,656	50,000	40,000
Disposition	43,330	27,190	39,000	20,000
Fire Safety & Code Enforcement	2,772	2,422	15,000	10,000
Acquisitions	0	0	40,000	20,000
Moving Ohio Forward Demolition Grant	<u>102,125</u>	<u>72,548</u>	<u>0</u>	<u>0</u>
TOTAL CAPITAL IMPROVEMENTS	597,418	135,155	552,000	330,000
GRAND TOTAL	1,322,580	834,873	1,443,400	1,202,800

* 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 2013</u>	<u>Actual 2014</u>	<u>Estimated 2015</u>	<u>Proposed 2016</u>
AVAILABLE FOR EXPENDITURES:				
Balance January 1	867,379	834,621	901,840	1,135,211
RECEIPTS:				
General Property Tax	763,602	766,172	740,000	769,000
Tax Increment Revenue	0	0	0	0
Homestead & Rollback	119,503	119,681	114,000	114,000
Charges for Services	0	94,055	1,200,000	1,088,000
Investment Earnings	20,797	15,709	11,000	11,000
Special Assessments	0	0	0	0
Reimbursements & Miscellaneous	<u>50,624</u>	<u>46,344</u>	<u>44,000</u>	<u>40,000</u>
TOTAL REVENUE	954,526	1,041,961	2,109,000	2,022,000
Transfer from General Fund	421,400	435,000	427,000	404,000
Proceeds of General Obligation Bonds	0	0	2,215,000	0
Premium on Bond Issuances	0	0	99,000	0
Payment to Refunded Bond Agent	0	0	(2,265,000)	0
TOTAL AVAILABLE	2,243,305	2,311,582	3,486,840	3,561,211
DEBT SERVICE:				
Contractual Services	0	452	86,100	62,000
Bond Principal	675,000	695,000	1,270,000	1,385,000
Special Assessment Bond Principal	0	0	0	0
Revenue Bond Principal	0	0	0	0
Note Principal	173,799	174,734	170,945	162,660
Bond Interest	548,017	528,623	814,612	865,393
Special Assessment Bond Interest	0	0	0	0
Revenue Bond Interest	0	0	0	0
Note Interest	<u>11,868</u>	<u>10,933</u>	<u>9,972</u>	<u>8,987</u>
GRAND TOTAL	1,408,684	1,409,742	2,351,629	2,484,040

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 will partially finance the construction of four new fire stations as part of the City's Fire Station Improvement Plan. (Please see the Capital Improvement Fund for project details.) Effective 2015, 75% of the EMS billing revenues and contracted billing service expenditures will be allocated to the Debt Service Fund to pay \$1,055,000 in annual principal and interest on the \$15.5 million debt issuance.



CITY OF KETTERING

2016 CAPITAL IMPROVEMENT PROGRAM HIGHLIGHTS

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

The Capital Improvement Fund's estimated 2015 expenditures of \$24.5 million and proposed 2016 expenditures of \$28.3 million show Council's commitment to the rebuilding and maintaining of the community's infrastructure and neighborhoods.

Capital improvement highlights from 2015 include \$12.7 million for fire station improvements and \$1.2 million for the reconstruction of David Road between Overland Trail to Twilight Hill. Improvements of \$2.2 million were made at Civic Commons including a refurbished fountain and patio; new lighting, pavers and benches; and stone edging around the pond. Other 2015 projects include the improvement of Burchdale Bridge, the installation of a new concrete turnaround in front of the Kettering Recreation Center's water park, and new pond edging at Delco Park. These are in addition to the City's regular programs such as the curb/drive approach/sidewalk repair, asphalt resurfacing, and thoroughfare improvements.

Please see the following program highlights for detailed information on the City's proposed 2016 capital improvements.

Traffic Controls (\$3,360,000)**Annual Program (\$370,000)**

Funding is provided in 2016 for traffic control maintenance items, a signal rebuild at the Whipp & Bigger intersection, various fiber optic connections, the pavement marking program and miscellaneous traffic control needs.

Impact on operating budget: Traffic Controls

Making ongoing investments and upgrades to the City's traffic control hardware will allow the City to stay current with new technology and reduce the amount of man-hours necessary for traffic signal hardware maintenance.

Citywide Traffic Signal System Upgrade (\$2,990,000)

This project involves a complete upgrade to all of the City's traffic signals. It includes upgrading traffic system central software and hardware; upgrading all traffic signal controllers; upgrading conflict monitors with central system communication capabilities; replacing older fiber optic cameras with upgraded cameras and improved camera communications; upgrading school flashers with LEDs; creating fiber optic redundant links; retrofitting traffic signal cabinets with UPS battery backups; and retrofitting curb ramps as needed per ADA requirements. This is a federally funded project at a 75% level. The proposed 2016 budget includes engineering and construction costs.

Impact on operating budget: Citywide Traffic Signal Upgrade

The proposed upgrades to the City's traffic signal infrastructure will be more reliable than the current hardware, thus time spent maintaining the system will be reduced. The new technology will allow the system to be controlled remotely when needed, reducing the need for technical staff to physically come into work during non-working hours to correct problems that might occur. Also the battery backup systems will reduce the need for staff to come into work during power outages to set up temporary generators, as the signals will be able to run under their own power for a period of time until the main power is restored. This will lead to a reduction in the amount of overtime needed to report during severe weather events.

Street Surfacing and Roadway Improvements (\$7,364,000)

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 (\$1,000,000) and Thoroughfare Maintenance (\$440,000)

The City's annual asphalt resurfacing program, proposed at \$1.0 million in 2016, consists of general asphalt resurfacing, parking lot improvements, concrete repair, asphalt rejuvenator and other miscellaneous roadway improvements. This program focuses primarily on the resurfacing of residential streets that are not slated for more significant improvements within the next 15-20 years. The 2016 Thoroughfare Arterial & Collector program includes the resurfacing of Lincoln Park: Far Hills Avenue to Ackerman Blvd., Delco Park Drive and Gateway Circle.

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. Man-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.

Residential Rebuild: Valleywood from Wilmington Pike to Cemetery Lane (\$700,000)

This project involves the full replacement of existing curbs and drive approaches, spot replacement of sidewalks, storm sewer repairs, and asphalt repair/overlay.

Impact on operating budget: Residential Rebuild

Residential rebuild projects of this type benefit the City in the preservation of the City's improved roadway infrastructure. Roads that are targeted with this program are improved from the standpoint that they have been previously constructed with curbs and sidewalks, but the condition of roadway is such that complete replacement of the curbs and sidewalks is warranted. This program is very cost-effective in that the majority of the roadway pavement can be salvaged and repaired rather than completely reconstructed. This greatly reduces the construction improvement cost, yet at the same time reduces the maintenance costs on both a short-term and long-term basis.

Curb, Gutter, Sidewalk and Drive Approach Repair Program (\$750,000)

This is a program that preserves the City's improved roadway infrastructure, repairs sidewalks, and enhances the appearance of the City's neighborhoods. The 2016 program includes \$750,000 for targeted sidewalk repairs for areas posing potential safety hazards. The cost for replacement of concrete will be assessed to property owners.

Stroop Road East Resurfacing: Shroyer Road to County Line (\$3,064,000)

This project involves a 2.5" mill and overlay of East Stroop Road from Shroyer Road to County Line Road. It also includes 9" concrete pavement removal and replacement. A bike path will be constructed adjacent to the street from Wilmington Pike to Glengarry.

Impact on operating budget: Stroop Road East 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. Man-hours and materials for maintenance of the asphalt roadways resurfaced under this program are greatly reduced for at least the first 8-10 years after resurfacing, allowing budget dollars to be spent on other roadways that are in need of repairs.

Smithville Bikeway (\$220,000)

This project involves the construction of a new bikeway along the east side of Smithville Road, from Farrington Drive to Forrer Blvd. The existing sidewalk will be replaced with a new 10-foot wide multi-use side path. This is a federally funded project at a 70% level. The proposed 2016 budget includes both engineering and construction costs.

Impact on operating budget: Bike Trails

In general, the construction of bike trails has a minimal impact on the City's budgets. The Engineering Department's 2015 and 2016 operating budget includes \$20,000 for bike route signage. Maintenance funds will need to be expended in future years for the upkeep of signage, pavement markings, and the asphalt surface of the off-street bikeway; however, no significant maintenance is expected for at least the next 10 years.

Prugh Woods Drive (\$1,000,000)

This project will construct a new roadway connection from East Dorothy Lane to the Kettering Recreation Complex, on vacant land that the City owns. A bicycle & pedestrian pathway will also be constructed adjacent to the new roadway. This project is being constructed along with a proposed housing development that will build approximately 37 new single-family homes on a portion of the City-owned property that will be sold to a developer.

Impact on operating budget: Prugh Woods Drive

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 10 years of the roadway's life before infrastructure maintenance activities may be necessary.

Wilmington Pike Improvements (\$180,000)

Funding is provided in 2016 for proposed improvements to Wilmington Pike as a result of the "City of Kettering Wilmington Pike Improvement Plan". In 2013, a special task force, headed by Mayor Patterson, studied and created a plan for the long term improvement of the Wilmington Pike corridor. The plan contains recommendations for strategies and tasks to implement significant infrastructure and land improvements. The 2016 budget includes \$180,000 for roadway improvements as part of this plan.

Other Roadway Projects

Other smaller scale improvement and engineering/design costs for future roadway improvements are also included in the 2016 Capital Improvement Plan.

Streetscape Improvements (\$870,000)

Thoroughfare Sidewalk: Stroop Road Right of Way: Tait to Overland (\$150,000)

The proposed 2016 budget includes right of way funding for a planned sidewalk on the north side of Stroop Road extending from Tait to Overland. . Four parcels of right-of-way are necessary from three separate property owners.

Wilmington Pike Improvements (\$700,000)

Funding is provided in 2016 for proposed improvements to Wilmington Pike as a result of the “City of Kettering Wilmington Pike Improvement Plan”. In 2013, a special task force, headed by Mayor Patterson, studied and created a plan for the long term improvement of the Wilmington Pike corridor. The plan contains recommendations for strategies and tasks to implement significant infrastructure and land improvements. The 2016 budget includes \$700,000 for streetscape improvements as part of this plan. Specifically, a multi-use path, street lights, and landscaping are planned for the west side of Wilmington Pike from Stroop Road to Harvest

Impact on operating budget: Wilmington Pike Improvements

Minimal impacts on the operating budget are anticipated as a result of this project.

In addition to the above projects, the proposed 2016 Streetscape budget includes \$20,000 for the painting of poles and bus stops.

Drainage (\$50,000)

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: 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 (\$1,919,000)

Annual Program (\$833,000)

The 2016 budget includes funding for annual projects such as the repair of water park amenities, Recreation Center mechanical improvements, locker room improvements, fencing replacements, concrete repairs, and the colorcoating of tennis and basketball courts.

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

Civic Commons Improvements Phase II (\$200,000)

Civic Commons is an award-winning park featuring reflecting pools, fountains, patios, flowers, walking paths and a two-acre pond. The 2016 budget includes funding for the second of a two year project to replace light poles and fixtures in all of Civic Commons Park, as well as the addition of all-weather pathways in the park’s natural area and pond area.

Impact on operating budget: Civic Commons

The City expects to generate electricity cost savings due to the conversion to more efficient LED light fixtures.

Pondview Park Pond: (\$100,000)

Over several years, the Pondview Park pond has accumulated silt, sediment and decayed plant material so that the pond is about 4 feet deep in some areas. The shallow depth results in water quality issues that may harm fish. This project will dredge the center of the pond to approximately 13 feet deep.

Impact on operating budget: Pondview Park pond

The Parks Maintenance Division budgets \$2,000 per year to stock fish in ponds throughout the City. The Pondview Park pond dredging project will preserve this expenditure by maintaining the health of the fish.

Gentile Park TIF Project: Park Design (\$144,000)

The 2016 budget includes \$144,000 for design of a new neighborhood park in the undeveloped southern portion of the Kettering Business Park. The federal government used this area of the Business Park as open space when DESC was open. Now that the City has taken ownership of this land, plans are being made to develop a portion of the site as residential property, and a portion of the remaining land will be developed into a City park.

Impact on operating budget: Gentile Park

The project is still in the planning phase and the exact operating impact is not yet available. Costs will vary depending upon the features chosen for this park. Maintenance needs may include mowing, equipment maintenance, and trash pickup. It is anticipated that these costs will be partially offset by tax increment financing revenues.

Polen Farm Improvements (\$210,000)

The 2016 budget includes funding for ADA improvements to the barn at Polen Farm including and elevator to the second floor, barn and site modifications, and necessary electrical upgrades. Also included is funding for the replacement of pavers on the patio near the tent and gazebo area.

In addition to the above projects, the proposed 2016 PRCA budget includes \$432,000 for miscellaneous projects such as a dog park design, Parks Maintenance office space improvements, a concrete turnaround replacement at the Kettering Recreation Center, and a replacement shelter at Indian Riffle Park.

Tree Planting and Landscaping (\$140,000)

Annual program (\$65,000)

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

Ash Tree Program (\$75,000)

The proposed 2016 budget includes funding for the removal of ash trees within the City. This is part of a multi-year effort to combat the arrival of the Emerald Ash Borer (EAB). The EAB is an invasive, wood-boring beetle that infests and destroys ash trees.

Impact on operating budget:

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

Other (\$1,946,000) and Fire Station Improvements (\$12,665,000)

The Other 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 2016 budget includes \$50,000 for the Government Center's North Building skylight, \$350,000 for a wash station and other improvements at the Public Service Center, \$325,000 for the roof replacement program, and \$350,000 for improvements to Kettering Business Park, among other miscellaneous projects.

For 2016, the City plans \$12,665,000 in Fire Station expenditures as a continuation of the multi-year improvement plan. In all, the City of Kettering intends to complete four new fire stations in coming years. The new stations were sought as a result of a planning process which began in 2006 and resulted in a comprehensive modernization strategy for all aspects of the Kettering Fire Department. With an average age of 42 years, Kettering's existing seven fire stations lack the physical space or available land to properly allow for the improvements necessary to upgrade to current standards. The new stations will provide appropriate facilities for the storage and safety requirements of modern apparatus in addition to modern facilities to accommodate 24/7 operations. Kettering held multiple public meetings and met with key stakeholders to gain input on the design of the new stations. Funding for the fire station improvements will come from the EMS Fund balance and from the issuance of general obligation debt – to be re-paid using EMS Fund revenues. Effective 2014, costs related to the improvements shall be recorded in the Capital Improvement Fund. As such, there are transfers from the EMS Fund to the CIP Fund in 2014 – 2016.

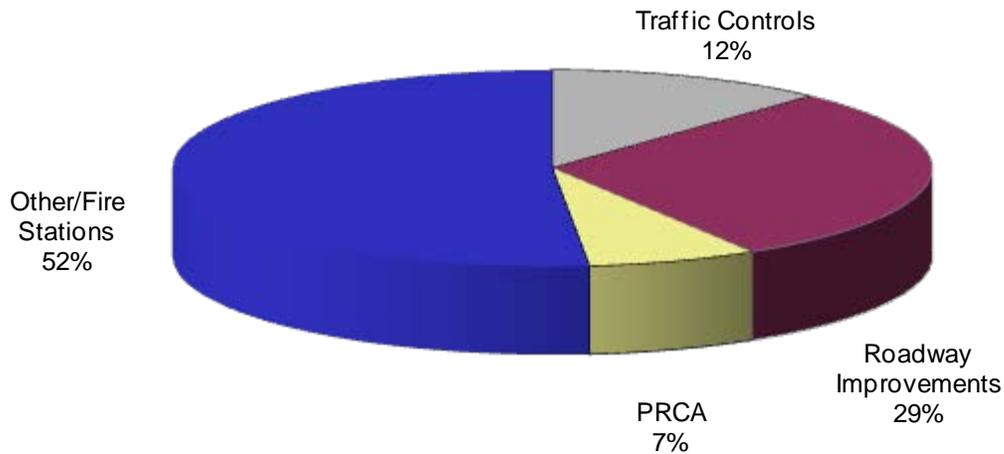
Groundbreaking for the first of four stations was held on September 19, 2014. Construction of the new station, located at 3484 Far Hills Avenue (Station #32), began soon after and is scheduled to be complete by the end of 2015. Year 2015 estimated expenditures also include construction costs for the second station located at 4745 Hempstead Station Road (Station #36).

The 2016 Budget includes funding for equipment for Station #36, as well as for construction/equipment of the third station planned on Woodman Drive (Station #34), and for the fourth station (Station #37) at a yet undetermined location in West Kettering.

Impact on operating budget:

The design of the new fire stations create efficiencies not available in the existing seven stations. Station designs include built-in training features such as a confined space simulator and ladder training structure. The stations will be equipped with interconnected audiovisual technology. All these features allow firefighters to participate in training without leaving their assigned station. The new structures will also be more efficient than the older stations that averaged 42 years old. For example, LED lighting will be installed throughout most of the new stations.

2016 CAPITAL PROJECTS FUND EXPENDITURES



The Proposed 2016 budget includes \$28.3 million in planned projects. Roadway improvements, comprising 29% of the total, include \$4,539,000 in federal dollars.

Capital Projects Fund Resources and Expenditures

	Actual <u>2013</u>	Actual <u>2014</u>	Estimated <u>2015</u>	Proposed <u>2016</u>
AVAILABLE FOR EXPENDITURES				
Balance January 1	2,022,492	41,243,102	46,848,146	46,025,146
Committed to: Capital Improvements	<u>0</u>	<u>37,135,503</u>	<u>33,786,892</u>	<u>30,576,943</u>
Net Balance	2,022,492	4,107,599	13,061,254	15,448,203
RECEIPTS				
Tax Increment Revenue	455,575	36,977	310,000	305,000
Federal Grants	1,283,145	1,542,038	7,000	4,539,000
State & Local Grants	549,924	427,956	55,000	0
Estate Tax	43,142,544	847,540	0	0
County Shared Revenue	204,325	203,950	204,000	204,000
Investment Earnings	135,503	(348,612)	266,000	283,000
Special Assessments	547,273	526,619	608,000	488,000
Reimbursements & Miscellaneous	<u>265,968</u>	<u>28,341</u>	<u>398,000</u>	<u>32,000</u>
Total Revenue	46,584,257	3,264,809	1,848,000	5,851,000
Transfer from General Fund	73,832	2,996,249	5,542,000	7,148,000
Transfer from EMS Fund	0	9,835,312	563,000	333,000
Proceeds of General Obligation Bonds	0	0	15,500,000	0
Premium on Bond Issuance	0	0	185,000	0
Sale of City Assets	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Other Financing Sources	73,832	12,831,561	21,790,000	7,481,000
TOTAL AVAILABLE	48,680,581	57,339,472	70,486,146	59,357,146

EXPENDITURES:

		Actual 2013	Actual 2014	Estimated 2015	Proposed 2016
	<u>2016 Details</u>				
Traffic Controls		144,680	277,317	356,000	3,360,000
Miscellaneous Traffic Controls	195,000				
Citywide Traffic Signal System Upgrade	2,990,000				
Bigger Rd & Rahn Rd Signal Rebuild	175,000				
Street Surfacing & Roadway Improvements		4,437,923	5,550,557	6,836,000	7,364,000
Normal Program	1,000,000				
Construction Material Testing	10,000				
Residential Rebuild: Valleywood	700,000				
Curb, Gutter, Sidewalk Repair Program	750,000				
Thoroughfares, Arterials & Collectors	440,000				
Prugh Woods Drive	1,000,000				
Smithville Bikeway	220,000				
Stroop Rd East Resurfacing: Shroyer to County Line	3,064,000				
Wilmington Pike Improvements	180,000				
Streetscape Improvements		1,026,835	875,384	190,000	870,000
Strop Rd: Tait to Overland Sidewalk (Nouth Side)	150,000				
Wilmington Pike Improvements: Marshall to Stroop	700,000				
Bus Stop/Pole Painting Program	20,000				
Drainage		51,846	173,945	176,000	50,000
Normal Program	50,000				
Parks & Recreation		788,721	505,475	3,038,000	1,919,000
Miscellaneous Improvements	84,000				
Tennis/Basketball Court Resurfacing	85,000				
Dog Park Design (Carryover)	50,000 *				
Acorn Walk Park Design (Carryover \$75,000)	144,000 *				
Polen Farm Pavers and Barn Elevator	210,000				
Skate Plaza Concrete Repair	40,000				
KRC Concrete Drive Turnaround Replacement	135,000				
KRC Improvements including Water line, Lighting, Electric Panel etc.	263,000				
KRC Locker Room Improvements	30,000				
KRC and Rosewood Floor Refinishing Projects	40,000				
Parks Maintenance Center Improvements	18,000				
Water Park and Main Pool Improvements	155,000				
Delco Park Fencing, Signage and Electric Panel Repairs	115,000				
Indian Riffle Park Shelter Replacement and Asphalt	135,000				
Kennedy Park Fencing, Asphalt and Amenities	110,000				
Pondview Park Pond Dredging (Carryover)	100,000 *				
Civic Commons Improvements	200,000				
Rosewood Miscellaneous Improvements	5,000				
Tree Planting & Landscaping		82,891	94,237	191,000	140,000
Landscaping and Tree programs	65,000				
Ash Tree Removal and re-planting	75,000				
Other		904,583	3,014,411	13,674,000	14,611,000
Public Service Improvements (\$275,000 carryover)	350,000 *				
Government Center Police Station Improvements	18,000				
Government Center North Building Skylight Replacement	50,000				
Vehicle Maintenance Center Fuel Island and Overhead Door Improvements	65,000				
Defense Electronics Supply Center (DESC) (Carryover \$100,000)	370,000 *				
Miscellaneous Building Improvements	768,000				
Miscellaneous Roofing Projects	325,000				
Fire Station Improvements	12,665,000				
TOTAL CAPITAL IMPROVEMENTS		7,437,479	10,491,326	24,461,000	28,314,000

*Denotes all or part of funding is carried over from 2015. These projects total: \$600,000

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 61 - 130 includes funding for anticipated charges related to the following internal service funds.

ADMINISTRATIVE SYSTEMS - INFORMATION SYSTEMS FUND 740

The Information Systems staff is responsible for the Information Systems Program. The staff coordinates Information Systems (IS) 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. All costs in this budget 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 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 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 and software, and the 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 to the public through 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 2013</u>	<u>Actual 2014¹</u>	<u>Estimated 2015</u>	<u>Proposed 2016</u>
<u>IS Support</u>				
Technology Devices Supported	1,103	1,304	1,310	1,340
Total Support Requests Completed	787	1,679	1,340	1,500

¹ The addition of Police Department support accounts for an increase of approximately 400 support requests. The remaining increase is due to the increased support need of projects implemented in 2013 and general growth of technology usage citywide.

Information Systems Expenditures — Internal Service Fund (Key 4400)

	<u>Actual 2013</u>	<u>Actual 2014</u>	<u>Estimated 2015</u>	<u>Proposed 2016</u>	<u>% of Total</u>
Personnel Expenditures	288,942	426,321	418,760	432,400	46.63%
Operating Expenditures	132,015	141,122	351,370	494,890	53.37%
Capital Equipment Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.00%</u>
Total	420,957	567,443	770,130	927,290	100.00%

The proposed 2016 personnel and operating expenditures are 13.1% greater than the 2015 combined personnel and operating budget. In 2012, a new full-time IS Technician-Application Support position was approved to coincide with the implementation of an enterprise-wide software application. As part of the reorganization of the Administrative Systems Department, the full-time Police Systems Administrator position was transferred to the IS cost center in 2014.

The 2015 increase in operating expenditures is due to depreciation of the new enterprise-wide system and of the time and attendance software package. In addition, \$102,000 is funded to implement a 5-year replacement cycle for PC's and laptops throughout city departments. The responsibility of this replacement program has been transferred from individual departments to the IS Department, thus streamlining the purchase of equipment and keeping PC's up-to-date and in good working order. Proposed 2016 operating budget includes additional depreciation related to a city-wide phone system upgrade and the Police Department's Alert system. The 2016 operating budget also includes \$48,000 for server replacements.

Staffing Levels

	<u>Actual 2013</u>	<u>Actual 2014</u>	<u>Estimated 2015</u>	<u>Proposed 2016</u>
Information Systems Manager	1	1	1	1
Information Systems Technicians	<u>2</u>	<u>3</u>	<u>3</u>	<u>3</u>
Total	3.0	4.0	4.0	4.0

PUBLIC SERVICE - VEHICLE MAINTENANCE CENTER FUND 741

The Vehicle Maintenance Center has responsibility for the Fleet Management Program. This includes maintaining the City's fleet of over 300 vehicles along with over 150 other pieces of equipment. About 1,580 service repair requests will be handled in 2015, covering a very broad range of equipment sizes and types including heavy construction equipment and fire apparatus. All the costs in this budget are distributed back to departmental budgets.

Programs

Fleet Management

Program Purpose:

To maintain the City's fleet of vehicles, trucks, equipment and motorized tools in excellent working condition; to assist other City departments in the proper selection of vehicles and/or equipment to meet their needs; and to dispose unnecessary equipment in a cost effective manner.

Program Description:

The Vehicle Maintenance Center services equipment on a regularly scheduled basis through the preventive maintenance program. Cars and trucks are scheduled for general maintenance and visual inspection of external wear items every 2,500 miles or 6 months, whichever comes first. Off-the-road equipment is scheduled for general maintenance and visual inspection of external wear items every 150 hours. Accident damage and component failure occurring between normal service periods is repaired in the most expedient and cost-effective manner.

Objectives:

1. Maintain a high quality automotive and equipment fleet through repair and replacement at lowest possible cost.
2. Support the City's internal departments with vehicle and equipment repairs.
3. Maintain and manage the City's fuel supplies in accordance with applicable rules and regulations.
4. Inspect, evaluate and ensure all Environmental Protection Agency and Occupational Safety and Health Act regulations are being followed in all operations.
5. Investigate all technological advancements and study these advancements for possible City fleet applications.

Measurements:

	<u>Actual 2013</u>	<u>Actual 2014</u>	<u>Estimated 2015</u>	<u>Proposed 2016</u>
Fleet Management				
Number service/repair requests	1,477	1,630	1,580	1,600
Number of vehicles/equipment*	-	406	410	411

* 2014 is first year of measurement in budget document.

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

	<u>Actual 2013</u>	<u>Actual 2014</u>	<u>Estimated 2015</u>	<u>Proposed 2016</u>	<u>% of Total</u>
Personnel Expenditures	780,193	805,816	800,810	910,500	76.43%
Operating Expenditures	225,263	252,859	262,750	259,790	21.81%
Capital Equipment Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>21,000</u>	<u>1.76%</u>
Total	1,005,456	1,058,675	1,063,560	1,191,290	100.00%

The proposed 2016 personnel and operating expenditures are 1.8% less than the 2015 combined personnel and operating budget. The decrease does not reflect significant changes in personnel or operating costs. The estimated 2015 personnel costs reflect a vacant Mechanic position.

The 2015 capital equipment budget includes the replacement of two sedans.

Staffing Levels

	<u>Actual 2013</u>	<u>Actual 2014</u>	<u>Estimated 2015</u>	<u>Proposed 2016</u>
Equipment Maintenance Manager	1	1	1	1
Equipment Maintenance Supervisor	1	1	1	1
Equipment Mechanics	5	5	5	5
Equipment Maintenance Aide	1	1	1	1
Parts/Inventory Clerk	1	1	1	1
Clerical	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>
Total	9.5	9.5	9.5	9.5

ADMINISTRATIVE SYSTEMS - PRINTING/REPRODUCTION
FUND 744

The Print Shop is responsible for providing printing services to all City departments and for maintaining various copiers and printing machinery to maximize the City’s investment in this equipment. Use of on-demand printing offers economical short run printing and allows the use of up-to-date data.

Programs

Printing and Copying

Program Purpose:

To provide 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.

Printed matter is reproduced on a Xerox 252 Color Copier, Ricoh 3002 Color Copier, and Lanier LD270SP. The color copiers provide high quality images, print on demand services, and inexpensive color printing. The Lanier provides fast, high volume, black image copies. The bindery includes a paper cutter, padding wagon, laminator, cerlox binder, and two folders.

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 2013	Actual 2014	Estimated 2015	Proposed 2016
<u>Printing and Copying Volume</u>				
Auxiliary Copiers	23,094	19,595	17,000	6,000
Lanier 270	382,802	329,276	428,000	380,000
Xerox 252	378,596	439,706	420,000	400,000
Ricoh 3002	33,748	49,613	40,000	40,000
Scanned Documents	68,281	37,493	5,000	20,000
<u>Printing and Copying Costs per Print</u>				
Auxiliary Copiers (B/W)	\$0.05	\$0.05	\$0.05	\$0.05
Lanier 270 (B/W)	\$0.02	\$0.01	\$0.01	\$0.01
Xerox 252/Ricoh 3002 (color)	\$0.068	\$0.064	\$0.064	\$0.064
Xerox 252/Ricoh 3002 (B/W)	\$0.032	\$0.02	\$0.02	\$0.02

Print Shop Expenditures — Internal Service Fund (Key 4350)

	Actual 2013	Actual 2014	Estimated 2015	Proposed 2016	% of Total
Personnel Expenditures	0	0	0	0	0.00%
Operating Expenditures	67,017	70,287	56,780	69,900	100.00%
Capital Equipment Expenditures	0	0	0	0	0.00%
Total	67,017	70,287	56,780	69,900	100.00%

The proposed 2016 budget remains flat at the 2015 budgeted level.

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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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 manpower services. This is an internal services cost center and all expenditures are distributed back to 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 selected 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 most City-owned facilities.

Objectives:

1. Improve cleanliness and efficiency through investigation of new products and equipment.

Measurements:

<u>Building Maintenance</u>	<u>Actual 2013</u>	<u>Actual 2014</u>	<u>Estimated 2015</u>	<u>Proposed 2016</u>
Number of buildings serviced	61	61	59	60
Building floor space requiring Facilities oversight (square feet)*	1,213,312	1,213,312	1,028,300	1,056,300

*In 2015, the City demolished two city-owned houses on Dorothy Lane, estimated at 1,500 square feet each.

*In 2015, the City added a new 18,000 square foot Fire Station #32 on Far Hills Avenue.

*In 2015, the 200,000 square foot Building #45 at Kettering Business Park was sold to a private firm.

*In 2016, the City will add a new 28,000 square foot Fire Station #36 on Hempstead Station.

Facilities Department Expenditures — Internal Service Fund (Key 4410)

	<u>Actual 2013</u>	<u>Actual 2014</u>	<u>Estimated 2015</u>	<u>Proposed 2016</u>	<u>% of Total</u>
Personnel Expenditures	2,273,299	2,284,539	2,293,850	2,563,500	80.18%
Operating Expenditures	477,567	522,920	556,000	528,540	16.53%
Capital Equipment Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>105,000</u>	<u>3.28%</u>
Total	2,750,866	2,807,459	2,849,850	3,197,040	100.00%

Proposed 2016 personnel and operating expenditures are 3.3% greater than the 2015 combined personnel and operating budget. The Streets Division and Facilities Department form one Public Service Department. Accordingly, the personnel costs for the Public Service Director, the new Assistant Public Service Director, and the Public Service Secretary are allocated to the two divisions on a 50/50 basis. The 2016 budget includes funding for an additional full-time Building Maintenance position.

The estimated 2015 and proposed 2016 operating expenditures include an allocation of depreciation for an enterprise-wide software application.

Staffing Levels

	<u>Actual 2013</u>	<u>Actual 2014</u>	<u>Estimated 2015</u>	<u>Proposed 2016</u>
Public Service Director	0.5	0.5	0.5	0.5
Assistant Public Service Director	0.5	0.5	0.5	0.5
Facilities Custodial Supervisor	1	1	1	1
Facilities Maintenance Supervisor	1	1	1	1
Lead Facilities Attendant	1	1	1	1
Facilities Mechanics	4	4	4	4
Facilities Service Workers	7	7	7	7
Facilities Attendants	10	10	10	11
Secretary	0.5	0.5	0.5	0.5
Part-time Clerical	0.6	0.6	0.6	0.6
Part-Time/Temp.Maint. Aides	<u>6.6</u>	<u>6.6</u>	<u>4.5</u>	<u>4.5</u>
Total	32.7	32.7	30.6	31.6



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.

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.

Capital Improvements: Expenditures related to the acquisition, expansion or rehabilitation of an element of the government's physical plant and infrastructure.

Capital Improvement Plan: A plan for capital outlay to be incurred each year over a fixed number of years to meet capital needs arising from the government's long-term needs.

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 for the communities reviews and approves the projects.

Emerald Ash Borer: The Emerald Ash Borer, a native Asian insect, is an invasive beetle that destroys North American ash trees. Ash is one of the most common trees in Ohio.

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.

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.

Permits Plus: The computer system used by the Planning and Development Department to issue and track permits.

Personal Services: Expenditures for salaries, wages and fringe benefits of a government's employees.

PRCA: Parks, Recreation and Cultural Arts.

Program: Particular and primary part of a function of governments. A program encompasses associated activities directed toward the attainment of established program objectives.

Reserve: An account used either to set aside budgeted revenues that are not required for expenditure in the current budget year or to earmark revenues for a specific future purpose.

Resources: Total amounts available for appropriation including estimated revenues, fund transfers and beginning balances.

Revenue: Income received by the City of Kettering to support the government's program of services to the citizens. Income includes such items as property tax, income tax, user charges, grants and fines.

Revised Budget: Total of the budget adopted by Council at the beginning of the year plus supplemental appropriations passed during the year plus encumbrances open at the beginning of the year.

SAFETEA-LU: The Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users was signed into law by President George W. Bush on August 10, 2005 to fund surface transportation programs..

SARA Title III (The Super Fund Amendments and Reauthorization Act): The United States Environmental Protection Agency's Emergency Planning and Community Right-to-Know Act.

Special Assessment: A compulsory levy made against certain properties to defray part or all of the cost of a specific improvement or service deemed to primarily benefit those properties.

Special Revenue Funds: Funds used to account for proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

Supplemental Appropriation: An additional appropriation made by the governing body after the budget year has started.

Taxes: Compulsory charges levied by government for the purpose of financing services performed for the common benefit. This does not include specific charges made against particular persons or property for current or permanent benefits such as special assessments. Additionally, it does not include charges for services rendered, only for those paying such charges.

Transfers In/Out: Amounts transferred from one fund to another to assist in financing the services for the recipient fund.



CITY OF KETTERING