

City of the Village of Indian Hill



Budget In Brief Fiscal Year 2022

November 15, 2021

Mayor

Melissa S. Cowan

Vice-Mayor

Donald C. McGraw

Council

Richard J. Hidy

Elizabeth C. Isphording

Stephen A. Krehbiel

Shayne O Manning

Monique A. Sewell

Administration

City Manager – Dina C. Minneci

Assistant City Manager – Jonathan D. West

Clerk of Council/Comptroller – Paul C. Riordan

Solicitor – Scott D. Phillips

Chief of Police – Charles W. Schlie

Fire Chief – Stephen C. Oughterson

Finance Director/Tax Commissioner – Scott A. Gully

Public Works/Waterworks Superintendent – Jason L. Adkins

City Engineer/Project Manager – Kathleen A. Wade-Dorman

Director of Administrative Services – Jessica E. Chaney

Technology Manager – Nathan D. Henderson

About the Budget

The Village of Indian Hill's Fiscal Year 2022 *Budget In Brief* is provided to serve as an overview of the Village's budget. This document provides a summary of the highlights to the budget, revenues the Village expects to receive and the planned areas where the money will be spent.

The budget was developed with input from the various Department Heads, Comptroller, Council's Standing Committees, including the Finance Committee. It will form the basis for the adoption of a 2022 Appropriation Ordinance on December 13, 2021.

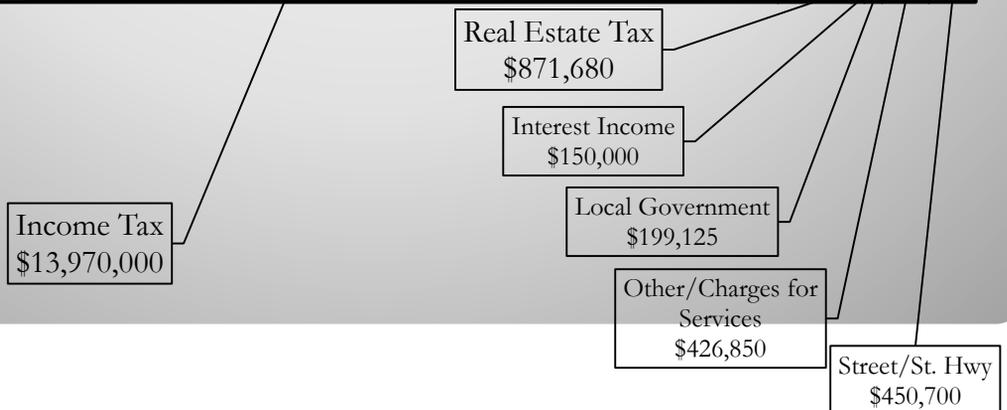
The following summary information represents the 2022 budget as proposed by the administration and reviewed and accepted by the various Council standing committees. All budget expenditures are finalized with the passage of related ordinances at the December Council meeting. The Village of Indian Hill uses budgetary practices and techniques recommended by the Governmental Accounting Standards Board (GASB). As required by State law, the proposed budget is balanced, meaning operational expenditures will not exceed operating revenues and available reserve funds.

The Fiscal Year 2022 budget was developed to assure that high level services are appropriately delivered and programs are maintained at current levels. The budget is a responsible allocation of public resources that maintains the Village of Indian Hill as a safe and secure environment for the benefit of all employees, residents and visitors of the City of the Village of Indian Hill.

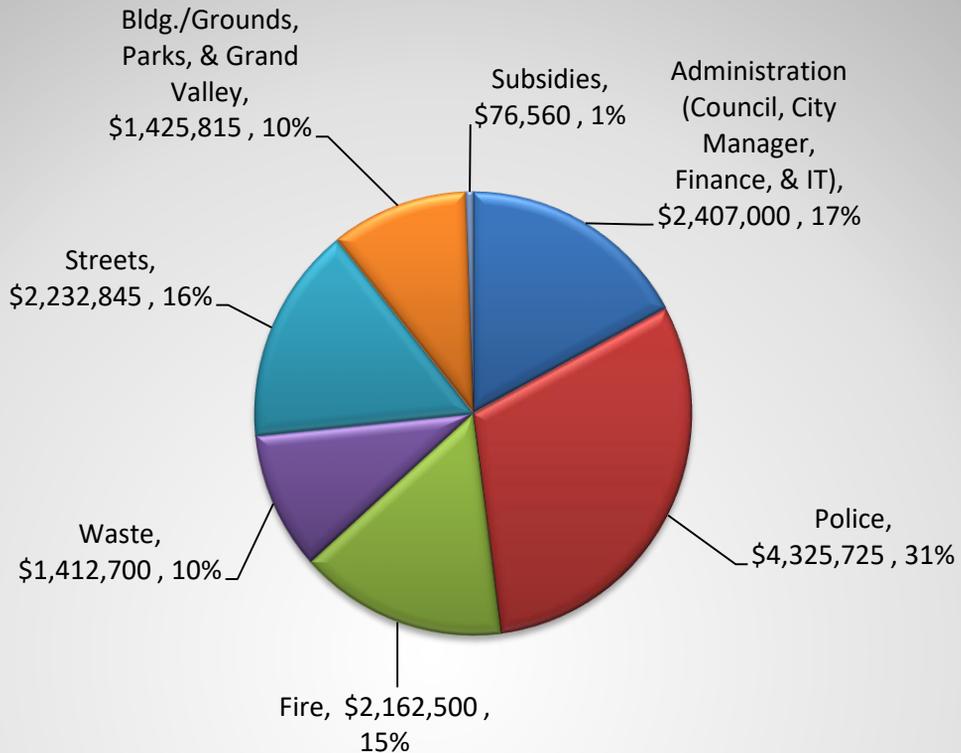
Operating Budget: Revenue

Budgeted revenues in 2022 decreased \$2,722,000, or 14.5% from 2021 year-end estimates. This decrease is primarily due to higher than expected tax receipts in 2021. 2021 budgeted tax receipts were budgeted 20% lower due to the unknown effects of COVID-19 on the overall economy. 2021 receipts are currently projected to be \$5,380,000, or 48% higher than budgeted. More time and analysis will be needed to determine if this increase in tax collections will continue in future years, or is instead due to abnormal taxing behavior related to the Covid-19 pandemic. Due to these unknown factors, 2022 budgeted tax receipts of \$13,970,000 are based on the actual collections from 2020. 2022 Other receipts are budgeted less than 2021 due to 2021 including a reimbursements of \$91,500 from Ohio Bureau of Workers' Compensation for COVID-19 Relief reimbursements. 2022 Interest Income is budgeted significantly less with COVID-19 having a profound negative impact on interest rates in 2021 and most likely into 2022.

2022 Estimated Revenues



Operating Budget

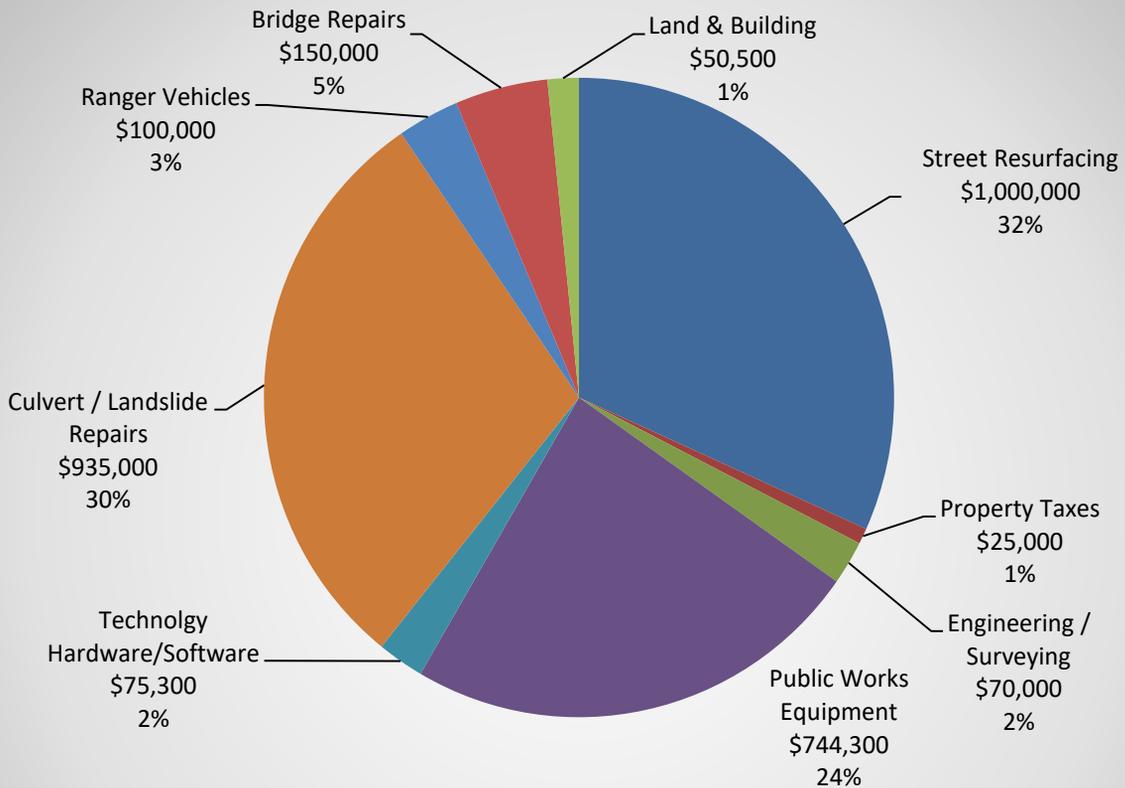


The 2022 Operating Budget of \$14,043,145 reflects a 4.2% increase over the Village's original 2021 Operating Budget plan and an 6% increase over the 2021 estimated year end expenditure. Significant highlights include:

1. The COVID-19 pandemic resulted in reduced costs in 2021 due to the cancellation of training, travel, and community events as well as many delayed purchases. Accounts were fully funded in the 2022 budget.
2. The changing of a part time Geographic Information System (GIS) position to full time
3. Implementation of a cybersecurity audit program
4. Landslide repair on State Route 126 (paid for from State Highway Fund)
5. Addition of two (2) full time Firefighter/Paramedics within the Madeira-Indian Hill Joint Fire District.

Capital Improvement Reserve Fund

The 2022 Capital Improvement Reserve Fund (CIRF) equates to \$3.1 million and reflects a \$2.1 million or 40% decrease from 2021 year end estimates. The CIRF expenditures are shown in the following graph:



A significant portion of this decrease is due to two significant projects in 2021: i) \$1.5 million for Blome Road Bridge repairs, and ii) \$600,000 for the Redbirdhollow stream restoration project (offset by grants). 2022 projects include:

- Loveland-Madeira culvert replacements (\$310,000)
- Landslide corrections on Muchmore, Kugler Mill and Walton Creek (\$325,000)
- Server upgrades and document retention/management system (\$75,300)

The CIRF budget also includes a \$1.0 million road resurfacing program, contingency funds to account for unexpected landslide and culvert emergency repairs, and aging equipment replacement. These capital projects are the Village's continued commitment to much needed infrastructure improvements.

Water Works Fund

The 2022 Water Works operating expenditure budget equates to \$2.47 million (net sewer reimbursements to the Metropolitan Sewer District and water surcharge to Madeira & Hamilton County) and is a 5.7% increase (\$133,000) over the 2021 year-end forecast. The majority of this increase is due to:

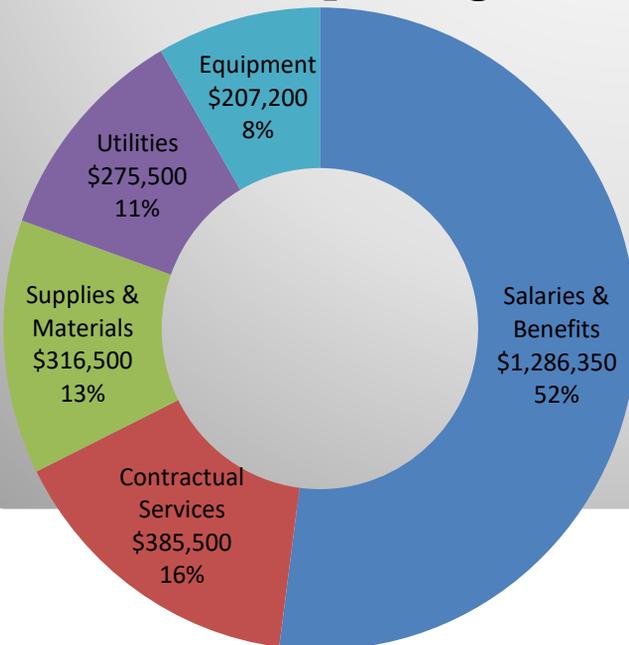
- Salary and fringe benefits increased 11.9% (\$137,000) primarily due to budgeted positions not being filled in 2021 as expected, leading to a decreased 2021 estimate
- Building improvement needs of \$79,000 which includes repairs to the softener building roof (\$30,500).

Increase is offset by:

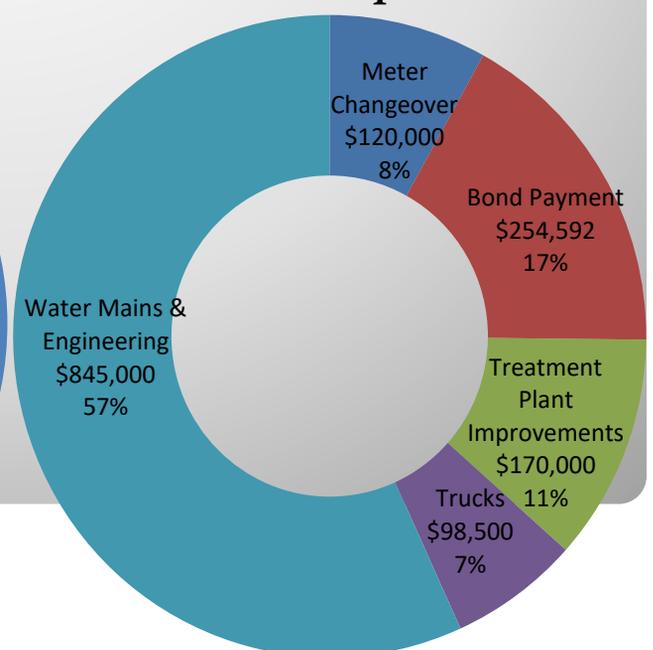
- Contractual services decreased 11.6% (\$51,000) due to 2021 including one-time costs associated with a new water tower analysis and emergency electrical repairs to water treatment plant

The 2022 Water Works Capital Improvement Reserve Fund (CIRF) and Retirement Reserve Fund equates to \$1.8 million and reflects a \$600,000 or 3.3% decrease from 2021 year-end (net of new bond projects). A significant portion of the CIRF is dedicated to \$725,000 for a water main replacement on Miami Road, south of Indian Hill Road. The 2022 budget also includes \$5,557,500 in expenditures related to the 2021 bond issuance. These bond proceeds will be used to improve the Village's waterworks system, which will include several water main replacements/improvements.

Water - Operating



Water - Capital





For the full version of the 2022 budget please go to
www.indianhill.gov

Prepared by the
Village of Indian Hill
Finance Department
6525 Drake Road
Cincinnati, OH 45243
(513) 561-6500