

City of the Village of Indian Hill



Budget In Brief Fiscal Year 2023

November 21, 2022

Mayor

Donald C. McGraw

Vice-Mayor

Stephen H. Krehbiel

Council

Andrew A. Byer

Richard J. Hidy

Elizabeth C. Isphording

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 2023 *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 2023 Appropriation Ordinance on December 19, 2022.

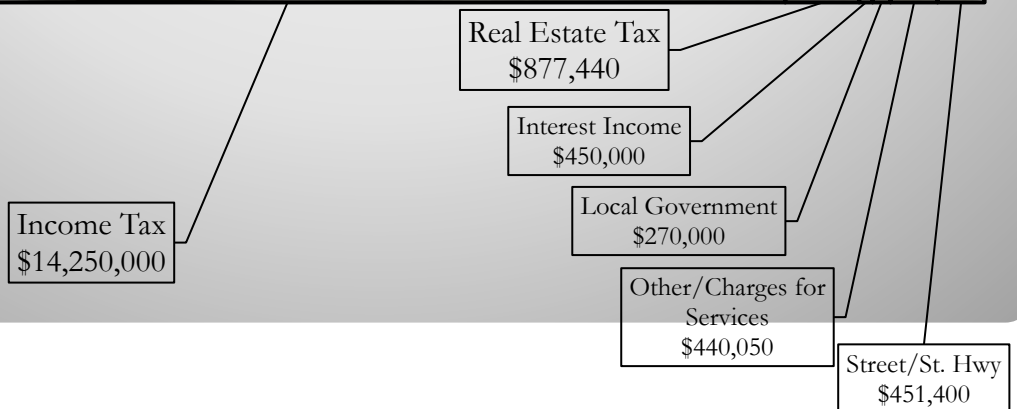
The following summary information represents the 2023 budget as proposed by the administration and reviewed and accepted by the various Council standing committees. All budget expenditures are finalized with the passage of related ordinances at the December Council meeting. The Village of Indian Hill 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 2023 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.

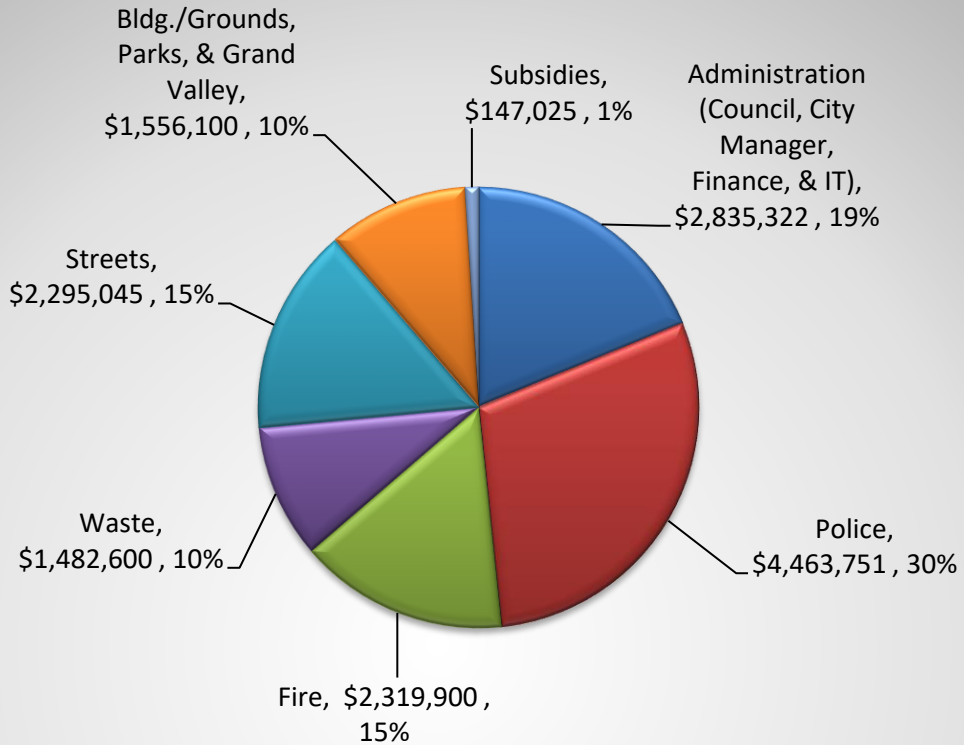
Operating Budget: Revenue

Budgeted revenues in 2023 decreased \$7,821,000, or 31.9% from 2022 year-end estimates. This decrease is primarily due to higher-than-expected tax receipts in 2022. 2023 budgeted tax receipts were budgeted lower due to the planned decrease in the tax rate from 0.525% to 0.475% as well as the decreased collections expected due to the overall economy in 2022. 2022 receipts are currently projected to be \$7,900,000, or 57% 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 and other economic factors. 2023 Other receipts are budgeted less than 2022 due to 2022 including a reimbursements of \$45,000 refund from the Village's property insurance company that is not expected in 2023. 2023 Interest Income is budgeted significantly higher due to the increase in interest rates that occurred in 2022.

2023 Estimated Revenues



Operating Budget

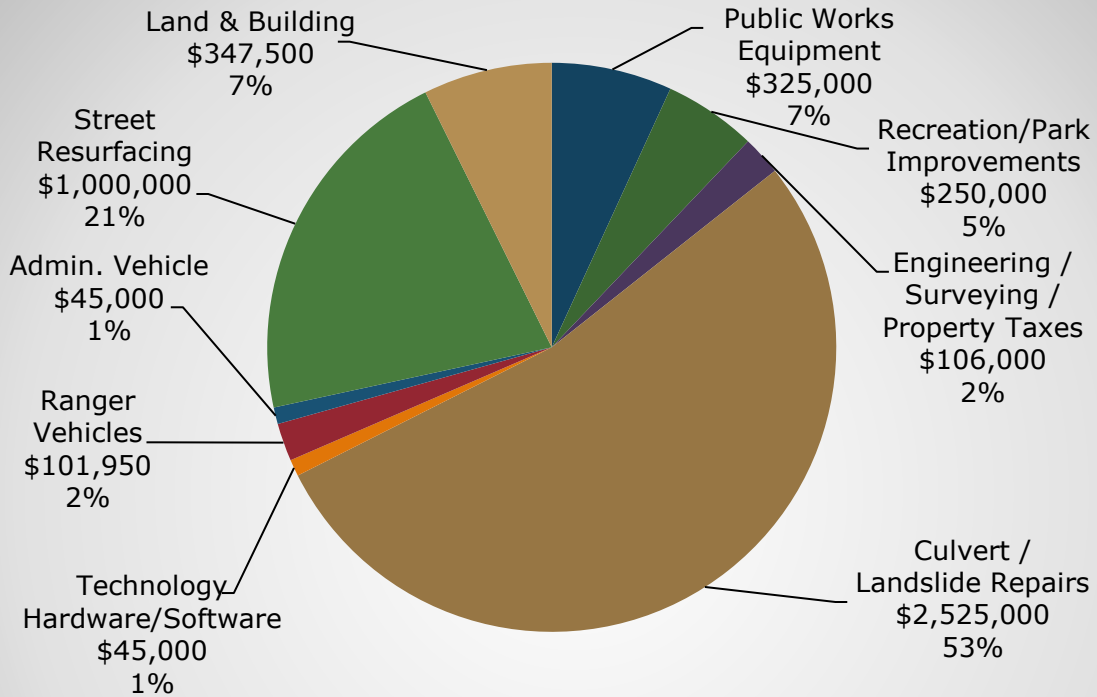


The 2023 Operating Budget of \$15,099,743 reflects a 6.1% increase over the Village's original 2022 Operating Budget plan and an 5.3% increase over the 2022 estimated year end expenditure. Significant highlights include:

1. An increase of 17% in risk management insurance due to universal property appraisal increases.
2. The changing of the Recreation Program Manager from part time to full time.
3. Implementation of a cybersecurity monitoring program.
4. Purchase of new traffic control equipment and annual software package.
5. Necessary replacement for aging equipment and improvements to Village facilities
6. Costs associated with increased part-time personnel within the Madeira-Indian Hill Joint Fire District.

Capital Improvement Reserve Fund

The 2023 Capital Improvement Reserve Fund (CIRF) equates to \$4.7 million and reflects a \$2.6 million or 36% decrease from 2022 year end estimates. The CIRF expenditures are shown in the following graph:



A significant portion of this decrease is due to three significant projects in 2022: i) \$1.5 million for Blome Road Bridge repairs, and ii) \$600,000 for the Redbirdhollow stream restoration project (offset by grants), and ii) \$740,000 for land acquisition. 2023 projects include:

- Three culverts on Loveland Madeira Rd. (\$200,000), one on Hopewell Rd. (\$140,000), one on Shawnee Run Rd. (\$75,000), and one on Spooky Ridge (\$150,000)
- Sycamore Creek Restoration (\$1,410,000) which will be completely funded by a grant
- Replacement of swing sets at Stephan Field Park (\$250,000)
- Replacing roof at mechanics/parks maintenance building (\$330,000)

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 2023 Water Works operating expenditure budget equates to \$2.56 million (net sewer reimbursements to the Metropolitan Sewer District and water surcharge to Madeira & Hamilton County) and is a 3% increase (\$78,000) over the 2022 year-end forecast. The majority of this increase is due to:

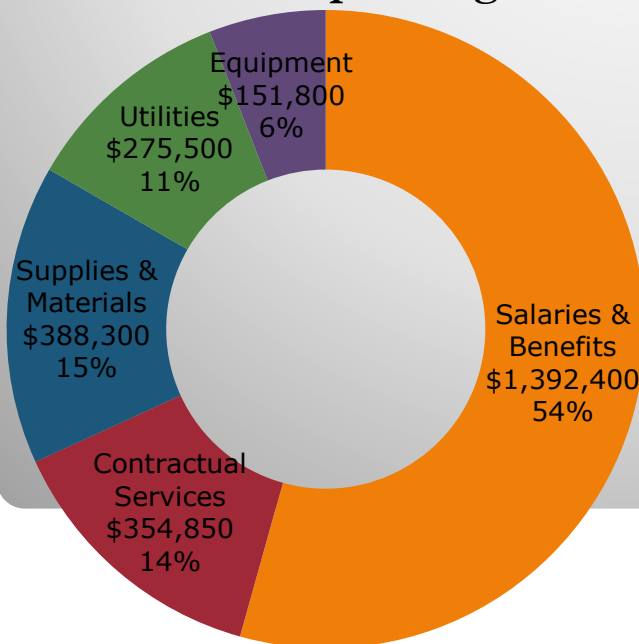
- Salary and fringe benefits increased 14% (\$173,000) primarily due to budgeted positions not being filled in 2022 as expected, leading to a decreased 2022 estimate and several less tenured employees receiving step-increases
- Supplies and Materials increased significantly due to the cost of chemicals (19.25% increase from 2022 budget)

Increase is offset by:

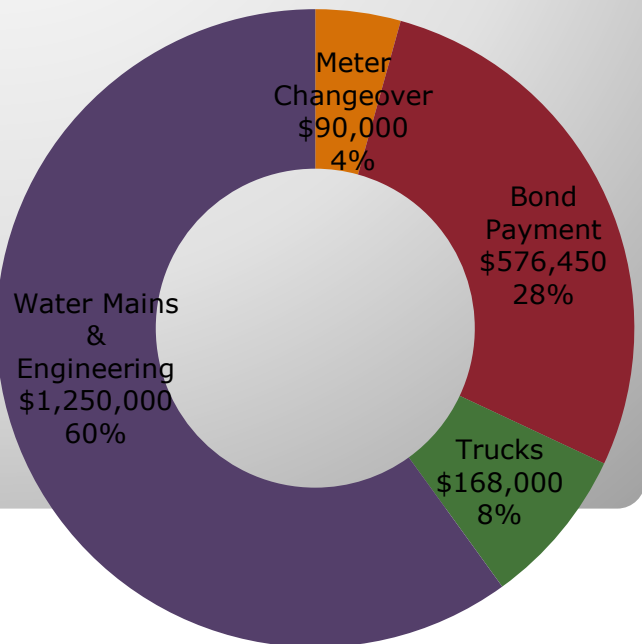
- Contractual services decreased 8.3% (\$32,000) due to one less water well being maintained in 2023.
- Decrease of \$63,000 (74%) decrease to building improvements.

The 2023 Water Works Capital Improvement Reserve Fund (CIRF) and Retirement Reserve Fund equates to \$2.1 million and reflects a \$873,000 or 70% increase from 2022 year-end (net of new bond projects). A significant portion of the CIRF is dedicated to \$1,250,000 for a water main replacement on Blome Road. The 2023 budget also includes \$332,000 in expenditures (\$5.2 million in 2022) 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 2023 budget please go to
www.indianhill.gov

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