

# City of the Village of Indian Hill



## Budget In Brief Fiscal Year 2021

November 23, 2020

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 2021 *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 2021 Appropriation Ordinance on December 21, 2020.

The following summary information represents the 2021 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 2021 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

Due to the unknown effects of COVID-19 on the overall economy as the pandemic is anticipated to remain prevalent in 2021, budgeted revenues in 2021 decreased \$3.2 million, or 19.6% from 2020 year-end estimates:

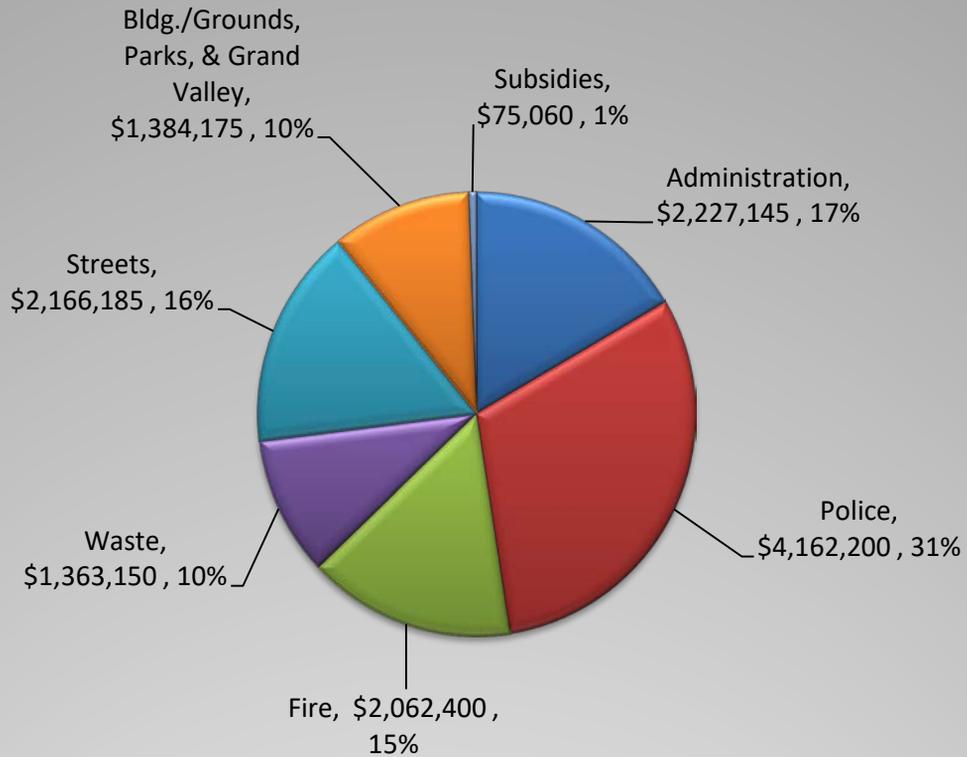
1. 2020 estimated year-end income tax receipts of \$13.8 million are expected to be \$145,000, or 1.1% higher than originally budgeted.
2. 2021 income tax receipts are budgeted at \$11.05 million based on 2020's estimate, with a 20% reduction due to the unknown effects of COVID-19 on resident's adjusted gross income
3. 2021 Street & State Highway revenues are budgeted less than 2020 due to 2020 including a \$135,675 grant from the Ohio Public Works Commission (OPWC) to replace a culvert and land slide on Remington Rd./State Route 126
4. 2021 Other receipts are budgeted less than 2020 due to 2020 including loss-year reimbursements of \$85,715 from the Village's property insurance company and \$146,000 from Ohio Bureau of Workers' Compensation for COVID-19 Relief reimbursements.
5. 2021 Interest Income is budgeted significantly less with COVID-19 having a profound negative impact on interest rates in 2020 and most likely into 2021.

## 2021 Estimated Revenues



Income Tax	\$11,050,000
Real Estate Tax	\$823,200
Interest Income	\$150,000
Local Government	\$179,125
Other/Charges for Services	\$427,600
Street/St. Hwy	\$444,450

## Operating Budget

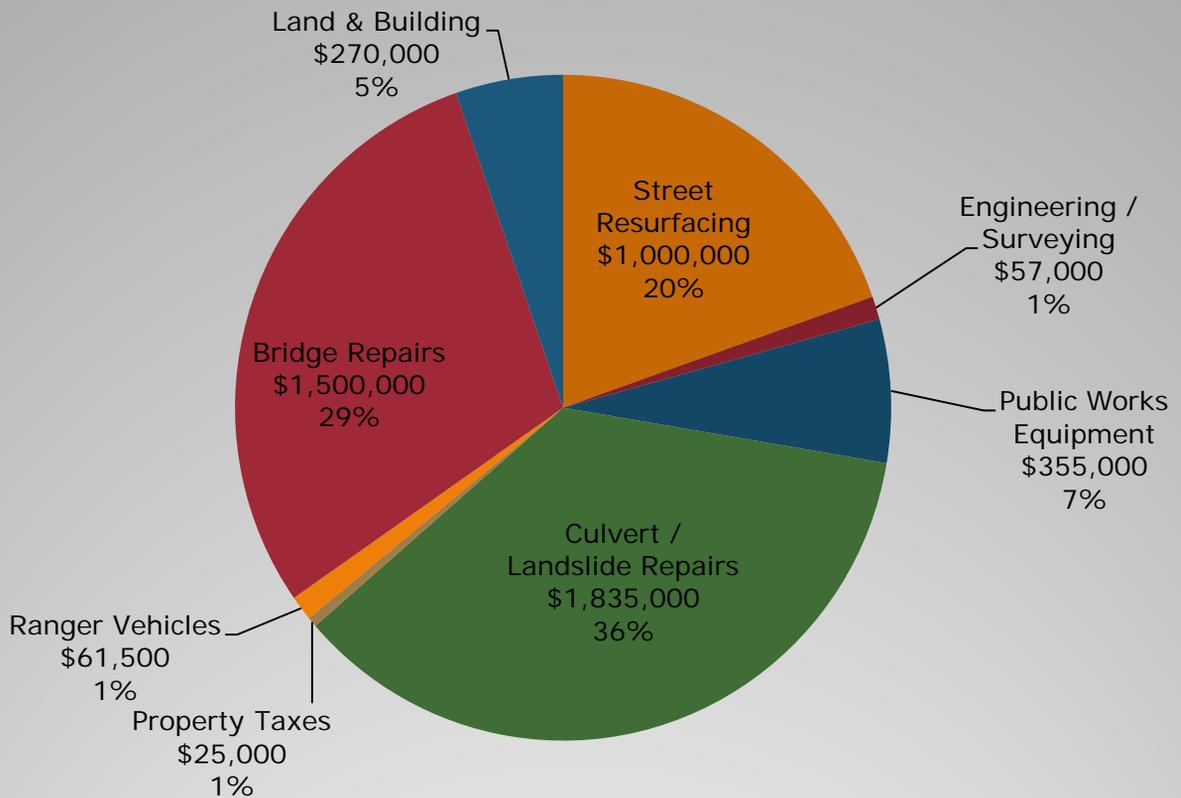


The 2021 Operating Budget of \$13,440,315 reflects a 3.3% increase over the Village's original 2020 Operating Budget plan and an 8% increase over actual 2020 expenditures due to the significant impact of the COVID-19 pandemic on the Village's finances:

1. The COVID-19 pandemic resulted in the federal CARES Act being passed which provided unanticipated expenditure reimbursement in 2020 of over \$765,000.
2. Public safety personnel were determined to be substantially dedicated to mitigating or responding to the COVID-19 Coronavirus pandemic. Therefore, over \$600,000 of the CARES Act funding was used to reimburse the costs of public safety personnel payroll expenses in 2020.
3. 2021 Expenses were offset by decreases associated with:
  - a. The culvert replacement on Remington Road/State Route 126 was completed in 2020 (\$211,000 decrease)
  - b. Technology services was higher in 2020 due to the retirement of the IT Manager and the overlapping of salaries needed to train his replacement (\$58,000 decrease)

## Capital Improvement Reserve Fund

The 2021 Capital Improvement Reserve Fund (CIRF) equates to \$5.1 million and reflects a \$1.9 million or 59% increase from 2020 year end estimates. The CIRF expenditures are shown in the following graph:



A significant portion of this increase is due to approximately \$2 million worth of projects being re-appropriated from 2020 to 2021 due to delays associated with COVID-19 (Given Road landslide, Drake Road culvert and Blome Road Bridge). 2021 CIRF also is dedicated to three other culvert replacements (\$100,000), Redbirdhollow landslide (\$600,000 with \$420,000 offset by grants), and the replacement of the Public Works facility roof (\$200,000). In addition, the 2021 capital budget includes a \$1.0 million road resurfacing program and contingency funds to account for unexpected landslide and culvert emergency repairs. These capital projects are the Village's continued commitment to much needed infrastructure improvements.

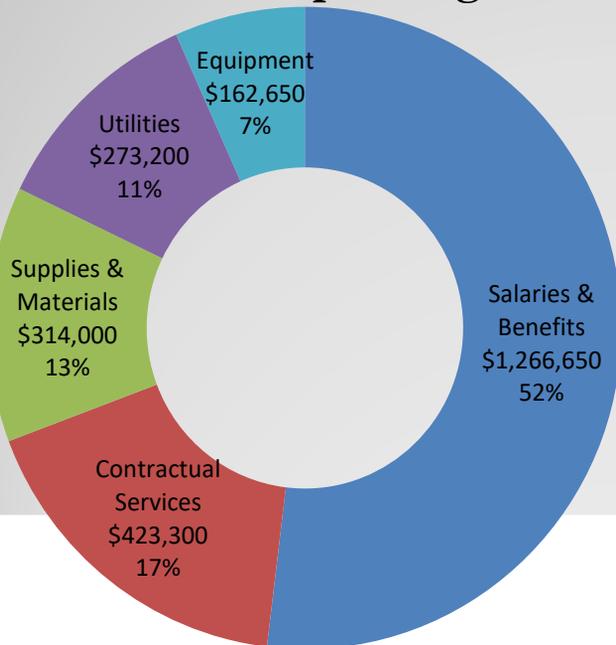
# Water Works Fund

The 2021 Water Works operating expenditure budget equates to \$2.4 million (net sewer reimbursements to the Metropolitan Sewer District and water surcharge to Madeira & Hamilton County) and is a 11% increase (\$242,000) over the 2020 year-end forecast. The majority of this increase is due to:

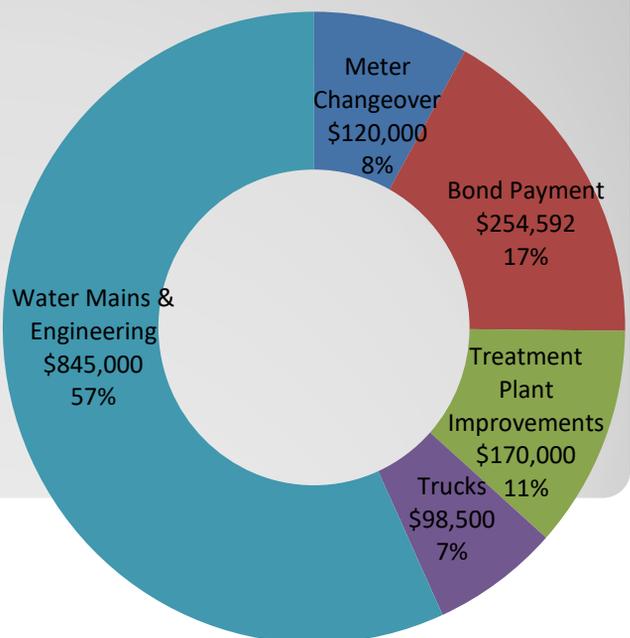
- Salary and fringe benefits increased 12.9% (\$145,000) primarily due to budgeted positions not being filled in 2020 as expected, leading to a decreased 2020 estimate
- Well Repair & Maintenance increased 140% (\$49,000) for the cleaning and repair of two wells in 2021
- Professional Services increased 110% (\$33,000) due to Ohio Environmental Protection Agency (OEPA) Risk and Resiliency Analysis (EPA mandate)

The 2021 Water Works Capital Improvement Reserve Fund (CIRF) and Retirement Reserve Fund equates to \$1.64 million and reflects an \$78,000 or 4.6% decrease from 2020 year-end (net of bond refinancing). A significant portion of the CIRF is dedicated to \$725,000 for a water main replacement on Main Street in Montgomery. 2020 expenditures include \$2,107,000 for the refinancing of the existing 2009 water works bonds. The refinancing resulted in a savings of \$239,000 over the eight-year remaining life of the bond.

## Water - Operating



## Water - Capital





For the full version of the 2021 budget please go to  
[www.ihill.org](http://www.ihill.org)

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