

Letter from the City Manager (Budget Book 2018)

Staff has posted a full copy of the Budget on the City's website via the OpenHamilton Transparency Portal: [City of Hamilton 2018 Proposed Budget](#).

November 27, 2017

To the Honorable Mayor Patrick Moeller, Members of City Council, and Residents of Hamilton:

In accordance with Section 5.05 of the City Charter, the Proposed Annual All Funds Budget (hereinafter "Budget") of \$287.04 million is submitted for your consideration. The budget is for the January 1, 2018 to December 31, 2018 fiscal year. The budget has been prepared within the framework of City Council's General Fund unencumbered reserve policy (relative to annual operating revenues), as established by Resolution 2012-6-25. The Public Hearing and first reading of the Appropriations Ordinance will occur at the December 13, 2017 City Council meeting.

In advance of preparing the FY 2018 Budget, staff updated our internal three-year financial forecast (2018-2020). The forecast guides the preparation of the base budget for the upcoming budget cycle while being mindful of expenditures on the immediate three-year horizon. These expenditures include capital needs - both equipment and infrastructure - and staffing needs. We know in the coming years we will need substantial monies to replace and/or improve fire engines, fire houses, key intersections, parks, etc. We are planning today on the best way to pay for these expenses.

Reimagine, Reassess, and Reinvent

Since starting as City Manager in September 2010, our community has been in a continual process to reimagine, reassess and reinvent. We have shown a stubborn, determined resolve to improve our city. This resolve continues to gain strength with ongoing community success. A large part of our success is due to shifting our thinking that ***we can attract businesses to our city by thinking of our city like a business***. Our focus should always be how do we assist businesses by clearly articulating state requirements and treating them like a valued customer versus as a bureaucratic nuisance. While we are certainly not perfect in this area, we have made great strides in recent years. We will continue to work with everyone who wants to positively impact our local economy.

In addition to our business focus, our 17Strong neighborhood effort has yielded positive momentum since its establishment. With incredible dedication by a handful of individuals, we have begun to better engage neighborhoods. With that engagement, comes improvement on several fronts. At a minimum, we want our neighborhoods to be safe and clean. Once we achieve "safe and clean" status, we can focus on neighborhood amenities that are desired.

Planning for Hamilton's Future

2017 has been a big planning year for our city. We launched three different plans earlier in 2017: City of Hamilton Comprehensive Plan (hereinafter "Comp Plan"); the Hamilton River Plan, and the Joint Economic Development District III Plan (hereinafter "JEDD III Plan"). All three will provide a blueprint for future development. In particular, the Hamilton River Plan and JEDD III Plan will be executed almost immediately.

The Great Miami River has been discussed for generations as being an underutilized asset. If done correctly, our river and adjacent downtown will become the outdoor playground of SW Ohio. Biking, paddle-boarding, kayaking and other water sports in a downtown environment that offers food and entertainment, should make Hamilton a "can't miss" destination.

Partnering with Fairfield Township regarding JEDD III, we have the opportunity to create a first-class office park that will leverage Hamilton's city and cultural amenities with township retail and residential opportunities.

Both traffic/congestion and future land uses will be looked at closely in the City of Hamilton Comprehensive Plan. A bold plan needs to be articulated to improve our traffic flow. Gridlock harms our businesses, creates public safety issues and generally annoys our residents. We have begun the conversation with the Butler County Engineer's Office, the Ohio-Kentucky-Indiana Council of Governments, and the Ohio Department of Transportation to review funding sources which may be available to improve key intersections, establish a second major east-west route that is not slowed by trains and to better connect routes that align with the Black Street Bridge and the Columbia Bridge.

Partnerships

The City has been very aggressive in recent years to catalyze development efforts in our downtown, Main Street, and riverfront areas. We have partnered with various entities to assist the City in achieving these outcomes. These entities include the Hamilton Community Foundation, the Hamilton Area Chamber of Commerce, Consortium for Ongoing Reinvestment Efforts (CORE), and the Hamilton Parks Conservancy. These entities work hand-in-hand with the City by focusing on desired outcomes. It is critical for our community to be a desired place to live, work, visit, and play. If we are not successful in these areas, it will become more difficult to maintain existing jobs and to attract new jobs. Without net increases annually in job creation, our ability to fund basic operations diminishes.

Economics, Not Optics

I often think about a statement by former Federal Reserve Chairman Alan Greenspan. When the federal government was contemplating the expiration of the Budget Enforcement Act of 1990, the primary anti-deficit law, Greenspan warned of the consequences. Presciently he said, "History suggests that an abandonment of fiscal discipline will eventually push up interest rates, crowd out capital spending, lower productivity growth, and force harder choices upon us in the future."

The application of Greenspan's sentiment to the City of Hamilton is the fiscal discipline that has been exercised in recent years has allowed the City to invest in capital and real estate (i.e., not crowding out capital spending by increasing operations). This has primarily been accomplished by keeping personnel costs below 2008 levels. These investments have moved our community forward.

In summary, we must continue to aggressively move Hamilton forward by investing in amenities that will help our community be attractive for job and capital investment. Our predicament: how do we balance these investments, so we can protect enough of our budget to provide needed basic services? Without long-term economic growth, we will not be able to adequately fund basic services in future years. **Thus, we must focus on what will drive long-term economics and not short-term optics.**

General Fund

The City's General Fund budget functions as our main checkbook, with most basic operations covered in this fund. In 2008, the City expended \$38,146,913 for Personnel related costs in the General Fund. In 2018, we have budgeted \$36,768,156 for General Fund Personnel (when also accounting for services the City has contracted out over the last few years such as Police Dispatch, Law, Parks, Income Tax, etc.). **Without adjusting for inflation, we are projected to spend \$1,378,757 less in General Fund Personnel than we did eleven years ago.**

In the 2017 Budget, we added 9 full time Police Officers (including 5 School Resource Officers) and 9 full time Firefighter positions. This was done to ensure visibility and connectivity within our neighborhoods and improve upon our goal to prioritize safety within the City.

City-Wide Staffing

In 2008, the City-wide staffing was approximately 750 full time employees (hereinafter “FTEs”). In the 2017 Adopted Budget the City had 685.50 FTEs. The 2018 Proposed Budget is showing 687.75 FTEs or an increase of 2.25 over 2017. While certain positions were eliminated because of new contracted services, such as positions with Income Tax, there are other positions that will be new for 2018 in the Infrastructure Department. These positions include:

- Field Service Specialist
- Environmental Health & Safety Manager

These new positions will support the Infrastructure Department’s focus on safety for employees and the community and succession planning goals for many years to come.

New Projects in 2018

The City is planning many new initiatives and projects in 2018 that will continue to enhance the quality of life in our community.

Main Street Improvements - \$2.80 Million

Many new businesses have opened on Main Street in 2017, and there are many more to come. Because of the increased growth, Main Street will continue to see infrastructure improvements in 2018. Overhead utility wires will be placed underground from B Street to Eaton Avenue, the Main Street water main will be replaced, new brick will be installed between B Street and D Street, and a sidewalk “bump out” will be added at strategic locations to widen the sidewalk. This new streetscape project will provide better pedestrian connectivity and promote increased business attraction.

Main/Millville/Eaton Intersection Improvement - \$2.61 Million

While construction on this intersection improvement will begin in 2018, this project has been the result of many years of hard work by city staff. In 2012, the City obtained funding through the State Highway Safety Program to upgrade the intersection of Eaton Avenue at Main Street/Millville Avenue. The project cost is estimated at a total cost of \$3.7 million, with the Ohio Department of Transportation contributing 90 percent and the City responsible for the remaining 10 percent. \$2.61 million is budgeted in 2018 for this project. The improvement includes realigning the Eaton Avenue/Millville Avenue approaches to the intersection so they align across from each other. This will significantly improve traffic operations and safety at the intersection. **Marcum Park**

Streetscape Project - \$2.25 Million

A new streetscape project will add to the aesthetic of Dayton Street between Marcum Park and the new Marcum Mixed-Use project. The street will be changed to a one-way with vehicles flowing west from Second Street toward the Marriott. Additionally, back-in angled parking will be added to ensure safety of motorists and pedestrians, while increasing parking capacity by 40%. The additional parking was necessary to assist the new restaurants and retail locations locating on the first floor.

NEW Hamilton 311 App

In December of 2017, we will launch Hamilton 311, a new 311 request software that includes an application for mobile devices. Users will be able to snap photos of issues on their phones and submit through the app, which will geolocate the location of the problem automatically. This new service will help us address issues more quickly and efficiently.

Designated Outdoor Refreshment Area

Relatively new legislation from the State of Ohio allows us to pursue a Designated Outdoor Refreshment Area (DORA). This allows individuals to purchase beverages from a liquor permit establishment located within the boundaries of the DORA and walk around with their drink. Boundaries and policies will be discussed in early 2018 to add this entertainment piece to our urban core.

Crimeview Dashboard

In 2018, we will use big data to make our community safer. The Hamilton Police Department will utilize CrimeView Dashboard, which combines data and mapping, to allow us to analyze public safety concerns geospatially. Once in the hand of each of our police officers, this tool will further enhance the efficiency of our police department.

Housing Registration Program

As Hamilton continues its revitalization efforts, it is becoming increasingly important to improve the quality of our housing and rental stock. One strategy that will assist with this process is a new Rental Registration Program. Through the program, rental unit owners will be required to register their property with the City and undergo an inspection. This will ensure that owners are maintaining their properties and that our citizens are receiving quality housing. By working directly with landlords, we will work to implement a system that requires owners to register their properties. This provides a contact person for each property that can be used in case of emergency.

Completed and Ongoing Initiatives

Quick Strike Team

This year, the City focused efforts on making Hamilton clean, safe, and engaged. With this in mind, cleanup efforts ramped up with the Quick Strike Team. As of November 1, 2017, the Quick Strike Team properly collected and disposed of over 1,014 tires and 324 mattresses, dumped over 546 garbage truck loads of trash and debris, and trimmed/removed brush at 27 different locations. In addition, they took on the responsibility of maintaining nuisance property grass mowing and debris removal of properties acquired through the Butler County Land Bank. When the Quick Strike Team isn't busy battling blight, they help produce concerts at RiversEdge Amphitheater. In 2017, the Quick Strike Team assisted in the production of fifteen (15) concerts at RiversEdge, including two music festivals.

Champion Sports Complex

In 2016, Spooky Nook Sports LLC, based in Manheim, Pennsylvania, officially announced its plans to partner with the City of Hamilton to redevelop the former Champion Paper Mill. This project will include a sports complex, fitness center, hotel, restaurants, brewery, meeting and event space, and more. In 2018, the City will continue to be a strong partner and advocate for this transformative project, focusing investments to assist this project in several ways including property acquisition, public infrastructure improvements (including stormwater system and public intersection improvements), and other utility improvements.

Marcum Apartments

CMC Properties of Blue Ash, Ohio, announced plans to build a mixed-use development with 100 apartment units and 15,000 square feet of first floor commercial space on South Dayton Street. This site is across the street from Marcum Park and immediately east of the Courtyard by Marriott Hamilton. The Marcum Apartments will fill the high demand for downtown housing, aid in ongoing revitalization efforts, and help to fill the 2,000+ jobs that have been brought to Hamilton in the past few years. Construction is expected to be completed in summer of 2018.

Public Wifi

Since 2016, we have provided free public wifi in three areas downtown: around 20 High Street, Marcum Park, and RiversEdge. This amenity allows residents and visitors to be connected while they enjoy our parks and our beautiful downtown district, and it helps us to achieve our strategic goal to improve the quality of life in Hamilton.

Booker T. Washington Center & Foundation Field Improvements

A number of capital investments for the Booker T. Washington Center (BTW) and Foundation Field took place in 2017. \$125,000 was included in the 2018 Proposed Budget by the City for various improvements. These improvements included: installing a lit pathway to Riverview Elementary, improving and expanding the parking lot, providing lighting and field improvements to the BTW Little League field, and improving the restroom and concession area at Foundation Field. The City contributed approximately \$625,000 for other Foundation Field improvements such as LED lighting for the field, the new infield turf, and new sod in the outfield. The City also contributed \$325,000 to the Hamilton Parks Conservancy to construct a splash pad located next to the BTW.

Chronic Nuisance Ordinance

Chronic nuisances are properties in Hamilton that are repeat offenders from a public safety services standpoint. In 2017, City Council passed this ordinance that will help us with the enforcement of problem properties. The Chronic Nuisance Ordinance is designed to be a communication tool with property owners that have 3 or more crime-related calls within a 30 day timeframe. A property that refuses to address the nuisance will be deemed a chronic nuisance and penalties will be issued.

Hamilton Mill

The level of innovation in our city continues to generate more partnerships and resources for the community. The U.S. Department of Commerce awarded the Hamilton Mill a \$500,000 grant to create and expand cluster-focused proof-of-concept and commercialization programs through the Economic Development Administration's (EDA) Regional Innovation Strategies (RIS) program. This program will enable entrepreneurs to start new businesses, manufacture innovative projects, and export them throughout the country.

For the second time in three years, the Mill was recognized for its Pipeline H2O program achievements at the 2017 Ohio Economic Development Association (OEDA) Annual Excellence Awards. Pipeline H2O, a collaboration with the USEPA, Cintrifuse, Village Capital, and Confluence, was just launched in 2016, where the first cohort started in February 2017. This unique 15-week commercialization program brings together the most renowned organizations in the water technology industry and pairs them with experts in venture development. Pipeline provides water-based start-ups access to customers, capital, and guidance from mentors, and is continuing to recruit water-tech startups for its 2018 class.

17Strong Neighborhood Micro-grants Program

The 17Strong Neighborhoods Initiative provides a framework for communication and sense of identity to rally individuals, groups, and neighborhood organizations to take pride in their particular corner of the city. In 2017, 17Strong continued the neighborhood micro-grant program, seeing the number of projects implemented grow by 40 percent, awarding 21 micro-grants to citizen groups. Award amounts ranged from \$437 to \$3,000 with 4 projects having a city-wide impact and 17 projects with a more direct impact to a specific neighborhood. Projects funded through this program included neighborhood empowerment events, cleanup, block parties, community movie nights, and hosting seasonal activities for children.

Marcum Park

May 6, 2017 was the official ribbon cutting for Marcum Park, celebrating Hamilton's largest public green space in the urban core. Marcum Park complements what is offered at RiversEdge, including two new water features, decorative landscaping, and a great lawn. The central location of this park is key to further aiding our downtown revitalization efforts. This area is a gathering spot for thousands of people in the summer, from the free summer concert series and annual Big River Get Down, to the Hamilton Flea and Badin Fest. The park was created thanks to a \$3.75 million donation from the Joe and Sarah Marcum family.

Rotary Park

The corner of High St and Second Street received a facelift that was finished last year. Rotary Park is the newest addition to our park system, transforming a once empty lot into a premier park featuring an outdoor ping pong table, concrete cornhole set, outdoor seating, and greenspace. Rotary Park is named after the Hamilton Rotary Club, the parks largest donor.

Jim Blount South Hamilton Crossing

The groundbreaking celebration for the long-awaited South Hamilton Crossing (SHX) project was held on August 17, 2016. In the summer of 2017, City Council issued a proclamation and resolution to name SHX as the "Jim Blount South Hamilton Crossing" to honor one of the city's main champions in transportation. This project will replace an existing at-grade railroad crossing with a railroad overpass by extending Grand Boulevard westward. Approximately 56 trains travel through the existing crossing daily, blocking the crossing 15.3% of the time. Because of this and the dangerous nature of the intersection, citizens and City officials have been attempting to complete this infrastructure project for over a century. SHX is expected to be completed in mid 2018 and will cost approximately \$32 million.

Economic Development

Economic Development has driven our success over the past few years and will continue to propel us in the future. We have witnessed significant investments taking place in our urban core, which attracts new businesses and residents to our city. Some notable Economic Development announcements include:

- Darana Hybrid announced 200 jobs and a \$46.00 million capital investment project
- The Marcum Apartments, a 100 unit high-end apartment complex proposed for downtown, began construction in Fall 2017
- Announced the addition of three new restaurants downtown: Basil 1791, Tano Bistro, and Quarter Barrel
- The Hamilton Mill received a \$500,000 grant from the U.S. Economic Development Administration to support regional innovation strategies and enhancing programmatic offerings including: City as a Lab, PipelineH2O, and Industrialist-in-Residence
- 15 new small businesses opened in the urban core
- Announced that Kirsch CPA will locate to downtown Hamilton and add 40 positions
- Our Community events like Operation Pumpkin, RiversEdge Summer Concert Series, Alive After 5, and the Hamilton Flea attracted more than 100,000 people into our urban core in 2017

Conclusion & Acknowledgements

At the 2017 State of the City Address, I talked about a concept advanced by the Brookings Institute - "granular application versus grand policy". So often, especially in government, we highlight grand policies but fail to provide the basic outline on how to achieve them. Our City Staff has worked very hard to avoid grand ideas without providing a "blueprint" on how to achieve what we are trying accomplish. I

am hopeful you will find sufficient detail as to how we will accomplish the various improvements discussed throughout our budget document.

Thank you to Mayor Moeller, City Council, City Staff, volunteers and Hamiltonians for your concerted efforts to improve our community.

A special thank you to Executive Director of Internal Services Tim Werdmann, Director of Finance Dave Jones, Budget & Evaluation Manager Tyler Roark and Budget Analyst Arian Jones-Hall. Their assistance, along with the rest of the Finance Team, was instrumental in preparing our FY 2018 Budget.

Respectfully submitted,

Joshua A. Smith

City Manager

2018 Budget in Brief

The City of Hamilton's Budget and Financial Management Policies, City Council Resolution 2012-6-25, and the Government Finance Officers Association (GFOA) "Best Practices" are the guidewire for the City's fiscal policies. The City utilizes the State of Ohio's definition of a balanced budget which requires that each fund's beginning-year cash balances plus the fund's projected annual revenues are equal to or greater than the annual expenditure appropriation of each fund. The City's 2018 Proposed All Funds Budget totals \$287,037,235. The 2018 Proposed All Funds Budget is approximately 6.8% less than the 2017 Adopted Budget of \$307,969,688. The largest driver of the decrease is for certain capital projects included in the 2017 Adopted Budget versus the 2018 Proposed Budget. This Budget in Brief summarizes the larger funds by their category type below.

Expenditure Budget

Fund Category	2017 Adopted	2018 Proposed	Change
General Fund	45,579,928	47,172,360	1,592,432
Special Revenue Funds	30,816,141	23,998,097	(6,818,044)
Capital Projects Funds	14,106,261	9,739,616	(4,366,645)
Debt Service Funds	4,354,355	3,831,874	(522,481)
Enterprise Funds	201,135,914	190,944,788	(10,191,126)
Internal Service Funds	11,951,589	11,347,200	(604,389)
Trust & Agency Funds	25,500	3,300	(22,200)
Total Budget	307,969,688	287,037,235	(20,932,453)

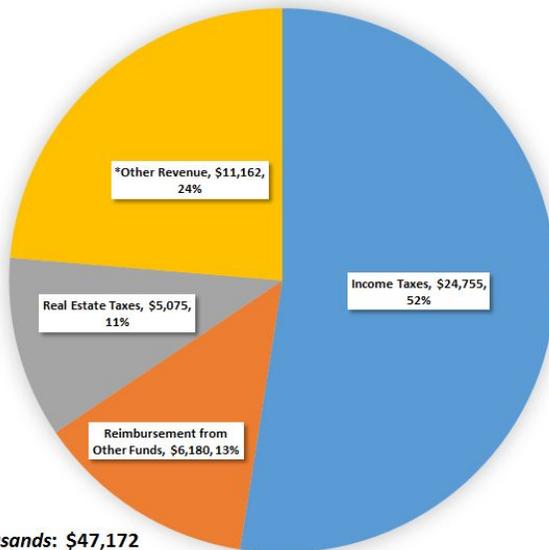
General Fund - \$47.17 million

In 2015, the City invested \$1.6 million of the General Fund reserve balance at the Vora Technology Park for creating 1,500 new jobs in Hamilton. Also in 2016, the City cash financed approximately \$1.5 million worth of improvements at the McDulin Parking Garage. These two one-time expenditures along with other strategic investments have caused the City's unencumbered General Fund balance to decline from \$8.34 million in 2014 to a projected balance at the end of 2018 of \$4.59 million. In 2018, the City is going to take advantage of the current low interest rate environment and borrow the \$1.5 million used to improve the McDulin Garage to reimburse the General Fund and maintain a fund balance in accordance with City Council Resolution 2012-6-25. Approximately \$1.21 million of the \$1.5 million financing will be transferred to the City's' Economic Budget Stabilization Fund in 2018.

The 2018 Proposed General Fund Budget is appropriating \$47.17 million for general operating expenditures; however, revenues **excluding** the above debt proceeds are \$45.67 million and are not sufficient to cover current recurring operating expenses of \$45.96 million (excludes the \$1.21 million transfer to the Budget Stabilization Fund). The 2018 General Fund Budget is balanced under the State of Ohio's definition of a balanced budget but it is not structurally balanced and has structural deficit of \$289,393.

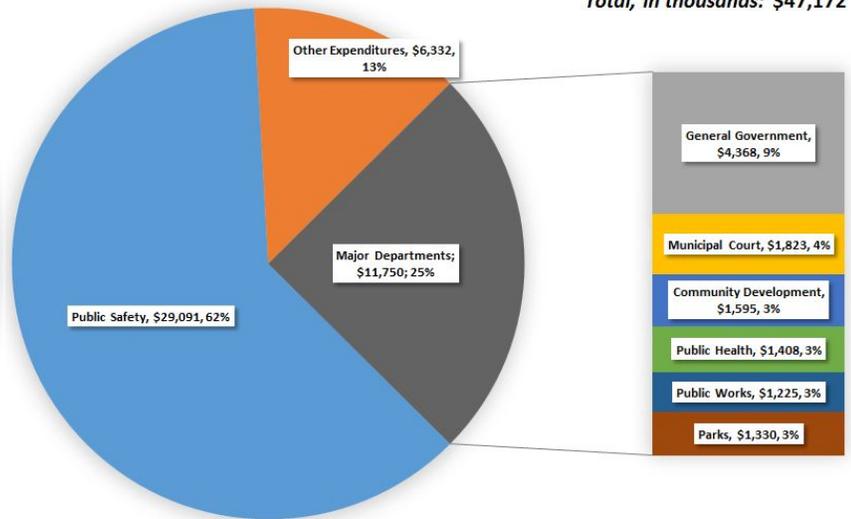
General Fund Highlights

2018 GENERAL FUND REVENUES



Total, in thousands: \$47,172

2018 GENERAL FUND EXPENDITURES



Total, in thousands: \$47,172

Includes \$1.5mm financing (bond proceeds) for McDulin Garage restoration project and \$1.21mm transfer (expense) to Economic Budget Stabilization Fund

The GFOA recommends governments adopt rigorous policies, for all operating funds, for achieving and maintaining a structurally balanced budget. The policy should include parameters for achieving and maintaining structural balance where recurring revenues are equal to or greater than recurring expenditures in the adopted budget. City Council Resolution 2012-6-25 sets forth these policies; however, for a variety of reasons, true structural balance may not be possible for a government at a given time. In such a case, using reserves to balance the budget may be considered only in the context of implementing a plan to return to structural balance, replenish fund balance, and ultimately remediate the negative impacts of any other short-term balancing actions that may be taken. Further, the plan should be clear about the time period over which returning to structural balance, replenishing reserves, and remediating the negative impacts of balancing actions are to occur.

Although the budget is not structurally balanced, prudent fiscal policies will allow the City to remain at the same service levels in 2018 that have been provided in 2017. A cautious, optimistic eye will focus on the 2018 General Fund budget comparing it to actual expenditures and revenues, and recommendations will be made to City Council throughout 2018.

Special Revenue Funds – 2018 Budget: \$24.00 million

Special Revenue Funds include a variety of funds for which revenue can be used for a specific purpose such as grants, certain fee-based services, debt service, and capital improvements.

One Renaissance Center (ORC) Fund - \$2.60 million

Revenues and expenses associated with the ORC building (345 High Street). Capital projects for 2018 include:

- \$500,000 for roof replacement at One Renaissance Center (345 High Street)

Public Safety/Health Income Tax Fund – \$3.37 million

Where 12.5% of the City's income tax revenue goes into this fund per ordinance when the tax was enacted. The entire amount is expensed back into the General Fund as reimbursement for Public Safety and Public Health expenditures (less refunds).

Hamilton Capital Improvement & Debt Service Fund – \$4.78 million

Where 10.0% of the City's income tax revenue goes into this fund per ordinance when the tax was enacted. This fund pays for General Obligation debt service and capital acquisition/projects for mostly General Fund Departments. Major capital projects include:

- Resident Services - RiversEdge
 - \$35,000 for two enclosed trailers to store and remove RiversEdge equipment
- Public Safety - Hamilton Fire Division
 - \$463,000 for self-contained breathing apparatuses (SCBAs) and extractors
 - \$160,000 for a squad remount with power cot
 - \$120,000 for fire station maintenance
- Public Safety - Hamilton Police Division
 - \$422,000 for marked and unmarked vehicles
 - \$150,000 for body-worn cameras and tasers
- Special Appropriations
 - \$833,247 for the Beltline Trail acquisition (\$718,616 reimbursable grant)

Stormwater Management Fund – \$2.17 million

The Stormwater Management Fund is used to account for for planning, construction, operation and maintenance of the City's various stormwater management devices and infrastructure. Revenues consist of stormwater fees based on the impervious area of an Equivalent Residential Unit (ERU). Major items proposed for 2018 are:

- \$300,000 for 2017 Annual Concrete Repair and Resurfacing Program
- \$200,000 for Main Street Streetscape
- \$200,000 Stormwater Master Plan
- \$100,000 ODOT State Route 4 (Partnership with Fairfield)

Street Maintenance Fund – \$3.09 million

The Street Maintenance Fund receives its revenues from the gasoline tax that is levied and controlled by the State of Ohio along with the City's municipal motor vehicle license tax of \$20 per vehicle registration from owners who reside within the city limits. The revenues support street construction, maintenance and repair. Major items proposed for 2018 are:

- \$12,000 for water-filled barriers for special events

Refuse Fund – \$4.48 million

The Refuse Fund obtains its revenue from the monthly refuse fees collected from City homeowners and businesses for refuse and recycling services. The major portions of these services are contracted out by the City to a third party and approximately 75% of the fees collected are used to pay for this contract. The remaining 25% is used to fund internal refuse collection operations.

Capital Projects Funds – \$9.74 million

The City of Hamilton allocates capital planning dollars in our Capital Projects Funds. These funds receive revenues from various sources, including grants, special assessments, TIFs, RIDs that are earmarked for specific projects.

Special Assessments Fund - \$1.00 million

The Special Assessments Fund is used to support the construction of concrete curbs, sidewalks, and drive approaches on properties which abut streets resurfaced as part of the Annual Concrete Repair and Resurfacing Program. Major projects proposed for 2018 include:

- \$300,000 for the 2017 Annual Concrete Repair & Resurfacing Program
- \$300,000 for the 2018 East Avenue Concrete Repair & Resurfacing Program

Infrastructure Renewal Program Fund – \$5.28 million

The Infrastructure Renewal Program Fund is used to finance professional services and construction related projects managed by the Public Works Department. Sources of revenue include Residential Incentive Districts (RID), Tax Increment Financing Districts (TIF) both RID's and TIF's are a component of real estate taxes from improvements in those districts. Also, one-third of the kWh tax associated with electric usage by the end user is used for streets, Permissive License Plate Tax, and local, state, and federal grants. Major items proposed for 2018 are:

- \$922,000 for the Beltline Trail (Phase I construction with a \$560,000 reimbursable grant)
- \$650,000 for Main Street Streetscape
- \$350,000 for South Hamilton Crossing (completion in 2018)
- \$335,000 for 2017 Concrete Repair and Resurfacing Program
- \$2,270,694 for Main/Millville/Eaton intersection (including ODOT share of \$1.97 million)
- \$150,000 for ODOT State Route 4 Resurfacing Program (in partnership with Fairfield)

Champion Mill Sports Complex TIF Fund (356) - \$1.30 million

Capital project/Tax Increment Financing (TIF) Fund used to prepare the Champion Mill Sports Complex site for the Sports Complex project development.

- Contractual services, property acquisition, public infrastructure improvements, and other related expenditures to the Champion Mill Sports Complex project
 - These expenditures will be reimbursed with proceeds from the Internal Note with the Electric Fund until permanent financing occurs

Enterprise Funds

Utility Operations

Electric Utility Funds – \$122.73 million

The assorted Electric Utility Funds are used to account for the various revenues and expenses related to operating the City's Electric Utility. The City of Hamilton has individual Electric Utility funds to account for the revenues and costs associated with certain activities such as primary utility operations, debt repayment, and capital improvements.

- \$3.72 million for other Electric Transmission & Distribution improvements
- \$900,000 for Main Street lighting improvements
- \$1.07 million for Greenup improvements (City's 51.4% share)
- \$440,000 for power plant and small hydro improvements
- \$197,000 for Main/Millville/Eaton intersection
- \$194,000 for SHX Grade Separation

Natural Gas Utility Funds – \$22.41 million

The assorted Gas Utility Funds are used to account for the various revenues and expenses related to operating the City's Natural Gas Utility. The City has individual Gas Utility Funds to account for the revenues and costs associated with certain activities such as primary utility operations, debt repayment, and capital improvements.

- \$2.31 million for other Gas Transmission & Distribution system upgrades
- \$10,000 for Main/Millville/Eaton intersection

Water Utility Funds – \$24.50 million

The assorted Water Utility Funds are used to account for the various revenues and expenses related to operating the City's Water Utility. The City of Hamilton has individual Water Utility Funds to account for the revenues and costs associated with certain activities such as primary utility operations, debt repayment, and capital improvements.

- \$6.90 million in water main replacements (financed with low interest loans)
- \$492,000 for other Water Distribution improvements
- \$400,000 for improvements at the North Water Treatment Plant to prepare for operation
- \$430,000 for other Water Production improvements

Wastewater Utility Funds – \$19.72 million

The assorted Wastewater Utility Funds are used to account for the various revenues and expenses related to operating the City's Wastewater/Water Reclamation Utility. The City of Hamilton has individual Wastewater Utility Funds to account for the revenues and costs associated with certain activities such as primary utility operations, debt repayment, and capital improvements.

- Approximately \$1.52 million for planned sewer lining and replacements
- \$261,000 for manhole replacements
- \$685,000 in Production improvements

Other Enterprise Funds

Golf Fund – \$1.22 million

The Golf Course Fund accounts for all revenues and expenditures for the Twin Run and Potter's Park municipal golf courses. Primary sources of revenue for the golf courses include green fees, golf cart rentals, and concessions. Major capital improvements proposed for 2018 include:

- \$37,000 for miscellaneous capital improvements at golf courses such as cart path resurfacing (remaining bond proceeds from summer 2017 bond issuance)

Parking Fund - \$368,000

The Parking Fund accounts for revenues and expenditures associated with the operation of City-owned parking facilities.

Internal Services – \$11.35 million

Fleet Maintenance Fund - \$2.38 million

The Fleet Maintenance Fund is used to account for revenues and expenditures associated with the maintenance of the City's motor transport equipment by the Fleet Maintenance Division of the Department of Public Works.

Central Services Fund - \$8.47 million

The Central Services Fund is used to account for revenues and expenditures associated with interdepartmental costs of certain goods and services. The operations of the Economic Development, Strategy and Information, Resident Services, the City's Storeroom, and various shared functions between the City's Public Utilities are budgeted within this fund.

Trust and Agency – \$3,300

Unclaimed Monies Fund - \$2,500

The Unclaimed Monies Fund accounts for checks disbursed by the City that were never cashed.

Benninghofen Trust Fund - \$800

The Benninghofen Trust Fund accounts for investment revenues received and expenditures made from a charitable bequest made to the City by the Benninghofen family for the purpose of supporting those in need. The bequest may only be used to generate investment income.