

2016 General Fund Budget Document



January 25, 2016

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Robert E. Routson
Mayor

City of Monroe

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William J. Brock
City Manager

TO: City of Monroe Residents and Businesses

FROM: William Brock, City Manager

RE: Fiscal Year 2016 Budget

DATE: January 26, 2016

This document contains information on the City's Budget for Fiscal Year 2016, which covers the period from January 1, 2016 through December 31, 2016. The City's Annual Budget is a significant piece of legislation that reflects City Council's guidance for the future direction of the City's programming and services, as well as staff's recommendations and supporting documents such as the 2007 Strategic Plan.

The budget process takes many months to complete. We started this process in July with a public hearing regarding the tax budget. In December, City Council approved temporary appropriations for 2016, and that information is reflected in this document. I anticipate that this report will be amended several times in 2016 to reflect various adjustments and updated forecasts.

In light of continued economic growth in 2015 and predictions for strong revenue streams moving forward, the FY 2016 budget reflects a conscious shift towards a proactive approach to developing City services through increased staffing and programming. These staffing additions are based on the strategic vision and related staffing plan that were developed with the intent of effectively providing a consistent level of service while the community continues to grow. City leadership recognizes the need for fiscal health and revenue growth to balance the needs of the community and the responsible evolution of the organization that serves this City. The 2016 Budget balances those operational and fiscal needs.

This document is intended to provide a clear and concise overview of the general financial health of the City and the recommendations for the coming year. I hope this format allows for greater clarity in the process, more transparency for our citizens and businesses, and a better understanding of the responsibilities of each department. I encourage City Council, staff, and citizens to contact me at 539-7374 or cityhall@monroehio.org with any questions.

Sincerely,

William J. Brock, City Manager

2016 Budget and Five Year Forecast Overview

Just as with any home or business budget, the City’s annual budget is based on projected revenues and expenses. Conservative revenue estimates are based on historical data and anticipated changes based on factors such as the nature of the economy or legislative action. Expense estimates are likewise based on historical data, but they can also fluctuate due to major projects, emergency situations, or similar events. The City’s Five Year Forecast integrates actual data from three previous years with educated revenue/expense predictions and applies that information to the following five years. This document is updated quarterly and represents the starting point for budget discussions. The Five Year Forecast offers valuable insight into how budget decisions made today will affect the City in the coming years. The forecast is summarized below, and the complete forecast can be found in Appendix A.

General Fund Balance Summary (Updated 11/10/2015)					
Target Fund Balance - \$3,200,000					
	2013 (Actual)	2014 (Actual)	2015 (Estimated)	2016 (Estimated)	2017 (Estimated)
Beginning Cash	8,002,481	7,404,105	6,885,401	5,601,923	4,731,269
Revenues	9,567,062	9,704,175	11,604,372	10,793,623	11,194,561
Expenses	(10,165,438)	(10,222,880)	(12,887,849)	(11,664,278)	(11,687,298)
Unencumbered Cash Balance	7,404,105	6,885,401	5,601,923	4,731,269	4,238,532
Encumbrances	(330,089)	(318,962)	(350,000)	(350,000)	(350,000)
Available Cash Balance	7,074,016	6,566,439	5,251,923	4,381,269	3,888,532

The City’s Target Fund Balance is determined by City Council and represents the City’s reserve funds that can be used for funding major projects, mitigating future deficits, or addressing emergency situations.

The forecast presented above includes the increased staffing that is detailed in the following sections that further explain the budget by department. Please note that the data associated on the charts may vary slightly from the Forecast due to rounding.

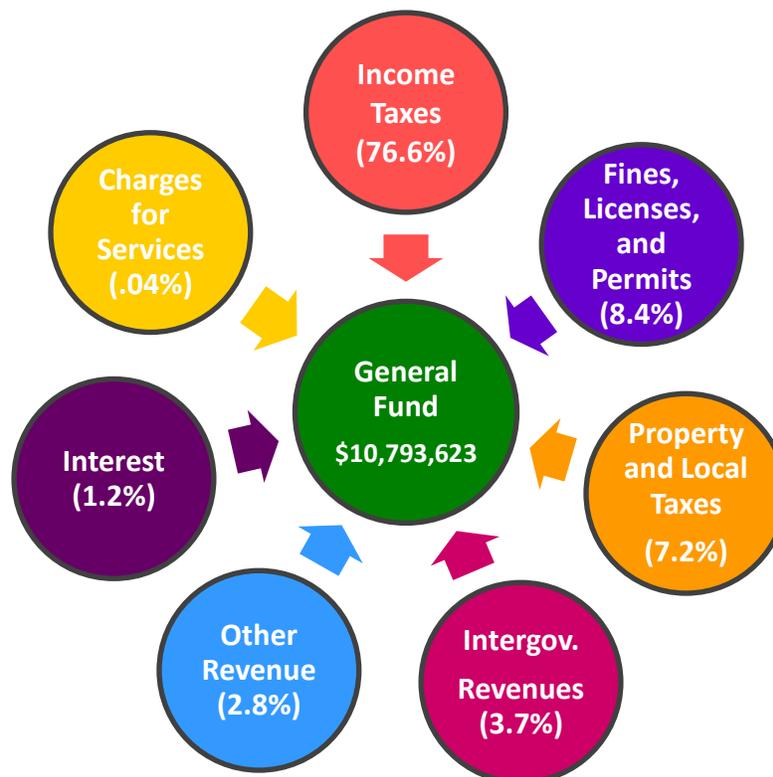
General Fund Revenue Sources

There are a variety of revenue sources that influence the City budget. Property and other local taxes, income tax, intergovernmental revenues, fines, and licenses/permits comprise the bulk of the revenue. In some years, there is additional short-term or one-time revenue due to a special agreement, development, reimbursement, or similar event. In addition, dedicated levies, utility payments, cemetery payments, and Tax Increment Financing (TIF)/Residential Improvement Districts (RID) funds also provide revenue for the City.

However, the General Fund acts as the primary fund for the City's daily operations and is the focus of this document. It contains revenue from a variety of sources (most notably income tax) and influences the budget of nearly every City department in some way.

For FY 2016, staff estimates that the General Fund revenues will be **\$10,793,623** as property tax projections continue stabilize after two years of decline (2013 – 2014), income tax revenue increases, prior year advances to other funds are repaid, and the Monroe-Turtlecreek Township JEDD surrounding the racino enters its second year.

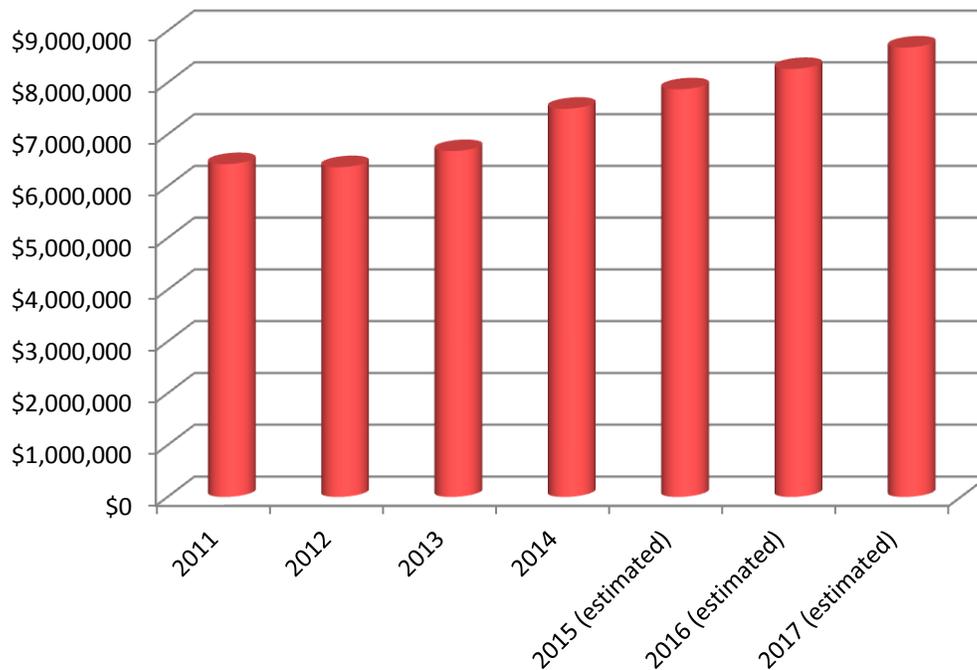
General Fund Revenue Sources by Category



Income Tax

Municipal income tax is the largest revenue source for the City. Businesses and employees working in Monroe and the Monroe-Turtlecreek Township Joint Economic Development District (JEDD) area are subject to a 1.5% income tax. (The income tax rate was increased from 1% to 1.5% in 2007. The JEDD was created in 2014.) As the economy generally declined during The Great Recession that started in 2008, local income tax growth occurred due to new development. Income tax revenue for the City is expected to remain strong in the near future as our industrial areas continue to see steady growth and development. The budget projects income tax revenue to be **\$8,266,038** in FY 2016.

Annual Income Tax Revenue



Fines, Licenses and Permits

The category of “Fines, Licenses, and Permits” is the second largest input into the General Fund. This group of revenue streams includes Mayor’s Court (fines), cable franchise/cell tower lease fees (licenses), building permits, and other miscellaneous items.

Property and Local Taxes

Property tax/local tax is the third largest part of the City’s revenues. Local taxes include the Admissions Tax and the Hotel/Motel Tax. The Admissions Tax was passed by City Council in 2010 and is a tax of 5% of the cost of admissions charges, some ticket sales, and similar purchases. The Hotel/Motel Tax is a tax of 3% on the room rates for overnight stays in the City.

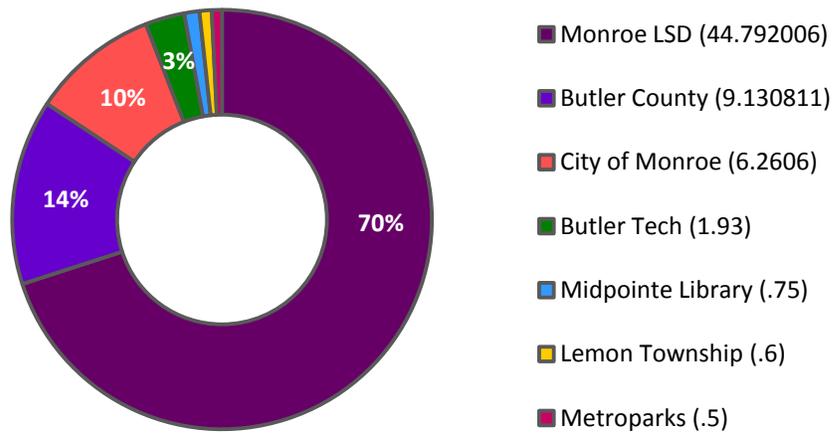
Property tax can be confusing to property owners trying to understand how their property tax payments are dispersed. Although the taxing amount (millage) varies somewhat throughout the City, the majority of the homes in Monroe are located in Butler County’s C18 taxing district, which had an effective residential millage rate of 63.963417 during Tax Year 2014. Of this millage rate, slightly less than 10% is

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directed to the City as revenue. The remaining funds are divided amongst the school districts and various levies.

The taxing rates for industrial, commercial and residential land vary according to type of property, County/location, and applicable levies. However, because the City's revenue from property tax is relatively small compared to the total property tax paid, the City also relies on building investment and commercial/industrial growth to support operations.

**Typical Residential Property Tax Distribution
(by mills)**



The City currently expects General Fund revenue from property taxes and other local taxes to be **\$776,479** in FY 2016.

Other City Revenue Funds

The City also has Restricted Use Funds and Enterprise Funds that may be used to supplement the General Fund in specific circumstances. Because there is very limited discretion in how these types of funds are expended, they are not the focus of this document. For general reference, more information on these funds can be found in Appendix B.

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Budget and Five Year Forecast Overview – General Fund Revenue Sources

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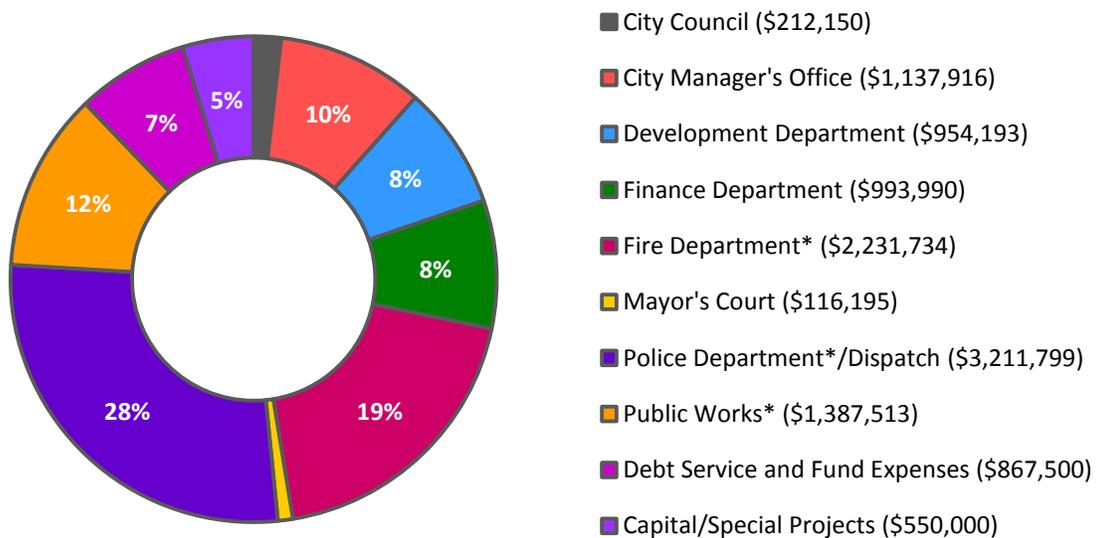
General Fund Expenses

The General Fund is the primary source of funding for the City’s administrative offices and departments. Nearly half of the General Fund is allocated to public safety; this includes the Police Department, Dispatch operations, and the Fire Department. The Police and Fire Departments are partially funded by transfers from the General Fund to supplement grants, contractual payments, and revenue generated by the various public safety levies.

City Council, the City Manager’s Office (including Human Resources, Economic Development, and Information Technology), the Development Department, the Finance Department, and Mayor’s Court are supported by the General Fund. This fund also includes the Buildings and Grounds function of the Public Works Department, as well as part of the Parks and Recreation function and transfers for some Street activities.

The chart below illustrates how the various departments are supported by the General Fund. Debt service and fund expenses are not caused by any one department, and as such, are represented separately.

2016 General Fund Expenditures by Department



** Partially funded by General Fund*

General Fund expenditures may also be categorized by use. The largest category, which is known as Transfers Out, contains transfers from the General Fund to supplement the Police, Fire, and Street funds because the various public safety levies and motor vehicle fees do not generate enough revenue to fund the departments. The second largest category, Operating Expenses, includes basic supplies/materials, memberships and professional services. Salaries

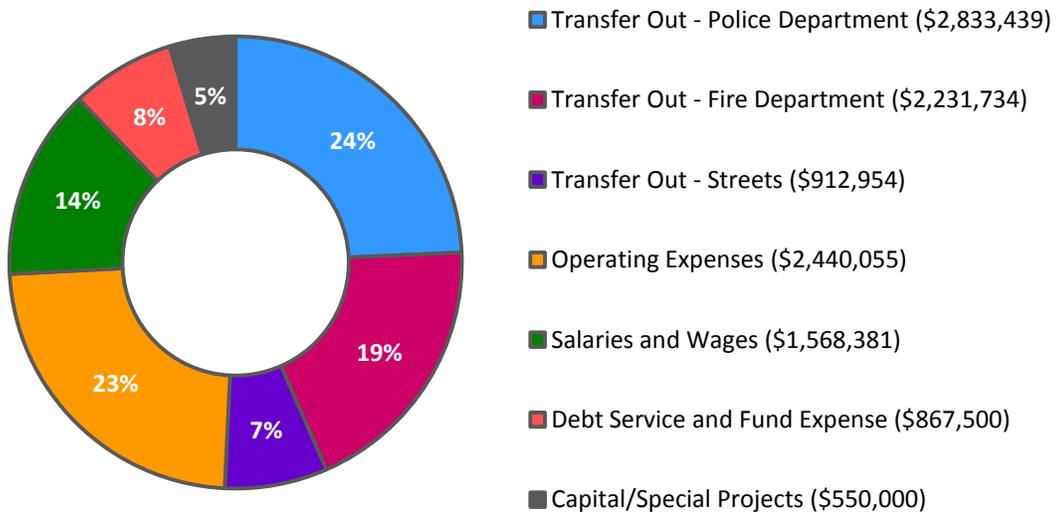
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Budget and Five Year Forecast Overview – General Fund Expenses

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and wages comprise approximately 14% of the General Fund expenditures. Capital Projects includes items that exceed \$5,000 and have a useful life of more than 5 years. (Note: Additional information on proposed capital projects will follow later in the budget review process. The \$550,000 allocated to Capital Projects is for the annual resurfacing contract only.)

2016 General Fund Expenditures by Type



Detailed information regarding expenditures in all operating funds for FY 2015 can be found on the City’s website using the OpenGov portal. Similar information for 2016 is not available online at this time due to the year-end close out of the City’s financial records. The FY 2016 information is expected to be posted in first quarter 2016.

Mayor and City Council FY 2016 Operating Budget

The Mayor and the City Council are responsible for determining the overall City policies and providing direction to the City Manager. City Council members are elected to staggered four-year terms, and the Council selects a Mayor and Vice Mayor from amongst themselves to serve a two-year term after every general election. City Council meets regularly on the second and fourth Tuesday of each month.

The operating budget for the Mayor and City Council includes wages and benefits for Council as well as three employees as follows:

Mayor and City Council	7
Law Director	1

The Law Director provides legal advice on matters before Council, including proper procedure during public meetings and contractual review of matters.

Budget Overview and Significant Changes

The City Council budget is funded entirely through the General Fund and supports regular Council activities.

Salaries and Benefits

	FY 2015 Budget	FY 2016 Budget
Salaries and Benefits	\$76,175	\$90,900

The increase in Salaries and Benefits is due to the 2014 salary increase approved by City Council to go into effect December 1, 2015.

Operating/Other Expenses

	FY 2015 Budget	FY 2016 Budget
Op/Other Expenses	\$91,750	\$121,250

The FY 2016 budget remains very similar to the FY 2015 budget. However, the FY 2016 budget includes an additional \$50,000 above normal levels to account for planning and purchases related to the City's upcoming bicentennial celebration.

City Manager's Office
Information Technology
Human Resources
Economic Development
FY 2016 Operating Budget

The City Manager position is the functional equivalent of the private sector's Chief Executive Officer position. In addition to providing administrative support to City Council, the City Manager is responsible for implementing the policies and goals as directed by City Council. The City Manager's Office is also responsible for a wide variety of activities related to the general management of the City, the administration of City programs, and the delivery of City services.

As of November 1, 2015, there were six employees in the City Manager's Office. These employees are as follows:

City Manager	1
Assistant to the City Manager	2
Administrative Assistant	1
Receptionist	1
Community Services Specialist	1

Note: The Information Technology staff member provided by the Butler County Educational Service Center (ESC) is not included in this staff count, although the employee reports to the City Manager's Office.

Department Programs and Services

The City Manager's Office services are organized into four categories: Human Resources, Information Technology/Social Media, Economic Development, and Administrative Support Services.

Human Resources

Human Resources is responsible for issues related to employee relations, including pre-employment testing and drug screening, benefits coordination, and personnel policy administration. There are currently 103 full time employees with a varying number of seasonal and part-time employees working for the City of Monroe.

Information Technology/Social Media

The majority of the support for the City's technology infrastructure is provided by a contract with the Butler County Educational Services Center (ESC). This annual contract starts on the school district's fiscal year and was initially approved in 2012. ESC staff is responsible for maintaining the City's IT systems, including servers, email service, and hardware/software.

Economic Development

The economic development efforts within the City Manager's Office include responding to potential new business leads, coordinating local and state incentives, and administering the City's business retention and expansion program.

Administrative Support Services

The City Manager's Office also provides administrative support services through records retention activities, public meeting room scheduling, and utility/building permit intake.

Department Budget Overview and Significant Changes

The City Manager's Office and its related activities (Information Technology/Human Resources/Economic Development) are funded entirely through the General Fund.

Salaries and Benefits – City Manager's Office

	FY 2015 Budget	FY 2016 Budget
Salaries and Benefits	\$67,000	\$74,853

The budget includes the addition of an Assistant City Manager. The ACM will allow the City Manager's Office to implement several programs that are included in the overall management plan. The ACM will specifically manage the development of a Benchmarking and Performance Measurement program and the implementation of Performance Based Budgeting. Each of these programs are designed to use data to more effectively manage and communicate need in all functional areas. The addition of staff will also allow the City to expand on existing programs such as wellness, contract management and public information/transparency initiatives.

With the growth of the department and a focus on coordination of projects, the office is reviewing the need to restructure offices once again to be in one spot, rather than being dispersed throughout the building. This will allow for better communication among team member and a more efficient work environment.

Operating/Other Expenses – City Manager's Office

	FY 2015 Budget	FY 2016 Budget
Op/Other Expenses	\$402,950	\$426,000

There are no major increases to operational expenses within the City Manager's Office area. While we will be moving into new project areas, such as Performance Based Budgeting, building our web presence and building new programs for citizen engagement and community events, we do not anticipate a need for additional funding for these items.

Operating/Other Expenses – Information Technology

	FY 2015 Budget	FY 2016 Budget
Op/Other Expenses	\$125,000	\$127,500

Currently, Information Technology costs are allocated to various departmental budgets. As the budget process continues, these items will be brought under the Information Technology budget in the City Manager's Office.

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Salaries and Benefits – Human Resources

	FY 2015 Budget	FY 2016 Budget
Salaries and Benefits	\$196,600	\$200,532

The salary and benefits budget line item for Human Resources does not include any direct salaries. Instead, this budget entry includes City-wide benefits such as the employee wellness program and workers compensation.

Operating/Other Expenses – Human Resources

	FY 2015 Budget	FY 2016 Budget
Op/Other Expenses	\$117,500	\$99,500

The Human Resources operating budget reflects an overall decrease, but the budget line item for legal expenses was increased to prepare for contract negotiations with IAFF.

Salaries and Benefits – Economic Development

	FY 2015 Budget	FY 2016 Budget
Salaries and Benefits	\$63,556	\$65,463

There are no staffing changes planned for Economic Development at this time.

Operating/Other Expenses – Economic Development

	FY 2015 Budget	FY 2016 Budget
Op/Other Expenses	\$145,500	\$88,500

There are no major operational changes planned for Economic Development. In 2016, staff will continue to focus on encouraging commercial development and expanding business retention efforts.

Development Department FY 2016 Operating Budget

The Development Department is responsible for the planning, zoning, and building department functions of the City. In addition, the Department provides mapping and related geographic information systems (GIS) support to all City departments.

As of November 1, 2015, there were two employees in the Development Department. These employees are as follows:

Director of Development	1
Planner	1

Department Programs and Services

The Development Department services can typically be categorized into six categories: planning activities, zoning administration, board/commission support, building department contract management/support, property maintenance, and geographic information systems (GIS) maintenance.

Planning Activities

The Development Department is responsible for planning the future growth of the City through a variety of tools, including the City's Comprehensive Plan, the Planning and Zoning Code, specialized studies and engagement with surrounding jurisdictions. As part of the planning function in the department, staff also seeks grants and financing mechanisms for projects related to community development.

Zoning Administration

The City's current Planning and Zoning Code was adopted in December 2013, although there were periodic updates throughout 2014 and 2015 to clarify various Code provisions. The Director of Development, acting as the Code Enforcement Officer, is responsible for writing new regulations and administering the Planning and Zoning Code, which includes ensuring that prospective commercial and industrial developments are meeting appropriate development standards set by the community. Development staff also approves and review various zoning applications ranging from all residential homes to new fences or accessory structures.

Board/Commission Support

Planning Commission, which is a five member board appointed by City Council, is also responsible in part for planning future development in the City. Although Planning Commission often applies Zoning Code provisions to proposed new commercial and industrial developments, Planning Commission also is responsible for actions such as making recommendations for Zoning Code text amendments, hearing appeals regarding minor subdivision decisions by the Code Enforcement Officer, and determining if a conditional use is permitted.

The Board of Zoning Appeals (BZA) has different responsibilities than Planning Commission, though they may both be involved in a case. BZA is a more formalized five member quasi-judicial board appointed by City Council that is responsible for hearing certain appeals of Planning Commission's decisions and permitting variances from the Zoning Code if appropriate.

The Development Department staff prepares and presents staff reports, recommending approval, denial or appropriate alternatives for both Planning Commission and the Board of Zoning Appeals. Staff is also responsible for following up on the Commission's or Board's decisions and relaying that information to the appropriate parties.

Building Department Contract Management/Support

The City does not operate its own building department; instead, National Inspection Corporation (NIC) provides building department services for the City's residential, commercial and industrial spaces under a contract that was negotiated in 2010 after an open-bid process and has since been amended to reflect development trends in the City. The Development Department is responsible for negotiating the contract when necessary and handling the administrative details associated with the contract such as making payments to the company from building permit and inspection receipts and reporting building permit activity to the state and relevant county agencies. Although the Development Department has the primary responsibility for the building department contract, staff members from the City Manager's Office currently assist with the intake and processing of building and zoning applications, fees, and issued building permits as part of their duties at the reception desk.

Zoning Violations and Property Maintenance

Zoning Violations and Property maintenance in the City is addressed under Planning and Zoning Code and the International Property Maintenance Code. Due to staffing constraints, the City does not have a dedicated zoning enforcement/property maintenance staff person charged with finding violations. Instead, concerned parties are encouraged to contact the Development Department with issues. If the complaint is regarding high grass, the address is forwarded to the Public Works Department for their review. However, a staff member from the City Manager's Office typically will investigate the complaint and mail a violation letter to the property owner, if appropriate. The Development Department staff manages the processes and may need to be involved due to a Zoning Code or Property Maintenance Code interpretation, history of the property, or other similar factors.

Geographic Information Systems (GIS) Maintenance

Although other departments use the GIS system, the Development Department has the most familiarity with the system, and other departments often request mapping assistance. Additionally, programs such as the online City map are handled through the Development Department.

Department Budget Overview and Significant Changes

The Development Department's payroll and operating budget is comprised entirely of funds from the City's General Fund, although there are periodic project-specific external grant opportunities.

Salaries and Benefits

	FY 2015 Budget	FY 2016 Budget
Salaries and Benefits	\$184,500	\$236,493

The FY 2016 budget includes replacing the City Manager's Office reception staff that also functions as a limited part-time Property Maintenance/Zoning Inspector with a full-time Code Enforcement Officer. The Code Enforcement Officer will be responsible for reviewing residential and commercial/industrial construction projects to ensure compliance with our Zoning Code. In addition, the Code Enforcement Officer further improves the customer service aspect of the Development Department's operations by being a consistent point of contact for residents and businesses that have questions about how the Zoning Code and Property Maintenance Code may affect them.

Having a full-time Code Enforcement Officer will allow the City Manager's Office/Community Services Specialist more time to directly assist walk-in customers or take phone calls. Additionally, the Development Department Director and Planner will be able to focus more on the planning aspects of City operations rather than the daily inspections and reviews. The anticipated 2016 planning projects that would require a substantial amount of staff time from the Director and Planner are noted in the following section on Operating/Other Expenses.

Operating/Other Expenses

	FY 2015 Budget	FY 2016 Budget
Op/Other Expenses	\$494,200	\$717,700

The FY 2016 budget includes reduced operating expenses. However, it is not unusual for the department's operating expenses to increase throughout the year. This is because the department's largest line item is the account that National Inspection Corporation, the City's third-party building services provider, is paid from. For each building permit, 30% of the revenue is allocated to the City and 70% is paid to NIC. This operating expense may be increased periodically during the year to accommodate payments to NIC owed due to increased development within the City. At this time, the City is anticipating issuing permits for average residential growth, limited commercial development, and one large industrial building in 2016.

In comparison to the department's 2015 budget, the 2016 budget includes increases to consultant fees to address planning concerns with the old school facility and downtown area. The budget also takes into consideration projects associated with identifying potential new uses for the former

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Development Department

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Americana/Couch's Campers site and connecting the Great Miami River trail system through Monroe to the existing trailheads in Trenton and at Rentschler Forest.

Finance Department FY 2016 Operating Budget

The Finance Department is a process-driven department with a wide variety of fiscal responsibilities including forecasting, account management, and reporting.

As of November 1, 2015, there were nine positions in the Finance Department. These employees are as follows:

Director of Finance	1
Asst Finance Director	1
Income Tax Auditor	2
Finance Specialist	2
Utility Billing and Collection Specialist	1
Administrative Support Clerk	1

Department Programs and Services

The Finance Department services can be categorized as follows:

Budget Tracking

The Finance Department produces the various budget documents on a monthly, quarterly, and annual basis. This includes the Tax Budget, 5 year Forecast, monthly budget reports, and other reports as requested by City Council or City staff. In 2015, the City expanded transparency by using the OpenGov platform to display budget information on the City website.

Committee Assistance

Department staff assists City Council's Finance Committee, the City's Tax Review Council, and the Audit Committee. The Finance Committee meets regularly on a monthly basis to review the financial reports of the City. The City's Tax Review Council is available in the event that someone appeals a decision from the Income Tax Commissioner or if changes are needed to the City ordinance that regulates income tax. The Tax Review Council will likely be more active in 2016 during implementation of state-required changes to municipal income tax policies. The Audit Committee typically meets quarterly, but sometimes more frequently as needed and is an independent authority that acts as a liaison between City staff and external auditors. The Audit Committee has historically been more active during the time when the City was in fiscal emergency.

Income Tax Collection

The income tax collection cycle runs throughout the year. The majority of individual and business returns are filed in April; however, those accounts with Federal extensions or those that operate on a fiscal year are filed at other times. Revenue is collected throughout the year as well. The largest collection month is April due to the large amount of tax filings received; however, in addition to balance due payments, the tax department also receives withholding and estimated tax payments. Withholding

payments are typically submitted monthly by local businesses. Estimates are paid quarterly from residents who do not have enough local tax withheld from their earning throughout the year. In addition, staff consistently pursues delinquent individual and business accounts.

Purchasing and Account Payables

A Finance Specialist reviews requisitions submitted by all City departments for correct account coding and compliance with the purchasing policy and then converts them to purchase orders. Additionally, the vendor file is continually maintained and updated to facilitate department purchasing needs, as well as Federal compliance. All payments including invoices, check requests, refunds and reimbursements are processed by the Finance department.

The City recognizes that utilizing current technology for both purchasing and payables is more convenient and cost effective. Over the past year, staff has encouraged vendors to receive EFT payments rather than paper checks. This reduces staff time to process the payments and also allows the vendor to receive their payment much faster and more secure than getting a check through the mail. By the same token, all departments utilize the purchasing card program that the Finance staff administers. The purchasing card streamlines the purchasing process for the departments as well as the Finance staff. The time required to request and process a purchase order is eliminated. In addition, better detailed information on purchases is received and uploaded to the financial software further eliminating manual entry and potential for error.

Payroll Processing

Staff processes payroll on a bi-weekly basis (26 pay periods annually) for employees and monthly (12 pay periods annually) for Council and the City Law Director. In addition to processing the direct deposit file and advices (paychecks), payments and corresponding reporting must be submitted to vendors for all deductions such as taxes, pension, and insurances. Any changes to employee records are updated by the Finance staff as received and deductions are routinely balanced between invoices received and amounts withheld during the payroll.

A significant amount of time in 2015 has been spent implementing and training all City staff on Employee Self Service (ESS). ESS is an online portal where employees can submit leave requests, enter timesheets, and update personal information. ESS also gives the employee access to current accrual balances, deduction information, paystubs, and W-2s. Starting with the open enrollment process for 2016, employees will use ESS to make their insurance benefit selections as well.

Reporting

The Finance Department regularly creates reports for internal and external use. In addition to these monthly and quarterly reports, the Finance Department also prepares the Comprehensive Annual Financial Report (CAFR). Monroe's CAFR is routinely recognized by the Government Finance Officers Association (GFOA) for excellent reporting.

Revenue Management/Treasury

The Finance department is responsible for properly recording and safekeeping all revenue received by the City as well as balancing the investment of funds with estimated cash flow requirements. Staff processes deposits and reviews bank activity daily to ensure there are sufficient balances available to

meet current expenditure needs. Excess funds are invested in various instruments as prescribed in the City's Investment Policy in order to earn interest while maintaining limited risk.

Software Management

The City uses MUNIS, a financial software program with various modules that can be used across departments. Staff administers the software, which includes: the set up of new users, granting and managing security permissions, troubleshooting errors, assisting and training City staff on functionality, and implementing new modules and upgrades. The online modules, Employee Self Service (ESS) and Citizen Self Service (CSS), were fully implemented in 2015. The work order module and fixed asset modules are currently under implementation and expect to go live in the spring of 2016. An overall system upgrade to version 11 is scheduled for 2016 as well.

TIF (Tax Increment Financing) and RID (Residential Improvement District) Management

The City uses TIFs and RIDs to facilitate development by creating a revenue stream dedicated to assisting with projects affecting those areas. Each of the thirty districts created under these programs has to be carefully tracked and reviewed regularly to ensure that funds are being allocated correctly.

Utility Billing

Although utility projects and management typically fall under the Public Works Department, utility billing is part of the Finance Department. The City distributes and collects the bills for water, sanitary sewer, storm water, and trash collection on a monthly basis. Customer service is a large part of the staff's time: assisting residents with billing question, notifying residents of high usage and consulting on probable causes, scheduling appointments for meter service or leak detection, researching usage history, and coordinating service start and stop requests. Delinquent accounts are continually pursued on a weekly basis. Any unsuccessful collection attempts are assessed annually through the County Auditor on the property's real estate tax bill.

Staff spent a considerable amount of time at the end of 2014 and beginning of 2015 to implement the Citizen Self Service (CSS) portal. CSS gives residents access to their current and historical utility billing information as well as the ability to make payments online. Additionally, staff implemented a paperless billing option for our residents as well.

Department Budget Overview and Significant Changes

The Finance Department's budget source is primarily the City's General Fund, although the Utility Billing and Collection Specialist position and half of the Administrative Support Clerk position are funded from various Enterprise Funds and are not reflected in the numbers below.

Salaries and Benefits

	FY 2015 Budget	FY 2016 Budget
Salaries and Benefits	\$229,062	\$410,890

The FY 2016 budget reflects potential changes in both the City Manager's Office and the Finance Department. As indicated previously in the budget document, the City Manager's Office is proposing to promote the current Finance Director to the Assistant City Manager position, creating a vacancy for the existing Finance Director position. The FY 2016 budget proposes filling that position with a new Finance Director. By filling the Assistant City Manager and Finance Director positions in this manner, the two positions will be able to coordinate on projects until the new Finance Director is thoroughly familiar with the City's systems and practices.

Although not included in the FY 2016, the proposed 2017 budget will likely include a recommendation for a new Comptroller position in the Finance Department. By having an internal Comptroller, financial data will be updated more frequently and monitored more consistently. Furthermore, a Comptroller would be able to provide analytical support for the Finance Director by aggregating data efficiently; in turn, the Finance Director would be able to spend more time reviewing and analyzing data to make policy or procedure recommendations rather than simply putting the information together.

Operating/Other Expenses

	FY 2015 Budget	FY 2016 Budget
Op/Other Expenses	\$492,454	\$583,100

At this time, there are no major operational changes anticipated for the Finance Department in FY 2016. However, the implementation of HB5 will increase operating costs in the Income Tax division as well as reduce revenue. While a loss of revenue is certain, the Bill's large amount of variables have made estimating an actual amount impossible. The department anticipates closely monitoring/analyzing our revenue collections as well as continuing to focus on conservative fiscal management as the City experiences the actual impact of HB5.

Fire Department FY 2016 Operating Budget

The Fire Department is responsible for responding to emergencies throughout the City. This includes both fire calls and paramedic/EMT calls. The Fire Department has two facilities – Station 62 is the Fire Headquarters and is located on Route 4 and Station 61 is located on South Main Street.

As of November 1, 2015, there were thirty-five employees in the Fire Department. These employees are as follows:

Fire Chief	1
Assistant Fire Chief	1
Lieutenant	3
Firefighter/Paramedic/EMT	30

Department Programs and Services

The Fire Department services can typically be categorized into two main categories – Administration and Operations.

The Administration category includes the Chief, Assistant Chief, and Captain, and is responsible for general management, program implementation, inspections, investigations, training schedules, purchasing, and planning for the future of the department.

The Operations category includes the Shift Lieutenants, fire, EMS and special operations (hazardous materials, technical rescue, etc.) staff. Within Operations, public education and public relations such as company familiarization tours, fire extinguisher training, car seat installation, birthday party scheduling, and school outreach programming are managed by the hourly employees.

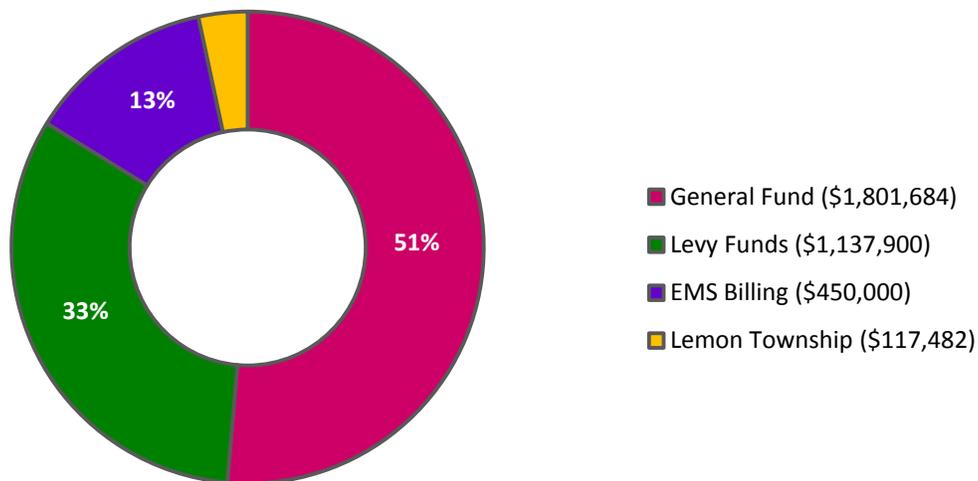
Community Paramedicine, which is a recently implemented Fire Department program that is intended to reduce the demands on the Fire Department’s emergency services by being more proactive with at-risk populations, is currently being managed by both Administration and Operations. This is discussed further in the staffing recommendations in the following section.

Department Budget Overview and Significant Changes

The Fire Department is funded by a public safety levy that was passed in 1989, a public safety levy that was passed in 2005, revenues collected from charges for service, and various grants. Revenue is also generated by a contract for service with Lemon Township.

The 2016 revenue sources for the Fire Department are projected to be as indicated in the chart below. It should be noted that the Grants/Other category may be misleading. This category is estimated to be \$0 based on grant commitments at this time and is not represented on the chart. However, grant revenue was \$47,287 in 2013 and \$53,217 in 2014. The 2015 grant fund numbers are not available at this time, but the City expects the 2015 and 2016 grant revenue to be comparable to previous years.

2016 Fire Department Revenue Projections



Salaries and Benefits

	FY 2015 Budget	FY 2016 Budget
Salaries and Benefits	\$3,298,461	\$3,507,065

Although the Fire Department anticipates the need for an Administrative Assistant in future years, the FY 2016 budget includes an Administrative Captain's position as an immediate necessity. This position was filled until approximately three years ago when it was placed on hold due to financial constraints. Delegating the duties of this position to various staff members has proven to be very inefficient and difficult due to conflicts between the staff's 24/48 schedule and the need to complete projects on a more traditional work week. In some situations, the City has had to pay overtime to cover meetings and projects; this overtime can be avoided by assigning those projects to the Administrative Captain.

This Captain position would be filled from the current ranks as a promotional opportunity, which will create a vacancy of one position in the Firefighter/EMT/Paramedic rank that will need to be filled. The **FY 2016 Budget Document**

Administrative Captain’s duties would include overseeing and cultivating the new Community Paramedicine Program and developing a standardized departmental training program to ensure that the employees have consistent and timely training. As the Fire Department moves towards being accredited by the Commission on Fire Accreditation International and implementing professional performance and efficiency standards, the departmental training program is even more important. The Captain would also be responsible for overseeing the City’s annual fire inspection program. As the local business base continues to grow, the existing command staff is having difficulty effectively completing all of the annual fire inspections and required follow up meetings while also attending to administrative duties.

The budget also includes three additional Lieutenant positions. These positions are promotional opportunities and would be filled internally through the standard personnel testing procedure. There is currently limited supervision at the fire houses during certain times; this is particularly true of the Route 4 fire station. Creating these positions would increase the supervision at the facilities, which will improve employee accountability, ensure that rules/regulations are followed, and provide a way to handle routine matters in a timely manner.

Operating/Other Expenses

	FY 2015 Budget	FY 2016 Budget
Op/Other Expenses	\$425,250	\$430,050

While there are no planned changes to operational areas in 2016, it should be noted that the Community Paramedicine Program is still very new and will require substantial time and adjustments as it grows.

Mayor's Court FY 2016 Operating Budget

Mayor's Court is responsible for adjudicating traffic, criminal, and parking cases that are charged under the City's municipal codes.

As of November 1, 2015, there is one employee in Mayor's Court, as follows:

Clerk of Courts	1
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Department Programs and Services

Police officers in Monroe may assign court cases to various local court systems – Monroe's Mayor's Court, Area II Court, or Lebanon Municipal Court. (When Monroe's police department provided services in Lemon Township, Middletown Municipal Court was also an option.) Cases are assigned to court systems depending on the location where the offense occurred, the nature of the offense and the defendant's criminal history.

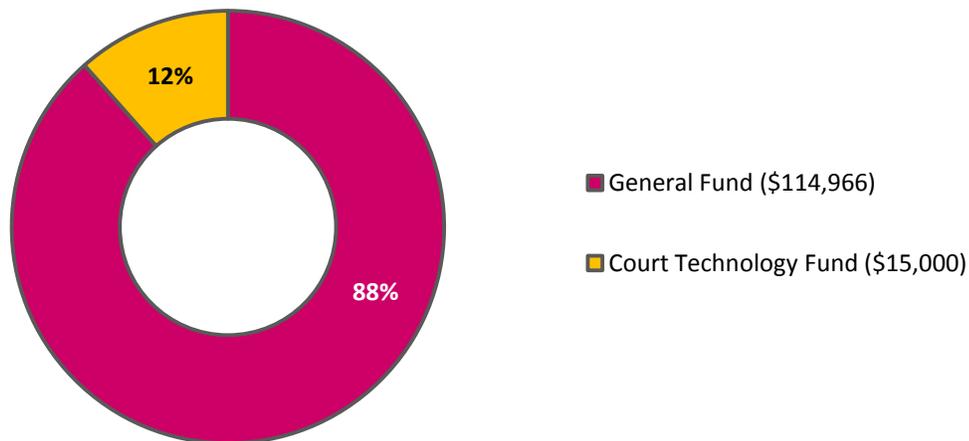
Generally, in addition to parking citations issued in the City, Mayor's Court can also hear the following cases:

- Driving Under the Influence (OVI), as long as it is the defendant's first offense for OVI or their first offense within the last six years,
- Driving Under a Financial Responsibility Act (FRA) Suspension and Driving Under an OVI Suspension, as long as the defendant has not been previously convicted of the same offense within the last six years, and
- all criminal cases except for felonies, domestic violence, and protection order violations.

Department Budget Overview and Significant Changes

The Mayor's Court budget sources are the City's General Fund and the Court Technology Fund. The Court Technology Fund receives revenue from a \$10 fee assessed on each court case and can only be used for technology-related expenditures such as software, computer equipment, and bank fees.

2016 Mayor's Court Expenses by Source



Because this budget document only addresses the General Fund, the Court Technology Fund is not included in the charts below.

Salaries and Benefits

	FY 2015 Budget	FY 2016 Budget
Salaries and Benefits	\$93,000	\$95,790

There are no staffing changes proposed for FY 2016 in Mayor's Court.

Operating/Other Expenses

	FY 2015 Budget	FY 2016 Budget
Op/Other Expenses	\$18,800	\$20,405

There are no major operational changes proposed for FY 2015 in Mayor's Court. In 2016, staff will continue to seek ways to integrate technology into the courtroom and back office functions, such as records management and online payments.

FY 2016 Budget Document

Mayor's Court

January 25, 2016

Police Department
Dispatch (Communications Center)
FY 2016 Operating Budget

The Police Department is responsible for responding to calls for service throughout Monroe, and Dispatch is responsible for handling the incoming 911 and non-emergency calls (as well as lobby walk-ins).

As of November 1, 2015, there were thirty-five employees in the Police Department and Dispatch. These employees are as follows:

Chief of Police	1
Lieutenant	2
Sergeant	3
Full time Patrol Officer	19
Part time Patrol Officer	1
Police Reserve	1
Secretary	1
Dispatcher II	5
Dispatcher I	2

Department Programs and Services

Police Department services can typically be categorized into two categories, Operations and Support Services. The Operations Division involves the patrol operations, while the Support Services Division includes equipment and technical infrastructure support, as well as department's investigations (detective) unit and Communications Center.

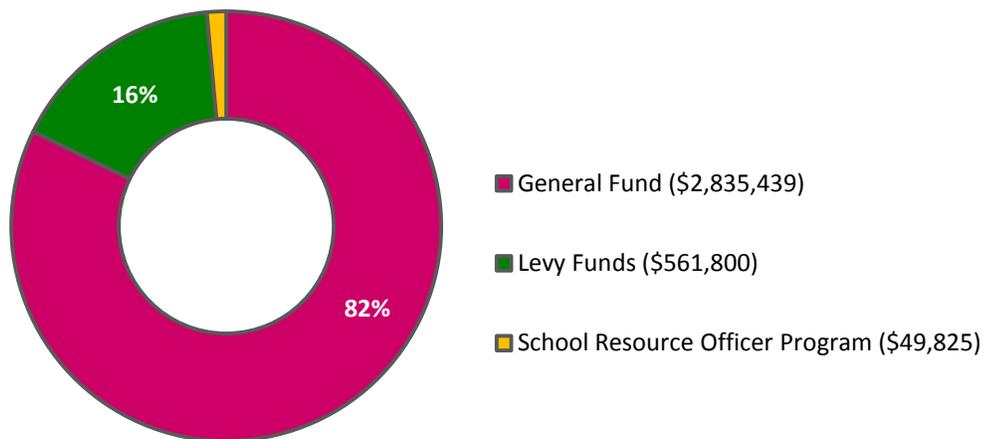
Within this basic framework, the Police Department provides special services such as bike patrol, honor guard, SWAT tactical assistance, and DARE/School Resource Officer programming. Local emergency call dispatching through the Communications Center is also part of the City's public safety operations.

Department Budget Overview and Significant Changes

While Dispatch (Communications Center) operations are funded through the City’s General Fund, most police-related services are funded by a 1989 police levy, transfers from the General Fund, and various grants. Previously, the Police Department also received revenue from a contract to provide police services in Lemon Township. However, that contract expired at the end of 2014.

The 2016 revenue sources for the Police Department (not including Dispatch) are projected to be as indicated in the chart below. It should be noted that the Grants/Other category may be misleading. This category is estimated to be \$2,000 based on grant commitments at this time and is too small to be represented on the chart. However, grant revenue was \$86,687 in 2013 and \$61,340 in 2014. The 2015 grant fund numbers are not available at this time, but the City expects the 2015 and 2016 grant revenue to be comparable to previous years.

2016 Police Department Revenue Projections



Salaries and Benefits – Police Department

	FY 2015 Budget	FY 2016 Budget
Salaries and Benefits	\$2,596,352	\$2,708,758

In FY 2016, the Police Department would like to hire two full-time police officers. This would bring the total number of police officers to a level that is one more than the 2009 level. Having two additional police officers would allow the department to be more proactive in their operations, particularly on the east side of the City where the majority of traffic, retail theft, and traffic accidents. These officers would also make it easier for the Police Department to address the ongoing hotel prostitution complaints and drug task force issues that the department currently does not have the manpower to adequately address.

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The Police Department also intends to emphasize patrol and community outreach initiatives that directly affect the residents and businesses. One of the positions would allow the department to bring back the community oriented policing officer who works closely with businesses and residential community members to development crime prevention initiatives.

Operating/Other Expenses – Police Department

	FY 2015 Budget	FY 2016 Budget
Op/Other Expenses	\$643,764	\$738,333

The FY 2016 operating budget includes several major projects including leasing a critical incident/crime scene command vehicle, maintaining the general property room, acquiring speed measuring equipment, and additional purchasing equipment and training for additional staff. Also, the department intends to work with an international accreditation organization to become an accredited agency. By doing so, the department would be taking steps to adopt the most current industry standards for law enforcement, identify risks, implement mitigation strategies, increase transparency and increase the efficiency of services. However, due to reductions in other areas of the department’s operating budget, the FY 2016 operational budget only increases by 14.6%.

Salaries and Benefits – Dispatch (Communications Center)

	FY 2015 Budget	FY 2016 Budget
Salaries and Benefits	\$282,000	\$290,460

There are no anticipated staffing changes for FY 2016. However, the FY 2017 budget proposal will possibly include a recommendation to hire two full-time dispatchers for the Communications Center. This would bring the staffing back to 2009 levels.

Operating/Other Expenses – Dispatch (Communications Center)

	FY 2015 Budget	FY 2016 Budget
Op/Other Expenses	\$129,750	\$87,900

The City’s Dispatch operations should see a reduction in overall operating expenses due completing various technology upgrade projects in 2015.

Public Works Department
Buildings and Grounds
Park and Recreation
Streets
FY 2016 Operating Budget

The Public Works Department is responsible for maintaining many of the City’s physical assets, including land, and providing engineering support services to several other City departments. In addition, the department engages in public programming such as parks activities and citizen outreach.

As of November 1, 2015, there were nineteen in the Public Works Department. These employees are as follows:

Director of Public Works	1
Engineering Technician	1
Street Superintendent	1
Utilities Crew Leader	1
Street Crew Leader	3
Operator/Laborer II	11
Administrative Assistant	1

Department Programs and Services

The Public Works Department services are organized into eight categories: Cemeteries, Parks and Recreation, Physical Facilities, Engineering Review and Inspections, Property Maintenance, Storm Water, Street Maintenance, and Water. In 2015, the City started the process to move the manual work order system that staff uses to prioritize projects throughout each division to a more efficient software-based system that coordinates with the City’s payroll system. The new work order system is expected to launch in early 2016 and will increase communication with residents, enable crews in the field to better track their work, and allow for more detailed accounting of the use of equipment and materials.

Cemeteries

The Public Works Department is responsible for preparing the burial site for interment, completing the burial, maintaining the cemetery grounds, and plowing the cemetery roads during inclement weather. Mowing and weed control applications are contracted out to a third party. Public Works prepared forty burial sites in 2014, and the cemeteries have approximately 3,300 remaining lots available for sale.

Parks and Recreation/Park and Recreation Board

The City’s six parks are maintained by Public Works crews. This includes regular activities, such as mowing and facility/equipment maintenance. Park management is also part of the Public Works Department’s responsibilities. Programming efforts include contract administration with local leagues,

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activities such as the Movie in the Park series, and planning and staff support for major events such as Light up the Sky.

The Public Works Department also serves as staff assistance to the City's Park and Recreation Board. The five members of Park Board are appointed by City Council for five year terms. The Board is responsible for guiding how the park system's assets are used and approving programming/activities. A park system master plan will be completed in early 2016. The master plan will include a Capital Improvement Plan (CIP) that is intended to guide the City's financial investments in the parks and recreation facilities. The CIP is based on recommendations from the master plan's steering committee, which was comprised of residents, businesses, City staff, and community organizations.

Physical Facilities

The City has ten separate facilities: the City Building, the Public Works Building, two Fire Departments, the decommissioned Water Plant, the Water Division's offices adjacent to the Water Plant, the storage facility at the entrance to Community Park, and three water towers. Public Works maintains these structures and supports staff in the facilities through various work order requests, administering the janitorial contracts, and overseeing major facility improvements.

Engineering Review and Inspections

The Public Works Department conducts engineering review for all site plans (including residential homes and commercial/industrial buildings) and infrastructure projects. Additionally, Public Works regularly inspects right-of-way projects such as culverts or utility lines and construction projects such as sump lines and sidewalks. The staff that handles engineering review and inspections is also responsible for working with the City's geographic information systems (GIS) files as needed.

Property Maintenance

Property maintenance complaints are typically made by concerned citizens through the City Manager's Office or Development Department. However, in the event that the property owner does not remedy the violation, the Public Works Department may need to mow the high grass, remove trash, or conduct other similar activities. Recently, the Public Works Department handled sixty high grass cases in 2014.

Street and Storm Water Maintenance

Street maintenance is one of the most visible responsibilities of the Public Works Department throughout the year. Street repair, ditch and right-of-way improvements, mowing, sign installation, and plowing comprise the majority of the street department's activities. Public Works typically has an annual resurfacing budget of \$550,000 to continue to improve the condition the roads. Large scale infrastructure improvement projects are also part of Public Works' responsibilities from the design and bidding phase through construction and inspection.

Water

Although the City decommissioned its water plant in 2012, the City still maintains the water distribution system. In 2015, the City brought online a new 1 million gallon water tank at the corner of SR 63 and Cincinnati-Dayton Road as part of the water distribution system. Employees in the water division of the Public Works Department are responsible for water meter inspections, water service shut-offs, and water distribution system maintenance. The Public Works Department also negotiates and administers the water purchase program with Butler County.

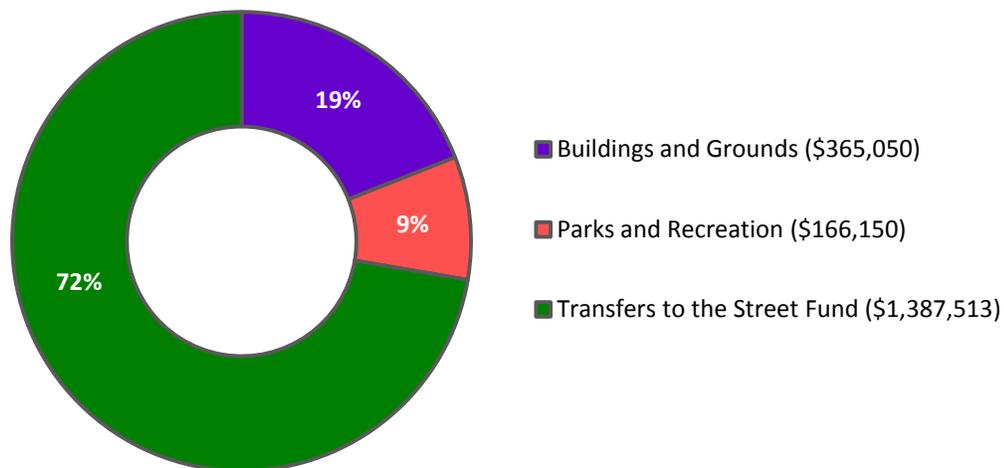
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Departmental Budget Overview and Significant Changes

The Public Works Department is funded by the General Fund, Special Revenue Funds, and Utility Enterprise Funds.

The Buildings and Grounds function of the Public Works Department is managed entirely through the General Fund. Parks and Recreation is partially funded through the General Fund, in addition to the Park Improvement Fund (which is a Capital Project Fund). The Street Fund is comprised of three Special Revenue Funds – the Street Fund/State Highway Fund and the Motor Vehicle License Fund. However, the Street Fund is also supplemented by transfers from the General Fund.

2016 General Fund Expenditures for Public Works Budget



Salaries and Benefits – Buildings and Grounds

No General Fund money is allocated to salaries and benefits for the Buildings and Grounds function.

Operating/Other Expenses – Building and Grounds

	FY 2015 Budget	FY 2016 Budget
Op/Other Expenses	\$313,250	\$365,050

There are no major operational changes planned for Buildings and Grounds in 2016; funds will continue to be used for maintenance of the City buildings (including the I-75 interchange) and paying the City's

utilities. Over the next year, staff in this area will focus on demolishing the existing Water Treatment Facility and reviewing the cleaning contract to possibly re-bid these services.

Salaries and Benefits – Parks and Recreation

	FY 2015 Budget	FY 2016 Budget
Salaries and Benefits	\$100,000	\$103,000

There are no anticipated changes to the staffing allocated to Parks and Recreation at this time.

Operating/Other Expenses – Parks and Recreation

	FY 2015 Budget	FY 2016 Budget
Op/Other Expenses	\$71,750	\$63,150

In 2016, there will be a slight reduction in overall operational expenses due to completing various upgrade projects during 2015. For example, the cost of sealing the parking lots in Community Park and Monroe Crossings Park was included in the operating budget over the past two years; these projects are now complete. Staff also completed several storm system improvements at both parks, and some of these improvements were previously included in the operating budget. Since all of these projects are now complete, the budget will primarily be used for general maintenance and upkeep.

Salaries and Benefits – Street Fund

	FY 2015 Budget	FY 2016 Budget
Salaries and Benefits	\$916,001	\$1,017,444

The 2016 budget includes an additional Operator/Laborer position and a City Engineer position. Currently, the three work crews are uneven, which makes it difficult to schedule projects consistently and maintain the work load while staff is on vacation. Another Operator/Laborer will improve the crew’s productivity during normal projects and be an additional plow operator during snow events.

The proposed City Engineer position is anticipated to be filled by an internal candidate that is familiar with the City’s assets and operations. By having a designated City Engineer, residents and contractors will have a designated point of contact for concerns regarding certain street, storm, and water issues. The City Engineer will be responsible for many of the items currently handled by the City Manager and Director, such as plan review, implementing the right of way ordinance, minor design work, and flood plain management. Shifting responsibilities in this manner will allow the Director to concentrate on

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daily operations management and facility/parks planning. In addition, as the City moves to a more technology-based platform, the City Engineer would be responsible for updating and integrating GIS data in a way that the current staffing cannot due to time constraints.

At this time, the proposed 2017 budget may include a request for a janitorial position and a Parks/Cemetery Superintendent.

Operating/Other Expenses – Street Fund

	FY 2015 Budget	FY 2016 Budget
Op/Other Expenses	\$828,750	\$843,100

Appendix A
Five Year Forecast

CITY OF MONROE
GENERAL FUND BALANCE SUMMARY
(TARGET FUND BALANCE = \$3,200,000)

	2012	2013	2014	2015	2016	2017	2018	2019
Beginning Cash	Actual	Actual	Actual	Estimate	Estimate	Estimate	Estimate	Estimate
	6,085,796	8,002,481	7,404,105	6,885,401	5,601,923	4,731,269	4,238,532	3,867,066
Revenues	9,789,807	9,567,062	9,704,176	11,604,372	10,793,623	11,194,561	11,592,128	12,087,381
Expenses	(7,873,122)	(10,165,438)	(10,222,880)	(12,887,849)	(11,664,278)	(11,687,298)	(11,963,594)	(12,240,270)
Unencumbered Cash Balance	8,002,481	7,404,105	6,885,401	5,601,923	4,731,269	4,238,532	3,867,066	3,714,177
Encumbrances	(379,666)	(330,089)	(318,962)	(350,000)	(350,000)	(350,000)	(350,000)	(350,000)
Available Cash Balance	<u>7,622,815</u>	<u>7,074,016</u>	<u>6,566,439</u>	<u>5,251,923</u>	<u>4,381,269</u>	<u>3,888,532</u>	<u>3,517,066</u>	<u>3,364,177</u>
	Difference from Target Balance		3,366,439	2,051,923	1,181,269	688,532	317,066	164,177
	Annual Increase (Decrease) to Cash Balance		(518,704)	(1,283,478)	(870,655)	(492,737)	(371,467)	(152,889)

Updated: 11/10/15

Appendix B

Restricted and Enterprise Fund Information

The City is funding by a variety of sources. While most of the incoming revenue is directed to the General Fund and can be used for a wide variety of uses, Restricted Use Funds and Enterprise Funds are much more limited in scope.

Restricted Use Funds

These funds typically have unique sources and are generally dedicated to specific activities. While the funds affect the City's overall financial health and budget, they are much more limited than the General Fund. As such, they are only briefly explained in this document.

- **Capital Improvement Fund:** The Capital Improvement Fund derives its revenue from the sale of notes, local assessments, interest, and transfers in from the General Fund. It is used for improvements that will cost \$5,000 or more and have a useful life of more than 5 years. More information on proposed capital improvements will be forthcoming.
- **General Obligation Bond Retirement Fund:** The General Obligation Bond Retirement Fund derives its revenue from other funds since it does not have a dedicated source of revenue. An increase in the amount transferred continues as planned to pay debt service on projects such as facility construction and infrastructure development.
- **Special Assessment Bond Retirement Fund and Special Assessment Street Lighting Fund:** These special assessment funds derive their revenue from the assessment for projects or street lighting to the affected properties. Funds are transferred into each of these funds from the General Fund to pay the City's portion of the outstanding bonds or utility charges.
- **Tax Increment Financing (TIF) and Residential Improvement District (RID) Funds:** Most of the City's TIF and RID districts were created in 2004 as 30 year entities. These programs do not change the overall property taxes on the property. Rather, they provide an opportunity for the City to direct some property tax revenue to projects that benefit the TIF or RID area. For properties included in these programs, the amount of property tax revenue that the City was receiving in 2004 for each property continues to go to the General Fund as usual. However, any revenue from the property that exceeds the 2004 level is directed to the appropriate TIF or RID fund for projects.
- **Fire Operations**
 - The Fire Department's operations are funded by two continuous levies, grants, and transfers in from the General Fund. The Fire Department also has a contract with Lemon Township to provide services in the township.

- **Police Operations**
 - Similar to the Fire Department, the Police Department's Police Operations and Maintenance Fund, is funded by a levy (passed in 1989), grants, and transfers from the General Fund. The Police Department also receives revenue from the Law Enforcement and Education Fund (fines charged on Driving-Under-the-Influence and Driving-Under-Suspension violations) and the Law Enforcement Trust Fund (interest and transfers). The Police Department no longer receives compensation for contractual services provided to Lemon Township.

- **Street Fund and State Highway Fund**
 - Revenue from the Auto License Tax and Gasoline Tax fund the Street Fund and State Highway Fund. Previously, Lemon Township contracted with the City for street services. However, that contract does not apply in 2015, and as such, the Street Fund will not be receiving additional compensation from the Township.

- **Motor Vehicle License Fund**
 - The Motor Vehicle License Fund derives its revenue from permissive taxes gathered by the State and the counties. This fund continues to be used to support the operations of the Street Department.

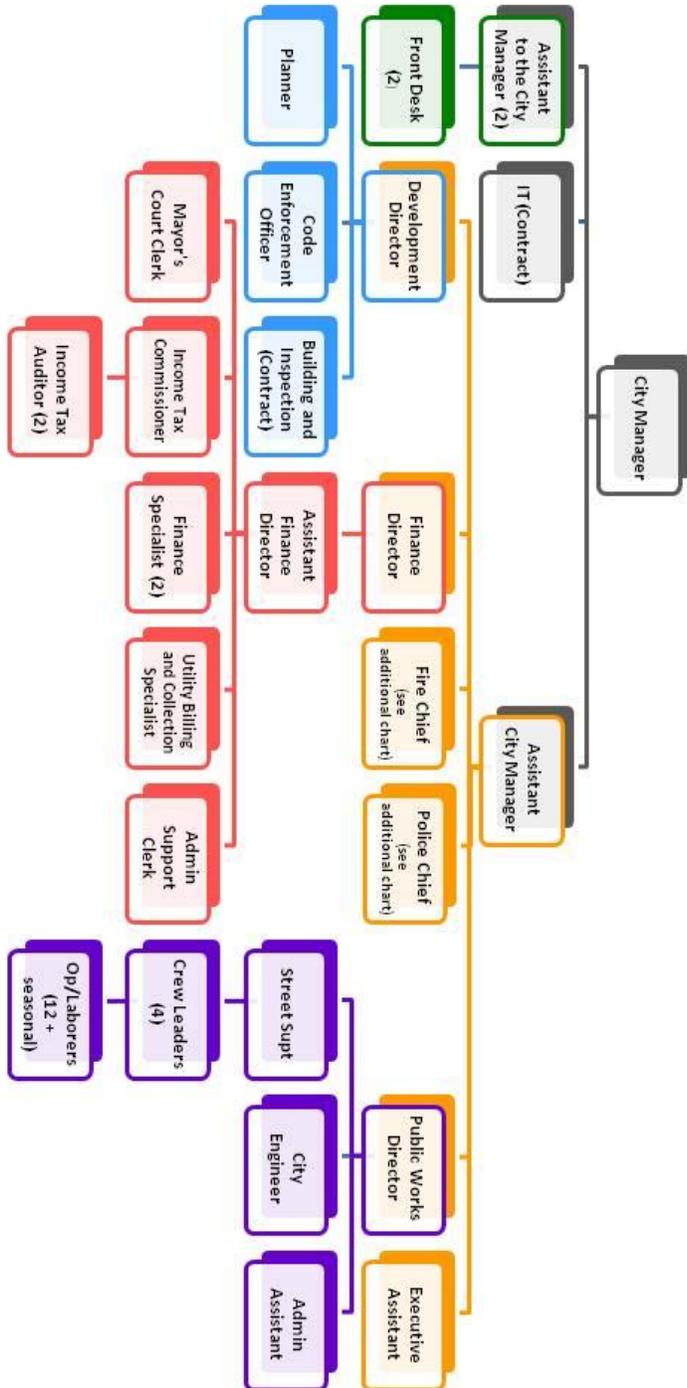
- **Park Improvement Fund**
 - A fee of \$610.70 is included on each new building permit for this account. The funds are earmarked for the improvement of the City parks. The account also receives transfers in and donations as a revenue source.

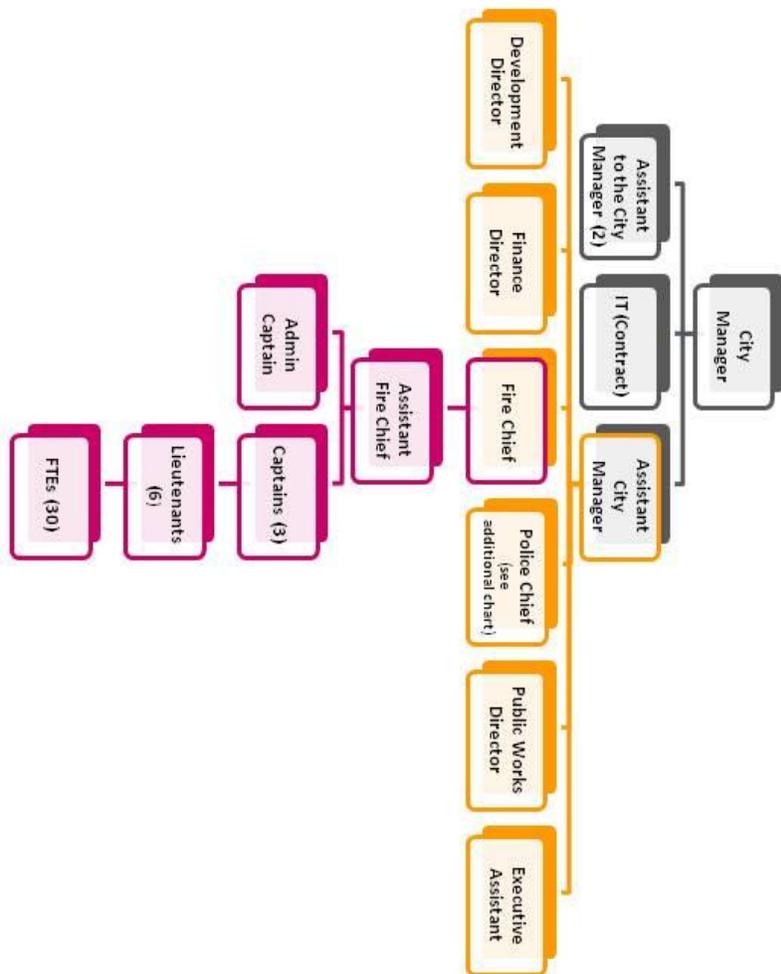
Enterprise Funds

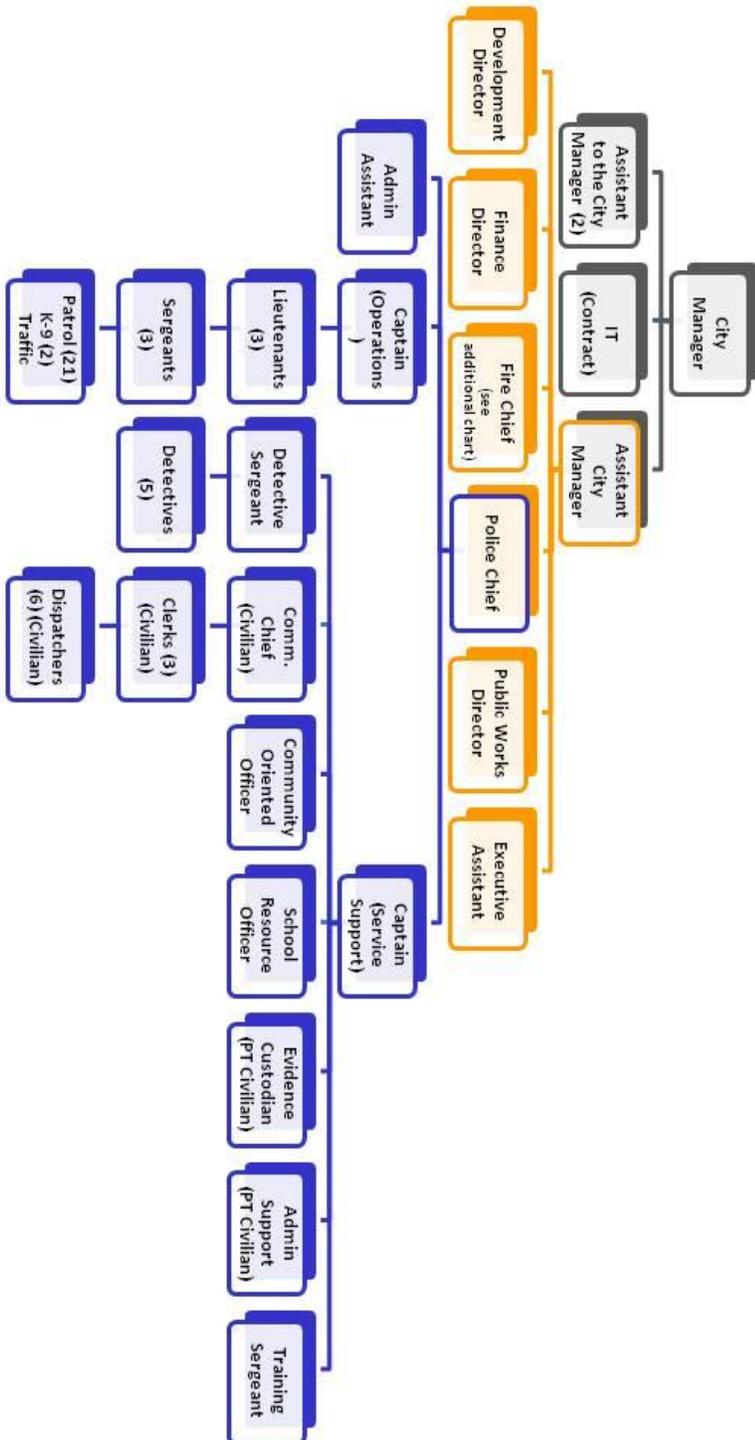
In the City of Monroe, enterprise funds are established for each of the City-billed utilities. This prevents these revenue streams from being co-mingled with the General Fund and makes it easy to identify the revenues and expenses associated with each utility. Because these funds have limited uses and are typically not the biggest component of the budget process, enterprise funds are simply noted in the section that further explains the Public Works budget.

- North Monroe Cemetery Improvements, Cemetery Fund, and Mound Cemetery Trust Fund
 - The Cemetery Funds receive revenue by charging for services, receiving donations, and transferring money in from the General Fund. Funds are expended to cover the costs of preparing gravesites and maintaining the cemeteries.
- Garbage Fund
 - The Garbage Fund tracks the revenue and costs associated with trash removal for residents within the City. Administrative personal services are covered from the fund for the management of the contract and related customer billing.
- Sewer Fund
 - The sewer fund receives revenue from the sale of sewer service. This is a pass-through fund with funds received going directly to Butler County (except for the administrative fee of \$4.27 per customer per month.) The administrative fee is used to pay personal services associated with billing for the service.
- Storm Sewer Fund
 - The Storm Sewer Fund receives revenue from new construction projects based on the amount of impervious surface associated with the project. The fund is to be used for the development of the Storm Water Management Plan, calculation of impervious areas to set proper rates, elimination of storm water pollutants, and repairs to the Storm Water System.
- Water Fund, Water Capital Fund
 - These funds receive revenue from the sale of water, tap-in fees, and the sale of meters. These revenues may only be used for the purposes of maintaining and improving the water system.

Appendix C Proposed Organizational Chart







Appendix D
Capital Improvement Plan

Information on the City's Capital Improvement Plan (CIP) will be included in this appendix once the plan is approved by City Council (expected March 2016).

Appendix E
FY 2016 Budget Adjustments

As the budget is adjusted throughout the year to reflect various expenditures and policy/priority changes, this appendix will be updated.