City of Springdale

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Mayor	City Administrator	Clerk of Council / Finance Director

December 1, 2017

Mr. Lawrence Hawkins, Chair
Finance Committee
Springdale City Council

Re: 2018 Annual Budget

Dear Mr. Hawkins:

The 2018 Annual Budget is hereby respectfully submitted for City Council's consideration. I am pleased to report that the City's progress of moving further away from the days of "Cost Containment Measures" and "Furloughs" continues to be realized year after year. During those days of late 2009 and early 2010, there was a spread growing between the City's revenues and expenses. That spread was not necessarily in the City's favor. At that time, our revenues were declining and our expenses were growing. Today, our revenues are just the opposite. They continue to climb to potentially their highest in the history of Springdale when certain sources are examined. On the other hand, our expenses have been strategically managed so that for most years we would either experience slight increases or remain relatively flat. This year, for the first time in several, our General Fund Expenditures have had a rather significant increase.

The estimated 2017 General Fund Revenues ($18,626,977) are projected to come in $1,443,151 above the current year budget ($17,183,826). Even more impressive, they are expected to fall short of our adjusted 2016 General Fund Revenues ($18,627,939) by a mere $962 when the "Advanced" amount ($1,950,000) from the hotel transaction is deducted from our actual 2016 General Fund Revenues ($20,577,939). This is positive because our 2016 revenues included two additional months of earnings tax collections. As you recall, the 2017 General Fund Revenues were projected to be $1,522,392 less than our 2016 adjusted General Fund Revenues. Yes, the impact of the hotel is still relevant when attempting to measure our performance from one year to another since those transactions occurred just a year ago. Hopefully, this may be our last year of seriously comparing this situation to future performances. In any event, the City's 2018 General Fund Revenues ($18,918,001) are projected to be higher than the estimated 2017 General Fund Revenues by $291,024 (1.6%).

Our estimated 2017 General Fund Expenditures ($19,912,861) are expected to exceed the 2017 Budget ($19,812,998) by $99,863 (0.5%). While this is pretty much in line with what we anticipated in our 2017 Budget, when you compare the estimated 2017 to our 2016 adjusted General Fund Expenditures ($17,644,449), the difference is $2,268,412 or 12.9%. Of course, the adjusted figure is derived by subtracting the expense of purchasing the hotel ($1,950,000) from our actual 2016 General Fund Expenditures ($19,594,449). The increase in our 2017 expenditures can be attributed to the large amount of transfers ($1,968,577) needed to support other Funds as well as several large capital expenses needed throughout the year. Again, for the most part, this was a part of our 2017 plan (Budget). The 2018 General Fund Expenditures ($19,776,062) are projected to be $136,799 (0.7%) below our 2017 estimated expenditures.

All of this activity is scheduled to produce a solid 2017 year-end balance of $2,762,146 as well as a 2018 year-end General Fund balance of $1,904,085. Both years exceed our end-of-year target of $1.4 million.

GENERAL FUND REVENUES/EXPENDITURES

Revenues

As stated earlier, revenue collections for 2017 are estimated to be $1,443,151 over our budgeted amount of $17,183,826. Most of this additional income can be attributed primarily to the City's earnings tax collections. The 2017 estimated collections ($15,479;148) are expected to generate $1,175,148 (8.2%) more than the budgeted amount of $14,304,000. At the same time, 2017 is estimated to finish only $62,924 below our 2016 actual collections. This is amazing because this time a year ago, we were anticipating our 2017 (Budget) collections would finish $1.3 million below what we estimated for 2016 at that time. We were essentially comparing fourteen months of collections in 2016 to the normal twelve months of collections in 2017. The fourteen months of collections in 2016 were a direct result of the adoption of HB5.

You may be asking yourself, "How did we become so fortunate?" Well, I am glad you asked. The influx of our 2017 Earnings Tax collections has mainly been fueled by two factors: a large declaration made by one of our major employers and the continuous growth and expansion of several other employers.

The potential impact of companies making large declaration payments can be very beneficial or very detrimental to a municipality. From time to time, you may find employers who make such significant declaration payments. If the municipality has little to no knowledge of the company's practices when such large declarations are made, it could create great concerns. One such concern would be the company has perhaps paid too much in taxes, creating fear that a large refund check may need to be issued to the company. This would result in less revenue during that year for the municipality. Another fear is the company will take a credit on the following year's taxes, and hence the municipality would receive less in earnings tax the following year. Neither of these two scenarios are very positive for the municipality. In this instance, during the short history of this particular employer, they have routinely made large declaration payments. Great for us, because they have also done a very good job of estimating their tax liability owed. As a result, we have not owed them a refund, nor have they created a large credit for the following year. They have simply provided a tremendous boost to the City's economy and resources. We hope this will be the case again for 2018.

The other factor to fuel the 2017 surge in earnings tax has been the addition and expansion of several companies. Some of these companies perhaps have had a greater impact on our resources than originally imagined. The addition of companies like Macy's and Process Plus to the community in 2016 and their eventual buildup of employees have benefitted the City's earnings tax greatly. The expansion of both employees, as well as payroll, for other existing companies such as Humana, MediSync, Clarke Fire Protection, Cincinnati Bell Technology Solutions, Ultimus Fund Solutions, and the Council on Aging further solidifies the growth in our earnings tax.

In 2018, we fully expect the earnings tax will continue to grow, as we welcome organizations like GMZ-Azelis and the Bureau of Workers' Compensation. Of note, there are no earnings tax collections or General Fund Revenues calculated into the 2018 projections in recognition of any development completed at Exeter Property Group's industrial building on the fifteen-acre site at Pictoria or the Tri-County Commerce Park project (former GEEAA Park). In addition, 2018 is projected to reflect the highest earnings tax collections in Springdale's history at $15,964,332.

The eleven-year history, as shown below, displays the City's earnings tax collections between 2007 and 2017. From 2007 to 2010, the chart illustrates the earnings tax decline for the City. Then from 2010 through current year, the chart presents the City's return from the recession.

2007	$15,671,631	2013	$13,321,894
2008	$14,884,827	2014	$13,300,706
2009	$13,678,901	2015	$14,374,662
2010	$11,994,298	2016	$15,542,072
2011	$12,485,560	2017	$15,479,148 (est.)
2012	$12,967,119		

A summary of the 2017 and 2018 General Fund revenue and expenditure projections can be found in *Table I* below.

Table I

GENERAL FUND REVENUES LESS EXPENDITURES			
	Budgeted 2017	**Estimated 2017**	**Proposed 2018**
Beginning Balance General Fund	4,048,030	4,048,030	2,762,146
Revenue	17,183,826	18,626,977	18,918,001
Total Funds Available	21,231,856	22,675,007	21,680,147
Total General Fund Expenditures	19,812,998	19,912,861	19,776,062
Ending Balance General Fund	1,418,858	2,762,146	1,904,085

A detailed statement of all the 2017 and 2018 revenues, and the assumptions on which they are based, may be found beginning on page 220 of the Budget document.

Expenditures

As was pointed out earlier, the estimated 2017 General Fund Expenditures ($19,912,861) experienced a rather sizable increase in comparison to the adjusted 2016 actual General Fund Expenditures ($17,644,449). This is primarily a result of our need to support the other key Funds (Health Insurance Fund, Insurance Trust Fund, Residential Recycling Fund, Community Center Debt Fund, Capital Improvement Fund, and Street Improvement Debt Fund). Each year, the City has to transfer funds from the General Fund to these other Funds in order to keep them solvent. In 2016, the amount of the transfers equaled $1,123,470. In comparison, the 2017 estimated transfers are scheduled to be $1,968,577, a difference of $845,107.

Another contributing factor to the large increase in 2017 General Fund Expenditures was the need to make a number of major capital purchases/expenditures throughout the organization. The following are just a few such purchases: replace roof ($75,000) and HVAC compressor ($38,898) at the Police Department; install a new HVAC unit ($57,090) and repair the roof over the racquetball courts ($22,000), both at the Community Center; resurface the tennis and multi-purpose courts ($33,875) and resurface the walking path ($54,681) outside of the Center; and finally, provide a one-time economic incentive to Ascendum ($511,450) for relocating jobs into the City of Springdale.

As we move into 2018, our General Fund Expenditures ($19,776,062) are projected to be slightly less ($136,799 or 0.7%) than the 2017 estimated General Fund Expenditures. Similar to this year, in 2018, the proposed budget anticipates significant transfers ($1,112,699) from the General Fund to support the other Funds, as well as a number of large capital expenditures needed for the year. Some of the planned expenditures for 2018 are: mandatory upgrades to the Police Department Mobile Data Computers ($37,000); upgrades to the women's locker room at the Police Department (est. $250,000); annual license and storage fees for body worn cameras ($16,908); newly financed acquisition of a bucket truck and backhoe for the Public Works Department ($41,000); riding mower/snow plow for the Parks Department ($25,800); portable electronic sign ($15,000); and the SR 747/North Mall Mast Arm Replacement project ($52,652).

In addition to those expenditures, we always have our personnel-related expenses. These expenses continue to be, and always will be, the organization's primary expenditure. In 2016, personnel-related expenses consumed 73% of the General Fund budget. Using our 2017 estimates, the percentages of personnel-related expenses increase slightly to 74% of the General Fund Expenditures and remain at that number with the 2018 Budget.

This year, the disparity between the 2018 General Fund Expenditures and the 2018 General Fund Revenues is not as large as in previous years at this point in the process. Nevertheless, our expenses are once again programmed to outpace our revenues. This time, the difference between the two is projected at $858,061 (4.5%). This is perhaps the narrowest gap since I have been measuring. In any event, our leadership team will continue to manage our resources in the most efficient manner. Please also be aware that our practice is always to be very conservative when it comes to projecting the City's revenues.

Finally, as we mention each year, the budget does not take into consideration the amount of "under-spending" that occurs annually. As a reminder, the under-spending is the difference between our estimated 2017 expenses versus our actual 2017 expenses. Based upon previous years, it is likely the operating expenses for 2017 may be overstated by $125,000 - $300,000. The amount of under-spending in 2016 was $371,503 which represents the estimated 2016 expenses of $19,965,952 minus the 2016 actual expenses of $19,594,449.

Again, the Department Directors have performed very well in managing the community's resources, while working hard to keep expenditures at a minimum. I have no reason to believe they will not continue this practice.

PERSONNEL

For the first time in several years, "new" full-time positions are proposed to be added to the organization during the budget process. In 2017, the Administration was authorized to add an additional Patrol Officer, making it the first increase in staff for that department in almost ten years. In the 2018 Budget, the following positions are programmed to be added: two Firefighter/Paramedics, one Office Administrator in the Police Department, one Maintenance Worker in the Public Works Department, and one Assistant to the City Administrator position in the Administrative Office. These are the positions we believe we can financially afford at this time. As resources continue to improve, and in an effort to combat some of the enormous amounts of overtime, I would foresee additional staff being added for key positions.

In 2017, four employees retired and another three resigned their positions with the City. In all of these occasions, the Administration is in the process of re-staffing the positions. Please also be aware that throughout the organization and within several departments, a number of employees have mentioned their intent to retire during or at the end of 2018. Those positions would also be re-staffed.

By the end of 2018, the City will be down 18 full-time positions, leaving an overall employment base of 116 full-time employees, 62 part-time employees, and throughout the year, 30 additional seasonal employees. At this point, the City's authorized full-time employee total is 134. In the next five years, at least 29 of our current employees will be eligible to retire.

PERSONAL SERVICE COSTS

The 2018 Budget includes increases to the Personal Service line items reflecting a 2% wage increase across the board for all full-time City employees and part-time Firefighters. In addition to the wage increase, employees with room to advance across their individual pay grade with a satisfactory evaluation are expected to receive an increase to their pay. Other increases expected to occur will include projected changes in the longevity compensation as employees advance under that program as well as the payout of accumulated leave (sick, vacation, compensatory) for those employees who have achieved the required threshold or are scheduled to retire. During the fall of 2016, the City reached agreements with all three of its bargaining units. The contract with the firefighters' union is scheduled to expire December 31, 2018. The two police contracts will expire in December 2019.

The City's contributory rate under the Ohio Public Employees Retirement System (OPERS) remains at 14% of payroll, while the rates for the Ohio Police and Fire Pension Fund (OP&F) are 19.5% for police and 24% for fire personnel.

CAPITAL IMPROVEMENTS

The 2017 construction season was very active and productive in the City of Springdale. The first two projects under the City's Comprehensive Capital Improvement Program (CCIP), funded by the $8.2 million General Obligation Bonds issued by the City in 2017, got started this year. The first of the two projects was the 2017 Annual Street Improvement Program that was split into two separate projects (Rehabilitation and Maintenance). The Rehabilitation contractor, Adleta, Inc., began the project in the spring and concluded the work during the fall months. The Maintenance contractor, Strawser Construction, also began their project in the spring, and it, too, was concluded in the fall months. City staff was responsible for overseeing and inspecting both of the projects. Shortly after the street projects began, the SR4 Urban Paving Project kicked off. This project was not managed by our staff, but instead by representatives of the Ohio Department of Transportation (ODOT). Like the street program, work was wrapped up on this project in late fall as well. Barrett Construction was the contractor on this project.

In addition to these projects, there was another project administered by ODOT. That project was the SR4 Southbound Lane Addition project in which Barrett was also the contractor. The City paid its share to ODOT for this project in 2016 just prior to the bids being opened. Unfortunately, due to the delay in receiving supplies for the job, the project did not begin until spring 2017. The great news is that Barrett worked very efficiently to complete the project by the 2017 summer months.

Another project bid in 2016 but not completed until 2017 was the demolition of the former Sheraton hotel. The project was bid in April 2016; however, the contractor, O'Rourke Wrecking Company, left the site around July or August of the same and did not return until April of 2017. Once back on site, O'Rourke finished the work by August 2017. The site is now prepared for marketing and the eventual sale. It is the City's hope to ultimately sell the property to someone in the development community in the very near future.

In 2018, there will be another big wave of construction projects underway in the City. The four remaining CCIP projects are scheduled to commence early next spring. The plan is to have all four projects out to the market for bid by no later than the month of February. In fact, the Beacon Hills Subdivision/Kenn Road Rehabilitation project will have its bid opening this month. The Jake Sweeney Place Rehabilitation project will have its bid opening on December 20, 2017. The other two projects (Glensprings Drive Rehabilitation and Cloverdale Area Pavement Rehabilitation) are scheduled for bid during first two months of the year. We have found that by bidding our projects early in the season, there is a greater chance of yielding very favorable and competitive pricing.

The W. Kemper Road Resurface Project is also scheduled for 2018. This project is to address the potential issue of sliding by large vehicles (Fire engine, Metro bus) on W. Kemper Road between Northland Boulevard and Jake Sweeney Place. This would involve resurfacing the road to eliminate this potential road hazard.

GENERAL OBLIGATION DEBT

Since 2007, when the City paid off its last short-term debt, the "Community Center Bond" was the only remaining general obligation debt the City had on its books. It is scheduled to be paid off this December 1. In 2016, with the desire to remove the blight of the old vacant ten-story former Sheraton hotel, the City made the decision to acquire the property and pay for the demolition of the structure. In early 2016, the City once again created a short-term note for $2,640,000 to follow through with its plan. In late 2016, that note was rolled for an additional year for the same amount. At its November 15, 2017 meeting, City Council adopted an ordinance to pay off the current $2,640,000 and to issue a new note for one-half that amount ($1,320,000) for one additional year at a rate of 3.32%.

In addition to the hotel note, the City also borrowed $8.2 million by issuing General Obligation Bonds to implement the CCIP program. The Bonds were issued in March 2017 and have an interest rate of 2.94% over a fifteen-year period. The Bonds are scheduled to mature in 2031.

Community Center Bond

In 1999, the City issued a $7,000,000 note to finance the expansion of the Community Center. That note was rolled in 2000 and 2001. Each year, the interest was paid in full and the principal paid down by $600,000 resulting in a debt of $5,800,000 by September 2002. At that time, the City issued a $5,900,000 fifteen-year bond at an interest rate of 3.72%. In 2003, the City began making annual principal payments of $400,000 with declining interest payments over the fifteen-year term. Once our payment of $489,600 was made in 2012, the balance on the debt dropped to $1,900,000.

In 2012, the City called the existing bonds and new bonds were issued with US Bank at a rate of 1.21% for the remaining $1,900,000. This was accomplished without extending the term of the debt. Through the new process, the City was able to save approximately $140,000 in interest payments. The City continued to pay the annual principal in the amount of $400,000 plus declining interest. Following the payment on December 1, 2016, the balance on the bonds dropped to $300,000. The final payment of principal and declining interest will be paid in full on December 1, 2017 in the amount of $303,630.

Acquisition/Demolition of Former Sheraton Hotel Note

In January 2016, the City issued a $2,640,000 note at 3.00% to finance the purchase and demolition of the former Sheraton Hotel located at 11911 Sheraton Lane. It was the intention of the City that the former hotel would have been demolished, the property sold, and the note paid off by no later than December 31, 2016. Since those things did not occur, the note was rolled in December of 2016 at a new interest rate of 3.16%. The interest on the note was paid in full with none of the principal being paid down.

Although the hotel was demolished in 2017, the property was not sold. The City has decided to roll the note once again, however, this time, the City will pay down one-half of the principal and the full interest thereby issuing a new note for $1,320,000. The interest rate for the new note is 3.32%. It is the City's intent to market the property and have it sold before December 1, 2018 in order to pay off the new debt. This note, like the two previous notes, is being issued through Huntington Bank.

Comprehensive Capital Improvement Program Debt

In March 2017, the City issued debt (Street Improvement General Obligation Bonds) in the amount of $8.2 million at an interest rate of 2.94% to finance various road improvements under the Comprehensive Capital Improvement Program (CCIP). The City will pay the principal and interest each year through the maturity of the Bonds. The City's first payment is scheduled to be paid on December 1, 2017 in the amount of $533,298 ($370,000 principal and $163,298 interest). Through the initial years of paying on the debt, the majority of the funds will be transferred from the General Fund to make the payment. In 2018, $175,000 from the Street Maintenance Fund (061) is programmed to help pay a portion of the interest towards the debt. The City's payment in 2018 will be $710,600 ($470,000 principal and $240,600 interest) and is due on December 1, 2018.

TAX INCREMENT FINANCING (TIF) FUNDS

Northwest Business Center TIF

In 2000, the City issued $3,040,000 in thirty-year bonds for **Phase I** of the NW Business Center. This covered the debt from an earlier TIF on this same property, certain infrastructure improvements, and the professional service fees for the bonds.

The first business to be built under Phase I was the Bahama Breeze Restaurant which opened in December 2000. A second restaurant, Karlo's Bistro Italia, opened in the spring of 2003 and a third, Pappadeaux, opened in October 2005. Two of these restaurants, Bahama Breeze and Karlo's, eventually closed. The Pappas family apparently purchased the former Karlo's site and is now leasing it to "Smoq." Smoq opened its doors in 2011 and appears to be performing very well. The Pappas continue to own the fourth restaurant site at Phase I. In a prior year discussion with the local manager, if Pappadeaux's numbers achieve at a certain threshold, they may consider bringing their Mexican-style restaurant called Pappasito's. The Bahama Breeze site continues to sit vacant.

Tower I, the eight-story office building built as part of **Phase II**, was completed in 2001. In order to pay for the public improvements in Phase II, including a 1,132 stall parking garage, the owners of the property, the City, and the Greater Cincinnati Port Authority concluded a complex financing plan in 2006. This involved the issuance of $10,000,000 in TIF debt by the Port Authority. The arrangement also created a special assessment on the office building over and above the regular service payments to assist in debt retirement. While the City was a party in the transaction, we have no responsibility for or association with the debt issued by the Port Authority. In 2012, the office tower became 100% occupied for the first time since its construction when First Financial Bank moved into the building. Current tenants in the building include First Financial Bancorp, Northrop Grumman Corp., Beckfield College, Ameriprise Financial, and Ultimus Fund Solutions, LLC. In May 2016, MEPT sold the office tower to Fairbridge Properties out of Skillman, N.J., for just under $26 million.

The site proposed for the six-story office tower continues to be vacant and owned by the Frederick's Steel family. At present, it is unclear if they will proceed with the second office tower and associated parking garage or pursue an alternate development concept. The property has been vacant since the development began in 2000. This budget does not include debt issuance for a second public parking garage or other related public improvements associated with **Phase III**.

Earlier this year, the remaining fifteen acres along Northwest Boulevard was sold to Exeter Property Group out of Indianapolis, Indiana. Exeter has been approved to construct a 230,000 square foot industrial facility on the site. At this time, Exeter has no idea how many tenants and employees will be housed in the facility. The fifteen acres were originally intended to have three 100,000 square foot office buildings on the site.

Tri-County Mall TIF

The Tri-County Mall TIF (TCM TIF) was created by ordinance on February 2, 2005. The purpose of this TIF was to help finance public improvements to hopefully aid in the redevelopment of Tri-County Mall. The first and only project to date undertaken through the TIF occurred in 2007 and involved the construction of a new signalized intersection for the mall on Kemper Road. Professional services and construction costs for this project totaled $516,341. To cover these costs until the TIF could generate its own income, the City advanced $2,250 from the General Fund to the TCM TIF in 2005, $56,200 in 2006, and another $483,015 in 2007. To date, the City has advanced a total of $541,465 to the TIF. Based upon the original project, repayment of the General Fund was anticipated to begin in 2009. Unfortunately, in 2009, the value of the mall was reduced by the County Auditor at the request of the "then" mall owners. As a result, no revenue was generated in the fund to begin paying off the debt. In early 2010, with the assistance of those same mall owners, the County Auditor re-instated the higher value on the mall. Thus, the City received a net payment of $53,917. This amount represented the 2008 settlement of taxes of $26,762 as well as the City's first and second half 2009 settlements of $13,852, less the County Auditor assessed fees. These payments reduced the amount owed to the General Fund to $464,674. Unfortunately, in September of 2010, the owners of the mall went back to the Hamilton County Board of Revisions and had the valuation of the mall reduced again to an amount that generates no service payments for the City. A request was made of the mall to have the value re-instated or, at a minimum, to repay the money advanced for the intersection improvement. The mall owners declined due to the economy and their financial condition. Under the most recent payment plan which has now ceased, the debt would have been repaid by the end of 2027. At the conclusion of the construction project, there was $22,874 remaining in the TCM TIF. That amount was transferred back to the General Fund in 2009. There was no activity in the TCM TIF in 2017.

In May 2013, Tri-County Mall was purchased by American Pacific International Capital, Inc. and the SingHaiyi Group. Shortly thereafter, the new owners put a new management team in place. In 2015, the first of three proposed outlot developments opened along Princeton Pike including Starbucks, Men's Wearhouse, and Chipotle. The second of the three outlots opened in November of 2016 as an Outback Steakhouse. Outback relocated its operations from their former Springfield Pike location. At this time, we are unsure if the developments planned for the mall will increase the property values enough to generate new service payments for this TIF.

2018 PERFORMANCE GOALS

The City incorporates elements of its strategic planning process into the annual budget in order to focus the organization's attention on its mission and to link the annual budget process with performance goals, productivity, and outcome. Please take the time to examine each department's goals and objectives. You will note 1) they have been formatted according to the programs identified in the department's mission statement, and 2) specific performance measures have been developed for each objective.

CONCLUSION

For the second consecutive year, the City's estimated General Fund Revenues ($18,626,977) are expected to exceed the budget number ($17,183,826) by a significant amount. Even more so, the City's 2017 Earnings Tax collections ($15,479,148) are projected to pretty much return to their glory year of 2007, which was the City's highest collection year ever at $15,671,631. Earnings Tax collections continue to be the City's primary revenue source making up 83.1% of the General Fund Revenues. This is a clear indication that the City's local economy appears to be healthy once again.

Although our General Fund Expenditures increased at a greater rate in 2017 than they have in recent years, there is no reason to be alarmed. When one compares the 2017 Budget ($19,812,998) with our 2017 estimate ($19,912,861), you will see that there is a small difference between the two. In fact, that difference is less than $100,000. I think that speaks volumes of our ability to effectively manage our available resources. For another year, our Department Directors have continued to manage their departments and related expenses in a very efficient manner.

Next year, in 2018, we expect to see our earnings tax collections exceed the 2007 number by a convincing amount. With new companies joining the City in 2018 and current companies growing their current payrolls, revenues should increase even more. Keep in mind, the Exeter building should be finished next year and housing a potential tenant or two. The Tri-County Commerce Park (GEEAA Park) could very well have one of their buildings constructed and occupied as well. These two projects will surely add additional revenues to our General Fund.

Relative to our expenses, the City will continue to be managed in the most prudent manner. We will work very diligently to control our expenses while effectively updating our fleet and other major capital items as needed. In 2018, the Comprehensive Capital Improvement Program will see the final four projects get underway and come to a completion. Now that the Community Center Debt has been put to rest, the focus is now directed towards paying off the new Street Improvement Debt.

As we proceed into 2018, as always, I am confident and hopeful that the 2018 Budget document being presented to you will allow our organization to continue the exceptional service delivery in the most effective and efficient manner to our citizens and business community.

In closing, I would like to thank the Department Directors for their unselfish cooperation, good stewardship, and sound fiscal practices as well as for all of their efforts in the preparation of the 2018 Budget. They are:

Michael Mathis, Chief, Police Department
Michael Hoffman, Chief, Fire Department
Jeff Agricola, Director, Public Works Department
Greg Karle, Director, Recreation Department
Gregg Taylor, Building Official, Building Department
Christine Russell, Director, Economic Development Department
Matthew J. Clayton, Health Commissioner, Health Department
Amanda Zimmerlin, Assistant City Administrator, Administration

I would also like to recognize Stephanie A. Morgan, Sr. Administrative Assistant, and Jeff Williams, Finance Officer/Tax Commissioner, for their invaluable assistance and contributions in the production of this document. Their importance in helping to develop the numbers, notes, and every facet that goes into finalizing the document could never be understated.

Should you have any questions concerning the proposed 2018 Budget prior to our formal review, please feel free to contact me at your convenience.

Sincerely,

Derrick Parham
City Administrator

Mayor
Clerk of Council/Finance Director
City Council
Assistant City Administrator
Department Directors
File