

State of the City 2022

The annual State of the City report summarizes Celina's current financial condition, departmental statistics, and accomplishments made in 2022.

Unemployment rate in Celina-Mercer County started at 3% at the beginning of 2022 and was approximately 2% at year-end, which continues to be an indicator of both high area employment as well as a very limited labor pool. It should be noted that area Businesses have hired temporary staff and or adjusted operating hours to function efficiently with current resources.

FINANCIAL STABILITY

The City's General Fund reflected an increase of Municipal Income Tax of approximately 19.3% from the initial budgeted 1% revenue amount of \$4M for an end-of-year collection of approximately \$4.77M. Total General Fund Expenditures were approximately \$7.1M, or 21% less than the \$8.7M collected. The multiple revenue sources for the City's General Fund revealed an overall increase of approximately 17.5%, or \$865K. Our City continued to remain financially strong throughout 2022.

In December of 2021, City Council unanimously passed a 2022 balanced budget for City operations and expenses. The initial Budget of \$46M for all funds was approximately 8% below total collected revenue of \$49.7M. Additional tax funds collected over projections were reserved by transfer into designated "set aside" fund accounts for capital projects.

The projected General Fund revenues for 2022 were estimated at \$7.80M with actual collections of \$8.73M, or an increase of approximately 12%. The additional .5% Supplemental

Income Tax generated \$2.37M, or 18.6% above the \$2M projected. The KWH Tax collections of \$599K was deposited into the General Fund.

Administration and Council continued to responsibly legislate, manage, and or reduce overall City indebtedness to strengthen our community's current and long-term financial stability. The ending 2022 outstanding debt was approximately \$6.7M, inclusive of principal reduction of \$877K and interest costs of \$132K. Significant debt reduction were as follows:

- The remaining GAC Plant debt of approximately \$3.44M was reduced by our payment of \$427K from the special GAC billing assessment. The outstanding debt is \$3M and is projected to be paid off in 2028.
- The 2011 Wastewater Plant Improvement remaining debt of \$99.7K was reduced by a payment of \$145K. This debt matures in 2026.
- Collective debt payments from the 9 TIF Districts were \$318K against approximately \$2.42M of several capital improvement projects, including the new Industrial Park Water Tower project with 20-year loan of \$2.36M through the State's 0% interest HAB program.
- The remaining balance of \$60,462 for our Street Sweeper was paid off in 2022.

The City was awarded \$1,092,029.80 from the American Rescue Plan Act (ARPA) and received the second half, or \$546,014 in March 2022. The funding received by the City was identified for specific capital improvements that include critical infrastructure that otherwise would have remained unfunded.

The 2022 Annual Budget approved by Council identified approximately \$7.638M for General Fund (the 1% Income Tax) expenditures. As of December 31, 2022, the ending carry-

over balance of approximately \$3.78M in the General Fund, or \$1.78M above the Council-established threshold of approximately \$2M. The .5% Supplemental Income Tax collected was \$2.3M, or 18.6% above projected.

INCOME TAX

The City's Income Tax Department oversaw the collection of \$7.13M, which was a .5% increase from 2021. The Tax Department collects both the *1% and .5% Supplemental Income Taxes (*with 1% reciprocity). There are currently 7,009 active Tax Accounts, which is an increase of approximately 4% from 2021. At year end, there remained \$57,928 to be collected for the period of 2011-2022.

The available 2021 General Fund carryover balance transferred into 2022 was approximately \$2.2M. Designated transfers of certain amounts went into specific Accounts that provides a mechanism in which to designate funds for Safety Services (Police & Fire) and the Street Reconstruction Program. The total transferred into these accounts included General Fund money in addition to the restricted .5% Supplemental Income Tax as follows:

- A total of \$25K was transferred to the Montgomery Field Fund
- \$250K was transferred to the Police Capital Fund for future capital needs
- \$250K was transferred to the Fire Capital Account for future capital needs
- \$100K was transferred into the Parks Capital Fund
- A total of \$1.575M was transferred to the Capital Street Program Fund

DEPARTMENTS

To recap the City of Celina's Departments:

The Fire Department operated with a \$1.4M budget with 16 full-time professional firefighters and 6 auxiliary firefighters, of which 16 are Paramedics and 6 are Basic EMT's.

The City and Department's strategic planning, specific equipment, training, and mutual aid response agreements throughout the County allow the City to maintain an ISO rating of 4 with 4Y in the rural areas that we cover, which provides an estimated 15% insurance premium savings for businesses and property owners. During 2022 CFD made 1,826 Squad runs within the Celina coverage area 364 Fire runs. Mutual/Automatic Aid Agreements with area townships, including the City of St Marys facilitated rapid care response and support of county-wide efforts to save lives.

Celina's Police Department had a budget of approximately \$1.7M and currently has 18 professional Police Officers, including a School Resource Officer in the second year of a 3-year contract with Celina City Schools beginning August 2021, and 4 Dispatchers.

The Public Works Department had a Budget of \$2.05M and \$652K for Parks (\$526 was a General Fund Transfer). The Department had 10 full-time employees with both a Superintendent and an Assistant Superintendent with seasonal (part-time) staff to maintain our 135 acres of park grounds, sports fields, restrooms, shelter houses, amphitheater, and Eastview Park beach, together with festival/event cleanup and cemetery maintenance. The Department has maintenance responsibility for all streets and alleys, storm and sanitary sewers (\$1.36M). The City owns and maintains approximately 111 miles of sewer lines and 63 miles of streets and alleys.

- Department crews installed over 1,100 feet of concrete walk-path in the Bryson Park District and 600 feet of combined curb/walk around the Amphitheater for accessibility and to encourage outdoor activity
- Crews installed a stone parking area for the new basketball court off Elm Grove for easy access and safety
- Crews added additional parking east of the hot water hole and connected to Lake Shore Drive for traffic flow and easy access to playgrounds & restrooms
- City crews began construction of the parking areas behind the Amphitheater with islands for greenspace and trees

The Recreation division of Parks oversaw seasonal activities, including Baseball, Girls' softball, Soccer, Football and the Bryson Swimming Pool. The City's Recreation sports programs included 845 participants, which was a 15% increase from 2021. The Recreation Youth Programs were led by 114 coaches and volunteers, 27 umpires, and 20 referees.

The City's Parks and Recreation Department had an approved budget of approximately \$700K, which included a General Fund Transfer of \$474K. Of particular note:

- The remaining portion of the National Park Service's "Land and Water Conservation Fund" (LWCF) Grant awarded to the City in 2019 was used as matching funds to construct the new Lion's Club-sponsored Shelter House/Restrooms in North Shore Park at a cost of \$373K.
- A full-length basketball court was constructed off Elm Grove Drive by Degen Excavating in the amount of \$86,502

- Four Pickleball courts were constructed in East View Park and completed in October at an approximate cost of \$60K with partial funding from the Jerry Andrews Trust
- Four (4) event organizers rented the Amphitheater for a total of \$1,200 and 94 shelter house rentals generated \$2,350. Rental income offsets maintenance and repair costs.

UTILITY DEPARTMENTS

Enterprise Funds are comprised of the City's Utilities, which is inclusive of both revenues and expenses of Electric Power Supply & Distribution; Stormwater; Wastewater Treatment; and Drinking Water Treatment & Distribution services. The City's utility services are provided to residents and businesses inside and outside the corporation.

The City's Customer Accounts Department has three (3) Utility Clerks, two and a half Meter Readers, and one (1) Supervisor. Department staff reads, bills, and collects electric, water, and sewer charges each month for all City-owned utilities.

As of the end of 2022, there were 5,850 inside (1.7% increase) and 2,203 outside Electric services; 4,736 inside (3.1% Increase) and 582 outside Water services; and 4,181 inside and 504 outside Wastewater customers. This Department oversaw collection of approximately \$600K of KWH Tax, which was placed into the City's General Fund. In 2022, staff collected over \$21K in Delinquent Accounts.

ELECTRIC DISTRIBUTION

The total combined budget for Electric Distribution was approximately \$29.6M with combined revenues of approximately \$25.3M, of which \$20.9M was Purchased Power (\$21.4M

budgeted). Final expenses were \$25.9M, including \$2.1M encumbered for the Electric Distribution Building, which left a final end-of-year Fund balance of \$6.61M. The City's power portfolio is currently comprised of ten (10) separate suppliers that make up both energy and demand for Celina's customers, including approximately 5MW from the Solar Field located at SR29 and Meyer Road. Personnel are responsible for our Electric Distribution system with 10 miles of Transmission lines, 685 miles of Distribution lines, 12 miles of Fiber Optic lines, and 5 Electric Substations. Additionally, the department maintains 1,020 street lights and traffic signals at 24 intersections. Celina has 7,101 Residential meters, 953 Non-Residential meters, inclusive of 936 facilities that require Demand meters.

WATER TREATMENT PLANT

The Water Treatment Plant had operating expenses of approximately \$2.33M and Water Distribution at 827K and department splits of \$700K (total expense of \$3.8M). Actual revenues were approximately \$3.8M. The end-of-year Water Fund balance was approximately \$4.78M, which is inclusive of final expenses for the Water Treatment Plant Improvement Project. The plant processed approximately 417MG of raw water and sold 290.3M gallons of finished water (approximate average of 1MGD). Personnel continued Microcystin Toxin testing and other Microbiological samples were collected and sent for laboratory analysis to both determine the best methodologies for effective treatment directly relation to public health.

WASTEWATER TREATMENT PLANT

Celina's Wastewater Treatment Plant is rated as a 3MGD Treatment Plant and processed an average of 2.4MGD of effluent. The wastewater treatment facilities processed 718.7MG. The Department's operators maintain 13 sewerage Lift Stations located throughout

the municipal sewer district, which is inclusive of inside and outside the corporation. The Wastewater Treatment Plant provides service to 5,162 customers with revenues from treatment of approximately \$2.4M. The department had approximately \$1.93M in operating expenses, and revenue of \$2.53M. End-of-year fund balance was \$6.11M with a positive end-of-year cash flow of \$103K.

ENGINEERING CAPITAL-CONSTRUCTION PROJECTS

The City's Engineering Department reviews and approve plans for residential structures and private/public infrastructure projects. During 2022, the following Permit activity occurred:

- 12 Single family dwellings
- 2 Duplexes/Triplexes
- 26 Apartments
- 5 Residential Additions
- 3 Non-residential Buildings

Highlighting Celina's destination status, new businesses opened in 2022 included:

- Dunkin officially their new facility – 3/22
- Grand Lake Eye Care opened their new medical facility on Holiday Drive – 7/22
- Steam Demons on South Main Street – 10/22
- Wild Soul Play Studio (Daycare) on Main Street – 12/22
- Boardwalk Vacation Villas on West Bank Road – 7/22
- Enhanced Esthetics Day Spa on Irmscher Boulevard – 10/22
- FGKS Law office on South Main Street – 6/22
- 1st Call Realty on West Bank Road – 9/22
- RUSH Sports Complex on South 127 – 9/22

Additionally, staff inspect and oversee City construction projects, including the Street Resurfacing/Reconstruction Program. Notable projects in 2022 include:

- The City's 2022 Street Resurfacing Program included 10,095 feet (9.67 miles) of secondary street resurfacing at a total cost of \$2,624,643. This project was funded by revenue generated by the .5% Supplemental Income Tax. The project was awarded to The Shelley Company.
- Johnson Avenue Reconstruction consisted of 2,830 feet of asphalt surface at a cost of \$1,056,412.
- A new Electric Distribution building began construction on North Street at an estimation cost of approximately \$2.1M

COURTS

Municipal Court Judge Kathryn Speelman continues to provide judicial leadership to Celina and Mercer County and continues to demonstrate her commitment to our community's best interests. In their annual report of new cases filed, the Municipal court processed 3,521 Traffic Cases (21% decrease from 2021); 606 Criminal cases; 93 Small Claims cases (30% increase from 2021); 561 Civil Cases; and 186 OVI cases (25% decrease from 2021).

CONCLUSION

Celina is proud that it continues to replace and or improve its infrastructure and quality of life, inclusive our further developing our parks, and to fulfill a critical goal of maintaining the public trust to which we are all committed. We continually strive to improve our community with the welfare of its citizen and visitors in addition to our commitment of building a business-friendly City.

The City of Celina remains committed to assuring its citizens and businesses that their government is fiscally sound, responsibly managed with transparency, and proactive in reinvestment in our infrastructure. Voters approved an additional 7-year period for collection of the .5% Supplemental Income Tax, commencing 1/1/23. The City remains unyielding in restricting this revenue source to only supporting Fire and Police Departments, and to fund the Street Repair/Resurfacing program to keep its residents safe while making necessary improvements.

We are partners with our Residents, Veterans, Service clubs and organizations, Churches, Businesses, to seek ways to improve and promote our community.

In service to others, I am

Jeffrey S. Hazel
Mayor