

TOWN OF OGDEN DUNES

State of the Town / Change & Progress



November 7, 2022

IN THE BEGINNING

KEY QUESTIONS

- ❖ Where are we?
- ❖ Where are we headed?
- ❖ What do we need?
- ❖ How do we get there?
- ❖ What do residents think?



NEXT STEP

FINDING THE ANSWERS

- ❖ Created Budget & Finance Committee
 - Immediately tasked with 10-year financial review
- ❖ Engaged Baker Tilly, a reputable firm specializing in government finances
 - Performed a more extensive financial assessment
- ❖ Interviewed department heads & employees
 - What is working/not working? What do you need? What can we do better?
- ❖ Benchmarked against peers in neighboring communities
 - Services, revenues & expenditures, job responsibilities, pay & benefits, infrastructure, etc.
- ❖ Deployed town survey
 - What residents value most, areas for improvement, & how they feel on key issues



KEY FINDINGS

FINANCIAL PRESSURES

- ❖ Limited revenue & growth opportunities
 - No industrial, commercial, or multi-family developments & revenues
 - Primary revenue from property taxes; often struggle to keep pace with inflation
 - Getting big things done is very challenging
- ❖ An unsustainable path
- ❖ Town finances
 - Spending more than taking in
 - Core funds (General & MVH) running in red prior to next distribution
 - Slowly draining Rainy Day & capital funds
- ❖ Water Department finances
 - Spending more than taking in
 - Cash flow issues
 - Stalled infrastructure project (i.e. new water meters)



KEY FINDINGS

OTHER AREAS IN NEED OF IMPROVEMENT

- ❖ Infrastructure
 - IT data & security, website, dry wells, water meters, roads, fire hydrants, Town Hall roof, etc.
- ❖ Other town assets
 - Police & Street Dept. vehicles, equipment, & tools; Town Hall cameras, phones, computers, printers, etc.
- ❖ Employee engagement
 - Continuing education, pay & benefits, cross-training, etc.
- ❖ Silos & barriers between departments
- ❖ Permit & inspection bottlenecks at Building Dept.
- ❖ Community engagement
- ❖ Town beautification



THE PLAN

COST REDUCTIONS

- ❖ Spending freeze instituted
- ❖ BFC helps department heads begin building budgets from the ground up
- ❖ BFC tracking budget performance on a monthly basis
- ❖ Each BFC member is a liaison to a different department
- ❖ Reorganization of Street & Water Dept.; reduced headcount
- ❖ Police Dept. reconfigures work schedules; nearly eliminates all OT
- ❖ Reducing Police Dept. vehicles from 4 to 3 & replacing entire fleet
- ❖ Renegotiated insurance policy & rates; more for less



THE PLAN

ADDITIONAL REVENUES

- ❖ Asset sales generate over \$100k
- ❖ Re-established CCD (Cumulative Capital Development) tax rate
- ❖ Re-established the portion of Sanitation charges related to user fee for debris pickup
- ❖ \$36k received from CARES Act of 2021
- ❖ \$246k received from American Recue Plan Act of 2021 (ARPA)
- ❖ Rework of Building Dept. fee schedule
- ❖ Increased activity for new construction, remodeling, & other property improvements



THE RESULTS

POLICE DEPARTMENT

- ❖ Department spending has decreased by approx. 14%
- ❖ Asset sale generated approx. \$16K in revenues
- ❖ New fleet of vehicles coming online now
- ❖ Moving from (4) SUV's to (3) trucks saves money and provides better long-term value
- ❖ Increased training for officers
- ❖ New Flock (ALPR) camera system
- ❖ New medical & life-saving bags & defibrillators for Town Hall & all police vehicles
- ❖ New laptops for vehicles
- ❖ Additional police coverage for beach during holidays



THE RESULTS

STREET & WATER DEPARTMENT

- ❖ Re-organization helped alleviate budgetary concerns
- ❖ Asset sale generated approx. \$100K in revenues
- ❖ New meter project, mostly funded with \$200k of ARPA money
- ❖ New multi-purpose truck, snowplow-centric
- ❖ New plows & salt spreaders for trucks
- ❖ Street sweeper repairs
- ❖ Leaf vacuum repairs
- ❖ New dry well repair & replacement program; several already done
- ❖ Painted & flushed approx. 90 fire hydrants
- ❖ Other equipment repair & maintenance items



THE RESULTS

BUILDING DEPARTMENT

- ❖ Increased activity in permit applications, approx. 50% higher
- ❖ Revenues follow, record year in 2021 of approx. \$91k
- ❖ 9 new construction homes (1 done, 3 in progress, & 5 more in the pipeline)
- ❖ Turn times for permits & inspections has decreased to an avg. of approx. 1 week
- ❖ Pre-construction meetings implemented for new construction & large remodel projects
- ❖ Increased number of licensed contractors working in town; more options for residents
- ❖ Complaints are down



THE RESULTS

EMPLOYEES

- ❖ Improved healthcare plan with better coverage & ***new*** family component
- ❖ One-time 8% employee bonus/premium pay, paid with ARPA money
- ❖ Level-setting employee pay where needed
- ❖ Increased opportunities for continuing education
- ❖ Cross-training to minimize impact of employee vacations, sick days, etc.
- ❖ Promoted Megan to full-time with added responsibilities
- ❖ Julia has taken on additional responsibilities with Water Dept.
- ❖ Removed silos & opened door to better working relationships and morale



THE RESULTS

BEAUTIFICATION

- ❖ Removal of nearly 20 signs at the entrance of town
- ❖ Exterior improvements at Town Hall (landscaping, planter boxes, wood posts, etc.)
- ❖ New plants & flowers in Policemen's Park
- ❖ New sign project: wooden posts, wayfinding brackets, combined signage
- ❖ Replacement of several mailbox roof racks w/cedar shingles, paid with donation money
- ❖ Repairs to irrigation system
- ❖ Increased effort to remove dying or already dead trees & tree limbs
- ❖ Additional sand placed at Long Lake Park
- ❖ Increased frequency of debris pickup



THE RESULTS

OTHER ITEMS

- ❖ New ADA-compliant website, paid with CARES Act money
- ❖ Online bill payment for water bills & other town services
- ❖ Creation of Recognition Committee
- ❖ Hybrid physical & virtual meetings
- ❖ Seasonal parking restrictions broadened to alleviate increased beach activity
- ❖ Increased outreach to neighboring communities, NPS, & other key political figures
- ❖ Continued focus on beach erosion & shoreline protection issues
- ❖ New contract with ODVFD, \$12k ARPA money given by the Town
- ❖ New roof at Town Hall



WHAT'S NEXT?

PROJECTS & INITIATIVES FOR 2023 & BEYOND

- ❖ Shoreline protection & the elusive solution to ongoing erosion issues
- ❖ Road repair & maintenance
- ❖ Continued dry well repair & replacement work
- ❖ Upgrades to IT-related infrastructure
- ❖ Update of the Master Plan
- ❖ Beautification & improvement of public spaces
- ❖ 100-year anniversary plans
- ❖ Increased efforts to secure various grants
- ❖ Bike trail
- ❖ Continued improvement of engagement with employees & residents



BUDGET & FINANCE COMMITTEE

Update



2022 ACTUAL VS. BUDGET

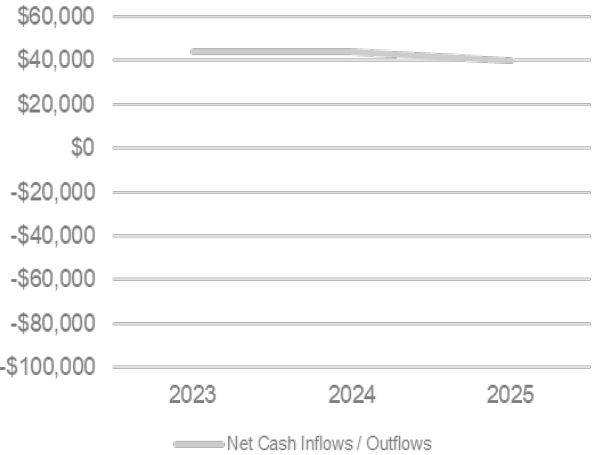
TRACKING FAVORABLY IN A CHALLENGING ENVIRONMENT

2022	2022	2022	\$ over/(under)	% over/(under)
	Year to Date	Budget to date	Year to Date	Year to Date
General Fund - Police	231,090	236,090	(4,999)	-2%
General Fund - All Other	335,184	384,415	(49,231)	-13%
MVH & LRS	179,444	144,663	34,781	24%
Parks & Rec	<u>6,441</u>	<u>7,733</u>	<u>(1,292)</u>	<u>-17%</u>
	752,159	772,902	(20,742)	-3%

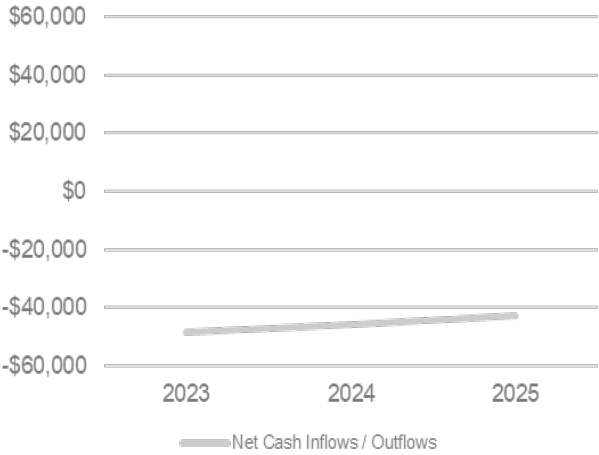


GENERAL FUND CHANGES ARE WORKING

General Fund ('23 - '25) - **Current Projections**



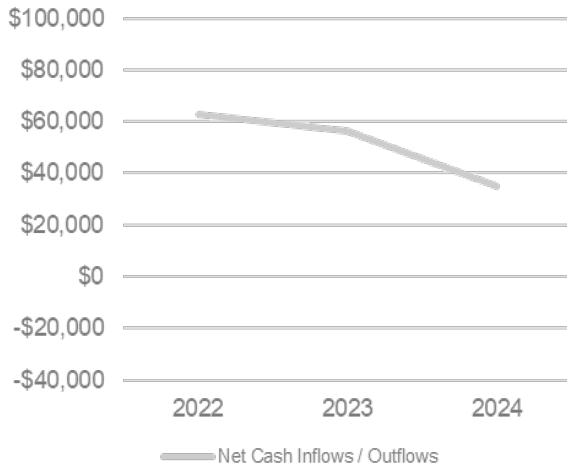
General Fund ('23 - '25) - **Baker Tilly Projections**



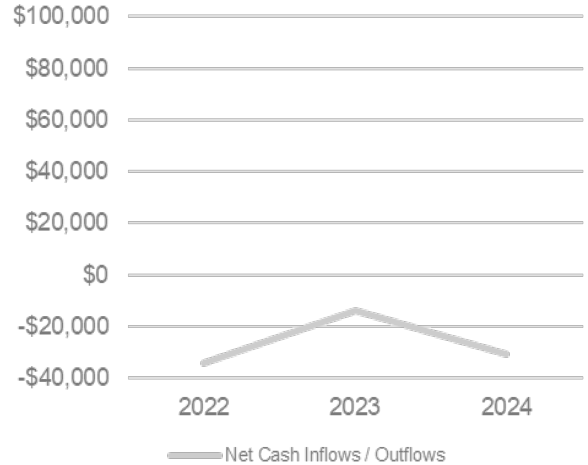
MVH & LRS FUNDS

CHANGES ARE WORKING

MVH & LRS ('23 - '25) - **Current Projections**



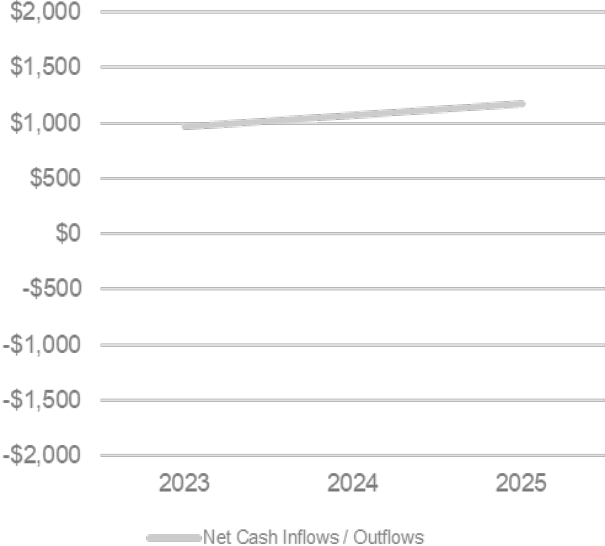
MVH & LRS ('23 - '25) - **Baker Tilly Projections**



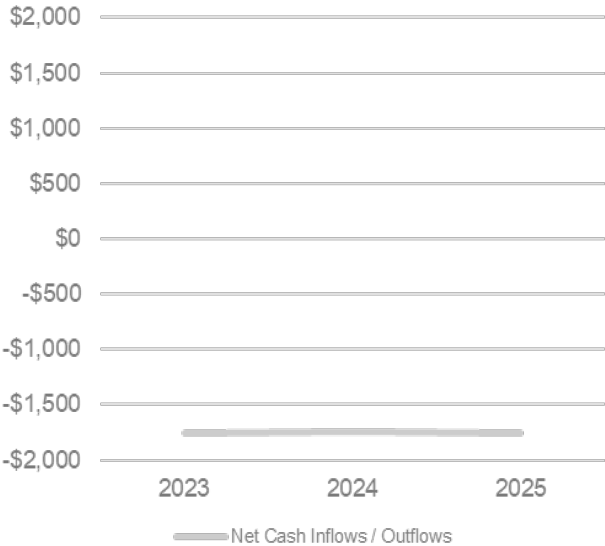
PARKS & RECS FUND

CHANGES ARE WORKING

Park & Rec ('23 - '25) - **Current Projections**



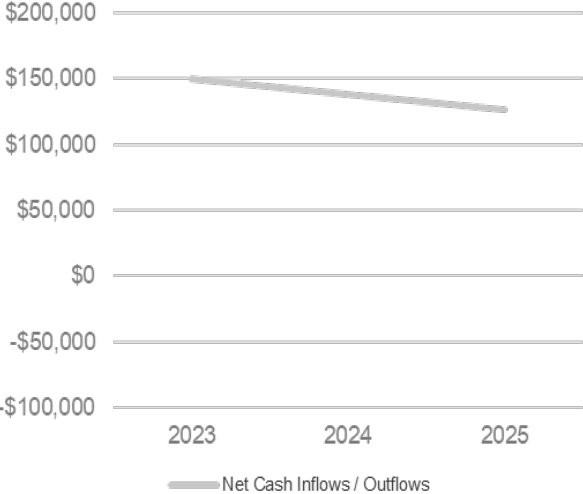
Park & Rec ('23 - '25) - **Baker Tilly Projections**



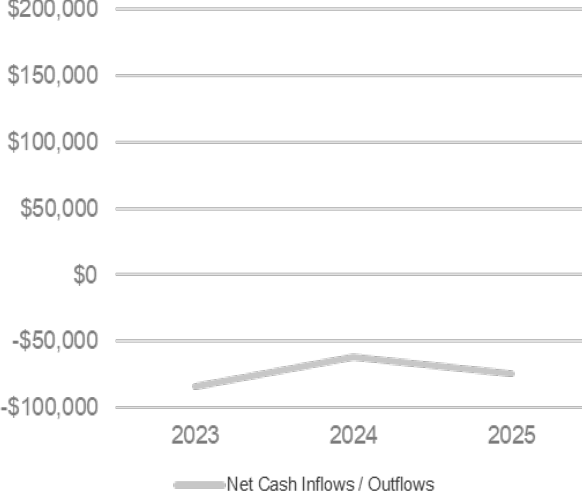
PROJECTED CASH FLOWS / OUTFLOWS

ALL CORE FUNDS (GENERAL, MVH, LRS, PARKS & REC)

Key Funds ('23 - '25) - **Current Projections**



Key Funds ('23 - '25) - **Baker Tilly Projections**



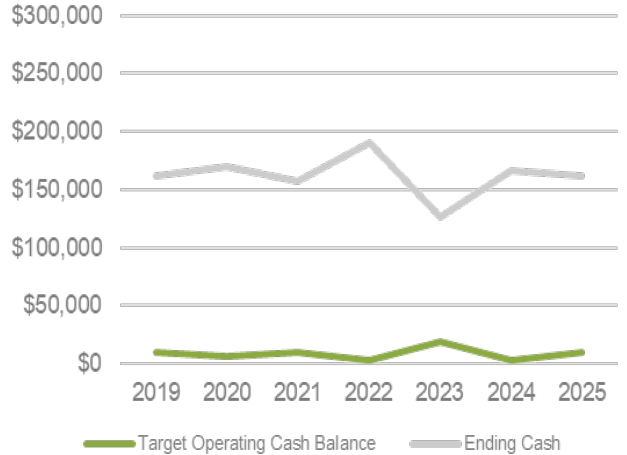
CCD FUND

KEY CAPITAL EXPENSE FUND

CCD ('19 - '25) - Historical & Current Projections



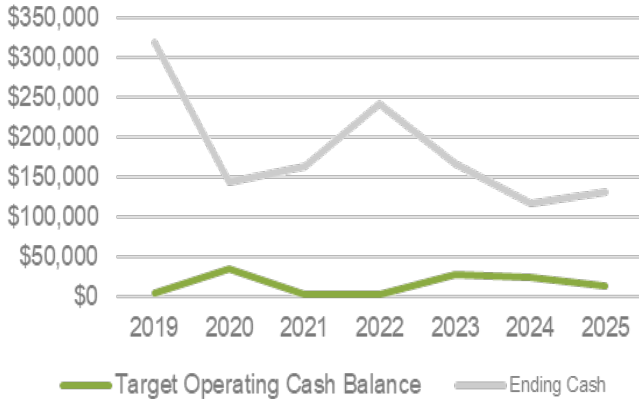
CCD (19 - '25) - Baker Tilly Projections



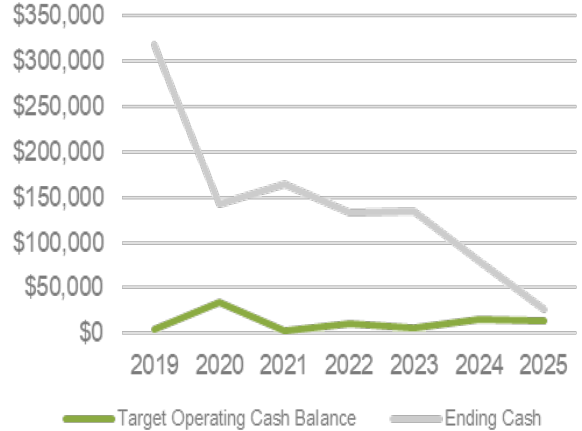
LIT/CEDIT FUND

OTHER KEY CAPITAL EXPENSE FUND

EDIT ('19 - '25) - Historical & Current Projections



EDIT (19 - '25) - Baker Tilly Projections



WATER DEPARTMENT

Update



WHERE WE WERE

AN UNSUSTAINABLE PATH

	As of		
	12/31/2018	12/31/2019	12/31/2020
<u>Cash and Cash Equivalents:</u>			
Operation and Maintenance Fund	\$109,648	\$77,441	\$16,692
Capital Improvement Fund	19,498	24,126	2,028
Total Cash and Cash Equivalents	\$129,146	\$101,567	\$18,720

Baker Tilly comprehensive report:

- Suggested either a rate increase of 53% or selling the department
- In order to be fiscally healthy, need at least \$100,000 in reserves (\$52k operating and maintenance, \$51k capital improvements), better if near \$150,000



WHERE WE ARE TODAY

MUCH HEALTHIER & READY TO TAKE ON FUTURE PROJECTS

FUND TITLE	CURRENT BALANCE
**Bank Number 6	
6101 WATER UTILITY OPERATING	150886.99
6106 WATER CAPITAL IMPROVEMENT	65298.10
SubTotal Bank Number 6	216185.09
*** GRAND TOTAL ***	216185.09

12/31/2020
\$16,692
2,028
\$18,720

Since 12/31/2020:

- Operating: +\$134,194
- Capital: +\$63,270



HOW WE GOT THERE

TACKLING THE PROBLEM ON SEVERAL FRONTS

- ❖ ARPA money received (\$200,000)
- ❖ Reduced labor costs
 - Combined street & water departments
 - Share cost of Julia's time (40% of salary)
- ❖ Water rate increase 50% (Baker Tilly recommended 53%)
- ❖ Followed up on a number of delinquent properties
- ❖ No snowbird exceptions
- ❖ Scrutinizing expenses
 - USIC bills and out-of-town locates +/- \$7,000
- ❖ Wireless meters provide more accuracy
- ❖ Water testing and EPA reports outsourced



WIRELESS METERS

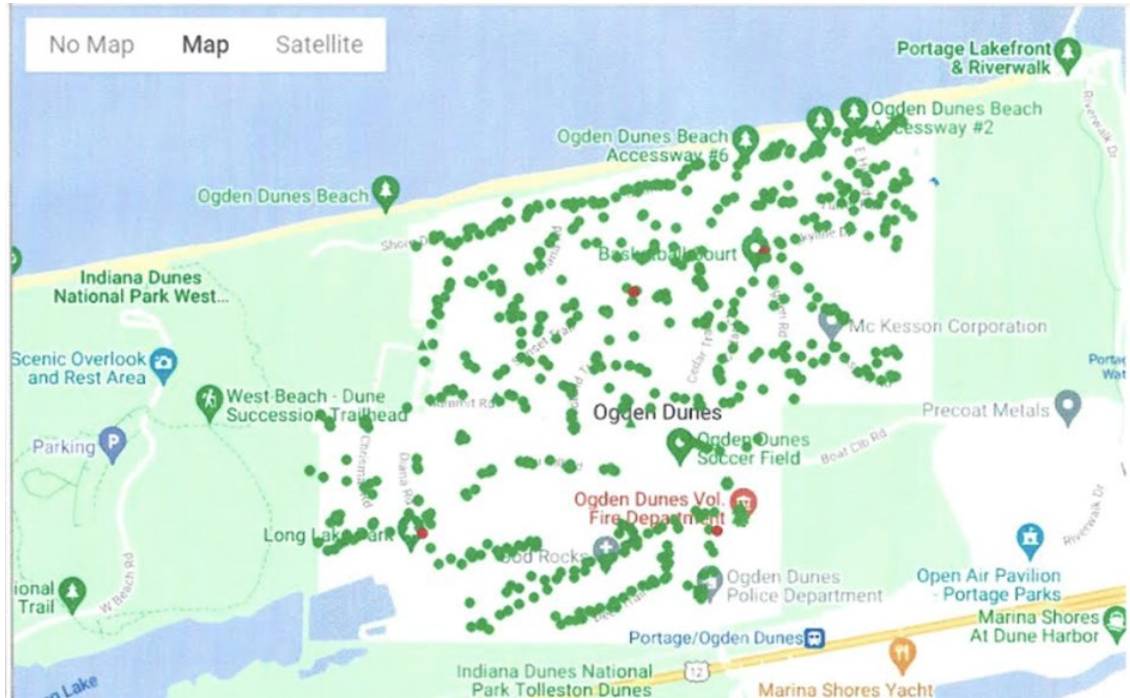
PROJECT UPDATE

- ❖ 586 out of 634 meters are now wireless (92%)
- ❖ Will be 98% complete by end of month
- ❖ Savings associated with no more meter reading
- ❖ Real-time leak detection
 - Fast leak detection = savings for homeowners
- ❖ No more 4th quarter estimates = additional savings on labor
- ❖ Ability to move to monthly billing in the future = greater ability to control cash flow



WIRELESS METERS

PROJECT UPDATE



UPCOMING PROJECTS & EXPENSES

WHY MONEY IN THE BANK IS SO IMPORTANT

❖ Emergencies

- Recent water main leak @ Hillcrest and Diana, repair 6 feet long = \$8,000
- Recent Diana leak and valve repair on Hillcrest = expect around \$18,000

❖ 6 Deep meters = \$16,000

❖ NIPSCO rewiring for pump station = \$20,000

❖ Pump station update = \$50,000

❖ Pump station exterior improvements = \$50,000-\$70,000



TOWN OF OGDEN DUNES

Paying homage to the past.

Planning for the future.



THANK YOU!