MEASURING LOVELAND'S PERFORMANCE DIVIDEND

This is the second year the City will have a dedicated section in its Budget and Capital Improvement Program (CIP) for performance measurement, and the fourth year the City has reported performance data.

Generally speaking, I see four primary benefits to a local government which places a strong emphasis on measuring results.

1. **First, what gets measured gets done.** When everyone knows that their work is being monitored closely and that they will be held accountable for the results, production increases. Knowing that department or individual results will be reported to City Council and the public at large is, for many, an extremely valuable motivator.

2. **Second, City Council has available to them performance data to help guide policy decisions.** While the City is in remarkably strong financial health given the great recession, it is quite possible that difficult budget cuts will be forced upon Loveland in the not-so-distant future. Performance data will help City Council make those difficult decisions, and understand the consequences of changes in resources in particular areas.

3. **Third, performance data helps the City to spot trends that might not otherwise be noticed.** In 2009, city officials have carefully monitored a variety of indicators which, in aggregate, provide insight into the overall economic stress our residents are experiencing. These include foreclosures, delinquencies on utility bills, violent crime, property maintenance activity, assessed valuation and income tax collections. These data indicate that, overall, the Loveland community's health is remarkably strong. Had the data indicated the opposite, however, the City might have implemented countermeasures or changed its approach to a number of programs or policies.

4. **We use performance measurement to communicate to our residents that we are spending their tax dollars wisely.** Residents have a relatively high tax burden in our community. Nobody enjoys paying taxes. Americans in general tend to be cynical towards government. It is my belief, however, that an effective municipality like Loveland should report to our residents the stewardship over and value from the dollars they pay us in taxes, fines and fees. When I examine the inputs, outputs, efficiencies, and effectiveness of what City employees are able to provide, I believe our residents should take some solace in knowing that they receive a large bang for their buck.

   And when Loveland benchmarks itself against other communities, the value we provide comes into even more perfect relief.

   For instance, Loveland compares its police expenditures per capita, and our costs are right under the mean for police agencies serving fewer than 25,000 people. Next, Loveland compares its UCR Part 1 crime rate (more series crimes ranging from murder and assault to larceny and auto theft) to other communities and we have one of the lowest in the group. Loveland is next to Teton County, Wyoming; Santa Barbara, California;

and Needham, Massachusetts. Connecting these two benchmarks indicates that the Loveland Police Division achieves industry leading results with below average expenditures.

While it is undeniable that these statistics are more complicated than just attributing the results to the LPD, it is clear that our community safety is next to some of the most premier communities in America. Our crime rates are also lower than most other communities in Ohio. And this understanding is only possible through a comparison against other communities—the process of benchmarking.

Performance Dividend

These four benefits can be summarized in one broader theme: measuring results allows the City to quantify the performance dividend our residents receive for the taxes, fees and fines they pay us. Our results are very good, and our employees have every reason to be proud of the performance dividend we generate. One of our organizational values, however, is continuous improvement. Not only will the City continue to refine and improve our measurement, we will endeavor to improve our results, to increase the performance dividend that our employees provide to our residents.

And the data indicate that progress is being made. Our risk management and workers' compensation data indicate that our safety programs lead to less Loveland taxpayer expenditures than peer cities. Net result: safety pays off for Loveland. Our healthcare expenditures over the 2008-2010 time frame have been flat, demonstrating that our wellness initiative and conversion to a consumer driven healthcare approach is helping to hold the line on these expenditures. Net result: wellness pays off for Loveland. Our recent emphasis on green initiatives and recycling has led to small but steady increases in our recycling rates over the last four years. Net result: Loveland is moving towards its short-term goal of recycling 20% of our waste stream. Our neighborhood meetings this year were attended by 150 adult residents (and many more children too). Net result: Loveland is connecting with a large number of residents and our residents are connecting with the City.

These are all examples of ways in which the City is striving to increase our performance dividend to our residents. Ultimately, the readers of this section of the 2010 Budget and CIP can decide for themselves if they feel that they are receiving a good dividend on their taxes, fees and other payments. We want to know if you agree.

Trend Analysis

This year, staff has added icons to indentify whether the performance measure is trending to the positive ( ), trending to the negative ( ), or generally the same (↔). A performance measure may be showing an upward trend (i.e. the numbers are increasing each year), but an upward trend of a negative factor is given the thumbs down symbol. Conversely, a trend might be showing a decline (i.e. the numbers are decreasing each year), and if the item being measured is generally a negative thing, the downward trajectory earns a thumbs up symbol.

The symbols are intended to help the reader, but it is understood that the trend symbol is a subjective call. The reader should make their own judgments based on their interpretation of the data. I welcome any comments or feedback on the trend analysis.

Furthermore, it is important to understand that a trend identified as negative is not necessarily something that that the City can do anything about. For example, housing starts and commercial investment are down in Loveland, a trend with certain negative implications for the community. Yet this is not a problem caused by the City or our Building and Zoning Office. This is not a shortcoming on their part. This is not analogous to a private company losing market share to a more aggressive or competent competitor. It is just a negative trend, caused by the current recession. The reader should be cautious in giving too much credit or too much blame, therefore, to any one person or department for these results.

Respectfully Submitted,

Tom Carroll, City Manager

LOVELAND POLICE DIVISION

Measure	2006	2007	2008	2009 (Projected)	Forecasted 2010	Trend
Loveland Population	12,395	12,519	12,645	12,680	12,700	
Police Expenditures Per Capita	$197.80	$205.07	$199.15	$222.38[1]	$204.60	↓
ICMA CPM Mean Benchmark (2008)			$220			↓
Mayor's Court						
Mayor's Court Revenue	$151,337	$ 127,055	$119,080	$100,000	$144,000	↑
Mayor's Court Expenditure	$121,844	$ 114,504	$130,138	$119,000	$119,000	↓
Court Cost Recovery Ratio	1.242	1.11	0.92	.84	1.21	↔
Traffic Enforcement						
Parking Citations	171	250	146	100	110	↑
Total Traffic Charges	2,363	1,730	1,789	1,750	1,800	↔
Traffic Warnings	316	494	693	750	600	↓
Operating Vehicle While Intoxicated (OVI)		37	41	45	40	↔
OVI per 1,000 Residents		2.96	3.24	3.15	3.175	↔
Auto Accidents	185	159	162	155	155	↔
Injury Auto Accidents			13	13	13	↔
Auto Accidents/Alcohol			4	4	4	↔
Fatal Auto Accidents			1	0	0	↔

[1] 2009 figures include a 27th pay period which skews the results upward.

Part I Crime						
Murder	0	0	0	0	0	↔
Rape	8	6	3	5	3	↔
Robbery	2	3	2	3	4	↔
Aggravated Assault	3	3	0	2	2	↔
Burglary and Breaking and Entering	42	29	34	30	35	↔
Theft/Larceny	194	162	111	115	120	↔
Motor Vehicle Theft	2	4	2	3	2	↔
Arson	2	2	4	0	2	↔
Total Part I Crime	253	209	155	156	160	
Part I Crime / 1,000 residents	20.4	16.7	12.3	12.3	12.6	
Crime Response						
Total Arrests	818	717	622	675	625	
Drug Related Arrests (All)			80	100	100	
Juvenile Arrests			94	40	50	
Juvenile Drug Related Arrests			18	20	20	↔
Arrests / 1,000 residents	66.0	57.3	49.19	47.26	49.21	
Use of Force Incidents	11	4	11	10	10	↔
Average Response Time to Calls in minutes and seconds			4:15	4:15	4:15	↔

LPD Employee Development						
Total hours of training	2,913	2,925	1,972	1,900	2,200	↔
Off site training	1,753	1,960	1,432	1,125	1,400	↔
In-house training	1,160	965	540	775	800	↔
Average Hours Training per Police Officer	137	132	89	82	95	↔

LPD Fleet Maintenance, 2008

	Maintenance Expenses	**Total Mileage**	**Maintenance Costs Per Mile**
Cars 1 year old or less	0	0	0
Cars 1-2 years old	$3,365.80	41,647	$0.08
Cars 2-3 years old	$14,407.84	150,906	$0.10
Cars 3 years old and more	$58,182.43	542,019	$0.11

LOVELAND SYMMES FIRE DEPARTMENT[2]

Measure	2007	2008	2009 (Projected)	Forecasted 2010	Trend
Total Property Losses to Fires, LSFD District	$113,700	$1,583,600	$1,306,545	$1,001,281	↔
Population Served	28,317	28,482	31,564	31,607	↔
City of Loveland	12,519	12,645	12,695	12,700	↔
Symmes Township	15,798	15,837	18,869	18,907	↔
Average Response Time					
Fire	4:40	4:12	4:56	4:33	↔
EMS	4:17	5:40	4:42	4:50	↔
Fractal Response for Cardiac Arrest	90.9%<4min 100%<5min	80.6%<4min 100%<5min	80.0%<4min 100%<5min	90.0%<4min 100%<5min	
Total Fire Incidents	1,063	1,234	828	1,031	
Structure Fires	13	18	6	12	↔
Total Fire Incidents per 1,000 Population Served	37.54	46.33	26.23	32.62	
Structure Fire per 1,000 Population Served	0.46	0.63	0.19	0.38	
ICMA Mean (2008)		3.63			
Firefighters on Scene	14	35	30	35	
Inspectable Properties/ Commercial Fires	891/ 0	943/ 2	991/ 2	1,043/ 3	↔
EMS Incidents					
Total EMS Responses	2,237	2,495	2,010	2,250	↔
Cardiac Arrests	22	18	20	20	↔

[2] Data for Loveland Symmes Fire Department includes the entire fire district and is not limited to just the corporate limits of the City of Loveland.

Productivity					
Hydrants Serviced	3,223	3,486	3,486	3,500	↔
Fire Inspections	989	1,007	1,097	1,100	↔
Total Training Hours	4,831.11	7,783.4	7,000	7,100	
Hours/Employee	93.4	135.8	114.5	140.0	
Department Budget	$3,609,683	$4,051,037	$3,869,929	$3,953,511	
Expenditures per Capita	$127.47	$142.23	$122.61	$125.09	
ICMA CPM Mean Benchmark (2008)					
All Departments		$ 142.47			
Professional Only		$ 156.98			

BUILDING AND ZONING DIVISION

Measure	2006	2007	2008	2009 (Projected)	Forecasted 2010	Trend
Tall Grass	42	40	55	70	60	
Debris	40	60	29	50	50	
Exterior Structure	-	-	11	40	40	
Other	38	50	25	50	50	↔
Total Code Violations *	130	155	120	210	200	
Violations Complied With *	-	-	120	175	170	
Abated by Contractor	-	-	20	25	20	
Cited to Mayors Court	-	-	2	10	10	
Total assessed for clean up	$4,620	$6,000	$8,959	$14,000	$9,000	

Measure	2006	2007	2008	2009 (Projected)	Forecasted 2010	Trend
Residential Permits	174	175	124	69	69	
Commercial Permits	99	47	71	43	43	
Residential Inspections	453	418	274	160	160	
Commercial Inspections	128	98	240	35	35	
New Housing Starts	38	26	28	8	8	
Commercial Investment Valuation	$4,095,436	$2,500,000	$6,118,988	$1,980,150	$2,000,000[3]	
Residential Investment Valuation	$15,834,254	$9,600,000	$8,098,355	$4,350,300	$3,650,000	
Total Property Investment	$19,929,690	$12,100,000	$14,217,343	$6,330,450	$5,350,000	

[3] Does not include the proposed $12,000,000 downtown revitalization and job creation project.

Measure	2006	2007	2008	2009 (Projected)	Forecasted 2010	Trend
Building and Zoning Expenditure	$189,466	$200,821	$204,600	$209,328	$207,501	↔
Building and Zoning Revenue	$108,819	$100,258	$92,605	$48,000	$50,000	↓
Building & Zoning Cost Recovery Ratio	0.5743	0.4992	0.4526	0.2293	0.2410	↓

PLANNING & ZONING COMMISSION

Measure	2006	2007	2008	2009 (Projected)	Forecasted 2010	Trend
Performance Bond Reductions	9	2	2	2	1	↔
Site Plan Reviews	0	7	2	3	2	↓
Conditional Uses	5	0	5	5	5	↔
Zoning Code Text Change	2	1	1	1	1	↔
Loveland Madeira Overlay *	10	7	7	8	8	↔
Lot Splits	1	2	1	1	1	↔
Final Plats	1	0	0	0	0	↔
Substitution, Non-Conforming Use	0	0	1	1	0	↔
Zone Map Change	2	0	0	0	0	↔
Total Cases	30	19	19	21	18	↔

*Loveland Madeira Overlay (e.g. Signage, Building Color, Substantial Expansion, Outdoor Sales, etc.)

BOARD OF ZONING APPEALS

Measure	2006	2007	2008	2009 (Projected)	Forecasted 2010	Trend
Appeals Requested	3	2	0	1	1	↔
Variances Requested	1	2	1	0	1	↔
Total Cases	4	4	1	1	2	↔
Cases Denied	1	0	0	1	0	↔

FINANCE DEPARTMENT

Measure	2006	2007	2008	2009 (Projected)	Forecasted 2010	Trend
Number of Utility Billing Accounts	5,787	5,820	5,860	5,900	5,910	↑
Sewer Delinquency Revenue as % of All Sewer Revenue	1.69%	1.75%	1.80%	1.80%	1.80%	↔
Total Utility Bill Collections	$4,423,171	$4,953,606	$5,073,219	$5,410,000	$5,680,000	↑
The Average Monthly Utility Bill for City Residents	$ 77.93	$ 80.85	$ 87.23	$ 95.45	$103.68	↑
All Debt Outstanding Principle (includes SCIP)	$10,582,895	$9,450,962	$10,978,867	$11,858,133	$11,968,366	↔
Debt Principle as a % of Assessed Value [4]	3.7%	3.2%	3.7%	3.8.%	3.8%	↔
Number of Outstanding Debt Issues	27	31	33	35	28	↔
Year-end, Weighted Average Interest Rate		3.29%	3.26%	3.08%	3.08%	↑
Total General Obligation (GO) Debt [5]			$5,942,563	$5,165,572	$7,005,572	↔
GO Debt as a % of Assessed Valuation			2.10%	1.80%	2.30%	↔
Treasury & Cash Reserve Management	$6,753,716	$6,820,892	$5,629,990	$5,400,000	$5,300,000	↑
Interest Income	$288,227	$389,401	$284,018	$135,000	$135,000	↑
Annual Yield on Treasury		5.71%	4.26%	2.50%	2.0%	↑

[4] Includes all debt, not just general obligation debt which is more commonly benchmarked against property values.

[5] 2010 General Obligation debt assumes $310,000 for City Hall HVAC, $180,000 for public works equipment, $1,200,000 for refinancing existing water debt and converting it to GO, and $150,000 for 2009 Recreation Debt.

% Yield Above/Below STAR Ohio Yield	-12.4%	13%	68.5%	600%	500%	
% Yield Above/Below LovelandEX [6]				TBD	TBD	TBD

INCOME TAX DIVISION

Measure	2006	2007	2008	2009 (Projected)	Forecasted 2010	Trend
Income Tax Collections (after refunds)	2,578,634	2,954,097	2,974,562	2,950,000	2,800,000[7]	
Tax Office Operating Costs	278,125	316,501	314,280	317,613	252,182	
Tax Office Cost as a Percent of Net Collections	10.8%	10.7%	9.465%	9.29%	9.01%	
Average Labor Hours per Active Account	0.741	0.820	0.900	0.85	n/a	↔
Online Tax Tool Users	264	421	517	471	n/a	↔
Online Tax Filers	*	*	*	23	n/a	↔

* Service was not available during these years.

[6] The LovelandEX is a customized benchmark to monitor outside investment services overtime. It consists of Star Ohio, times 125 percent, plus 18 basis points. This accounts for the notion that the City of Loveland has historically beaten Start Ohio by 125%, and the City is paying a total of 18 basis points to Fort Washington and US Bank (the custodian). If the LovelandEX is not outperformed over time, than the City would be better either to invest for itself rather than use Fort Washington, or hire another firm.

[7] In 2010, the City will receive 11 months of payments from RITA as part of conversion process because the payment is one month in arrears. This is a one-time event in 2010 and accounts for approximately $190,000 reduction in forecasted income tax receipts for 2010.

CITY MANAGER'S OFFICE

Measure	2006	2007	2008	2009 (Projected)	Forecasted 2010	Trend
Total City of Loveland Assessed Valuation, $ (Excludes Tangible Personal Property)	232,870,000	270,250,000	282,170,000	286,170,000	302,631,000	↑↑
% Change in Assessed Valuation	2.68%	16.05%	4.41%	1.42%	5.75%	↑↑
Press Releases	43	40	40	45	52	↑
Annexations	1	2	0	1	1	↔
Acreage Annexed	0.89	35.48	0	62.23	27	↑
City Limits, Square Miles	5.06	5.12	5.12	5.21	5.26	↔
City Population[8]	12,395	12,519	12,645	12,680	12,700	↔
Residents per Square Mile	2,450	2,445	2,470	2,434	2,414	↔
Legislative items approved by Council	115	92	88	100	100	↔
Memorandums to City Council	154	135	115	125	125	↔
Loveland Neighborhood Action Team Meetings	4	4	3	5	5	↑
Adult Participants at all Neighborhood Meetings				150	125	↑

[8] City of Loveland population is estimated annually be multiplying the number of new housing starts by 2.5 residents per household, and adding that new resident calculation to the prior year figure.

HUMAN RESOURCE & PERSONNEL

Measure	2006	2007	2008	2009 (Projected)	Forecasted 2010	Trend
Total City Salary and Wages	$2,835,981	$3,062,923	$3,218,713	$3,318,055	3,084,649	↔
Total City Paid Hours	104,715	104,236	110,633	106,700	105,000	↔
Average Hourly Rate per Labor Hour	$27.12	$28.59	$29.09	$31.03[9]	$29.58	↔
Recruitments	7	3	5	0	0	↔
Total Applications	513	133	503	n/a	n/a	↔
Avg. Applicants/Job	73.3	44.3	100.6	n/a	n/a	↘
Average Tenure of All City Employees (in Years)	9.37	9.34	8.57	7.98	8.05	↔
City Health Insurance Expenditures	$ 357,187	$ 394,878	$ 537,971	$ 526,800	$ 519,600	↘
Percent Change in Health Insurance Expenditures		10.5%	36.24%	(2.08%)	(1.37%)	↘

[9] 2009 figures include a 27th pay period, artificially skewing these figures up 3.7%.

RISK MANAGEMENT & WORKERS COMPENSATION

Measure	2006	2007	2008	2009 (Projected)	Forecasted 2010	Trend
Total Property Loss, Premiums, and Expenditures per $1,000	$ 1.04	$ 1.65	$ 0.95	$ 1.00	$1.05	↔
ICMA CPM Mean Benchmark (2008)			$3.14			
Expenditures for Liability Claims Per Capita	$ 2.31	$ 3.07	$ 1.93	$ 2.00	$2.25	↔
ICMA CPM Mean Benchmark (2008)			$4.11			
Workers Comp Claims per 100 FTEs			8	6	6	↔
ICMA CPM Mean Benchmark (2008)			11.1			
Expenditures for Workers Comp per $100 of Total Wages and Benefits	$ 0.50	$ 0.53	$ 0.62	$ 1.13	$ 1.27	
ICMA CPM Mean Benchmark (2008)			$ 2.11			
Number of Work Days Lost to Injury Per Claim			5.5	2	2	
ICMA CPM Mean Benchmark (2007)			5.07			

HOUSING, PROPERTY TAX & CITY OR COMMUNITY IMPROVEMENT CORPORATION REAL ESTATE ACTIVITY STATISTICS

Measure	2006	2007	2008	2009 (Projected)	Forecasted 2010	Trend
Average Single Family Housing Value			TBD			
Average Sales Price of Loveland Homes Sold[10]	$203,201	$232,872	$189,925	$185,000	$190,000	
Total City of Loveland Assessed Valuation in dollars (Excludes Tangible Personal Property)	232,870,000	270,250,000	282,170,000	286,170,000	302,631,000	
% Increase in Assessed Valuation	2.68%	16.05%	4.41%	1.42%	5.75%	
Available Housing Lots in Platted Subdivisions	-	-	244	236	228	↔
Foreclosures	-	42	15	15	20	↔
Community Reinvestment Area (CRA) Tax Abatements	3	1	4	3	1	
New Jobs from CRAs	95	10	46	134	15	
Properties sold, purchased or leased by the City	3	1	1	3	1	
Properties sold, purchased or leased by the Loveland CIC	0	0	4	3	2	

[10] Average sales price includes all homes which were sold inside the corporate limits in a given year, including both new and existing homes. The decline in average sales price is in part a reflection of fewer newer, more expensive home starts in 2008-2010, not necessarily a decline in the value of existing homes throughout the community. Data is not presently available to estimate the actual average home value within the City limits, data which would include the value of homes that are not for sale. The source of the information on average home sales is from MLS.

WATER SYSTEM

Measure	2006	2007	2008	2009 (Projected)	Forecasted 2010	Trend
Millions of Gallons of Water Pumped Per Year	528.9	586.66	535.12	510	530	↔
Millions of Gallons of Water Billed Per Year			477.54	445	475	↔
Unaccounted For Water	11.0%	11.8%	10.8%	12.75%	10.38%	↔
AWWA Best Practice Benchmark For Unaccounted for Water			10 to 15%			
Linear Feet of Water Distribution System Replaced	3,723	7,367	0	3,600	2,090	
% of Water System	1.01%	2.01%	0 %	0.98%	0.57%	↔
Linear Feet of 4" Diameter Water Line in System			16,685	13,085	10,995	
Average Remaining Useful Life, Water Distribution System			32.85 years	32.32 years	32.06 years	↔
Single Family City of Loveland Residential Water Accounts				3,566	3,576	↔
Multi-Family City of Loveland Residential Water Accounts				83	83	↔
City of Loveland Commercial Accounts				259	262	↔
Single Family Resident Accounts, Unincorporated Areas				850	850	↔
Commercial Accounts, Unincorporated Areas				7	7	↔

PARKS & RECREATION

Measure	2006	2007	2008	2009 (Projected)	Forecasted 2010	Trend
Loveland Youth Recreation Participants			4,250	3,796	3,900	↔
Percentage of All Rec. Participants from City			30.85%	33.19 %	33.00%	↔
Acres of Parkland per 1,000 residents (developed and undeveloped)[11]		25.03	24.78	25.5	26.09	
ICMA CPM Mean Benchmark (2008)			19.3			

[11] The increases in parks land represent the acquisition of the Christman Farm in 2007 and the acquisition of the Donnie Gay property in 2009.

STREET MAINTENANCE

Measure	2006	2007	2008	2009 (Projected)	Forecasted 2010	Trend
Loveland Population	12,395	12,519	12,645	12,680	12,700	↔
Road Rehabilitation Expenditures	$405,812	$358,794	$524,300	$383,958	$250,000	↔
Per Capita Road Rehabilitation Expenditures	$32.74	$28.66	$41.46	$30.28	$19.69	
ICMA CPM Mean Benchmark (2008)			$ 25.59			
Lane-Mile of Roadways Rehabilitated			5.69	10.77	TBD	TBD
Road Rehabilitation Expenditures per Lane-Mile			$92,144	$35,980	TBD	TBD
Tons of Road Salt Used			1,200	900	900	
Winter Snowfall Total					TBD	TBD
Tons of Salt per inch of snowfall					TBD	TBD
Hours of Street Sweeping			292	250	450*	
Total Loveland Lane Miles of Roadway (Accepted/Dedicated)			100.4	101.3	101.3	↔

*Includes contracted sweeping in 2010. This will be three sweeps of the residential neighborhoods by a contracted sweeping company, plus the City's own sweeping.

PUBLIC WORKS

Measure	2006	2007	2008	2009 (Projected)	Forecasted 2010	Trend
Catch Basins Cleaned	325	227	222	225	225	↔
Emergency Callout Events				90	75	↔
Fire Hydrants Repaired				21	25	↔
Fire Hydrants Replaced				1	1	↔
Annual SCIP Funding Level	$866,229	$284,000	-	$631,175	$516,100	
Annual SCIP Ranking	8th	15th	-	13th	4th	
Cumulative SCIP Funding Rank of 48communities in Hamilton County	3	3	3	3	3	

RECYCLING & REFUSE

Measure	2006	2007	2008	2009 (Projected)	Forecasted 2010	Trend
Total Tons of Recycling Collected	796.79	856.67	973.08	1,040	1,082	
Recycling as a % of Waste Stream		15.0%	15.55%	16.6%	17.0%	
ICMA CPM Mean Benchmark (2006)			13.6 %			
Loveland's Rank in Hamilton County for Recycling %	11th	11th	9th	10th	10th	↔