

2015

OPERATIONAL BUDGET WORK SESSION

January 21, 2015

GENERAL
FUND

ROADS AND
MAINTENANCE
FUNDS

POLICE FUND

FIRE & EMS
FUNDS



Where Families Grow and Businesses Prosper™

MISSION

We provide superb customer service with emphasis on **integrity**, fiscal **responsibility**, and open **communication**

CORE VALUES

Seeking continuous and **measurable improvement**
in our services defines us as
valued employees of West Chester Township



WEST CHESTER TOWNSHIP 2015 OPERATIONAL BUDGET PRESENTATION

For more than a decade, West Chester piloted a course for economic stability and prosperity which allowed the community to navigate the effects of the most recent recession and the impacts of a maturing community while remaining competitive. Today, the Township advances the course to elevate even more its standing as a premier community, investing in those attributes which allow West Chester to remain competitive, marketable, and sustainable and to lead the way toward continued prosperity.

The plotted course includes continuing to take every opportunity to examine its operations, right-sizing government now and for the future; directing resources to the most critical needs and demands for services; and trimming budgets while taking into consideration revenue reductions from the state, volatility in revenue sources affected by the macro-economy, and property value reductions due to a strained economy and aging housing stock. These considerations are made while placing greater value than ever before on directing resources to those amenities and services that define West Chester as a community of excellence and that sustain its prosperity.

West Chester has been viewing its operations and budget through a changed perspective since the early years of the millennium, recognizing the state of the economy and its impact on property valuations, personal spending by consumers, and the elimination and volatility of certain revenue sources, forcing the Township to take an even stricter and leaner approach to budgetary constraints and expenditures.

In 2012, West Chester introduced the “bridge year” with each Township department deconstructing and then reconstructing operations with a new perspective, using data collected and giving thoughtful consideration to maintaining a high level of service within a “new normal” of reduced revenues and greater costs associated with maintaining aging infrastructure. Establishing productive partnerships with the private sector and other agencies, eliminating approximately 30 full-time positions since 2002, restructuring departments for added efficiencies and taking a regenerated approach to operations are all indicative of “bridge year” strategies.

Continuing in 2013 and 2014, operational efficiencies were introduced using these “bridge year” strategies and continuous improvement was reinforced through the use of technology, greater collaboration across departments and disciplines, expanded partnerships and right-sizing government for the future of the community.

In 2015 and beyond, it is critical as West Chester matures, every effort be made to direct resources and implement policies and strategies to protect property values and sustain development, focusing on strengthening West Chester’s economy by promoting development and retaining a marketable workforce; and by preserving property values of an aging housing stock through promoting property maintenance and livability.

Remaining competitive, marketable, and sustainable translates into investing in those critical services and amenities mattering most to corporate and commercial site selection, developer investment, and residency choices.

The proposed operational budget for 2015 reflects West Chester’s commitment to fiscal restraint

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and its traditional approach to conservative revenue projections and budgeted expenses in order to further weather economic challenges and effectively allocate resources for the most critical needs of the community.

The themes offered throughout the preparation and presentation of the last several operational budgets: reduced revenue streams from extended conditions and trends of a declining yet stabilizing economy; continued commitment to managing escalating infrastructure maintenance and replacement costs; regenerated approach to expenses and operations, and the impact of all on delivery of services were still considered in the proposed 2015 budget. The 2015 Operational Budget, however, also demonstrates increased investment in community infrastructure and amenities to maintain our competitive edge and to remain marketable and sustainable in a region with expanding competitors.

Recap of 2014 Operational Budget for Primary Funds

For the 2014 operating year, all primary funds and general departmental expenditures – General, Fire, Police, and Roads’ Funds were under budget. Strategic planning and conservative spending led to actual expenses less than budget.

It has been West Chester’s practice to plan for potential unanticipated and emergency expenses and unforeseen circumstances. Accounting for the potentiality of emergencies and non-predictable occurrences ensures expenditures fall within available resources. Additionally, budgeting for potential compensation liabilities – retirement, separation, etc. – within each of the Township departments identifies funding for eventual liabilities and ensures accountability to the Township’s largest expenditure – personnel. Although the projected expenditures may be significantly less than budgeted if unrealized, these potential and eventually inevitable costs are considered to ensure fiscal responsibility.

Controls are in place to prevent funds from exceeding budgetary expenses and to ensure funding allocated for these expenses are not spent elsewhere. This practice has allowed the Township to remain within self-imposed budgetary constraints and build a carryover which demonstrates fiscal solvency and will benefit the community through lean times.

The departments reconstructed operations and the delivery of services as part of the “bridge year strategy” first introduced in 2012 and lessons learned continue to benefit operations today. Some bridge year examples resulted in increased efficiencies and reduced costs, but more importantly, the bridge year strategy committed the departments and staff to a changed way of operating, assessing every operation and mining for ways to increase efficiencies and reduce costs while maintaining a high level of service to the customer.

- In the Police Department, collaboration and implementation of new staffing strategies resulted in reduced costs.
 - Over the last two (2) years, overtime costs in the police department have been reduced 31%. Reasons for the reduction in overtime costs are attributed to twelve (12) hour shifts and general adjustments to schedules.
 - Collaborative efforts with multi-jurisdictional task forces, such as the DEA Task Force, have generated in excess of \$300,000 in funds for West Chester over the past five (5) years. These funds have been used to supplement tax levy revenues with purchases for bullet-proof vests, vehicle maintenance, training, uniforms and similar operational expenses.
 - Working cooperatively with the Lakota School District an agreement was negotiated to increase security and officer presence in school facilities. With the reimbursement from Lakota of \$215,000 in officers salary and benefits, West Chester gains the benefit of providing service to this extensive portion of our population without incurring additional costs.
 - Benefit continues to be realized with in-field reporting capabilities. The technology allows officers to stay on the street while completing reports. This

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translates to added patrol presence and visibility in the community, as well as real-time submission of reports for approval.

- In the Fire Department, technology and new approaches to deployment of critical resources have resulted in cost reductions.
 - Streamlining dispatched apparatus has resulted in reduced fuel costs and mileage on service vehicles due to the decrease in the number of calls a quint/engine accompanies a squad. The new approach resulted in a 16% decrease in the number of calls an engine went on a run in 2013 and an additional 0.10% reduction in 2014. This effect was despite a 15% increase in overall call volume in 2014.
 - Of the times used, fire video conferencing allowed firefighters and vehicles to remain in assigned districts 36% of the time in 2014, reducing overall response times by an estimated 15 seconds.
 - Due to a redesigned replacement schedule of medic units – vehicle chassis being replaced separately from the patient compartment – a medic unit was purchased in 2014 at approximately 75% of the cost of a completely new medic unit and extending the life for another 8 to 10 years. This same practice will be employed in 2015 and moving forward.
- Deploying Cartegraph and developing operational efficiencies in the Community Services Department resulted in a more comprehensive approach to replacement schedules for all types of infrastructure – pavement, curb, striping, storm sewer mains, culverts, snow routes, etc.
 - Staggered hiring and scheduling of seasonal employees in Community Services has reduced costs about 14%.
- Since 2007, the Township has furthered its efforts to right-size the organization. From 2007 to 2013 full-time equivalent positions were reduced by 12%. Every position vacated through attrition and retirement is critically evaluated for its operational need before it is filled.
 - In 2014, twelve (12) employees left the Township for employment elsewhere with some of these positions still vacant; and in 2015 five (5) planned employee retirements are expected.
 - With this loss of institutional knowledge, the Township faces challenges of maintaining its reputation of exceptional service with a less experienced workforce. However, the introduction of new people also provides an opportunity to continue to expand “bridge year” strategies to re-invent operations with a changed perspective and with new ideas.
- By leveraging capital and personnel assets where the Township has capacity, increasing greater operational efficiencies, and expanding ways to share services, the Township reduced costs, augmented revenues, or used proceeds to cover current operational costs.

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- A collaborative purchasing program intra-departmentally and inter-governmentally for office and janitorial supplies, and fire, mechanic, and roads materials resulted in an average 20% reduction in costs as estimated with office supplies realizing a 45% decrease in costs over the last few years. From 2008 through 2011, the Township averaged nearly \$66,000 per year in office supplies. Since changes were put in place mid-2012, costs for office supplies have been reduced to approximately \$45,000 per year, a 32% decrease.
- Introduced as a bridge year strategy, various departments considered opportunities to “retail” certain Township services to other local governments or public entities. Retail services opportunities have not yet been fully marketed or realized, but individual departments continue to entertain opportunities. Integrated Multimedia & Marketing considers potential clients for video productions, and Community Services considers opportunities and capacity for mechanic services and facility maintenance. Providing shared services utilizing the Township’s dispatch emergency communications center is an asset to be leveraged, potentially resulting in new revenues and reduced costs to public safety.
- The greatest annual cost reduction realized through leveraging assets is the enhanced partnership with the Butler County Engineer’s Office. This partnership has allowed the Township to address critical infrastructure improvements through shared services, to preserve a stable paving program, and to continue to advance necessary replacement and maintenance of storm sewer mains and ditches. The partnership resulted in more than \$500,000 in savings to the Township in 2013, \$600,000 in 2014; and similar is projected in 2015. This savings is realized without burdening either entity’s operational budget.

2014 Year End Budget Summary

The 2014 Operational Budget reflected a cautiously stabilized economy and accounted for the possibility of continuing reduced property values.

- Property tax collections in 2014 for all the primary funds only slightly exceeded the budget projections. Actualized property valuations and tax appeals demonstrated a 0.18% increase in property valuations.
 - Although all funds receiving property tax collections were impacted, the property value reduction from 2010 to 2013 continue to have the greatest impact on the police levy fund.
 - Actual collections for the police levy continue to be approximately \$800,000 less than certified at the levy renewal in 2010, causing a financial strain on the projected five (5) year police levy. This variance is attributed to decreased property values, tax appeals, and delinquencies.
 - Integrating operational efficiencies, reducing costs, and experiencing unrealized expenses, have strengthened the police

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levy fund from critical to cautiously stable. The Township is committed to ensuring at a minimum the police levy extends to five (5) years with the earliest possible return to the voters if even then in 2016.

- Although not relied on as a substantial revenue source, interest earned on investments receipted more than projected in 2014 which enables ongoing support of the financial plan for the Sustainable Infrastructure Fund (SIF) first introduced in 2009.
- The Township's approach to 2014 estimated revenues considered the economy still in recovery; therefore, revenues related to economic trends and factors were cautiously projected in 2014.
 - Over the last few years, JEDD revenues have augmented revenue losses or decreases to the General Fund and continue to be a viable revenue source for operations. JEDD revenue in 2014 (\$1,491,684) exceeded estimates (\$741,578) with the majority deposited into the General Fund (\$1,270,263) and the balance receipted to the police and fire funds to address exempted collections.
 - Revenue for 2014 hotel tax receipts, consistent with the last few years' receipts, were \$882,611 and 100% more than budgeted (\$400,000). This revenue source will continue to be monitored as new hotels enter the market. The effect of these new properties on the community's hospitality marketplace remains to be seen.
 - Revenues realized in 2014 for the Local Government Fund, approximately \$800,000, exceeded budget projections of \$614,083 by more than 20%.
 - The phase down of Tangible Personal Property Tax was accelerated by JobsOhio. Initially scheduled to be phased out by 2018, JobsOhio announced in summer of 2011, the TPPT phase down would be accelerated to end in 2013. Although the phase-down schedule has been exhausted, the State provided a new revenue source in 2014, receipts from the State collected Commercial Activity Tax (CAT).

Administration of the 2014 Operational Budget and compilation of the proposed 2015 Operational Budget demonstrate West Chester's commitment to fiscal responsibility and awareness of the need to weather current and predicted economic challenges reflective of the broader economic climate.

Overview of the Proposed 2015 Operational Budget

The proposed 2015 Operational Budget reflects West Chester's ongoing commitment to fiscal responsibility and demonstrates the objective of maintaining West Chester's status as a leading edge premier community. Staff will continue to identify ways to leverage assets, assess bridge year strategies, reduce costs, and increase efficiencies to direct resources to the most critical services.

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Value will continue to be placed on and resources will be directed to those amenities and services that define West Chester as a community of excellence. Exceptional police and fire services, quality infrastructure, and attention to property maintenance protect and enhance West Chester's position as one of America's best places to live and as a progressive environment for economic development.

As West Chester matures, it is critical every effort be made to protect property values and sustain economic growth by promoting development; retaining a marketable workforce; and preserving property values by encouraging property maintenance and livability. The 2015 Operational Budget reflects these efforts.

It is the budgetary practice of West Chester to underestimate revenues and account for potential or unanticipated and unexpected expenditures in order to fund potential liabilities and be prepared for unforeseen circumstances or situations. This practice has allowed the Township to remain within self-imposed budgetary constraints and build a carryover which demonstrates fiscal solvency and will benefit the community through lean times.

Accounting for the potentiality of emergencies and non-predictable occurrences ensures expenditures fall within available resources. Additionally, budgeting for potential compensation liabilities – retirement, separation, etc. – within each of the Township departments identifies funding for eventual liabilities and ensures accountability to the Township's largest expenditure – personnel. Although the projected expenditures may be significantly less than budgeted if unrealized, these potential and eventually inevitable costs are considered to ensure fiscal responsibility.

With a successful history of budget planning and fiscal restraint, the proposed budget continues to be conservative in revenue projections and budgeted expenditures to effectively allocate resources for the most critical needs and to meet the expectations of the community for amenities and services.

As responsible stewards, the Board of Trustees and Township staff strive to utilize and expend all Township resources in a wise and fiscally responsible manner. Additionally, the traditional strategy of budgeting based on need and not on availability of funds, further ensures staff expends within the budgetary constraints.

Notable Points of the 2015 Operational Budget:

The 2015 Operational Budget reflects the Board of Trustees' continued commitment to manage escalating infrastructure maintenance and replacement costs through financial support to the Roads' funds by funding supplements from the General Fund and applicable TIF funds for eligible infrastructure improvements and through a financial partnership with the Butler County Engineer's Office. This will be the fourth year of an expanded partnership with the BCEO. In 2012 the partnership with the BCEO reduced costs from Township Roads' funds approximately \$300,000, and in 2013 this partnership resulted in cost reductions of \$500,000. In 2014, the expanded partnership with the BCEO to address critical infrastructure improvements through shared services saved West Chester just more than \$600,000, and similar savings are expected in 2015.

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The General Fund in 2015 will again support a direct subsidy to the Roads' Fund of \$1.5 million. Because the planned 2015 infrastructure improvement program incorporates more miles of roadway resurfacing, more culvert and other stormwater improvements, and greater costs for materials and supplies, a direct contribution will likely not be made to the Sustainable Infrastructure Fund in 2015.

In order to address the demands of aging infrastructure and to continue to build a sustainable fund for public infrastructure improvements, operational supplements (transfers) to the Roads and Bridge Fund must remain part of the budget for the next several years and during that same period, the Board must acknowledge General Fund operational budgets will demonstrate expenditures greater than revenues.

The operational budget as presented does not represent individual expenditures or encumbrances, rather a detailed illustration of expected expenditures by account code assigned to specific budget priorities which are set by the Board of Trustees. The merit of expenditures greater than \$2,500 must be evaluated and approved separately by the Board of Trustees in a public forum.

The 2015 Operational Budget as proposed reflects greater costs in those critical areas that strengthen West Chester's economy by promoting development and retaining a marketable workforce; and preserving property values of an aging housing stock by encouraging property maintenance and livability.

Remaining competitive, marketable, and sustainable translates into investing in those critical services and amenities mattering most to corporate and commercial site selection, developer investment, and residency choices.

Notable Impacts to Operational Budget Revenues

When projecting revenues for 2015, the Township was cognizant of economic conditions, the broader economic climate, the reductions in primary revenue sources from previously enacted State legislation, and a continually predicted constrained economy. Each of these circumstances and dynamics all have an impending impact on the Township's operations and delivery of services.

The 2015 Operational Budget continues to be responsive to the macro-economy and assumes indirect affects to revenue sources generated by and subject to employment rates and consumer spending such as hotel tax, fuel tax, interest earned, property tax delinquencies, etc. as a result of economic conditions on the national level.

- fuel tax projected for 2015 is 12% less than 2014 receipts;
- motor vehicle tax projected to be down 11% from 2014 receipts;
- interest revenue projected 81% less than 2014 receipts;
- hotel tax projected 55% less than 2014 receipts; and,
- EMS billing projected to be down 17% from 2014 receipts

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- With forecasts of the economy stabilizing and some industry sectors expanding, 2015 revenue projections account for hotel tax collections for the recently opened hotel and two (2) new hotels under construction to be opened in 2015. Revenues were conservatively projected and will be monitored to determine if additional hotels and hotel rooms grow the West Chester market share or only re-distribute it.
- West Chester is budgeting a further 2% reduction in 2015 property tax collections as compared to 2014 receipts. The Butler County Auditor calculates abstractly a 0.36% increase to West Chester Township property values for 2015 with increases in Residential, Commercial, and Agricultural values but a decrease in Industrial property values. Collections for 2015 will be a result of a re-evaluation tax year and settlements may not be actualized as projected in the abstract calculations.
- Because the Local Government Fund (LGF) is affected by numerous factors and is a result of several economic multipliers, subject to continued volatility in the economy, West Chester has historically projected these revenues conservatively. The Butler County Budget Commission altered the Township's projections which are reflected in the proposed 2015 revenue projections.
- The elimination of the TPPT due to the restructuring of State tax policy and the continued repeal of the estate tax are illustrated in 2015. Although the tangible personal property tax phase-down schedule has been exhausted, the State provided a new revenue source in 2014, receipts from the State collected Commercial Activity Tax (CAT). The State announced local governments will continue to receive this revenue source ; however, its discretionary status coupled with collections subject to the economy, leads the Township to monitor this funding source before making any revenue projection assumptions.
- For the last several years, both GE Aviation buildings at Northpointe have been fully occupied and GE Aviation has received several substantial contracts anticipated to last through 2015, but West Chester will again project modest revenues from the JEDD for 2015, \$971,422 for all funds. This revenue projection is 35% less than revenue collections for 2014 (\$1,491,685). JEDD revenues not only assist in covering revenue deficits caused by reductions and eliminations of other revenue sources, but this revenue is also distributed to Police and Fire funds accounting for property tax revenue not received due to the abatement of taxes on the property.

Notable Budget Items Related to Cost of Doing Business

Budget proposals for 2015 in all Primary Funds demonstrate increased expenditures reflective of growing demands for infrastructure improvements, replacement of aging equipment, and commitment to sustain the community's property valuation remain competitive in economic development.

Consistent with our commitment to continuous improvement, the 2015 budget process also continues to formulate more precisely and bring consistency and accountability to the largest Township expenditure - personnel. Expenses related to contract negotiations are budgeted in

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2015 for IAFF, AFSCME and Emergency Communications collective bargaining units in the organization.

- West Chester was able to negotiate health care insurance for 2015 with no increase in premium nor a decrease in benefits. Budget has allowed a small increase to account for filling position vacancies and for employee plan choices.
- As West Chester moves forward within new budgetary constraints, its ongoing commitment to civic organizations, providing benefit to the community and Township operations, will be evaluated. However, the 2015 Operational Budget proposes continued funding contributions to Partners in Prime for management and operations of the West Chester Activity Center; the WestChester/Liberty Chamber Alliance for its sustaining membership campaign; and the REDI Cincinnati for regional economic development partnerships; as well as, The National Voice of America Museum of Broadcasting and consideration of funding for the Butler County Regional Airport.
 - While these partnerships add cost to the organization, they leverage opportunities to expand other public-private partnerships and to reduce other operational costs for essential and discretionary services: First Financial Bank for programming on The Square; BAE Systems for senior van transportation vehicle replacements; West Chester Baseball Partnership for the West Chester Baseball Complex; and other examples of partnered services including Partners in Prime, MidPointe Library System, MetroParks, and The National Voice of America Museum of Broadcasting.
- Increased costs of materials, fuel, purchased services and other similar operational costs have been budgeted reflective of the cost of doing business in the recent economy. Although costs for goods have increased, the development of collaborative purchasing programs intra-departmentally and inter-governmentally for office and janitorial supplies, and fire, mechanic, and roads materials has resulted in an average 20% reduction in costs, allowing these costs to remain somewhat flat.

Notable Items of Operational Budget Expenses

- **General Fund:** The General Fund's 2015 budgeted expenses of \$8.0 million are greater than the 2014 budgeted expenses of \$7.5 million and 2013 budgeted expenses of \$6.9 million. In order to continue addressing public infrastructure maintenance and other obligations, the 2015 General Fund budget for Board of Trustees consideration will again reflect expenditures greater than revenues.
 - \$250,000 in undetermined capital improvements for the revitalization of U.S. Route 42, a \$430,000 payment to the City of Fairfield for contract obligations related to the JEDD, consideration for \$50,000 for redesign of the Township website, \$70,000 for ADA improvements to Keehner Park, and a \$1.5 million transfer to Roads
 - Consideration to facility and amenity improvements, including exterior improvements, updated hardscape, and energy efficient features to the

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Administration building and investment in entryway features throughout the community.

- Contributions of \$75,000 to the National Voice of America Museum; \$50,000 to Partners in Prime; \$20,000 to REDI Cincinnati; \$10,000 to the West Chester Liberty Chamber Alliance; and consideration of \$20,000 to the Butler Regional Airport.
- **Roads' Funds:** The 2015 budgeted expenses of \$5.1 million is greater than the \$4.3 million budgeted in 2014 due to increased investment in infrastructure improvements.
 - \$3,285,000 in improvements is scheduled in 2015, (\$2.15 million in 2014; \$1.83 million in 2013). This accounts for infrastructure improvements in the Roads' funds and qualifying improvements in the TIF Districts. The 2015 infrastructure budget reflects more than a \$500,000 increase from 2014 budget. Cost estimates for culvert repairs, curb replacement, slurry and paving are provided each year by the BCEO. Historically, bids have been much more favorable with actual costs 15-20% below budget.
 - In 2015, sixteen (16) sections of culvert pipe throughout the Township will be replaced or repaired at a budgeted expense of \$360,000. The storm water pipes to be addressed are more numerous and larger than those impacted in previous years resulting in greater costs.
 - In 2015, 10.3 miles of Township roadway is scheduled for new pavement, same as 2014.
 - In 2015, 9.6 miles are scheduled for the Slurry program, 2.6 miles more than 2014.
 - From 2011 through the end of 2015, nearly 40% of the Township's roadway will have been improved with either pavement or slurry application.
 - It has been possible to effectuate more infrastructure improvements in recent years due to General Fund's commitment to supplement roads funds beginning in 2009 and due to the expanded partnership with the Butler County Engineer's Office.
 - The proposed 2015 budget continues the expanded partnership with the Butler County Engineer's Office to address critical infrastructure improvements through shared services, projecting to save West Chester over \$600,000. While county roadways within TIF Districts are improved using TIF resources, the BCEO funds pavement of some township roadways and contributes equipment, personnel, and other resources to improve Township infrastructure;

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- Roads is also budgeting \$160,000 to replace a 1996 dump truck.
- **Emergency Communications (dispatch):** The proposed budget for 2015 is slightly more than \$1.7 million, but consistent with budgets from the previous four years. This budget affects both the police and fire levy funds as dispatch costs are shared by these departments.
- **Fire/EMS Funds:** The fire/EMS funds 2015 proposed budgeted expenses of nearly \$14.8 is consistent with the 2014 budgeted expenses of \$14.7 million due to the need for equipment replacement and pending expenses related to the department's largest expenditure – personnel.
 - Contract negotiations with the IAFF are ongoing and have not resulted in any substantial consensus. The IAFF's collective bargaining proposal increases the cost of fire and EMS operations so depending on potential third party resolution, budget must be identified accordingly.
 - The Fire Department is also anticipating retirements in the command staff which include pay outs of accrued leave.
 - Equipment purchases include \$500,000 for SCBA equipment and \$225,000 to replace a life squad.
 - Continuing with a best practice re-introduced in 2014, a vehicle chassis will be replaced with an existing squad unit being remounted to the new chasis, allowing for a medic unit to be purchased at 75% of the cost of a completely new vehicle and extending the life of that vehicle for another 8-10 years.
- **Police Department:** The Police Fund budgeted expenses for 2015 of nearly \$14.7 million are consistent with 2014 budgeted expenses of \$14.5 million. In 2015, the Township will continue redirecting previously receipted General Fund revenues to the police fund (approximately \$125,000 attributed to police operations) and assigning a mechanic to the Fire Fund.
 - Dependent upon Board of Trustee approval, the Police Department may expand its operations and introduce a police impound lot, allowing for a new revenue source with no increased costs.
 - The Police Department has been consistently and actively working to maintain costs by altering shifts, deploying in-field reporting, non-contract employees foregoing pay increases in previous years, and moving to a lump sum system instead of COLA type percent increase as well as increasing the health care participation rate to 15%. The Police Department has been considering all possible efficiencies to address the \$800,000 annual reduction from the certified levy amount. The Police Department will have to consider further reductions in operating expenses; renegotiated wages and benefits and concessions for contract employees or reduced workforce in order to extend levy life.

- The amount of funding needed is more accurately defined from year to year. Receipted revenues and actual expenses are better known at the end of each year; thereby, making projections less dynamic and assumptions more educated.

Notable Capital Expenditures

The Capital Improvement Plan (CIP), presented as part of operational budgets, is a tool used not only to demonstrate annual capital projects and expenditures but more importantly a budgetary mechanism to anticipate and plan for large capital expenses for the next five years. The Township uses the CIP to “save for” and reserve funds to make anticipated improvements and essential purchases when necessary and, of course, with Board of Trustees approval.

- **Road Resurfacing:** \$3.285 million is budgeted from Roads and TIF funds for resurfacing of various roadways throughout the Township. In addition to direct pavement resurfacing and slurry costs, this amount includes proportionate costs to replace and repair curbs and replace and repair culverts.
- **Firefighting Equipment:** The Fire Department has budgeted \$500,000 for the replacement of Self Contained Breathing Apparatus meeting requirements for firefighter safety.
- **Police Vehicle Replacement:** The Police Department has budgeted \$498,750 for the replacement of fleet vehicles for road patrol. Vehicle purchases were omitted in 2012 and in order to properly manage Township’s fleet, patrol vehicles must be purchased in 2015. Vehicles reaching high mileage and requiring added maintenance and repairs due to age require maintenance costs and potentially compromise efficiency and safety.
- **Capstone Boulevard:** \$2.5 million is allocated to improve existing Highland Greens Drive and construct Capstone Boulevard to serve the Butler Tech Bioscience Academy and encourage development opportunities for the Cincinnati-Dayton Road interchange. While this expense is considered in the 2015 operating budget, it is actually part of a special assessment with affected property owners repaying the costs.

While the operational budget does not include consideration of expenses or revenues associated with TIF Funds, some notable capital expenditures outlined below are proposed for these funds. TIF money can only be used for specific infrastructure projects within defined districts.

- **Civic Centre Boulevard Extension:** \$5 million has been budgeted in the UCB TIF to extend Civic Centre Boulevard to Allen Road. This expenditure has been noted in previous years’ CIPs, but has not been expended as yet. Project construction and funding will be development driven. With the recent announcement of a destination retailer in the affected area, this expense will most likely be realized in 2015.
- **Improvements to UCB and Interstate 75 Ramps:** \$7 million has been budgeted to address required improvements based on predicted development demands. Project construction and funding will be development driven and is budgeted because development in 2015 is projected to be robust.

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- **Road Resurfacing:** \$1 million for roadway resurfacing, including Township and County roads, has been budgeted from the TIF as part of the shared services arrangement with the Butler County Engineer's Office.
- **Beautification of UCB:** \$1 million has been budgeted to design and replace or install irrigation systems, lighting, and landscaping for existing development and an anticipated destination retailer.
- **Connections Pathway:** Although it is anticipated connections pathways will not be constructed in 2015 with Township revenue sources, the CIP continues to reflect and budget \$400,000 to extend the existing Connections Pathway on the north side of Beckett Road from Beckett Ridge Boulevard to west of State Route 747 and \$1.0 million for a pathway for the Conservation Corridor.
- **Windish Road Widening:** \$3.0 million has been budgeted to improve traffic capacity and access capability from Allen to Cresentville. This project will be dependent upon development and need.



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2015 OPERATIONAL BUDGET – ALL FUNDS

General Fund	Admin	Salaries	\$ 978,932
		Benefits	\$ 453,005
		Purchased Services	\$ 982,615
		Supplies and Materials	\$ 205,804
		Utilities	\$ 99,090
		Miscellaneous	\$ 257,450
		Capital Improvement	\$ 376,100
		Debt Service	\$ 579,313
		Transfers &	
		Accounting	\$ 1,700,000
	Admin Total		\$ 5,632,309
	Parks	Salaries	\$ 302,623
		Benefits	\$ 120,690
		Purchased Services	\$ 164,200
		Supplies and Materials	\$ 51,695
		Utilities	\$ 66,686
		Miscellaneous	\$ 4,275
		Capital Improvement	\$ 128,500
	Parks Total		\$ 838,669
	Other	Purchased Services	\$ 8,025
		Supplies and Materials	\$ 7,650
		Utilities	\$ 22,639
		Miscellaneous	\$ 500
		Capital Improvement	
	Other Total		\$ 38,814
Community Development	Salaries	\$ 513,334	
	Benefits	\$ 222,320	
	Purchased Services	\$ 106,302	
	Supplies and Materials	\$ 18,717	
	Utilities	\$ 10,331	
	Miscellaneous	\$ 4,625	
	Capital Improvement	\$ 400	
	Transfers &		
Accounting	\$ 12,600		
Community Development Total		\$ 888,629	

	Community Services	Salaries	\$ 325,925
		Benefits	\$ 132,365
		Purchased Services	\$ 31,882
		Supplies and Materials	\$ 24,052
		Utilities	\$ 5,780
		Miscellaneous	\$ 3,125
		Capital Improvement	
	Community Services Total		\$ 523,129
General Fund Total			\$ 7,921,551
Roads	Roads	Salaries	\$ 1,031,708
		Benefits	\$ 489,513
		Purchased Services	\$ 397,450
		Supplies and Materials	\$ 651,740
		Utilities	\$ 49,361
		Miscellaneous	\$ 2,250
		Capital Improvement	\$ 2,484,800
		Transfers & Accounting	
	Roads Total		\$ 5,106,822
Roads Total			\$ 5,106,822
Cemetery	Cemetery	Salaries	\$ 157,181
		Benefits	\$ 95,927
		Purchased Services	\$ 31,873
		Supplies and Materials	\$ 12,340
		Utilities	\$ 3,771
		Miscellaneous	\$ 2,000
		Capital Improvement	
		Transfers & Accounting	\$ 1,000
	Cemetery Total		\$ 304,092
Cemetery Total			\$ 304,092
Police	Police	Salaries	\$ 8,541,537
		Benefits	\$ 3,692,723
		Purchased Services	\$ 908,320
		Supplies and Materials	\$ 701,060
		Utilities	\$ 217,043
		Miscellaneous	\$ 48,025
		Capital Improvement	\$ 630,355
		Transfers & Accounting	
	Police Total		\$ 14,739,062
Police Total			\$ 14,739,062
Fire	Fire	Salaries	\$ 8,331,425
		Benefits	\$ 3,346,640
		Purchased Services	\$ 560,400

		Supplies and Materials	\$ 242,320
		Utilities	\$ 225,095
		Miscellaneous	\$ 41,500
		Capital Improvement	\$ 686,500
		Debt Service	\$ 133,033
		Transfers & Accounting	
Fire Total			\$ 13,566,912
EMS		Salaries	\$ 271,802
		Benefits	\$ 133,477
		Purchased Services	\$ 252,950
		Supplies and Materials	\$ 301,644
		Utilities	\$ 16,943
		Miscellaneous	\$ 16,500
		Capital Improvement	\$ 232,500
		Transfers & Accounting	
EMS Total			\$ 1,225,816
Fire Total			\$ 14,792,728
Multi-Media & Marketing	Multi-Media & Marketing	Salaries	\$ 228,804
		Benefits	\$ 93,242
		Purchased Services	\$ 64,100
		Supplies and Materials	\$ 19,485
		Utilities	\$ 10,204
		Miscellaneous	\$ 2,000
		Capital Improvement	\$ 102,000
		Debt Service	\$ 87,065
		Transfers & Accounting	
Multi-Media & Marketing Total			\$ 606,900
Multi-Media & Marketing Total			\$ 606,900
Grand Total			\$ 43,471,156



Budget Work Session

2015 Operational Budget

General Fund

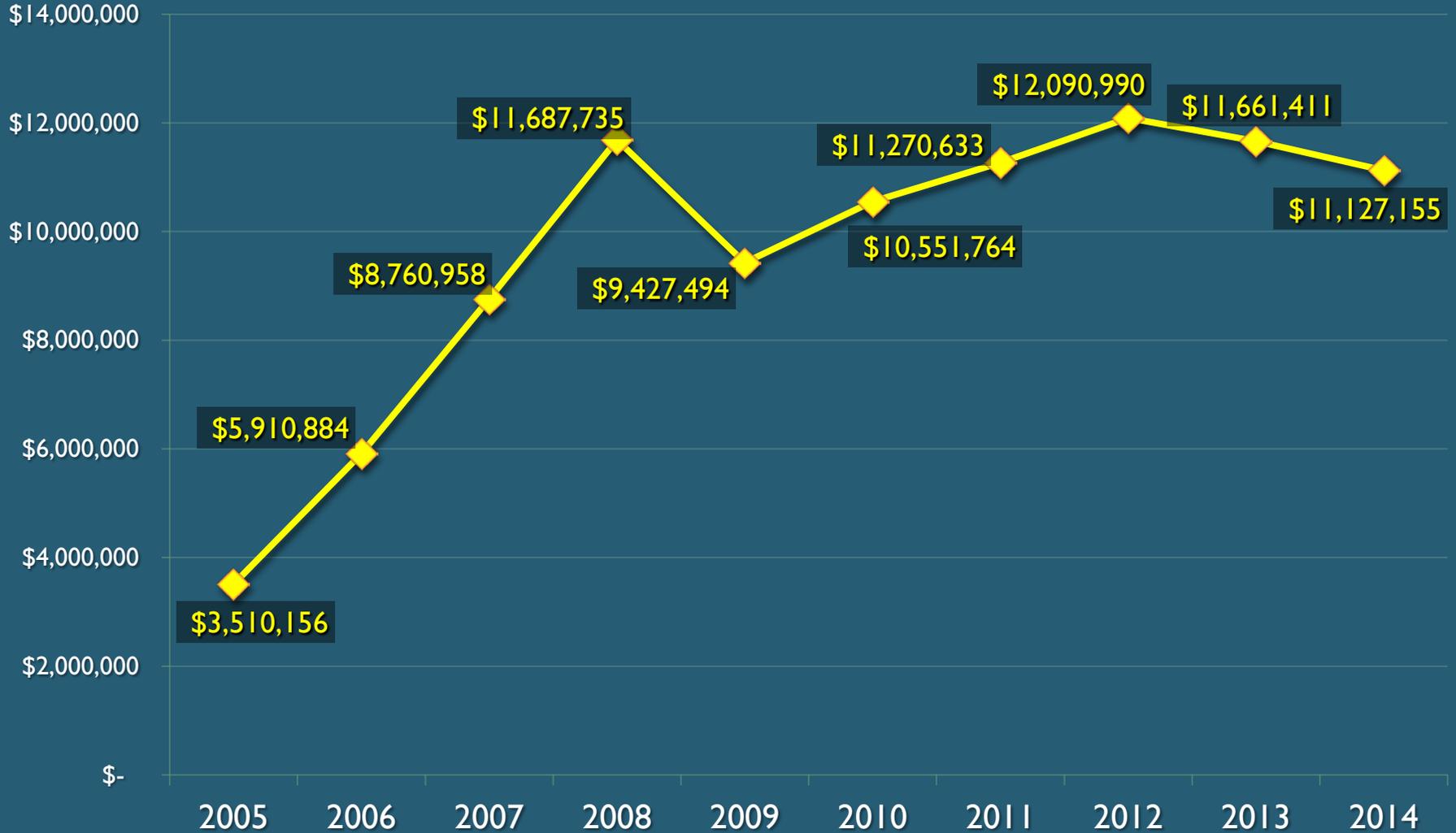
Roads & Maintenance Funds

Police Fund

Fire and EMS Funds

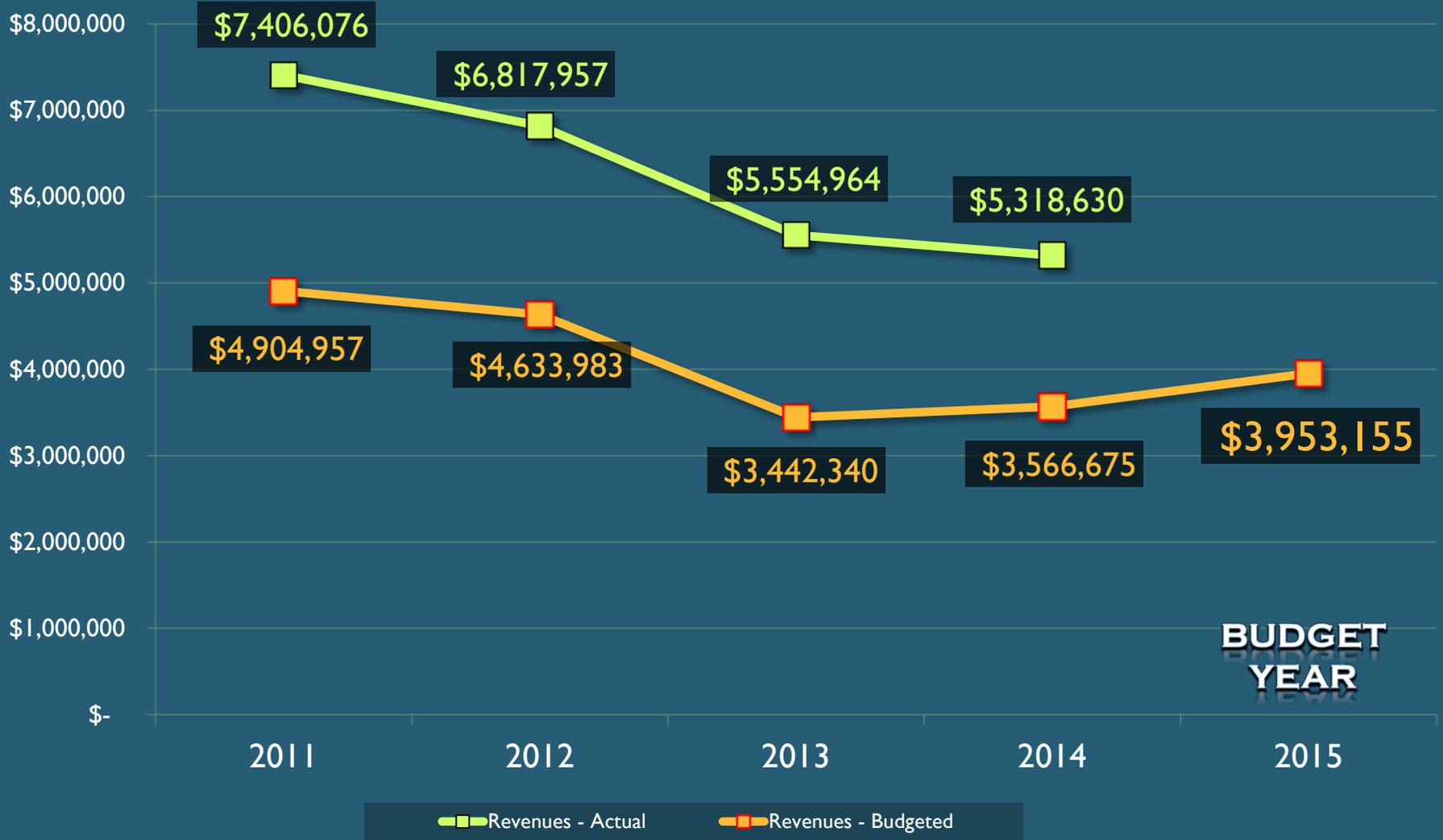


2015 Operational Budget
**General Fund
Carryover**



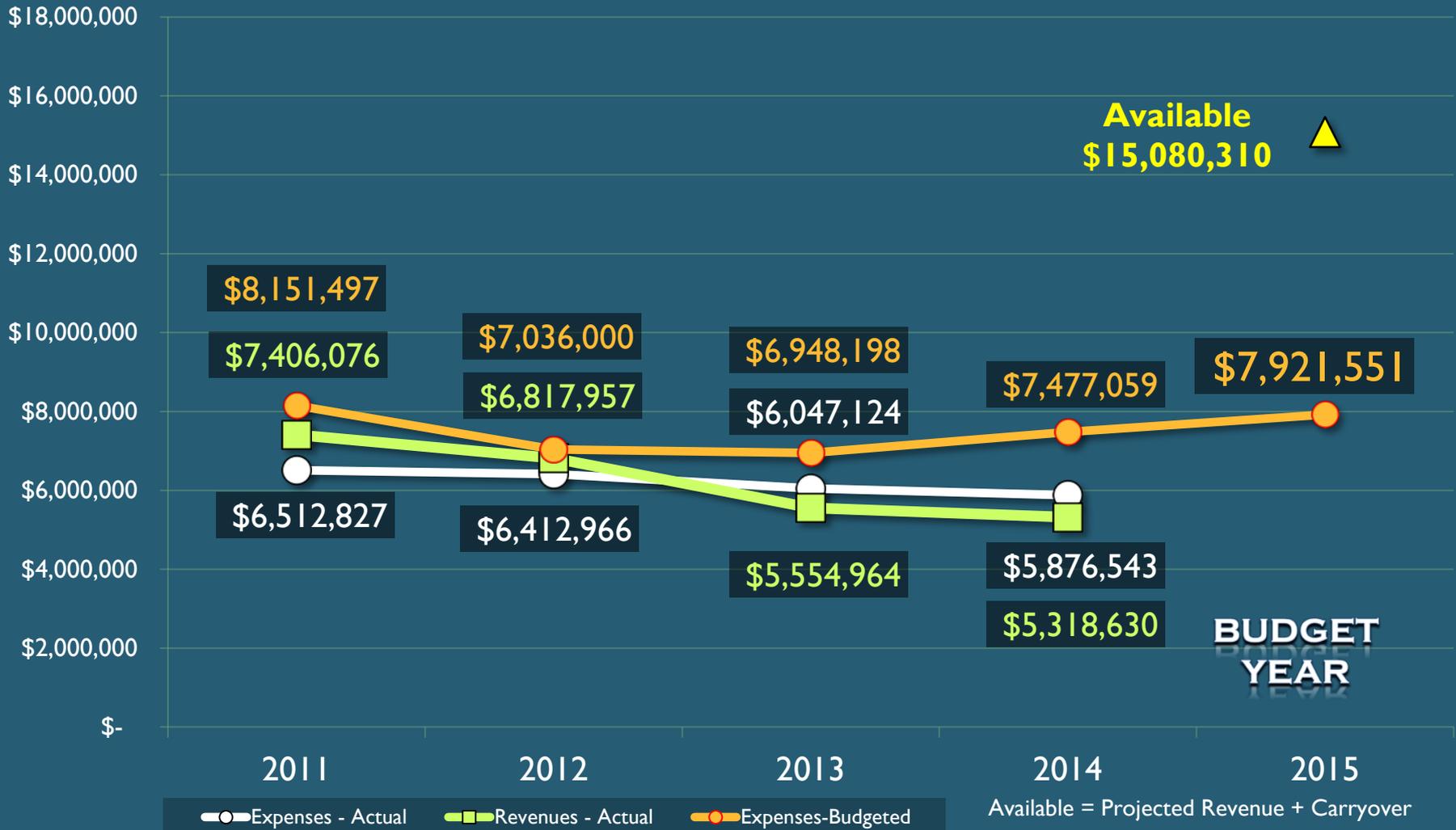


2015 Operational Budget General Fund Revenues





2015 Operational Budget General Fund Revenues & Expenditures





General Fund

General Fund Notables

- **\$430,000** payment to Fairfield as part of the JEDD agreement
- **\$250,000** for undetermined improvements for the revitalization of U.S. Route 42 corridor
- **\$97,500** in improvements to Keehner Park including – a new water line, ADA compliant restrooms, a replacement playground and picnic tables
- **\$65,000** for improvements to the Administration Building addressing energy efficiency and features impacted by age





Budget Work Session

2015 Operational Budget

Roads & Maintenance

Funds

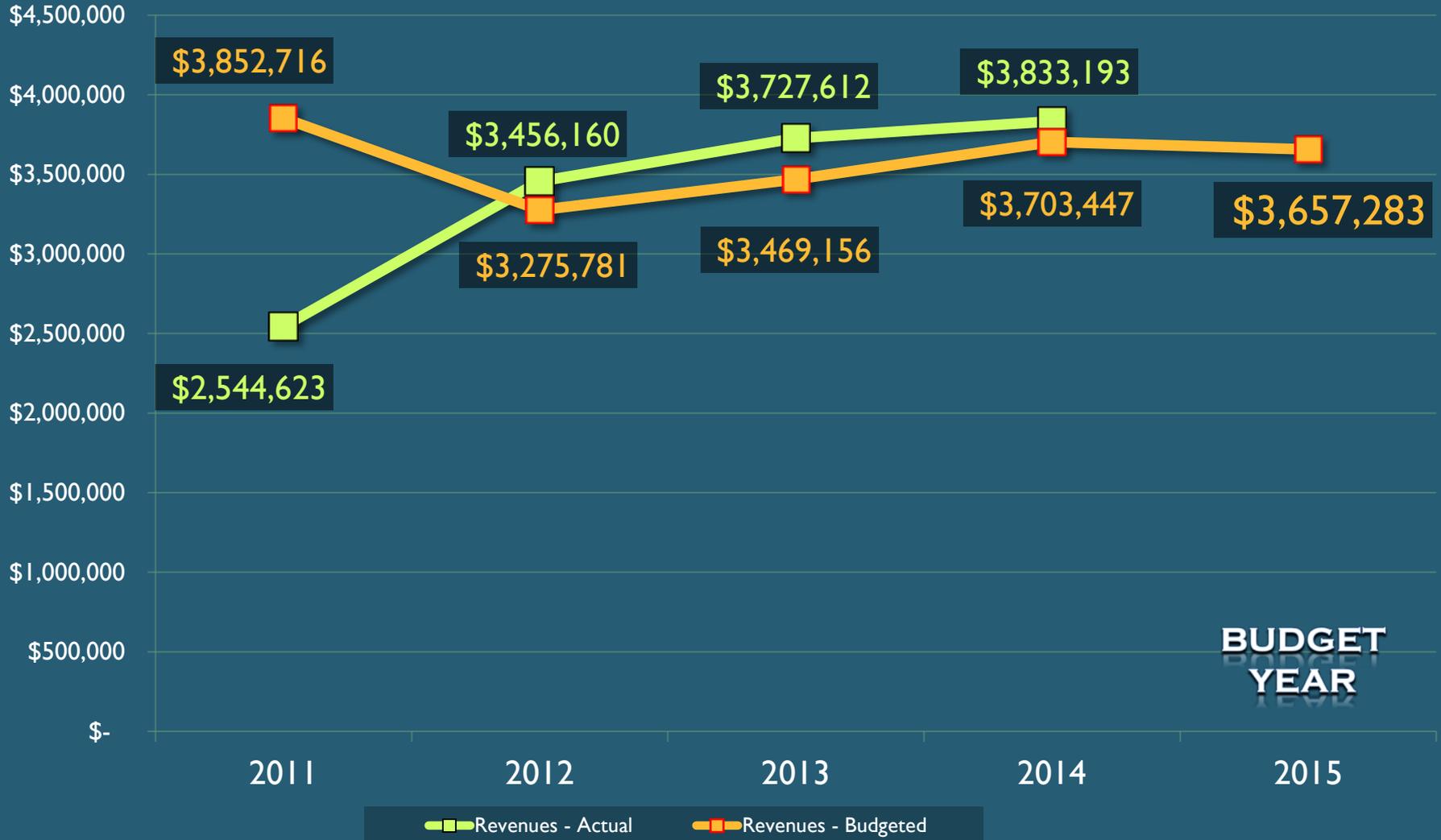


2015 Operational Budget Roads Carryover





2015 Operational Budget Roads Revenues





2015 Operational Budget Roads Revenues & Expenditures





Roads and Maintenance

2015 Infrastructure Improvement Program

Asphalt Paving:

- \$1.2 million to pave 10.3 miles
- \$1 million to pave 2.5 miles in TIF districts
- BCEO will pave additional 3.1 miles of Township roadway

Black Mat (Slurry) Sealcoating:

- \$325,000 for 9.6 miles

Culvert Repair & Replacement:

- \$360,000 for 16 sections

Curb Repair & Replacement:

- \$400,000 for 14,250 feet





Roads and Maintenance

Roads Funds Notables

- **\$3,285,000 in infrastructure improvements**
- **\$350,000 for road salt for the 2015-2016 snow season**
- **\$160,000 for replacement of 1996 2 ½ ton dump truck**





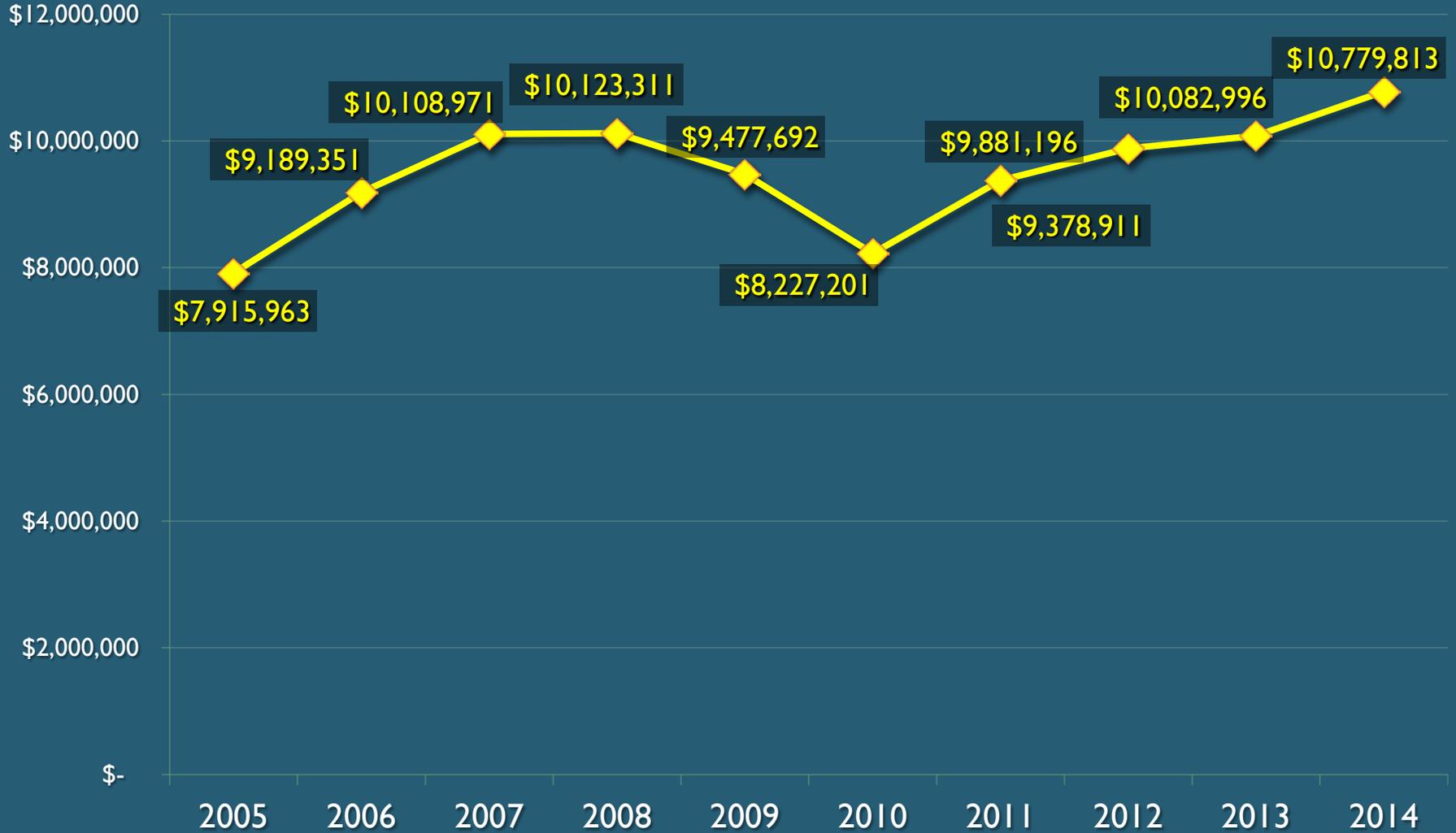
Budget Work Session

2015 Operational Budget

Police Fund

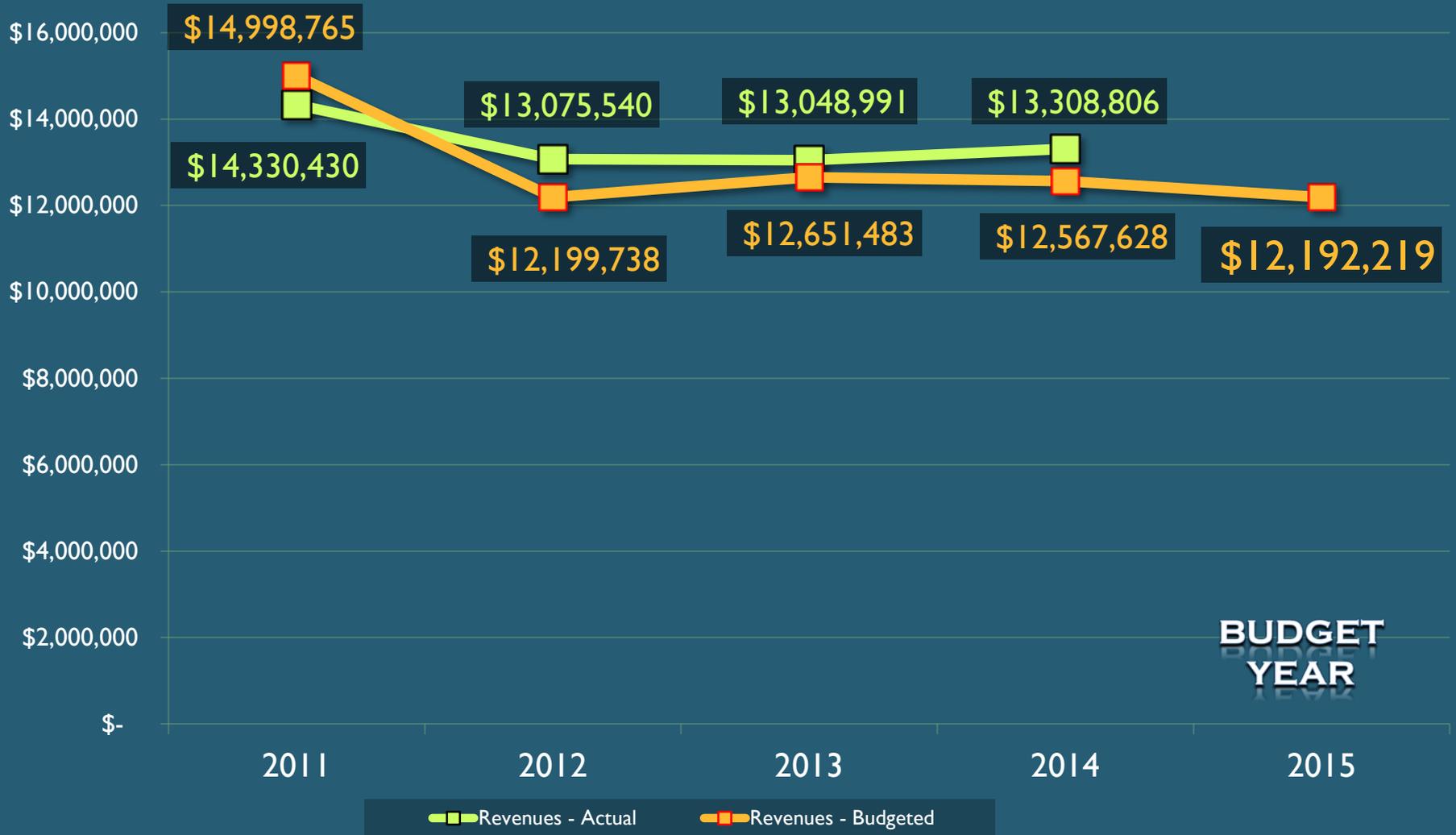


2015 Operational Budget Police Carryover



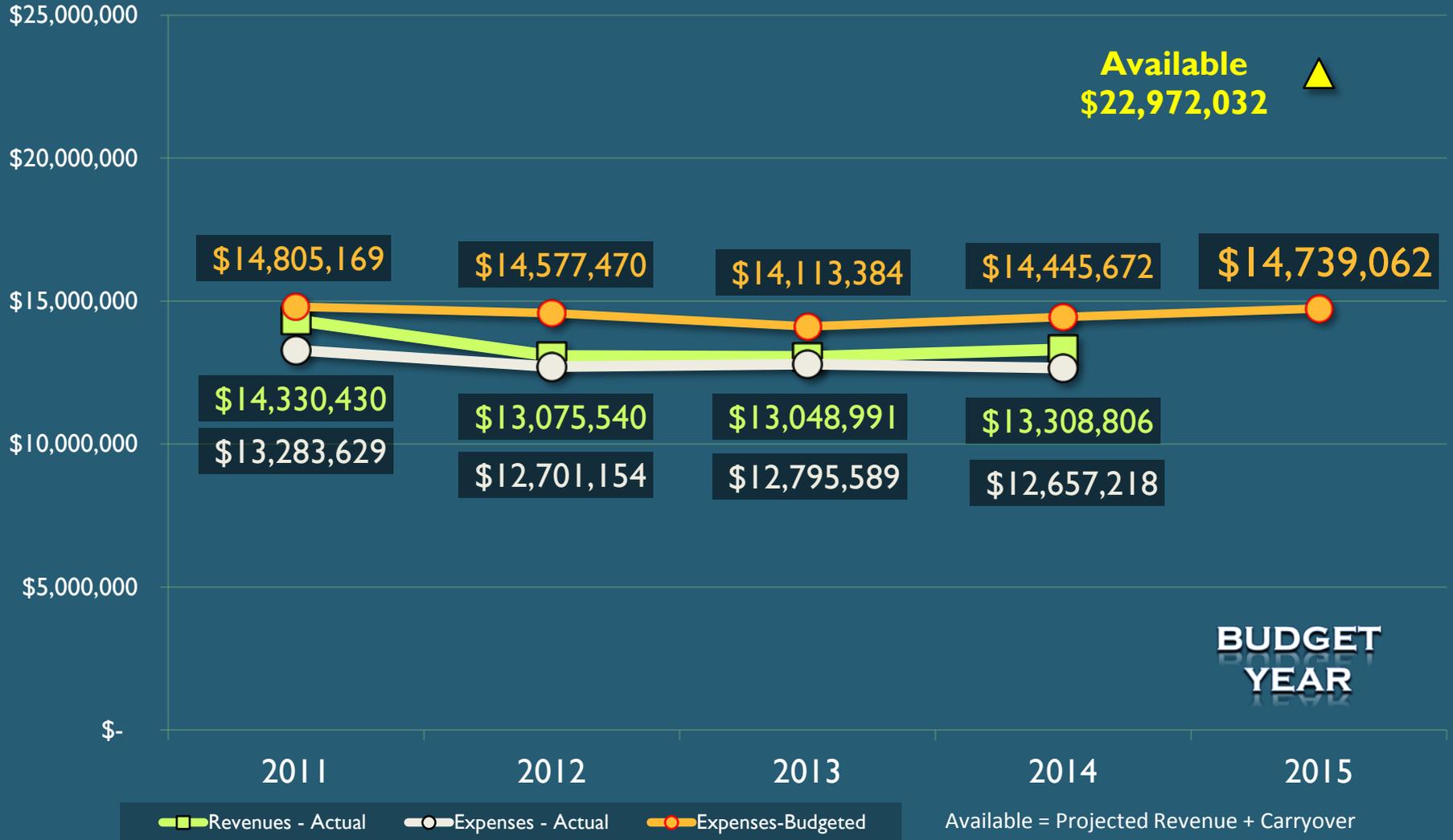


2015 Operational Budget Police Revenues





2015 Operational Budget Police Revenue & Expenditures





Police Department

Outreach

- **42,177 calls for service**
(includes officer initiated calls)
- **234 public appearances with 21,389 people reached**
 - **29 Neighborhood Watch groups**
 - **1,954 business representatives received training**
 - **688 trained in self-defense**
 - **1,843 students prepared for Stranger Danger**



Police Department

Police Fund 2015 Notables

- **\$498,750 for replacement vehicles**
- **\$45,000 for three-year supply of ammunition**
- **\$25,000 for upgrade to fingerprinting software**
- **\$8,174 for software to allow auto crash reporting from mobile terminals**





Budget Work Session

2015 Operational Budget

Fire and EMS Funds

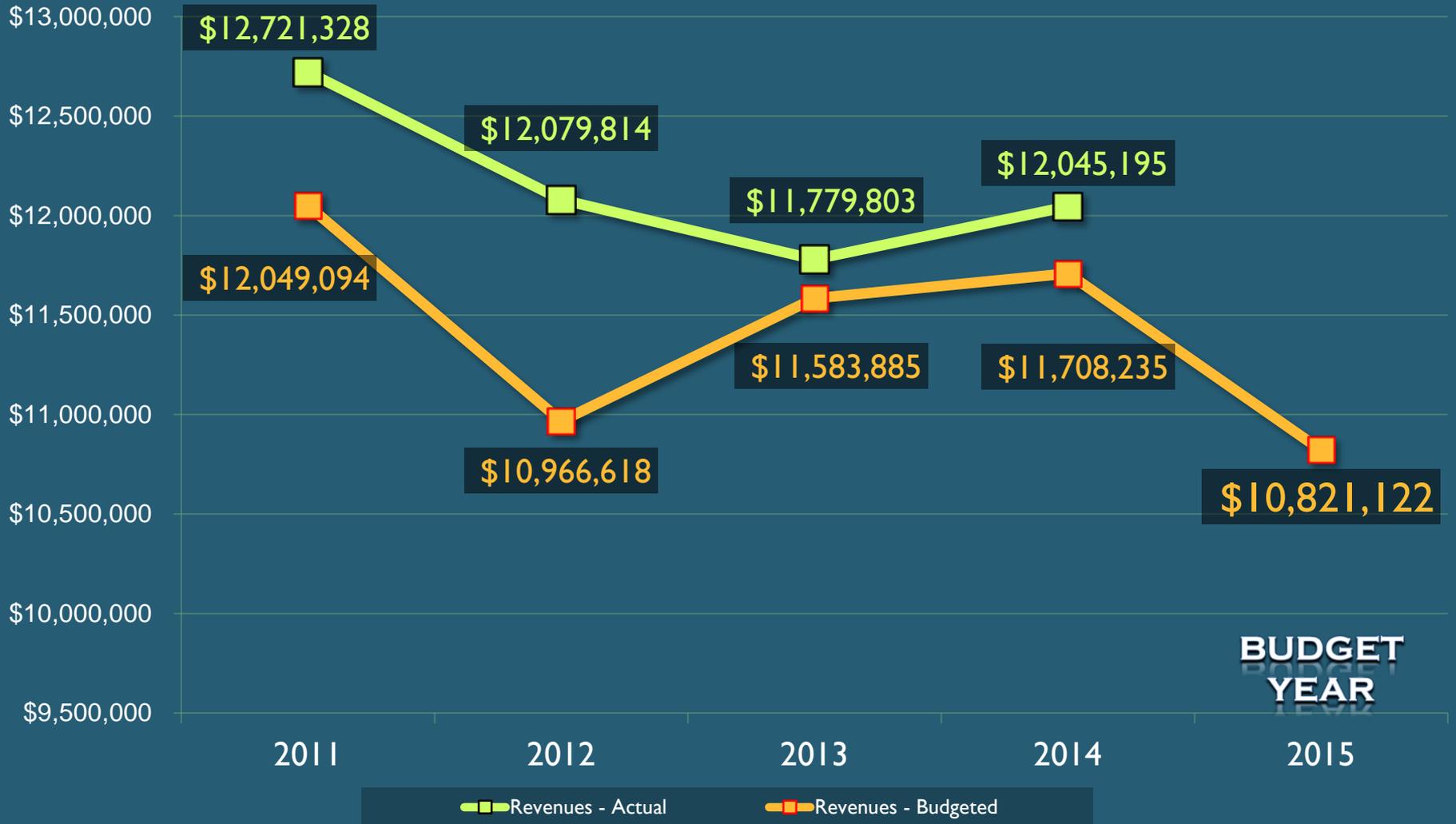


2015 Operational Budget Fire & EMS Carryover



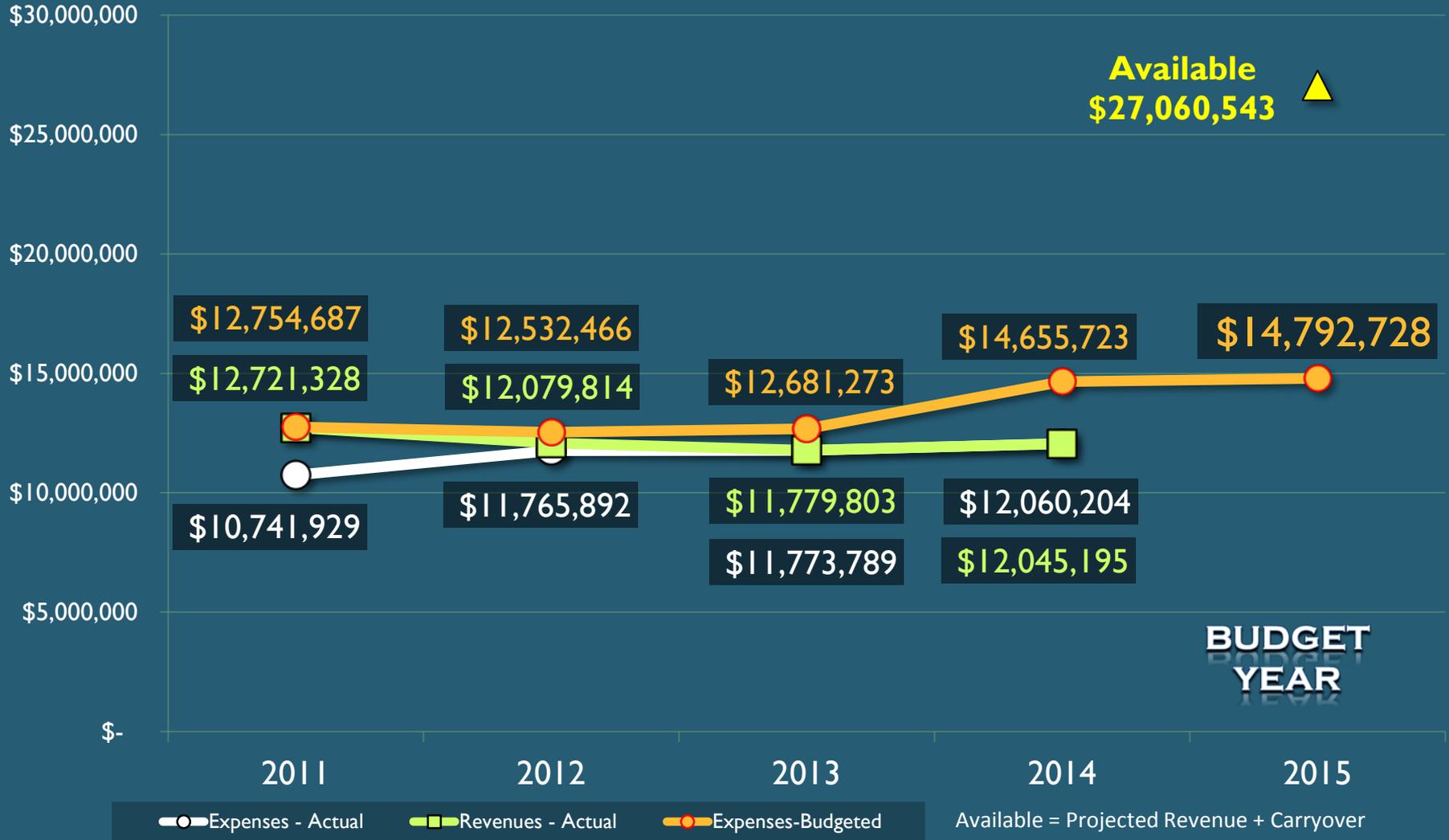


2015 Operational Budget Fire & EMS Revenues





2015 Operational Budget Fire & EMS Revenues & Expenditures





Fire Department

Value of Service

Property saved in 2014:

- Value of property affected by fire: \$123,185,714
 - Property loss: \$1,256,032
 - Property saved through FD interventions: \$121,929,682 (98.98%)
- Value of contents of these properties: \$25,664,604
 - Contents loss: \$404,325
 - Content value saved through FD intervention: \$25,260,279 (98.42%)
- 15% increase in calls for service
 - 1,890 fire calls;
 - 4,092 EMS calls
- 4,500 fire inspections





Fire Department *Outreach*

- **8,594 residents reached through fire prevention programming**
 - 800 trained in fire extinguisher use
 - 800 adults participated in fire drills
 - 5,178 children participated in fire safety programs
- **797 adults trained in CPR**
- ***Plus 4,000 attend Touch-A-Truck event***





Fire Department

Fire & EMS Funds Notables

- **\$500,000 for replacement of Self-Contained Breathing Apparatus**
- **\$225,000 for re-chassis of 2005 medic unit**
- **\$110,000 to replace 56 sets of turnout gear**
- **\$30,000 to replace 7 combustible/flammable gas monitors**
- **\$10,000 to replace 6 Ice Rescue Suits**
- **\$8,000 to purchase Hazard Kitchen Safety Simulator (purchase only if awarded grant)**

