

# 2013

# OPERATIONAL BUDGET WORK SESSION

January 15, 2013

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  
ADMINISTRATION  
2013 OPERATIONAL BUDGET PRESENTATION**

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.

The Township strategically projects revenues and conservatively expends budget to effectively allocate resources for the most critical needs in the organization, while still meeting the expectations of the community for amenities and services.

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.

Additionally, the traditional strategy of budgeting based on need and not on availability of funds, further ensures staff expends within the budgetary constraints.

Administration of the 2012 Operational Budget and compilation of the proposed 2013 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.

Since 2008, even before the decline in the macro-economy, West Chester has been viewing its operations and budget through a changed perspective - the "new normal." The new normal recognizes the state of the economy and its impact on property valuations and previously reliable revenue sources, forcing the Township to take a stricter and even leaner approach to budgetary constraints and expenditures.

The themes offered throughout the preparation of previous budget processes are all applicable to the 2013 Operational Budget:

- reduced revenue streams from extended conditions and trends of a declining economy;
- continued commitment to managing escalating infrastructure maintenance and replacement costs;
- regenerated approach to expenses and operations; and
- addressed impact of ALL on delivery of services

**Bridge Year Strategies:**

The Township continuously seeks measurable improvements. In 2012, however, the departments, through analytic models most suitable for them, more deliberately deconstructed the way business and operations were conducted and services delivered. The various departments reconstructed operations and regenerated their approach to the delivery of services, creating greater efficiencies through the reallocation and redistribution of personnel and resources. This transformed perspective in 2012 represents the bridge of shared and cooperative services, collaborative purchasing, contracted services, and leveraged assets and expands the “new normal” perspective.

The following are several noteworthy applications of the 2012 bridge year and their anticipated impacts on operations and efficiencies in 2013 and beyond:

- In 2012, twelve (12) hour shifts were implemented for police officers, anticipating the reduction of overtime costs related to court, etc. While this has not yet been in place for a full year, it is estimated this change will result in a cost reduction of \$60,000 annually with no loss of patrol coverage and with a 5.0% increase in patrol presence.
- In-field reporting was deployed in the police department resulting in an estimated cost reduction of \$46,800 for salary and benefits of an attrited records clerk with a 7.5% increase in patrol presence with real time data entry and record availability
- In the fire department, resources will be managed differently with only essential apparatus dispatched for specific call types. It is estimated the fire department will realize a 16.0% reduction in the number of calls a quint/engine accompanies a squad, reducing fuel costs \$18,000 annually.
- Redesigned replacement schedules for some fleet vehicles, apparatus, etc. will be implemented by replacing separately and as needed vehicle chassis and attachments. For example, the chassis of a squad may require replacement every 10 years while the body of that vehicle could be used for an additional 10 years on a new chassis. This would extend the use of the fleet and reduce cost by 25.0% to 35.0% over the life of the squad.
- Through Cartegraph, the community services department identified and categorized replacement schedules for all types of infrastructure – pavement, curb, striping, storm sewer mains, culverts, snow routes, etc. This allows for effective planning for replacement of this critical infrastructure and ultimately cost savings related to efficiency.
- By re-evaluating and staggering hiring and scheduling of seasonal employees, the Township realized an estimated cost reduction of 22.4% or \$35,635.
- Through the development of collaborative purchasing programs intra-departmentally and inter-governmentally for office and janitorial supplies, and fire, mechanic, and roads materials an average 20.0% reduction in costs was achieved.

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- Operational costs for essential and discretionary services were reduced through expanded public private partnerships: EC Link for website development, 5/3 Bank for Keehner Park programming, 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, National Voice of America Museum of Broadcasting.
- New technologies were implemented to increase efficiencies and reduce costs. Telestaff, a scheduling and payroll software for police and fire, is estimated to reduce costs by \$30,000 and staff time by 15.0%. Web-based payroll reporting is estimated to realize a \$25,000 reduction in annual costs by eliminating fees. Fire video conferencing is estimated to realize a \$15,000 reduction in fuel costs and fifteen (15) second decrease in response times.
- Opportunities to continue and even expand managed services resulted in cost reductions: augmented information technology services, preventative and predictive facility maintenance, and professional services, including legal services, auditing and financial reporting services, and snow removal.
- Through attrition and redesigned permitting operations, the community development department reduced employee costs by \$89,000. A redesigned permitting and application process streamlines work so existing staff could handle without compromising quality and timeliness of service.
- Opportunities to leverage assets and provide retail services to other local governments may increase revenues or at least cover current operational costs. Examples for consideration include WCCTV production and editing services, information and technology capital assets for data storage, and fleet mechanic services.

### **2012 Year End Budget Summary**

For the 2012 operating year, strategic planning and conservative spending led to actual expenses less than budget for all major funds and general departmental expenditures, averaging about 11.0% less than budget.

In most instances actual revenue collections for 2012 were slightly greater than projected and were accounted for with today's volatile economic conditions.

- Interest earned on investments continues to be impacted by economic conditions. Reduced borrowing capital coupled with low interest rates has minimized revenue earned on investments. What was once, only a few short years ago, a significant revenue source for the Township, interest earned decreased from \$2.8 million in 2008 to \$750,000 in 2011 and \$1,230,072 in 2012. Although never projected as a reliable revenue source even when the economy was robust, the decrease in interest earned impacts fund balances as revenues flat line and costs of doing business and inflationary factors increase.

**WEST CHESTER TOWNSHIP**  
**2013 OPERATIONAL BUDGET PRESENTATION**

- The greatest impact of interest earned from investments has been the condition of the financial plan for the Sustainable Infrastructure Fund (SIF) first introduced in 2009. Trying to impact the Township's long-term financial plan for infrastructure management and maintenance, in 2009 a financial plan was introduced, receipting the majority share of interest earned to the SIF. Although actual receipts over the last few years exceeded budget projections for this revenue source, the SIF's account balance remains under target and is slightly less than two-thirds (approximately \$3.5 million of an anticipated \$6.0 million balance after four (4) years). As long as the General Fund budget can accommodate a \$1.5 million transfer to roads for infrastructure maintenance and the carryover is not negatively impacted, the financial SIF plan should continue although off target.
- Property tax revenue for applicable funds was impacted again in 2012, due to reappraisals demonstrating a 5.7% decrease in property values, following 2011's 3.6% decrease. The last property value decrease experienced by West Chester, prior to 2011, was in 1996. Nonetheless, the estimated receipts for property tax collections in 2012 for all the primary funds exceeded the budget projections.
  - Although all funds receiving property tax collections were impacted, the property value reduction had the greatest impact on the police levy fund. Collections receipted in 2011, the first year after the police levy was approved by the voters, was \$800,000 less than certified at the levy renewal in 2010. Actual collections in 2012 for the police levy were approximately \$1.6 million less than certified at the levy renewal in 2010. This variance is attributed to decreased property values and delinquencies.
  - The property value reductions and delinquencies have resulted in less than anticipated police levy collections, causing a financial strain on the projected five (5) year police levy. 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.
- On a more positive note, the JEDD revenues have made up for other revenue losses or decreases and prove to be a viable revenue source for operations. The Township receipted (\$1.2 million) 29.6% more than originally estimated (\$934,323) for 2012 JEDD revenues. This is an 8.0% increase from 2011 JEDD revenues (\$1,126,000).
- Revenue for 2012 hotel tax receipts (\$800,000) was 46.0% greater than budget projections (\$545,306) and are slightly greater than 2011 receipts (\$777,580).
- Revenues realized in 2012 for the Local Government Fund, just more than \$1.0 million, exceeded budget projections by slightly less than half. The sources comprising LGF receipts are the most volatile as a result of economic conditions so staff approached this revenue source extremely conservatively from a budget perspective.
- In 2012, the Township received \$337,630 in reimbursement from the Ohio Cultural Facilities Commission for restoration work at the Voice of America Bethany Station. An additional reimbursement of \$162,370 is anticipated in 2013. Phase I of the project was closed out in 2011 with West Chester receiving reimbursements, (2010 - \$521,170.74; 2011 - \$503,829.26), totaling \$1,025,000.

### **2013 Proposed Operational Budget Overview**

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.

The proposed 2013 Operational Budget continues to respond to the revenue reductions from varying sources affecting the primary funds uniquely, further implements bridge year strategies, and reflects West Chester's ongoing commitment to fiscal restraint. 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.

Regardless of how well the economic storm has been weathered to date, West Chester acknowledges it experienced the first dramatic effects of a struggling economy with reductions in property values two (2) years in a row, 2011 and 2012, for the first time since 1996. Butler County's announcement of no property value decreases in 2013 is reflected in property tax collections budgeted for 2013; however, the estimated revenues are projected based on possible property value revisions and tax delinquencies.

When projecting revenues for 2013, 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 2013 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, from the applicable TIF funds for eligible maintenance, and through a financial partnership with the Butler County Engineer's Office. In 2012 the partnership with the BCEO reduced Township costs approximately \$300,000 and in 2013 this partnership is expected to save just more than \$400,000.

Because of the partnership with the BCEO, the General Fund in 2013 can support a direct subsidy to the Sustainable Infrastructure Fund. The unrealized balance in the Sustainable Infrastructure Fund will be an on-going matter for the Board to monitor and adjust in order to manage and maintain the long term financial plan for the community's maturing infrastructure. Because of the partnership with the BCEO, the General Fund in 2013 can support a direct subsidy to the SIF of \$224,000.

In order to address the demands of aging infrastructure and to continue to build a sustainable fund for public infrastructure maintenance, 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 operational budgets will demonstrate expenditures greater than revenues.

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**2013 OPERATIONAL BUDGET PRESENTATION**

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.

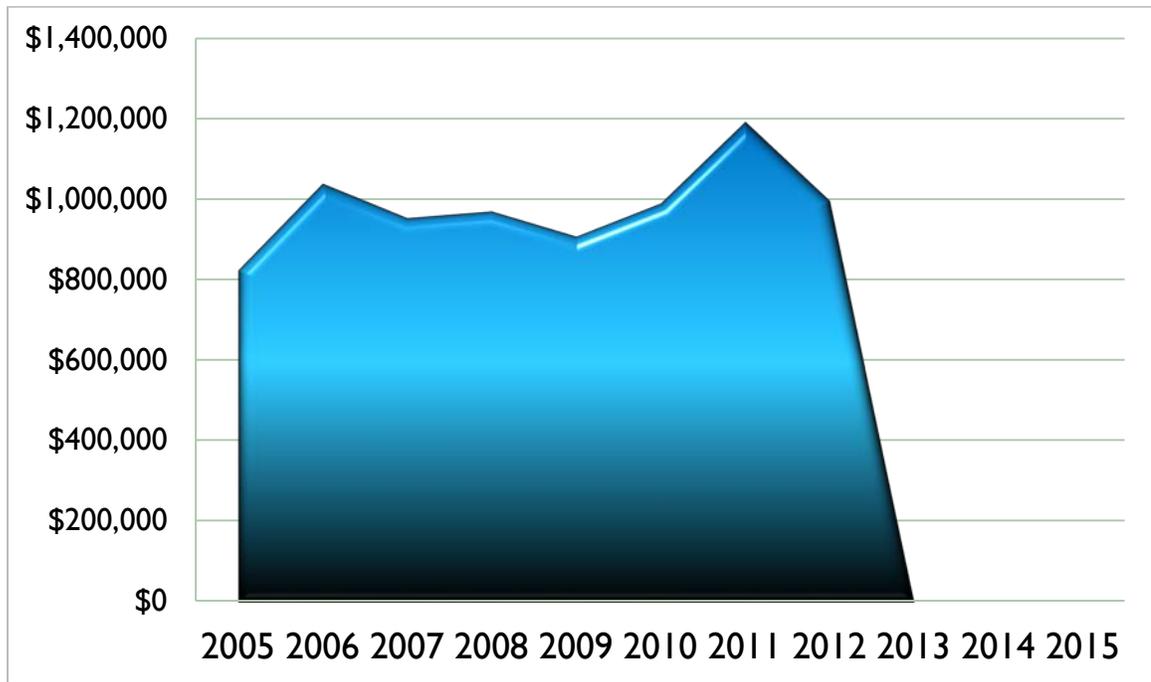
**Notable Impacts to Operational Budget Revenues**

- Significant constraints were placed on all revenue sources and especially those most volatile as a result of economic conditions. The 2013 Operational Budget is responsive to the macro-economy and assumes indirect affects to revenue sources such as hotel tax, fuel tax, interest earned as a result of economic conditions on the national level.
- While the County Budget Commission reports there will be no further reduced revaluations in 2013, and projects property tax collections consistent with 2012, West Chester is projecting a further 2.0% reduction (\$511,000 less than the current value abstract). While this is an austere projection it is in keeping with West Chester's long standing practice of under estimating revenues and preparing for unforeseen circumstances.
- The State's distribution of Local Government Funds (LGF) continues to impact local government revenues. In previous years, West Chester received up to \$1.5 million in Local Government Funds, but with HB 153 and the Governor's OhioJobs Budget, this revenue source has been dramatically cut. Because the LGF is affected by numerous factors and is a result of several economic multipliers, subject to continued volatility in the economy, namely commercial activity tax, West Chester is projecting an even greater decrease in this funding source for 2013 - 33.0% less than 2012's budgeted amount.
- Revenue generators subject to employment rates and spending continue to be equally volatile due to the economy. Conservative 2013 revenue projections have been budgeted in these areas:
  - fuel tax projected for 2013 are 5% less than 2012 receipts,
  - motor vehicle tax projected to be down 12% from 2012 receipts,
  - hotel tax projected 45.0% less than 2012 receipts, and
  - interest revenue projected significantly less than 2012 receipts.
- West Chester also anticipates completion of the Voice of America building restoration and will close out the existing grant with reimbursement from the Ohio Cultural Facilities Commission of approximately \$160,000.
- Because both buildings are fully occupied and because GE Aviation has received several substantial contracts anticipated to last through 2013, West Chester will only project a modest revenue decrease from the JEDD for 2013 (\$895,270) which is a 23.0% decrease to 2012 actual receipts of \$1,211,084

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- The 2013 Operational Budget demonstrates the first year of the repeal of the estate tax. Although this revenue source has never been one on which the Township has counted and has only expected through budget to receive approximately \$200,000 annually, the receipts have been approximately \$900,000 and have allowed the Township to increase its carryover and implement its sustainable infrastructure financial plan. The Township may continue to receive revenue from this source even after the repeal of the tax due to settlement of estates. The Township, however, has budgeted no revenue from this source in the coming years.

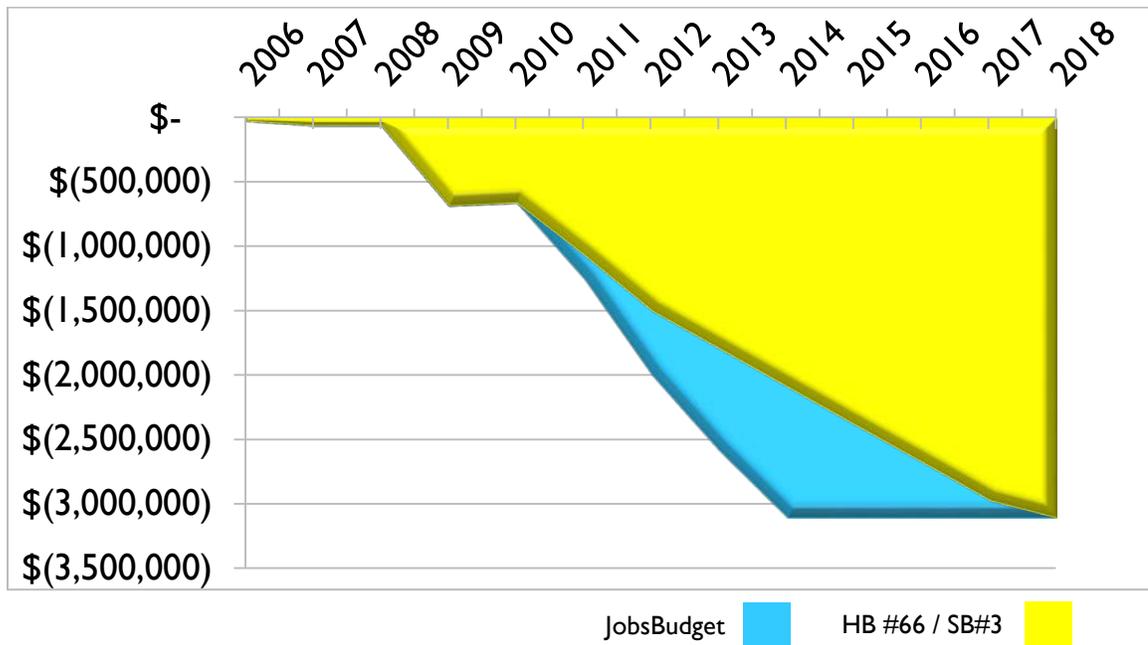
## Estate Tax



**WEST CHESTER TOWNSHIP  
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- The 2013 Operational Budget demonstrates the expiration of other State funding sources. In 2005 the Township received \$2,921,973 in TPPT and \$181,964 from SB3 and due to a restructuring of State tax policy, both were on an accelerated and further reduced schedule sooner than the originally enacted 2018 expiration. This revenue source is eliminated in 2013.

## Tangible Personal Property Tax & Kilowatt Tax



### Notable Budget Items Related to Cost of Doing Business

- Consistent with our commitment to continuous improvement, the 2013 budget process continues to formulate more precisely salary, benefits, and potential compensation liabilities – retirement, separation, etc. – within each of the Township departments. This improvement is significant and brings consistency and accountability to the largest expenditure - personnel.
- Due to deliberate planning, medical insurance for employees was secured in 2013 with a modest renewal increase 4.96% – much less than industry standard of 8.0% according to Forbes – and increased employee contributions to health care to 14.0% except for police whose contract will be renegotiated late summer.
- 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. The 2013 Operational Budget proposes continued funding contributions to Partners in Prime for operations of the West

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Chester Activity Center, the WestChester/Liberty Chamber Alliance, and the Cincinnati USA Partnership and considers a funding contribution to The National Voice of America Museum of Broadcasting Board of Directors for development and management of a Voice of America museum.

- 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. West Chester continues to plan for increased costs in all of these areas.

### **Overview of Operating Budget for Primary Funds**

The 2013 Operational Budget includes reduced expenses in the primary funds as a direct result of bridge year strategies implemented in 2012 and an on-going commitment to evaluate operations.

- **General Fund:** The General Fund's 2013 budgeted expenses of \$6.9 million are slightly less than budgeted 2012 expenses. This is in spite of the General Fund adding capacity for necessary functions (BCEMA fees of \$23,700 which were first realized in 2011, consideration of an \$85,000 contribution to the VOA museum board, continued support of Partners in Prime and maintaining a combined \$1.5 million transfer to roads and the SIF).
  - In order to continue building a sustainable fund for public infrastructure maintenance, the 2013 Operational Budget to be presented to the Board of Trustees for consideration will reflect expenditures greater than revenues.
- **Roads Funds:** The road funds' 2013 budgeted expenses of \$3.68 million are consistent with and less than operational budget over the past four (4) years. In 2012 budgeted expenses from the roads funds were \$3.9 million, and in 2011 the budget was \$4.5 million. Despite increasing costs of maintaining infrastructure, West Chester continues to seek opportunities to improve efficiencies and reduce costs.
  - In 2013, West Chester will continue its expanded partnership with the Butler County Engineer's Office to achieve much needed infrastructure improvements through shared services. As permitted by law, West Chester will again utilize tax increment financing funds to maintain eligible infrastructure improvements and pave county roadways within the TIF district, and in return the Engineer's Office will contribute equipment, personnel, and other resources to improve and maintain Township infrastructure throughout the community, saving West Chester approximately \$400,000. The partnership does not burden either entities operational budget and applies capacities of internal resources already being expended.
  - The unrealized balance in the Sustainable Infrastructure Fund will be an on-going matter for the Board to monitor and adjust in order to manage and maintain the long term financial plan for the community's maturing infrastructure. Because of the partnership with the BCEO, the General Fund in 2013 can support a direct subsidy to the SIF of \$224,000.
- **Emergency Communications (dispatch):** The proposed budget for 2013 is just more than \$1.8 million and consistent with last year's expenses. This budget affects both the police and fire levy funds as dispatch costs are shared by these departments.

**WEST CHESTER TOWNSHIP  
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- **Fire/EMS Funds:** The fire/EMS funds 2013 budgeted expenses of nearly \$12.7 million is a slight increase from the 2012 budgeted expenses of \$12.5 million.
- **Police Department:** With the continued confidence of voters in approving the 2010 replacement levy, the police department has been able to maintain its effective delivery of service to the community, while reducing its annual budget. The police fund 2013 budgeted expenses of just more than \$14.1 million are less than the 2012 budgeted expenses of \$14.6 million and \$14.8 million in 2011. As promised to the voters in 2010, the police department will continue to seek efficiencies in order to effectively utilize resources and stretch taxpayer support.
  - The police department has been consistently and actively working to maintain costs, but in order to address the \$1.6 million annual reduction from the certified levy amount, the police department will have to seek even more efficiencies to respond to the discrepancies in the certified levy collection amounts and elimination of tangible personal property tax and other revenue sources.
  - In 2013, the Township will consider a budgetary change by redirecting currently receipted General Fund revenues into the police fund. These revenues total approximately \$142,000 and are revenues attributed and applicable to police operations, but have traditionally been receipted into the General Fund.
  - In 2013, the Township will redistribute current police fund costs to other funds, namely, assign a mechanic to the fire fund. The redistribution of costs is practical and qualified because the fire operations utilize and encumber mechanic time and resources respectively.
  - In addition to the considered scenarios, additional reductions must be made to ensure at a minimum the police levy extends to at least five (5) years with the earliest possible return to the voters, if even then, in 2016. Additional reductions must include but cannot be limited to increased efficiencies to further reduce operating expenses, renegotiated wages and benefits for contract employees, reduced workforce through attrition and if necessary layoffs, FOP concessions, etc.
  - The amount of funding needed to achieve the intended levy life will be more accurately defined each year; however, Exhibit A illustrates the need as determined to date for the police levy to last through 2016. As each year progresses, receipted revenues and actual expenses are known more accurately; thereby, making projections less dynamic and assumptions more educated.

### **Notable Capital Expenditures**

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

## Police Department: 7.0-Mill Replacement Levy with collection in 2011

Police Levy	New Levy Passes							
	Year 1	Year 2	Year 3	Year 4	Year 5			
Collection Year	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Beginning Cash Balance	9,635,623	8,540,219	9,532,023	9,928,381	8,466,480	6,212,531	2,966,938	(946,379)
Encumbrances	157,931	313,018	153,112	47,186				
Beginning Carry-Over	\$ 9,477,692	\$ 8,227,201	\$ 9,378,911	\$ 9,881,196	\$ 8,466,480	\$ 6,212,531	\$ 2,966,938	\$ (946,379)
Revenues:								
7.0 Levy	9,506,902	\$ 11,692,431	\$ 10,926,073	\$ 10,817,921	\$ 10,601,563	\$ 10,071,484	\$ 9,870,055	\$ 9,672,654
H/RB, \$10,000 PPE	990,952	\$ 1,249,555	\$ 1,208,977	\$ 1,201,991	\$ 1,177,951	\$ 1,119,054	\$ 1,096,673	\$ 1,074,739
JEDD		96,531	118,607	118,607	118,607	118,607	118,607	118,607
Personal Property Tax	-	-	-	-	-	-	-	-
"Hold Harmless" Reimbursement	1,227,601	-	-	-	-	-	-	-
"Phase-out" Reimbursement	-	912,696	594,050	277,274	-	-	-	-
Senate Bill #3	65,806	32,903	-	-	-	-	-	-
Prev GF Receipts				142,319	142,319	142,319	142,319	
Other Revenue	373,317	346,314	227,833	93,370	100,000	100,000	100,000	100,000
<b>Total Revenue</b>	<b>12,164,579</b>	<b>14,330,430</b>	<b>13,075,540</b>	<b>12,651,482</b>	<b>12,140,440</b>	<b>11,551,464</b>	<b>11,327,653</b>	<b>10,966,000</b>
Expenses:	13,254,943	13,283,629	12,701,154	14,113,383	14,394,388	14,797,058	15,240,970	15,698,199
Liabilities Adjustment	\$ (5,040)	\$ (54,997)	\$ 21,973					
Ending Cash Balance	\$ 8,540,219	\$ 9,532,023	\$ 9,928,381	\$ 8,466,480	\$ 6,212,531	\$ 2,966,938	\$ (946,379)	\$ (5,678,578)
Encumbrances	313,018	153,112	47,186					
Ending Carry-Over	\$ 8,227,201	\$ 9,378,911	\$ 9,881,196	\$ 8,466,480	\$ 6,212,531	\$ 2,966,938	\$ (946,379)	\$ (5,678,578)

1/4 Annual Expense = Carry-over Goal

7.0 Levy is assumed to decrease by 2% per year except 2015 when decreases 5%  
 JEDD revenue assumed to be consistent  
 Phase out of TPPT via HB66 will end in 2013

	\$ 3,810,242
Net Need	\$ 4,756,621

Other includes: School resource officer; accident reimbursements; misc grants; labor reimbursement; etc  
 2013 revenue estimates consistent with 2013 Operational Budget

The Carry-over Goal Less the Ending cash in 2016 equals the 'Net Need'

**WEST CHESTER TOWNSHIP  
2013 OPERATIONAL BUDGET PRESENTATION**

- **Civic Centre Boulevard Extension:** \$3 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 funding will be development driven and reimbursed pursuant to an already obligated service agreement.
- **Improvements to UCB and Intersate 75 Ramps:** \$6 million has been budgeted in the UCB TIF to address required improvements based on predicted development demands. Project construction and funding will be development driven and must be budgeted in the event development becomes more robust.
- **Connections Pathway:** \$300,000 has been budgeted to extend the existing Connections Pathway on the north side of Beckett Road, from Beckett Ridge Boulevard to State Route 747. Funding is from a variety of sources.
- **Vehicle Replacement:** The police and community services departments have budgeted \$180,000 each for the replacement of fleet or vehicles. The community services department has budgeted for replacement of a dump truck and a pickup truck to be equipped for snow removal. The police department has budgeted for replacement of four police vehicles for road patrol. As part of bridge year considerations, these vehicle purchases were delayed in 2012 in order to consider a regenerated approach to the purchase of vehicles and management of the Township's fleet.



## WEST CHESTER TOWNSHIP

### 2013 OPERATIONAL BUDGET – ALL FUNDS

		Total	
General Fund	Admin	Salaries	\$ 1,098,001
		Benefits	\$ 450,804
		Purchased Services	\$ 871,604
		Supplies and Materials	\$ 178,516
		Utilities	\$ 107,815
		Miscellaneous	\$ 265,800
		Capital Improvement	\$ 7,000
		Debt Service	\$ 146,531
		Transfers & Accounting	\$ 1,700,000
		<b>Admin Total</b>	<b>\$ 4,826,071</b>
	Parks	Salaries	\$ 298,425
		Benefits	\$ 109,513
		Purchased Services	\$ 132,125
		Supplies and Materials	\$ 36,000
		Utilities	\$ 75,549
Miscellaneous		\$ 2,035	
Capital Improvement		\$ 65,000	
Transfers & Accounting	\$ -		
<b>Parks Total</b>	<b>\$ 718,646</b>		
Other	Purchased Services	\$ 7,400	
	Supplies and Materials	\$ 7,900	
	Utilities	\$ 22,941	
	Miscellaneous	\$ 500	
	Capital Improvement	\$ -	
<b>Other Total</b>	<b>\$ 38,741</b>		

Community Development		Salaries	\$ 497,363
		Benefits	\$ 210,722
		Purchased Services	\$ 103,156
		Supplies and Materials	\$ 22,155
		Utilities	\$ 9,205
		Miscellaneous	\$ 5,775
		Capital Improvement	\$ 5,000
		Transfers & Accounting	\$ 12,600
Community Development Total			\$ 865,976
Information Technology		Salaries	\$ -
		Benefits	\$ -
		Purchased Services	\$ -
		Supplies and Materials	\$ -
		Utilities	\$ -
		Miscellaneous	\$ -
Information Technology Total			\$ -
Community Services		Salaries	\$ 307,957
		Benefits	\$ 129,792
		Purchased Services	\$ 28,888
		Supplies and Materials	\$ 25,200
		Utilities	\$ 5,753
		Miscellaneous	\$ 1,175
		Capital Improvement	\$ -
Community Services Total			\$ 498,764
General Fund Total			\$ 6,948,199
Roads	Roads	Salaries	\$ 1,015,031
		Benefits	\$ 410,838
		Purchased Services	\$ 260,810
		Supplies and Materials	\$ 450,781
		Utilities	\$ 48,257
		Miscellaneous	\$ 250
		Capital Improvement	\$ 1,501,548
		Transfers & Accounting	\$ -
	Roads Total		\$ 3,687,514
Roads Total			\$ 3,687,514
Cemetery	Cemetery	Salaries	\$ 185,642
		Benefits	\$ 93,160
		Purchased Services	\$ 27,327
		Supplies and Materials	\$ 13,025
		Utilities	\$ 3,062

		Miscellaneous	\$ 1,000
		Capital Improvement	\$ 30,000
		Transfers & Accounting	\$ -
	Cemetery Total		\$ 353,215
Cemetery Total			\$ 353,215
TV Fund	TV Fund	Salaries	\$ 172,952
		Benefits	\$ 64,002
		Purchased Services	\$ 63,650
		Supplies and Materials	\$ 22,156
		Utilities	\$ 10,673
		Miscellaneous	\$ -
		Capital Improvement	\$ 120,000
		Debt Service	\$ 87,984
		Transfers & Accounting	\$ -
	TV Fund Total		\$ 541,417
TV Fund Total			\$ 541,417
Police	Police	Salaries	\$ 8,771,331
		Benefits	\$ 3,169,396
		Purchased Services	\$ 981,712
		Supplies and Materials	\$ 706,237
		Utilities	\$ 224,083
		Miscellaneous	\$ 45,225
		Capital Improvement	\$ 215,400
		Transfers & Accounting	\$ -
	Police Total		\$ 14,113,383
Police Total			\$ 14,113,383
Fire	Fire	Salaries	\$ 7,443,021
		Benefits	\$ 2,975,543
		Purchased Services	\$ 534,150
		Supplies and Materials	\$ 250,336
		Utilities	\$ 205,620
		Miscellaneous	\$ 32,000
		Capital Improvement	\$ 135,125
		Debt Service	\$ 131,899
		Transfers & Accounting	\$ -
	Fire Total		\$ 11,707,694
	EMS	Salaries	\$ 253,848
		Benefits	\$ 104,936
		Purchased Services	\$ 239,800

	Supplies and Materials	\$ 268,623
	Utilities	\$ 17,550
	Miscellaneous	\$ 7,500
	Capital Improvement	\$ 81,125
	Transfers & Accounting	\$ -
	<b>EMS Total</b>	<b>\$ 973,382</b>
<b>Fire Total</b>		<b>\$ 12,681,075</b>
<b>Grand Total</b>		<b>\$ 38,324,804</b>



## WEST CHESTER TOWNSHIP FACT SHEET BUDGET

### TOWNSHIP BUDGET PROCESS & GENERAL BUDGET FACTS

- The Township Administration presents a recommended annual operational budget to the Township Board of Trustees each January for consideration. This budget proposal is based upon input from all Township departments and includes revenue predictions based on multiple variables, including the market and industry standards.
- The operational budget represents activities from 10 funds – General Fund, four separate Road Funds, Cemetery Fund, West Chester Community Television Fund, Police Fund, and Fire and EMS Funds.
- The General Fund includes activities from Administration, Community Development, Community Services, Finance and Information Technology, Parks and Senior Van.
- Tax Increment Financing Funds, Project Funds, Debt Service Funds, State Grant Funds and Federal Grant Funds are not considered part of the operational budget.
- The operational budget does not represent individual expenditures or encumbrances, but rather is a detailed illustration of expected expenditures by account code assigned to specific budget priorities which are set by the Board of Trustees.
- Budget projections are based on several factors, including but not limited to expected costs to deliver services, expenditure trends, inflationary influences, contractual obligations and anticipated capital projects. The Township's operational budget is based on need and not on available funding.
- Permanent Appropriations, a function of the Township's capacity to incur expenses, is voted on by Trustees in the first quarter of the year. Permanent Appropriations is a combination of the Township's carryover as determined at year-end, plus the estimated resources as certified by the Butler County Budget Commission and submitted in July of the previous year.
- The operational budget is limited by the Permanent Appropriations which is a function of the previous year's tax budget.
- The tax budget is submitted to the Butler County Budget Commission and when approved leads to the Certificate of Estimated Resources issued by the Butler County Commission.
- Permanent Appropriations will be amended periodically and presented to the Board of Trustees for a vote.

- Encumbrances are the actual assignment of dollar amounts to very specific purchases. There are very strict controls on the expenditure of funds. The Board of Trustees must consider the merits of expenditures/encumbrances greater than \$2,500 in a public forum.
- The transfer of General Fund monies to various Township funds is accomplished throughout the year as resolutions approved by the Board of Trustees.
- The Township has no mechanism for collecting taxes. Property taxes are collected by Butler County and then distributed to West Chester Township. Income tax generated from the Township's single Joint Economic Development District is collected by municipal JEDD partner City of Fairfield and then distributed to West Chester Township. The cities of Fairfield and Springdale also receive a portion of these revenues based upon a negotiated agreement.
- Police and Fire are supported primarily by voter-approved levies. Levies can generally support the needs of the department for about five years. The Emergency Medical Service is supported by fees for service, which are primarily paid through insurance providers.
- The Roads Funds receive a portion of property tax collections, but also collect revenues from state and township motor vehicle tax and the gasoline tax.
- The General Fund receives a portion of property taxes, but also collects revenue through the state local government fund, the hotel tax, zoning fees and other similar sources.
- West Chester Community Television is funded by cable television franchise fees.
- The Cemetery Fund receives funds through purchase of burial plots and is supplemented by the General Fund.
- Nearly 70 percent of the Township's operational budget goes toward Police and Fire/EMS services.
- West Chester Township has a Capital Improvement Plan (CIP) which supports budget planning for larger capital expenses. The CIP represents potential expenses of \$3,500 or more associated with equipment/programming that would enhance operations. Annual costs associated with doing business are not included in the CIP. The CIP represents five years of projected potential expenses. Individual items, after consideration, are incorporated into the operational budget if funding is available and need is demonstrated. Because these expenses are greater than \$2,500, they will be scrutinized by the Board of Trustees individually and acted upon in a public forum.