

**Record of Proceedings:
West Chester Township Board of Trustees
Work Session – 2022 Operational Budget**

January 18, 2022

Convene: Vice-Chairperson Becker convened the meeting at 5:04 p.m.
Roll Call: Mrs. Becker and Mr. Wong responded. Mr. Welch was absent.
Pledge of Allegiance: Repeated by those present.

FISCAL OFFICER'S NOTE: Much of the following minutes have been excerpted from a prepared outline compiled for the 2022 Operational Budget Work Session. A PowerPoint slide program supplemented the narrative and is available upon request.)

Mrs. Becker turned the work session over to Mr. Burks.

Township Administrator Larry Burks:

This budget, like those that have gone before, focuses on the Township's core mission and services; and reflects West Chester's ongoing commitment to fiscal responsibility.

Proposed operational budget expenditures for 2022 are about \$51.7 million, a 7.7% increase from 2021. Throughout the work session we'll speak to specific areas that account for the increase.

Of the total 2022 budgeted expenses, nearly 68.8% goes to public safety services (police, fire, EMS and emergency communications), another 11.9% is assigned to roads and infrastructure. The remainder (about 19%) goes to all remaining government services – administration, HR, finance, public information, community outreach/events, parks, community development, planning and zoning, etc.

The operational budget encompasses 10 primary funds and accounts for strategic infrastructure improvements/replacements, public safety, operational expenses and personnel costs.

There has been a change in the way some information is being provided this year. The Multimedia and Cemetery funds have always been a part of the operational budget but have not previously been included in this work session discussion. For the purposes of tonight's work, the Multimedia Fund has been combined with the General Fund for revenues, expenditures and carryover; and the Cemetery Fund is combined with the Roads Funds.

We have also set aside some time to speak about the COVID funding allocations, uses for this funding to date and proposed uses moving forward. And we will also talk about projects identified in 2022 for the TIF Funds, which are not part of the operational budget.

Finance Director Ken Keim then began in-depth discussion:

Finance Director Ken Keim:

We like to start out the work session each year explaining on a high level the process and terms related to the Township's operational budget. We appreciate that the Board knows these things, but for the benefit of the viewing public it is important to share.

The operational budget is a detailed illustration of projected revenues and expected expenditures by account code based on the Board of Trustees' budget priorities.

The Board of Trustees does not formally approve the operational budget, but we do seek input and questions to make sure the proposed expenditures are in line with the Board's priorities. Individual expenditures greater than \$7,500 come before the Board for approval throughout the year; and there is accountability for remaining within the constraints established by the operational budget.

The Permanent Appropriations Resolution brought before the Board is the "official" budget document required of townships by Ohio Revised Code. Appropriations resolutions, however, are less specific and only reflect resources available by fund.

Regarding the COVID Relief Fund: For the past year and continuing until 2024, West Chester experiences an influx of revenue through the state and federal governments for COVID pandemic relief. While West Chester did not experience the more dramatic reduced revenues of some communities, the funding was made available and West Chester deployed and will continue to deploy the resources, with Trustee approval, in a manner that fits the rules applied to the funding, is sustainable for the community and broadly offers benefit to the entire community. Overall, West Chester will expect more than \$10 million in pandemic-related funding. In 2020 West Chester received approximately \$3.99 million directly from CARES Act. This went to personal protection equipment and payroll for first responders. These were eligible expenses for this funding source demonstrating value to the community.

These personnel costs are basic to operations and assigned to the police and fire levies. By offsetting some of the costs and paying them with the CARES act funding, all of our taxpayers realize the savings and there is greater potential that existing levies could last longer. There was also another \$ 288,000 which was passed through the Township to Small Businesses via a County program enabled by the CARES Act.

In 2021 and 2022, West Chester Township will benefit from a \$6,625,344.00 grant from the America Rescue Plan. Again, rules and guidelines for the funding were evaluated with the intention of applying the funding to projects that generated no additional long-term costs to the Township, were sustainable over time and had broad community benefit. The intention of the Board of Trustees, to date, is to invest these funds into the replacement and repair of the Township's aging storm water systems. West Chester's storm water system has been a topic of budgetary concerns for several years and ARP provides an opportunity to address the issue to some extent.

These allocations for pandemic relief are not clearly demonstrated in the line charts used tonight. Indirectly, they are apparent as related to lower-than-anticipated 2020 expenditures in police and fire due to some personnel costs covered by CARES Act.

As required by legislation, these monies are held in separate funds to ensure the uses meet the specific intent of the grants. These Funds are not part of the operational budget.

Overview by Mr. Keim: 10 funds account for the operational budget: General Fund, four separate Roads Funds, Cemetery Fund, Multimedia Fund, Police Fund, and Fire and EMS Funds. The General Fund includes activities from Administration, Human Resources, Community Development, Community Services, Finance, Parks, Information Technology, and General Street Lighting.

Carryover: Carryover is a topic throughout the presentation of the operational budget. Carryover is the cash balance remaining after expenditures. Carryovers in the Township's most

critical funds give confidence in times like 2020 when hotel tax collections and other revenue sources may experience decreases. Carryover is also critical in meeting personnel and operational costs in the new year before the first round of property tax revenue is received. While some may view these carryovers as an opportunity to do more or spend more, for us carryover has always demonstrated our financial viability and conservative practices. Budgeting to need, rather than available resources, has played a vital role in extending expected lifespans of public safety levies and West Chester's enviable Triple A bond rating. We set carryover minimums in each of our primary funds and because of community support for public safety levies we are able to meet these goals giving some confidence in funding for safety services into the future.

Revenues: Revenue projections for all primary funds in 2022 are approximately \$49.5 million in total. West Chester remains conservative in revenue projections with actual revenue received greater than projected in each of the past 13 years. The Township benefits from a variety of revenue sources with property taxes being the primary revenue source. While property taxes may be the primary source of revenue for government services, the Township is not the dominant taxing entity in the County or the District. Approximately 26% of each typical West Chester taxpayer dollar goes toward Township services including voter approved levies police (12%) and fire (11%). The remaining approximately 3% goes to roads, general government services, township parks, etc. The Butler County Auditor abstract, while under dispute for 2021 re-evaluations, indicates a 2% increase in 2022. West Chester is showing collections with no increase. Property valuation increases can mean increases to the smaller inside millage (the 3%). The effective rate, however, limits any increased collections from property owner payments in the voter-approved police and fire levies with the potential of even decreasing their individual payments to these levies.

Fire Department Revenue: Revenue projections in Fire are about \$17.2 million. Nearly \$16 million comes from property tax and homestead rollback – about \$4.2 million comes from the newer 2020 voter-approved levy and remainder from the previous 6 mills approved by voters. The remainder of the Fire revenues come from EMS billing, grants, and JEDD.
Fire Department Expenses: The Fire Department is budgeting \$17,735,000 in expenses in 2022, with available carryover of about \$33.3 million.

Mr. Keim then introduced Fire Chief Prinz to present on the Fire Department budgetary matters:

Fire Chief Rick Prinz:

I came before the Board just last month to discuss the fire department staffing concerns. The ongoing challenge of filling the part-time positions and how these vacancies have affected our ability to adequately staff all five stations and the morale of staff resulting from an abundance of mandatory overtime. West Chester Fire Department has lost 50% of its part-time complement, new part time hires are difficult to attract and even then the turnover is not conducive to continuity of service. Based upon the support expressed by the Board of Trustees at my presentation in December, we are budgeting in 2022 for three new lieutenant positions and three new career firefighter positions. This action is expected to cost about \$750,000. Paired with annual pay increases, potential cash payouts and wage adjustments, the Fire Department reports that salaries and benefits will be increased by more than \$1.5 million in 2022. We believe in the

long run, the investment will be worthwhile as we reduce reliance on part-time staffing and can reduce overtime and ensure more continuity of service for our residents and businesses. In 2021 we celebrated the opening of the new fire station on Duff Road, paid for with TIF funds. The crews are benefitting from the added training spaces and the more updated safety features the station offers. We continue to consider and evaluate the demand for a fire station 76 for added service to the northwest quadrant of the Township. While there has not been a considerable increase in the volume of calls to this area, the decreasing availability of property has made us consider some move might be prudent.

2022 Fire Department Budget Highlights: About \$171,000 has been budgeted for turnout gear and firefighter protective gear. This includes 47 sets of coats/pants (\$131,000); 31 helmets (\$13,960); 80 carcinogen barrier hoods (\$14,000); and 19 pairs of boots (\$11,900). Per collective bargaining agreement, firefighters are allotted two full sets of gear to ensure adequate cleaning/decontamination. \$120,000 is budgeted for purchase of a direct diesel capture system at Station 71. This system connects directly to the apparatus and removes diesel exhaust to improve air quality, and the health of our firefighters. \$75,000 is budgeted to remodel the kitchen at Stations 72 and 75. This will include replacing cabinets, countertops flooring and appliances due to age and wear. \$65,000 for replacement of a 2010 Expedition due to age and high mileage. The 2010 vehicle will continue to be used for prevention efforts. \$30,000 is budgeted to add pre-emption equipment at Tylersville/ Tyler's Place and Tylersville at Lesourdesville-West Chester Road. This equipment improves response time and enhances the safety of the traveling public and fire personnel. The Fire Department has sought a grant for several years to help offset the cost of our Hazardous Materials unit, unfortunately our efforts to secure grant funding have been unsuccessful. We are budgeting \$600,000 in TIF for replacement of the 1994 HazMat truck.

2021 Data: In 2021, the Fire Department experienced a 16.16% increase in calls for service from 2020. Of the 7,935 total calls, 5,601 were for EMS and 2,334 were for fire. Fire impacted more than \$290,000,000 in assessed property value in 2021, with actual loss from fire limited to an estimated \$2.3 million.

Saving property from fire comes down to quick response with well-trained crews, but preventing fires in the first place is supported by building codes and annual fire inspections. In 2021, the West Chester Fire Department completed 95 residential plan reviews and 462 commercial reviews. Inspectors conducted 922 in-person fire inspections and 643 self-inspections were completed. We continue to be out in the community educating the community about prevention and fire safety. In 2021, we visited with about, 935 30,000 people through a variety of programs and events – nearly 20,000 of them were children. Our crews visited schools and day care centers showing off equipment and trucks and offering prevention programs and offered fire extinguisher training, CRR training and more.

Finance Director Ken Keim re: Police Department Budget Matters:

Police Department Revenues: Projected revenues in Police are \$18.9 million. This chart shows the increased revenues in 2021 when the new voter-approved levy took effect. Collections now level off at that amount because the collections won't significantly increase over time. Police revenues tend to be a little more than fire even though the 2020 levy brings in the same amount for each. The older levy in Police brings in a little more than Fire; and Police also benefit from

the school resource officer funding from Lakota (an expense and a revenue - \$780,000). Police also receives grants, JEDD and asset disposition which also show as revenue.

Without levy approval, the police department would have continued receiving revenues of around \$14 million, but expenses for the department would be have been around \$17 to \$18 million with a diminishing carryover to cover costs. Now, we see a healthier outlook for the department with budgeted expenses of \$17.7 million. Less than revenue. And carryover gives confidence that expenses are within available resources.

Mr. Keim then introduced Fire Chief Herzog to present on the Police Department budgetary matters:

Police Chief Joel Herzog:

In 2021, with the support of this Board and administration, we filled our command staff ranks and set out to address the issues of recruiting police officers. While the profession overall is experiencing declining numbers, West Chester is fortunate to still attract great candidates. We were able to hire 15 sworn officers in 2021. Fewer people are entering law enforcement and when there were once hundreds of candidates to choose from. Now there are dozens. Law enforcement candidates are still drawn to our agency for many reasons – competitive pay, good work environment a commitment to training, but very high on the list is because our community openly supports our work.

Police Department Budget Highlights: Police Department proposed expenditures of \$17.7 million are slightly more than the 2021 budget. This is mostly due to salary increases per collective bargaining agreements and payouts for possible retirements. Police and Fire also share expenses of the emergency communications center, so there are also pay increases considered there.

The Police Department hasn't planned for any unordinary significant purchases in 2022. We continue to work alongside IT, Fire and Communications to fully implement the public safety software. So far, we are very satisfied with the system, but we do have some details to work out.

Planned purchases for 2022 include: \$450,000 – Annual Vehicle Replacement – Every year we budget for replacement of vehicles that have reached certain mileage thresholds and require significant maintenance. Reliable vehicles are critical to our patrol service in the community (9 scheduled in 2022) \$37,000 – to replace 55 duty shotguns \$665.00 per shotgun / 15 yr. life expectancy – some current shotguns are 25 yrs old. \$39,000 – to purchase two drones and train officers in their use. There are different applications for each drone. One drone will make accident investigations more efficient and precise. It will also be used to locate critical missing children & people, or even suspects in hiding. The other drone is designed for tactical operations to be used with our Crisis Intervention Team. \$25,000 – to replace a police canine (the last three were donated).

2021 Data: For a high level overview, the police responded to just more than 39,000 total calls for service, which is a 3.7% decrease from 2020 and a 22.7% decrease from 2019. The 2020 decrease, we believed was due in part to the pandemic and shutdowns that resulted, but we can't be sure if the call volumes will go back to that 2019 level.

Thefts from auto – one of our most common crimes – increased 43.8% this year from 210 in 2020 to 302 in 2021. This is the first increase after five years of decreases in reported Thefts from Auto. Auto thefts, a more serious Part 1 crime, also increased from 56 in 2020 to 68 in 2021. The increase can be traced primarily to a string of similar thefts experienced in other suburban communities during the fall months. We’ve also seen an increase in catalytic converter thefts, which our Special Investigations Unit just made an arrest on one of our main offenders. Many of these thefts occur during the overnight hours in driveways and garages throughout the community. The police department continues to focus on educating the public about locking vehicles and not leaving valuables inside the vehicle, including the key fob.

Nextdoor.com and our registry of doorbell/security cameras in the community have helped identify some of the individuals involved in these crimes.

Part I crimes, the most violent category of crimes, were up 15.3% in 2021 from 1,069 to 1,233. (These include Murder, Rape, Robbery, Burglary, and Larceny). 198 arrests were made for Part 1 crimes. Part II crimes were down almost 10% in 2021 (2,270 in 2020 and 2,069 in 2021). (Assault, Drug Crimes, and lower offenses) 737 arrests were made for Part 2 crimes.

In 2021, West Chester Police also made 169 drug arrests and issued 189 OVI citations.

Auto accidents numbered 1,332 in 2021, up 10% (1,193 in 2020) – 284 of these accidents resulted in injury; and there were 4 fatal accidents investigated by West Chester Police in 2021. There were 4 Crisis Response Team (SWAT) missions in 2021. This does not include mini-tactical operations handled by Crisis Response Team officers working their regular assignment. Three operations for 2021 involved barricaded persons. The first operation involved an armed suicidal person barricaded in a vehicle. The other two involved wanted persons armed with firearms barricaded in their residences. The final operation involved a high-risk warrant service at a residence believed to contain firearms.

Last year we saved almost \$20,000 in overtime with the MOU with the City of Monroe. This was accomplished by adding several of their officers to our Crisis Response Team, so we were able to reduce the number of West Chester officers.

Finance Director Ken Keim re: Roads and Cemeteries (Services) Budget Matters:

Roads and Cemeteries Revenues: This category encompasses 4 funds which collect revenue from a variety of sources including property taxes, the gasoline tax, the motor vehicle license tax and a \$1.5 million transfer from the General Fund. This chart now also includes the Cemetery Fund (always a part of the operational budget, but not previously shown in the work session. Nearly \$5 million in revenue is projected into these funds in 2022, which includes the \$1.5 million transfer from the General Fund. We are estimating about \$770,000 from the gasoline tax. While there will be an additional allocation from ARP that will go toward infrastructure improvements, these dollars in a separate fund, not represented in this chart or as part of the General Fund.

Roads Expenses: Budgeted expenses in these funds is \$6.5 million. Likewise, these budgeted expenses do not include the extra infrastructure work to be accomplished with ARP funding.

Mr. Keim then introduced Services Director Tim Franck to present on the Services Department budgetary matters:

Services Director Tim Franck:

This Board of Trustees and those before having demonstrated a commitment to infrastructure by supplementing the Roads Funds each year with a \$1.5 million transfer from the General Fund and by creating a Sustainable Infrastructure Fund with a current balance of about \$10 million. The partnership with the BCEO has saved West Chester taxpayers approximately \$4.3 million over the past 10 years; and an additional \$300,000 in savings is expected in 2022. These savings do not include projects the County has partnered with the Township to complete with Safety Grant Funds, such as the roundabout on West Chester Road at Butler Warren Road.

The Board of Trustees direction to utilize ARP funding to address storm water system repairs and replacements, along with these other steps demonstrate a commitment to infrastructure and opportunity to significantly address issues that have concerned us most in recent years.

In the 2022 operational budget, Roads has proposed a \$6.7 million investment in the annual infrastructure improvement program. This is more than double the 2021 commitment and affects roads, curbs, and storm pipe in the Roads Funds and qualifying improvements in the TIF areas. We rely on internal cost estimates and estimates from the Engineer's Office when predicting improvement costs, exact costs will not be known until the bid process is complete.

The 2022 roadway Infrastructure program includes:

- \$900,000 for approximately 15,000 lineal feet of concrete curb replacement.
- Approximately 8 miles of road will be repaved at a budgeted cost of \$2.6 million = \$1.4 million in Roads Funds and \$1.2 million in TIF.
- And \$3 million will be invested to address more than 150 sections of storm pipe throughout the Township using ARP funds

In 2021, we originally planned to repair 27 sections of storm pipe. Throughout the year, an additional 56 storm pipes were repaired. That's a total of 83 storm pipes, along with numerous catch basins. The number of storm pipes requiring repairs continues to increase each year and a greater funding commitment for these will be necessary. The current \$3 million budgeted, thanks to the ARP funding, is \$2.3 million more than budgeted in 2021 without the ARP funding. We actively explore different ways we maintain storm piping. The past several years we have used several pipe lining methods in addition to digging up and replacing storm pipe. We plan to utilize all these methods again in 2022.

While the Township considers its options for public infrastructure, residents need to know that their own properties may have storm pipe requiring repair at their expense. Pipes on private property are the responsibility of the property owner and residents should plan for these inevitable repair costs.

2022 will also see the completion of landscape features at the Union Centre DDI, the 1823 Plaza and several other projects primarily funded through TIF.

2022 expenses in Community Services:

- \$200,000 for purchase of road salt for the 2022-2023 snow season, this is in addition to the money already budgeted and encumbered in 2021 for the current snow season.(about \$100,000)
- We are also scheduled to replace 4 vehicles and refurbish 4 vehicles in 2022:
- \$165,000 has been budgeted for the purchase of a new salt truck
- \$75,000 for the purchase of 2 new pickup trucks

- \$25,000 to build a 1-ton truck bought in 2021
- \$60,000 to put new beds on 2 salt trucks
- And \$40,000 to put new beds on two 1-ton trucks

We try to get 15-20 years from a front line salt truck, and then they are moved to a backup role for another 5 years if possible.

Our 2002 International salt truck in the front line fleet is planned for replacement in 2022, and will then be moved to a backup role with a plan to surplus a 1999 GMC salt truck from our back up fleet.

We have also budgeted \$65,000 for a mini excavator, and \$100,000 for a proposed new entry fence at Tylersville and I-75.

Finance Director Ken Keim re: General Fund Revenues:

This year we are combining General Fund with the Multimedia Fund. The Multimedia Fund covers public information, marketing and engagement activities; has always been a part of the bottom-line numbers in the operational fund, but have not been shown as part of this work session. Revenues of the Multimedia Fund come solely from franchise fees paid by companies using the public right-of-way as video service providers – Spectrum and Cincinnati Bell. The Multimedia Fund receives no further revenue through property taxes, local government or any other source. For 2022, revenue for the General and Multimedia funds is projected to be nearly \$8.4 million. This is an increase from 2021 actual revenues primarily due to the potential sale of township property on Cox Road. We remain consistently conservative in predicting revenues for both the General Fund and the Multimedia Fund.

General Fund Revenues & Expenditures:

Budgeted expenditures in the General Fund are \$9,743,385. This includes expenditures of about \$929,000 in Multimedia. Both the General Fund and Multimedia benefit from available carryover resources. The General Fund includes some decreases in expenditures as a result of shifting some event and senior van expenses to the Multimedia Fund, but also some increases in other areas such as purchase of ERP software (ultimately shared by all funds).

Highlights of the 2022 General Fund Budget: \$250,000 – State Route 42 Corridor

Revitalization – This is a budgeted expense appearing over multiple years. The intention is to have funding already identified should an opportunity arise. \$250,000 – Document Archiving –

This is a large project involving the scanning of critical documents and improving access to all Township documents. The project is identified to improve efficiency and reduce paper.

Approximately \$170,000 - Keehner Park Improvements – Shelter and amphitheater improvements, repaving, log cabin repair and multi-use athletic courts.

Finance Director Ken Keim re: TIF Projects:

TIF is not considered a part of the operational budget, however, these funds do play a pivotal role in what we're able to achieve as a township for the community. In 2022, nearly 72% of the Township's Capital Improvement Projects (\$23,500,000.00) comes from TIF. These projects are budgeted, but ultimately require approval from the Board before moving forward.

A few of these budgeted TIF projects:

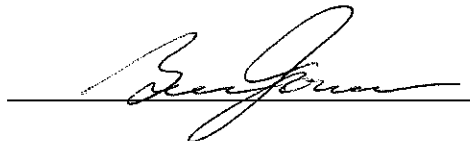
- \$9 million for preservation/creation of public greenspace/passive recreation area along East Fork of the Mill Creek as part of a development project

- \$6.6 million for potential expansion of Midpointe Library – West Chester
- \$1.5 million for improvements to West Chester Road
- \$1.2 million for asphalt paving of Township and County roads
- \$1 million for West Chester Road overpass vandal fencing
- \$700,000.00 for road widening on Crescentville
- \$600,000.00 for replacement fire department HazMat apparatus
- \$500,000.00 for Phase IV of State Route 747 lighting district
- \$500,000.00 for a section of Connections pathway on Beckett Road

Concluding remarks were made by Mrs. Becker, Mr. Wong, Mr. Jones, and Mr. Burks.


MOTION made by Mr. Wong, seconded by Mrs. Becker, at 5:56 p.m. to adjourn. Discussion: none. **Motion carried.**

Respectfully Submitted,



Bruce Jones, Fiscal Officer

Approved,



Mark Welch, Chairperson