



West Chester

— OHIO —

2024 Operational Budget Work Session

General and PIE Funds

(Public Information & Engagement)

Police Fund

Roads and Cemetery Funds

Fire & EMS Funds

January 30, 2024

westchesteroh.org



2024 Operational Budget

Primary Funds: General + PIE Funds, Police Fund, Fire & EMS Funds and Roads and Cemetery Funds

			Total	
General Fund	Administration	Personnel Services	\$ 2,034,979	
		General Operations	\$ 1,377,503	
		Capital Improvement	\$ 415,000	
		Debt Service	\$ 96,800	
		Transfers & Accounting	\$ 1,440,966	
	Administration Total			\$ 5,365,248
	Parks	Personnel Services	\$ 375,554	
		General Operations	\$ 328,690	
		Capital Improvement	\$ 192,000	
		Transfers & Accounting		
	Parks Total			\$ 896,244
	Other	General Operations	\$ 21,500	
	Other Total			\$ 21,500
Public Information & Engagement (PIE)	Personnel Services	\$ 533,210		
	General Operations	\$ 556,856		
	Capital Improvement	\$ 200,000		
	Debt Service			
	Transfers & Accounting			
PIE Total			\$ 1,290,066	
Departments	Personnel Services	\$ 1,572,424		
	General Operations	\$ 314,482		
	Capital Improvement			
	Transfers & Accounting	\$ 75,000		
Departments Total			\$ 1,961,906	
General Fund Total			\$ 9,534,964	

Roads	Cemetery	Personnel Services	\$ 296,239	
		General Operations	\$ 54,450	
		Capital Improvement	\$ 15,000	
		Transfers & Accounting	\$ 5,000	
	Cemetery Total			\$ 370,689
	Township Motor Vehicle Tax	General Operations	\$ 642,816	
		Capital Improvement		
		Transfers & Accounting		
	Township Motor Vehicle Tax Total			\$ 642,816
	State Motor Vehicle Tax	General Operations	\$ 91,000	
		Capital Improvement	\$ 50,000	
		Transfers & Accounting		
State Motor Vehicle Tax Total			\$ 141,000	
Gasoline Tax	General Operations	\$ 622,100		
	Capital Improvement	\$ 485,000		
	Transfers & Accounting			
Gasoline Tax Total			\$ 1,107,100	
Road and Bridge	Personnel Services	\$ 1,957,271		
	General Operations	\$ 34,000		
	Capital Improvement	\$ 2,041,000		
	Transfers & Accounting			
Road and Bridge Total			\$ 4,032,271	
Roads Total			\$ 6,293,876	
Police	Police	Personnel Services	\$ 15,955,628	
		General Operations	\$ 2,255,723	
Capital Improvement		\$ 697,000		
Transfers & Accounting				
Police Total			\$ 18,908,351	
Police Total			\$ 18,908,351	
Fire	Fire	Personnel Services	\$ 15,342,145	
		General Operations	\$ 1,842,628	
		Capital Improvement	\$ 888,475	
		Debt Service		
		Transfers & Accounting		
	Fire Total			\$ 18,073,248
EMS	Personnel Services	\$ 905,272		
	General Operations	\$ 495,743		
	Capital Improvement	\$ 384,000		
	Transfers & Accounting			
EMS Total			\$ 1,785,015	
Fire and EMS Total			\$ 19,858,263	
Overall Total			\$ 54,595,453	



2024 Operational Budget

BUDGET HIGHLIGHTS

West Chester Township's 2024 Operational Budget reflects an ongoing commitment to fiscal responsibility with continued focus on modernization, managing increasing costs of personnel and infrastructure, and providing some framework for how the Township plans to use its resources to continue serving the community well into the future.

The 2024 operational budget expenditures of nearly \$58.4 million are within available resources maintaining carryover in each of the 10 primary funds. These budgeted expenses represent an increase of 6.8% in budgeted expenses from 2023 and are reflective of general increases to basic operational expenses.

West Chester's focus remains on attributes that when collectively achieved, provide the environment for a community where people aspire to live, work and play; just as companies are inspired to invest, innovate and succeed. These attributes include building a dynamic local economy, varied quality housing options, employment opportunities, diversity, wellness options, low crime and exceptional safety services, quality of life and recreational amenities, and ease of living.

Budgeting for local government is similar to budgeting at home. Through budget and deployment of limited resources, we determine our priorities and make choices based upon what is sustainable and what continues to make West Chester a place *where families grow and businesses prosper*.

Of the \$58.4 million in budgeted expenditures, \$39.5 million (nearly 67.6%) is committed to public safety services – police, fire and emergency communications. An additional \$7.5 million (12.8%) is allocated to roads and infrastructure. This does not include Tax Increment Financing resources which annually are dedicated to quality of life amenities AND public safety and infrastructure relieving taxpayers of added burden.

While public safety and infrastructure may be considered the most critical services of Township government, West Chester's challenge is to also remain innovative in attracting the next generation of residents and entrepreneurs motivated by the vibrancy, the experiences and the aesthetics of a community

OPERATIONAL BUDGET PLANNING

The Township's operational budget is a detailed illustration of projected revenues and expected expenditures by account code based on the Board of Trustees budget priorities and the input of Township leadership. The operational budget does not represent individual expenditures or encumbrances.

The Board of Trustees does not formally approve the operational budget as presented. Individual expenditures \$7,500.00 and greater come before the Board for approval throughout the year in public meetings; and there is accountability for remaining within the constraints established by the operational budget. At regular Board of Trustees meetings, the Board approves a blanket "payment of bills" which is a register of all checks written including basic operational expenses such as utilities. Payroll has Trustee oversight through the hiring process and actions regarding merit increases, etc.

The Permanent Appropriations Resolution brought before the Board of Trustees typically in February 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.

The more stringent constraints of the operational budget offer greater accountability to the taxpayer and has helped map a conservative and successful financial course for the organization, maintaining cash carryover in all critical funds.

The operational budget accounts for 10 funds: General Fund, four separate Roads Funds, Cemetery Fund, PIE (Public Information & Engagement) 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, Senior Van and General Street Lighting.

With the 2022 operational budget, the PIE (Public Information & Engagement) and Cemetery revenues and expenses were shown in the line graphs as part of this workbook and the operational budget work session and that will continue moving forward. In previous years, these funds were represented in the total of the operational budget, but not in the line charts. The PIE Fund is now demonstrated alongside the General Fund and the Cemetery Fund is added to the charts that also represent four separate Roads Funds.

The revenue of the PIE Fund comes specifically from franchise fees paid by video service providers that use the public right-of-way. As part of federal legislation in the early 1990s, these companies (Spectrum/Charter and Cincinnati Bell for West Chester) were obligated to pay local governments a fee because of their use of this public space for their transmission lines. In West Chester, these funds are allocated to efforts promoting transparency, communication and marketing including the expenses of the website, DIG, social media content creation, mailed newsletters, events, and more.

Cemetery Fund revenues come from the sale of burial plots in the township cemetery and the expenses to maintain and operate the cemetery have come from this fund, supplemented by the General Fund and in some cases Roads. The cemetery is maintained by the Community Services Department.

Across all funds, West Chester continues to formulate more precisely and bring consistency and accountability to the largest Township expenditure – personnel. In order to meet the demands for

exceptional service, personnel will always be the Township's largest expenditure and greatest asset in terms of providing service.

REVENUES

Revenue projections for all operational funds total approximately \$48.9 million. West Chester remains conservative in revenue projections with actual revenue received greater than projected in each of the past 14 years. In addition, with carryover balances in all funds, expenditures will be within available resources.

In West Chester's operational budgeting strategy, it is typical that revenue projections are slightly less than actually achieved. It is also historically demonstrated that actual expenses will be less than budgeted. The goal is: plan for the unforeseen.

The Township benefits from a variety of revenue sources with property taxes being the primary revenue source. Property tax revenue is specifically identified for Police and Fire through voter-approved levies with the total generated annually remaining fairly consistent from year to year. Additional property tax revenue (inside millage) pays for other work of the Township including roads and general government services.

Other sources of revenue benefitting the Township's operational budget include JEDD, investment interest, EMS and Local Government Fund to name a few.

PROPERTY TAXES

Property tax collections for 2024 represent \$40.9 million of the Township's revenue across all funds. Property tax collections are limited by state law, property values and the amount approved by voters.

The Butler County Auditor abstract having passed state review shows a 32.1% increase from last year's value for West Chester Township. West Chester Township has projected a 0% increase in property tax collections as part of its conservative budget projection strategy for 2024.

In December 2023, the West Chester Board of Trustees voted to forego its share of inside millage based on new increased property valuations. This move will save the average taxpayer in West Chester an estimated \$10.15 per \$100,000.00 of valuation. For one year only, the Township will collect a reduced 1.3 mills divided between General Fund (.65 mills) and Roads and Bridges (.65 mills).

For the Township, the decision to forego its share of inside millage based on new increased property valuations means a \$955,859 impact to 2024 collections (General Fund, \$494,410.00; and Road and Bridge Fund, \$461,449.00). The Police and Fire departments are not affected because they are funded by individual levies approved by voters and not impacted by increasing home values.

West Chester Township collects about 26% of each property tax dollar. This is broken down to 12% for police, 11% for fire, 1% to roads and 1% to general government services (*these are approximated due to rounding*). In terms of the voter-approved police and fire levies, increased property values can actually reduce individual taxpayers' responsibility. Effective rate calculations set the amount to be collected by these levies at the time they were approved and that amount is collected regardless of changes in property values.

OTHER REVENUE SOURCES

Part of West Chester's fiscal success is tied to its commitment to effectively utilize revenue-producing economic development and fund management tools such as TIF and the Sustainable Infrastructure Fund (SIF) to the benefit of taxpayers. In recent years the American Rescue Plan Act has also had an impact.

Alternative funding sources such as Tax Increment Financing and the American Rescue Plan (neither part of the operational budget) allow West Chester to take on some bigger projects that are critical to serve the community. These funding sources have strings and limitations, and are not sustainable forever.

West Chester Township continues to benefit from a \$6,625,344.00 investment from the America Rescue Plan being used for 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. The bulk of this allocation was used in 2023, but approximately \$700,000.00 remains to be spent in 2024.

Additional ARPA funds have also been released by the state and Butler County to West Chester Township and will be used throughout 2024 as retention bonuses for public safety personnel who served during the pandemic, and purchase of vehicles for the Township's senior transportation service.

While COVID-relief awards are not on-going sustainable funding sources, West Chester Township is determined to use the funds in the most responsible way benefitting the greatest number of our customers. West Chester will likely receipt more than \$10 million total from these allocations over multiple years.

While TIF Funds are not directly represented as part of the operational budget as either revenue or expenditures, these payments in lieu of taxes (PILOT) made voluntarily by commercial property owners within the set TIF districts have had significant impact on the Township's ability to provide exceptional services. Collecting TIF allows the Township to determine how these resources can be applied most effectively to serve our community – purchase of fire apparatus and law enforcement tools, construction of fire stations, infrastructure improvements and park development – if meeting the restrictions of the legislation. In December 2023, the West Chester Board of Trustees voted to extend for 30 years the life of Township TIF Districts.

West Chester abates taxes for only a few of its largest 3,700 businesses. About \$340,000.00 in commercial property taxes were abated in West Chester in 2023. TIF, generated by commercial property owners, nets about \$13.7 million annually for the Township after school reimbursement.

In 2009, the Township embraced a strategy to support a Sustainable Infrastructure Fund (SIF). Resolution 06-2009 established the SIF to be funded by diverting interest accrued by Township investments to support long-term needs of pavement resurfacing, storm water system and culvert replacement and repair, and curbs replacement as our community evolves and matures. While this provides an additional funding source for our infrastructure – a critical measure for a community's sustainability – the diverted funding for infrastructure directly impacts revenues available for other General Fund expenses.

Since 2009, the General Fund has transferred \$20.8 million to invest in roadway paving and curb replacement throughout the Township and the SIF has a balance of \$13.9 million to begin 2024.

The SIF is not represented as a revenue source in the operational budget, but does allow for funding of critical infrastructure projects and land reutilization.

EXPENSES

GENERAL FUND AND PIE FUND

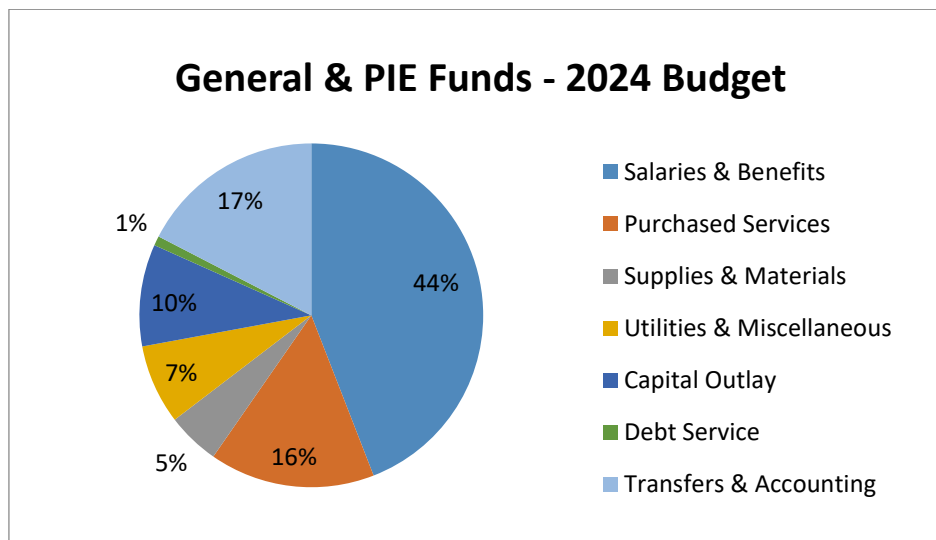
Proposed expenditures for the General Fund total \$10.9 million, a 14.4% increase from 2023. In 2024, this includes \$1,351,566.00 budgeted expenses of the PIE (Public Information & Engagement) Fund.

The General Fund also includes activities from Administration, Human Resources, Community Development, Community Services, Finance, Information Technology, Parks and Senior Van.

The work of departments under the General Fund category provide critical service to the overall organization. Finance, IT and Human Resources are considered general government services, but are critical to the work of public safety services for example. The work of the Township’s business management analyst, funded by the General Fund, provides critical service for everything from employee training to data collection; and PIE provides marketing and outreach services for all departments. The work is critical to the larger organization and the cost is covered under general government rather than voter-approved levies.

General Fund budgeted expenses include a \$1.5 million transfer to the Roads Fund and a \$200,000.00 transfer to the Cemetery (a \$50,000.00 increase from 2023).

The General Fund budget also includes \$250,000.00 to invest in development/redevelopment projects.



GENERAL FUND: PARKS

In parks, \$120,000.00 is budgeted for a comprehensive parks master plan and more than \$700,000.00 is budgeted for improvement projects on the Township-owned portion of the Voice of America property

including a trail and driveway repair. Funding is being sought from the State of Ohio to offset some of the costs for these projects.

GENERAL FUND: TECHNOLOGY

With the significant 2023 investment in and implementation of Tyler Technologies for ERP and Finance Software, larger technology projects will take a back seat in 2024. One exception will be some consideration of the long-term value and management of West Chester’s Data Informed Government (DIG) platform. In 2024, DIG continues to be funded but opportunities for alternate approaches will also be considered.

GENERAL FUND: PERSONNEL

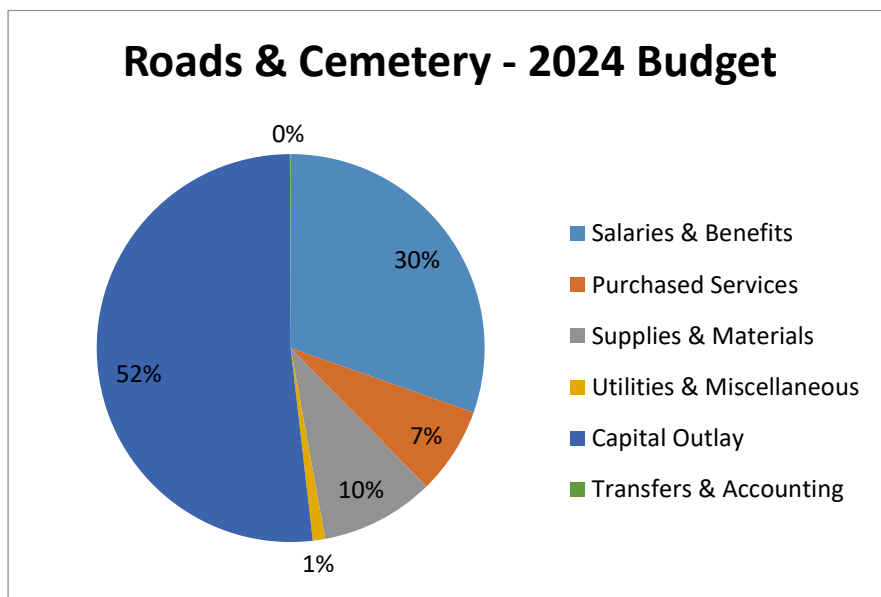
General Fund personnel costs take into consideration a 4.0% increase in payroll due to merit increases for non-contract staff as well as increases in benefits.

ROADS, MAINTENANCE AND CEMETERY FUNDS

The Roads proposed budget is \$7.9 million including Cemetery. This is an increase of approximately 25.9% from 2023 budget.

West Chester’s infrastructure and accessibility help position the community as the economic epicenter of the region and residents expressed these same attributes as critical for investment in the 2019 National Citizen Survey.

Keeping up with maintenance and replacement of maturing infrastructure, as well as objective ranking of condition, will remain a challenge for our community for years to come.



ROADS FUNDS: INFRASTRUCTURE

A combined allocation of \$5.93 million from Roads Funds (\$3.49 million), TIF (\$2.44 million) and ARPA (\$700,000.00) will go toward asphalt, curb repair, and roadway striping as part of the 2024 infrastructure program.

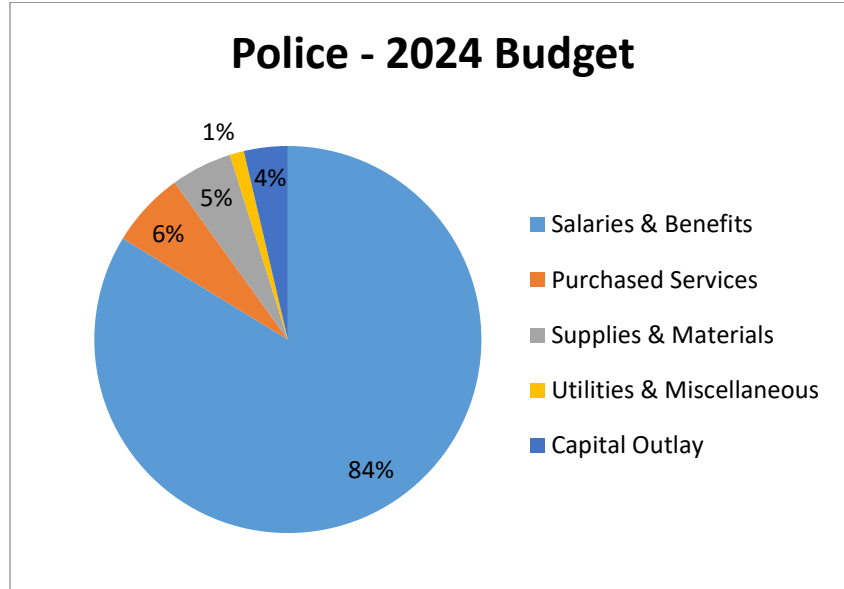
The final portion of West Chester’s \$6.6 million, \$700,000.00, in ARPA funds is designated to repair Township storm pipe. TIF and the ARPA funds are not shown in the line graphs, but allow for expanded infrastructure improvements in the coming year.

ROADS FUNDS: VEHICLES

Road expenditures for 2024 include replacement of several vehicles and pieces of equipment including a road mower (\$150,000.00), a backhoe (\$75,000.00), a 2.5-ton dump truck (\$265,000.00), an extended cab truck (\$50,000.00) and a heavy duty utility trailer (\$30,000.00).

POLICE FUND

The Police Fund proposed expenditures for 2024 are \$19.6 million, an 3.5% increase from 2023 budget. Total 2024 revenue for Police is projected to be about \$20.4 million – this includes property taxes, JEDD, Homestead Rollback, grant reimbursement, and reimbursement from Lakota Schools for school resource officer program.



POLICE: PERSONNEL

Personnel costs make up the largest expenditure category in the police department. The 2024 budget accounts for pay increases per collective bargaining agreement, and cash payouts for potential retirements.

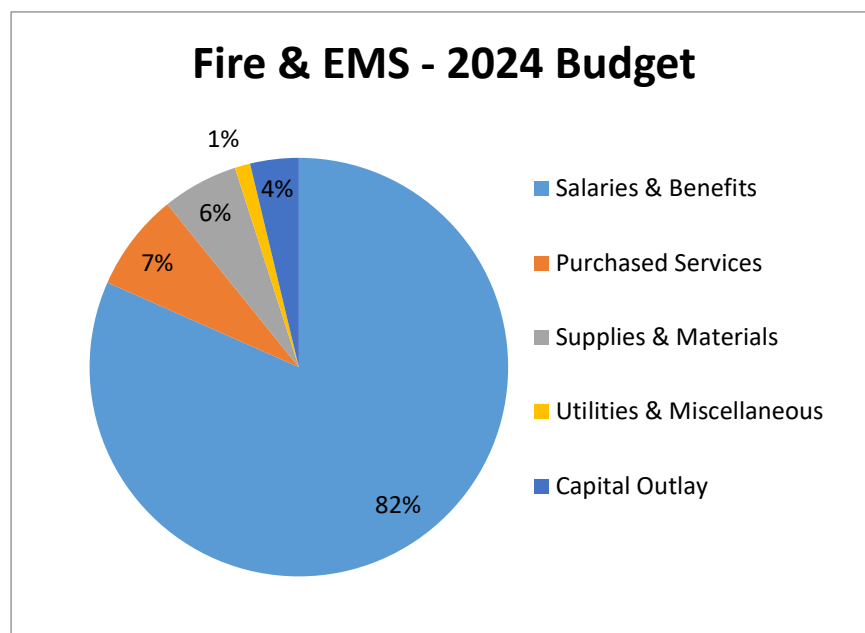
POLICE: VEHICLES AND EQUIPMENT

The 2024 Police budget includes annual vehicle replacement (\$600,000.00), duty weapon replacement (\$70,000.00) and portable radios (\$44,000.00).

FIRE AND EMS FUNDS

The West Chester Fire Department proposes expenditures totaling \$19.98 million.

Total revenue projection for Fire and EMS Funds in 2024 is to about \$18.6 million – including property taxes, JEDD, fees and grant reimbursements. If budget is fully expended in 2024, the Fire Department will use a portion of the available \$29.38 million carryover.



FIRE AND EMS: PERSONNEL

In 2023, the Fire Department transitioned to a more stable fulltime career firefighter force adding nine new career firefighter positions and two part-time fire inspectors. The change translated to an approximately \$1.26 million increase in personnel costs in 2023 which is now closer to the norm for the department. The 2024 personnel budget accounts for pay increases per collective bargaining and merit increases for non-contract personnel; and potential cash payouts for retirements.

FIRE AND EMS: VEHICLES AND EQUIPMENT

The Fire Department has budgeted \$297,000.00 for replacement of 55 sets of turnout gear, \$100,000.00 for a vehicle replacement and \$70,000.00 for a quick response UTV.

CARRYOVER

Carryover has always played an important role in West Chester's ability to balance and maximize resources. Budgeting to need, rather than available resources, kept West Chester financially sound during bleak economic times, has played a vital role in extending expected life of public safety levies and supported West Chester's enviable Aaa bond rating.

Carryovers in the Township's most critical funds give confidence in challenging economic times and when circumstances require consideration of new strategies such as personnel adjustments.

West Chester will enter 2024 with carryovers in each of its primary funds: General Fund and PIE – \$14,129,438.00; Roads Funds and Cemetery – \$3,691,779.00; Police Fund – \$23,791,041.00; and Fire and EMS Funds – \$19,332,668.00.

TAX INCREMENT FINANCING FUNDS (TIF)

While TIF is **not** considered a part of the Township's operational budget, it bears considerable consequence in consideration of Township projects and priorities. Projects funded with TIF **are not** part of the "bottom line" in the overall Township operational budget, but are noted specifically as TIF-funded items throughout when mentioned, and are recognized here.

The statutes governing how TIF is to be implemented have changed slightly over the years, but the basic premise has remained the same. Within set geographic areas, new commercial investment can be assessed a PILOT (payment in lieu of taxes) that can be retained by the local community for capital improvements to that same geography. The PILOT is based solely on the new value (not the existing value of the property which continues to be collected as regular property taxes).

The money collected as part of the TIF can be used for public infrastructure (buildings, equipment, roads, etc.) with a life of at least five years and for private infrastructure development that inspires further economic investment. These funds cannot be used for general operational expenses such as personnel.

Nearly all TIF-funded budgeted projects appear as part of the Township's Capital Improvement Plan and while budgeted for planning purposes, are not approved until they come before the Board of Trustees for consideration.

The 2024 Capital Improvement Plan demonstrates a total of \$19,673,969.00 in projects (those with values of \$7,500.00 and greater). Of that total, \$11,712,000.00 (nearly 60%) in projects are funded with TIF rather than property taxes or any other revenue source. These are funded through revenue generated strictly from commercial development in the community.

Some of the TIF projects budgeted for 2024 include:

- \$2.1 million for fire apparatus replacement
- \$2 million to modernize amenities on The Square @ Union Centre.
- \$1.5 million for work to improve the aesthetics/security and navigation at the Public Safety Campus



West Chester
— OHIO —

Work Session

2024 Operational Budget

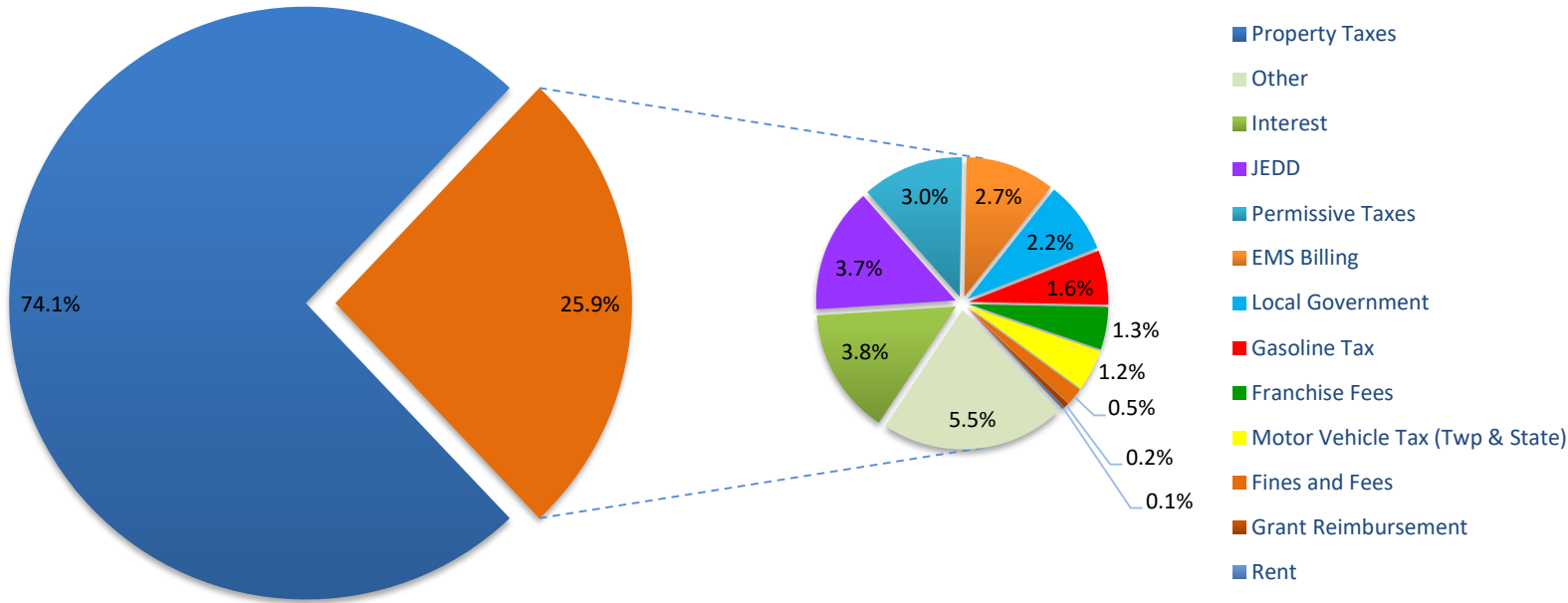
General and Public Information & Engagement Funds

Roads and Cemetery Funds

Police Fund

Fire and EMS Funds

Township Revenue - 2023 actual



MetroParks of Butler County - 1.1%

Butler County - 12.2%

Lakota Local School District - 57.8%



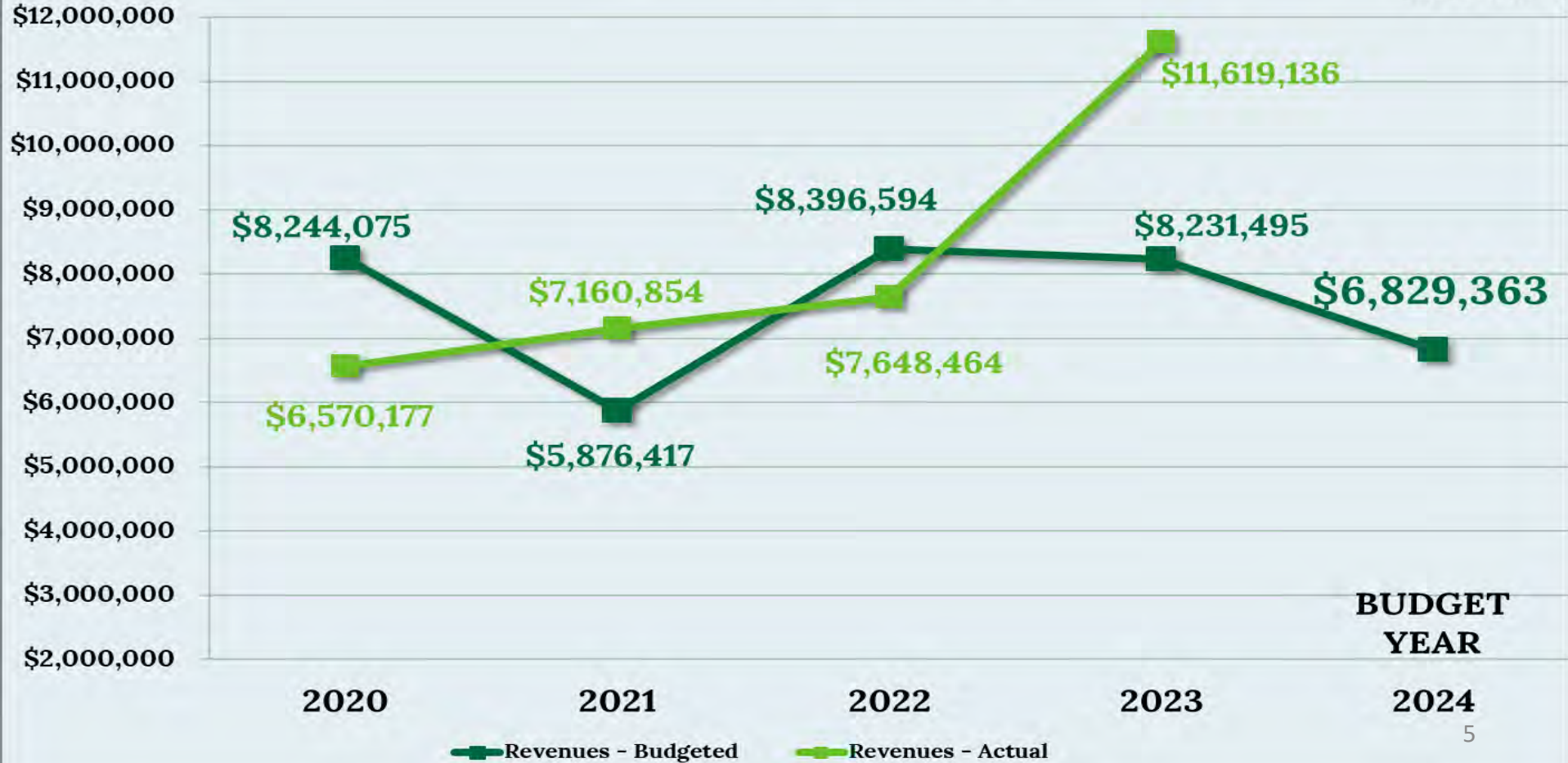
Butler Tech
Joint Vocational School - 4.2%

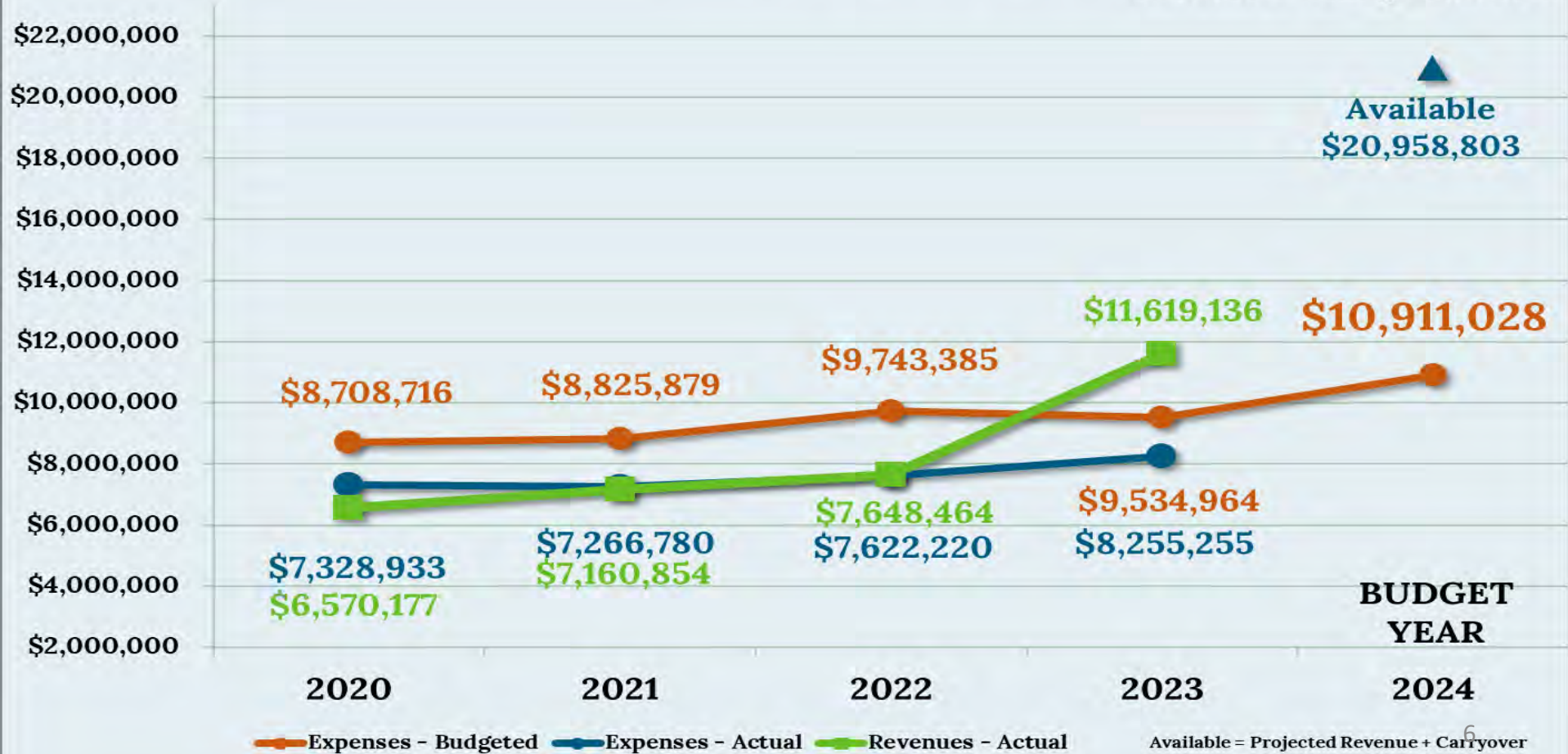
West Chester Township - 23.8%

West Chester Township receives 23.80% of your tax dollar with 1.42% going to general government services (parks, community development, planning & zoning, administration) and 1.42% going to Township roads. **11.09% goes to fund the Police Department and 9.88% goes to the Fire Department.** The Police and Fire levies were approved by voters. *These numbers are approximate values. Some rounding has occurred.*

MidPointe Library System - 0.9%

2024 Operational Budget General Fund and Public Information & Engagement Fund



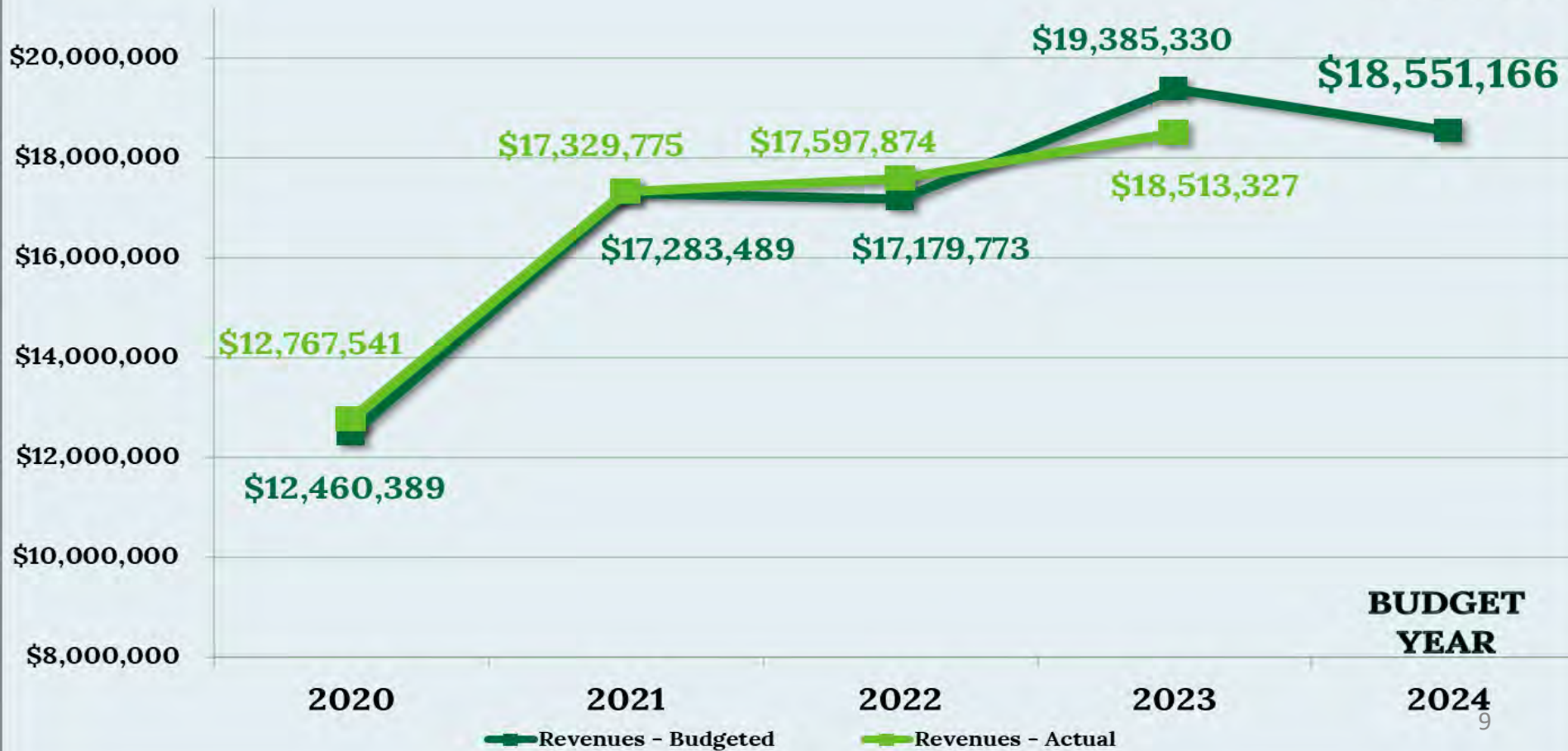


General Fund 2024 Budget Highlights

- **\$1.5 million – Transfer to Roads Fund**
- **\$250,000 – Transfer to Cemetery Fund**
- **\$250,000 – Land Revitalization**
- **\$120,000 – Comprehensive Park Master Plan**



2024 Operational Budget Fire and EMS Funds





Looking ahead for Fire & EMS

- **Staffing (82% of budget):**
 - Transitioning to a career department
 - Reducing part-time/overtime costs
 - Retaining/Attracting the best candidates
- **Response Times:**
 - Deploying technology for faster response
- **Strategic Planning:**
- **Equipment:**



Fire Department 2024 Budget Highlights

- **\$2.1 million (TIF)** – Aerial platform fire apparatus
- **\$297,000** – Replace 66 sets of turnout gear
- **\$100,000** – Replace staff vehicle
- **\$70,000** – Purchase quick response UTV



2024 Operational Budget Police Fund



**BUDGET
YEAR**

**Police
Revenue & Expenditures**



Police Department Focus

- **Staffing (84% of Budget)**
 - Attracting the best and brightest to serve
- **Technology:**
 - Deploying tools that are force multipliers
- **Officer-initiated Activity:**
 - Contributes to reductions in auto crashes
 - More visibility

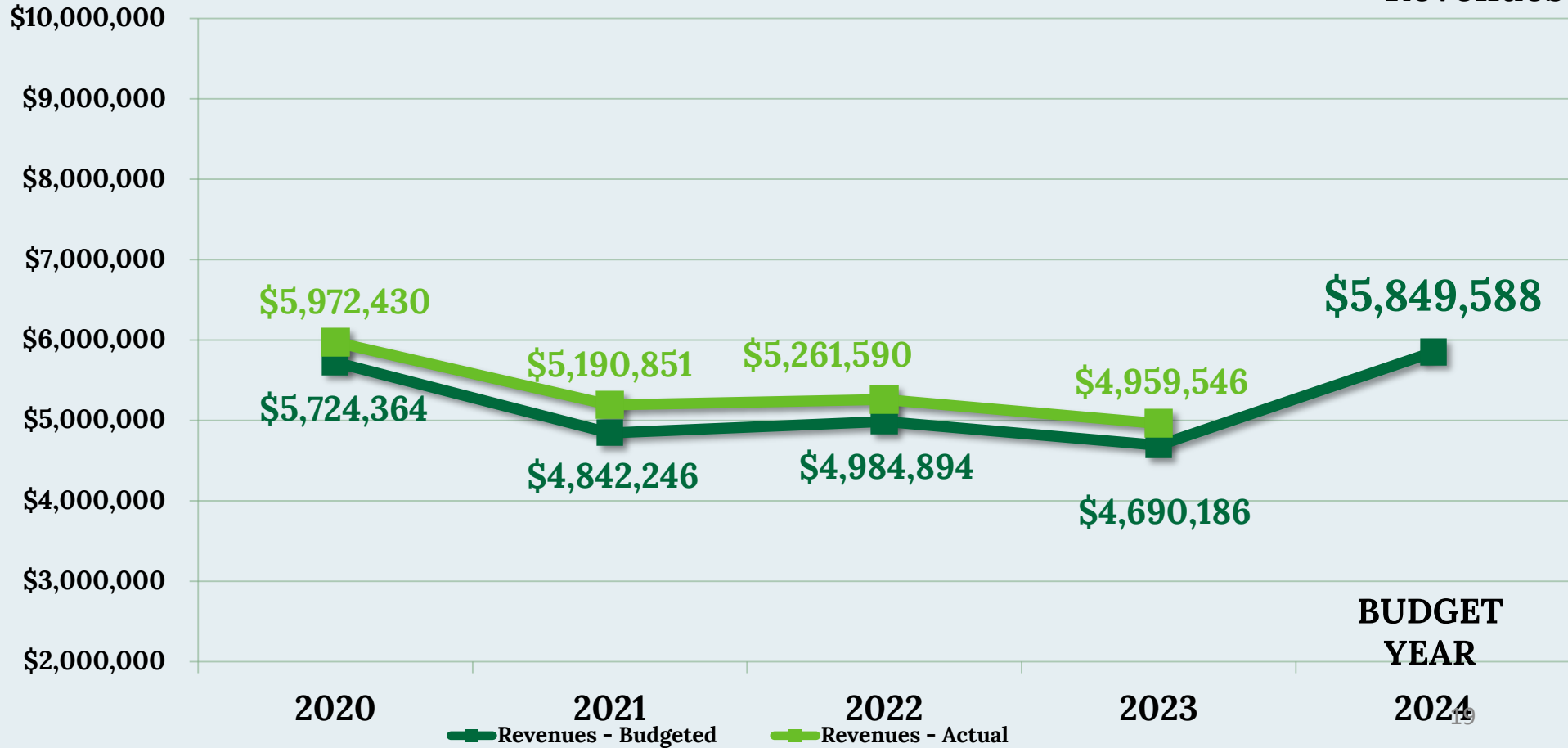


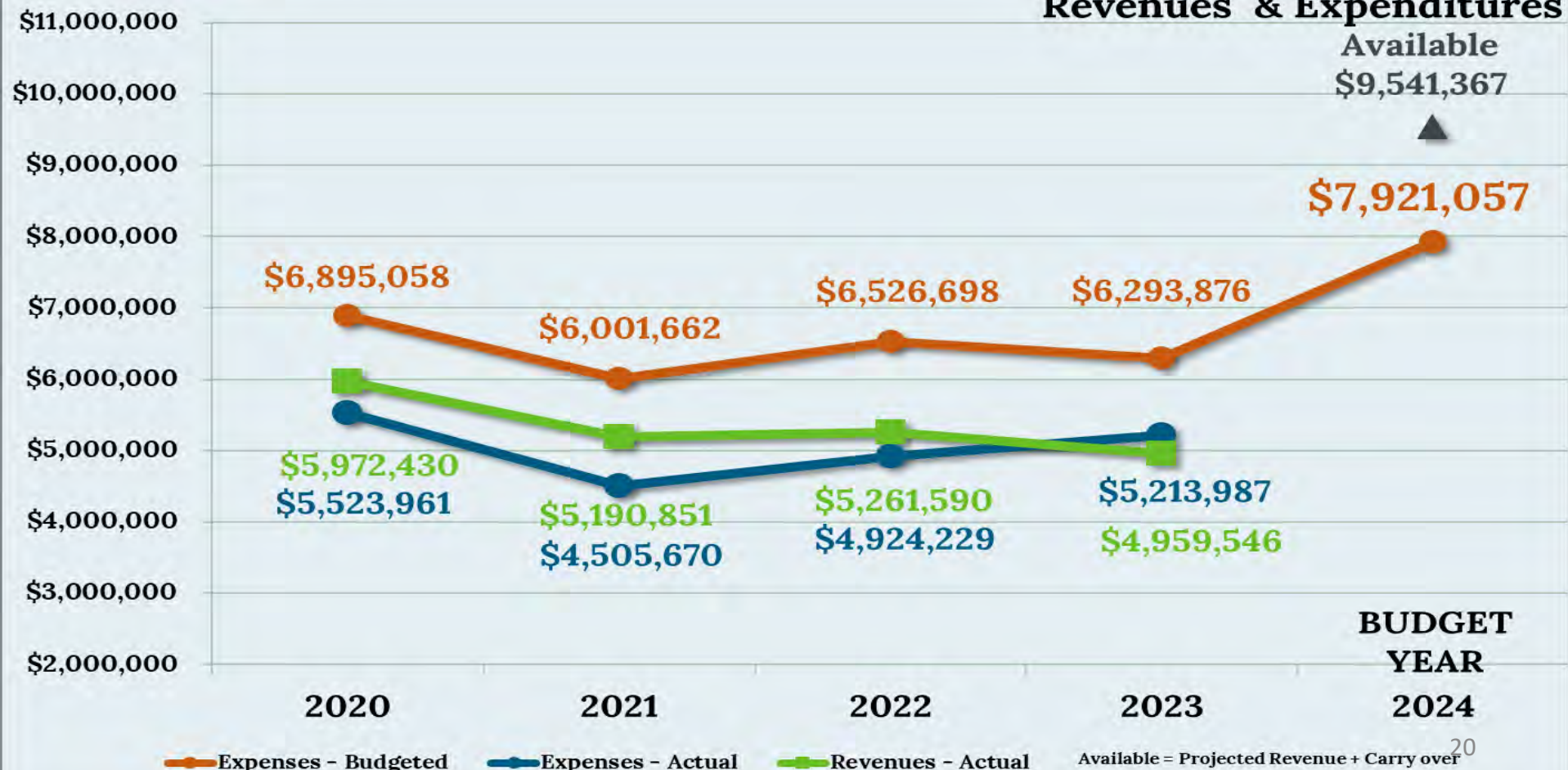
Police Department 2024 Budget Highlights

- **\$600,000** – Vehicle Replacements
- **\$70,000** – Duty weapon replacements
- **\$44,000** – Radio replacements w/ Bluetooth mics
- **\$ 30,000** – Replace garage doors
- **\$30,000** – Replace a police canine



2024 Operational Budget Roads & Cemetery Funds





Community Services Focus

- **Staffing:**
 - Filling vacant positions
 - Attracting the best candidates
- **Asset Management:**
 - Evaluating Township infrastructure assets
- **Comprehensive parks/facilities plan:**
 - Study of park trends and demographics to implement park improvements



Roads and Maintenance

2024 Infrastructure Improvement Program

- **\$5.93 Million Investment**
pavement, curbs, storm water
 - **\$3.49 million from Roads Funds**
 - **\$2.44 million from TIF**
 - **\$700,000 from ARPA**



Roads and Maintenance 2024 Budget Highlights

- **\$265,000** – 2.5 ton dump truck replacement
- **\$75,000** – Backhoe purchase
- **\$30,000** – Heavy-duty utility trailer



THANK YOU

