

**Record of Proceedings:  
West Chester Township Board of Trustees  
Work Session – 2024 Operational Budget**

**January 30, 2024**

Convene: Chairperson Wong convened the meeting at 5:00 p.m.

**(FISCAL OFFICER’S NOTE:** The following minutes are the prepared script for the 2024 Operational Budget Work Session. Minor variations from their script occurred and are viewable via video. A PowerPoint slide program supplemented their script and is available upon request.)

Mr. Wong turned the work session over to Mr. Burks.

**ADMINISTRATOR LARRY BURKS**

Welcome to the 2024 Operational Budget work session.

Proposed operational budget expenditures for 2024 are about \$58.4 million, a 6.8% increase from 2023 budgeted expenses. Of the total (\$58.4 million), nearly 67.6% goes to public safety services (police, fire, EMS and emergency communications).

The operational budget encompasses 10 primary funds and covers infrastructure improvements, public safety, operational expenses and personnel costs.

There are other funds that allow West Chester to perform the community’s work, but they are not represented as part of the operational budget, specifically TIF, ARPA and the Sustainable Infrastructure funds. We’ll speak about these throughout this presentation because they have become critical in achieving the community’s work, but they are not included in the charts we’ll share tonight.

Overall, this budget reflects increases in areas that provide direct service to residents, namely public safety and infrastructure.

Before getting into budget specifics, we wanted to share some areas of focus related to our strategic plan.

I’ll invite Assistant Administrator Lisa Brown up to share some of these details.

**ASSISTANT ADMINISTRATOR LISA BROWN – STRATEGIC PLAN**

(Fiscal Officer Note: Assistant Administrator Brown used the portion of the township website addressing our Strategic Plan as a visual when making her unscripted presentation. That link is:

<https://stories.opengov.com/westchestertownshipbutleroh/published/6SJE0PvIL> )

**FINANCE DIRECTOR KEN KEIM - OVERVIEW**

For those who view this presentation online, we like to start out by explaining some of the process and terms related to the Township’s operational budget.

First, the operational budget is a detailed picture of projected revenues and expected expenditures by account code based on the Board of Trustees' budget priorities. The Finance Department begins working with staff in late summer to put this budget together, ensuring that it stays in step with the Board's priorities and commitment to fiscal responsibility.

The Board of Trustees does not formally approve the operational budget.

Individual expenditures greater than \$7,500.00 come before the Board for approval throughout the year, excluding payroll, utilities, benefits and similar. There is accountability for these and all remaining expenses within policies set for approval of expenses by department directors and administrator, and the constraints established by the operational budget.

The Permanent Appropriations Resolution brought before the Board for approval 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.

West Chester goes the extra step in being more accountable and transparent with our residents.

The more stringent guidelines of the operational budget have helped map a conservative and successful financial course for the organization, maintaining cash carryover in all critical funds.

So, now we'll get into the operational budget which accounts for 10 funds: Four separate Roads Funds, Cemetery Fund, Police Fund, and Fire and EMS Funds, Public Information & Engagement and General Fund. The General Fund includes activities from Administration, Human Resources, Community Development, Community Services, Finance, Parks, Information Technology, and General Street Lighting.

In tonight's presentation, we'll reference carryovers.

Carryover is the cash balance remaining after previous year expenditures, less open encumbrances. Carryovers in the Township's most critical funds give confidence in difficult financial times and is critical in meeting personnel and operational costs in the new year before the first round of property tax revenue is received.

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.

By maintaining carryover, the taxpayer can rest assured that services will be available.

## REVENUES PIE CHART

Here's is an overall look at revenues as part of the operational budget.

Revenue projections for all primary funds in 2024 are approximately \$48.9 million in total. West Chester remains conservative in revenue projections with actual revenue receipted greater than projected in each of the past dozen-plus years.

This chart shows revenue types as a percentage in the Operational Budget.

The Township benefits from a variety of revenue sources with property taxes being the primary source.

A much smaller portion of our revenues are made up of sources like JEDD, interest on investments, permissive (hotel) taxes, gasoline Taxes, grant reimbursement and others shown here.

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 consistent with West Chester Board of Trustees voting in December 2023 to forego its share of inside millage based on new increased property valuations. This move will save the 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.

Property tax revenue for Police and Fire is set through voter-approved levies; and these funds also support the work of the emergency communications center.

While property taxes may be the primary source of revenue for our local government services, the Township is not the dominant taxing entity in the County - as shown here.

## **KEN KEIM - GENERAL FUND REVENUES**

Now, we'll move onto the General and Public Information & Engagement, or PIE, Funds. Revenues of the PIE Fund come solely from franchise fees paid by companies using the public right-of-way as video service providers – Spectrum and Altafiber.

For 2024, revenue for the General and PIE funds is projected to be \$6.8 million.

The significantly greater revenues of 2023 include the sale of township property on Cox Road when compared to previous actual amounts.

2024 revenue projections are reduced to reflect a more normal state and we had the sale of Cox road property in the plan in both 2022 and 2023.

The difference between 2023 actual and 2023 budget is largely due to receipts of both Hotel Tax and Interest exceeding the original conservative estimate.

## **GENERAL FUND REVENUES/EXPENDITURES**

Budgeted expenditures in the General Fund are \$10.9 million. This includes expenditures of about \$1.4 million in PIE. Both the General Fund and PIE have available carryover resources. This chart shows some consistency in actual expenditures and actual revenues over the past 4 to 5 years with budget always greater than realized expenses.

In addition to general administration services - HR, Finance, IT – the General Fund also encompasses the work of parks and facilities and community development.

## **SOME HIGHLIGHTS OF THE 2024 GENERAL FUND BUDGET**

After several years of investment into technology, the expenses in these is focused differently in the coming year. A few highlights from the General Fund include:

\$1.5 million transfer to the Roads Fund

\$250,000 transfer to the Cemetery Fund

\$250,000 – Land Revitalization – This is a budgeted expense appearing over multiple years for potential investment in development/redevelopment opportunities.

\$120,000 is also budgeted to undertake a comprehensive park master planning process

We're happy to answer any questions you might have about the General Fund.

### **KEN KEIM – FIRE DEPARTMENT**

#### **REVENUE**

Revenue projections in Fire are about \$18.6 million.

More than \$17 million comes from property tax and homestead rollback.

#### **EXPENSES**

The Fire Department budgeted expenditures are \$19,980,919, with available resources of about \$37.9 million. This is only a small increase from 2023 budget when the department made the move to a more stable fulltime career department. The larger payroll in 2023 got a boost from ARPA grants which helped to cover some personnel costs.

Chief Prinz can tell you more about his 2024 plans in the Fire Department.

### **FIRE CHIEF RICK PRINZ**

Thank you Ken, Trustees, Mr. Jones and Mr. Burks.

The commitment of this Board to the safety of our residents and businesses has always allowed us to seek the most responsible opportunities as a Fire Department to provide service to the community.

In 2023, the Department responded to 1.77% more calls than the previous year – A total of 8,648 calls with 2,541 fire-related and 6,186 EMS calls. While EMS calls will always outpace fire-related calls, the Department did respond to several significant fires in 2023 including Hopewell Junior School, Tropicana Box car fire and several single-family residential occupancies.

As the Fire Department continues to transition into an all career department, we continue to seek cost-savings and efficiencies in our operations. We have reduced our part-time budget salary account by about 31%, while maintaining a corps of nine part-time firefighters and adding a few new part time positions filled in 2023 including 2 additional part-time fire inspectors (total of 4) and 1 new part time logistics specialist. In 2024, a part time training specialist will be sought for the department.

With all of the progress we have made in transitioning to a career department, it will continue to be important that we stay competitive in attracting and retaining the best candidates. The market for firefighters is competitive as fewer enter in the field.

Balancing the need to retain qualified staff while balancing the expectation for fiscal responsibility to our taxpayers will require creativity and innovation. Whether retention incentives, training opportunities or employee recognition, every avenue will have to be explored to retain an exceptional force and exceptional service to the community. To this end, the Fire Department has budgeted an increase in training and employee welfare categories.

The department will continue to focus on better/faster response by reducing call processing time with the implementation of Locution (\$185,000) in the dispatch center.

Additionally, the department continues to replace apparatus responsibly when necessary and when available using funding from sources that don't directly impact taxpayers. In 2024, the department will seek to purchase a new aerial platform fire apparatus at a cost of \$2.1 million coming from TIF.

We also plan to purchase a \$70,000 UTV with tank/pump and patient litter for service in out-of-the-way locations; and \$155,000 for firefighter turnout gear (Fiscal Officer Note: the turnout gear was subsequently corrected to \$297,000).

The men and women of the West Chester Fire Department remain highly dedicated and committed to providing an exceptional all hazards emergency response service to the community, for their efforts I am very proud and most grateful.  
I am happy to answer any questions.

## **KEN KEIM – POLICE**

Next, we'll talk about Police.

### REVENUES

Projected revenues in Police are \$20.4 million. In 2021, revenue increases reflect the new voter-approved levy taking effect.

Police revenue also includes the school resource officer funding from Lakota (an expense and a revenue - \$730,000).

### REVENUES/EXPENSES CHART

Police plan expenditures of nearly than \$19.6 million in 2024, a 3.5% increase from 2023 budget.

Chief Herzog will offer more on his budget for the police department.

## **POLICE CHIEF JOEL HERZOG**

It's good to be here with you again tonight.

While the police profession overall is experiencing declining numbers, West Chester is fortunate to still attract great candidates. We were able to hire 8 sworn officers in 2023 and continue to attract experienced officers from other agencies. West Chester offers big town opportunities while maintaining small town values which contributes to our attractiveness for candidates. Of the past 14 hires since June of 2022, 7 of those are being funded with an ARPA grant.

As an agency, this positive relationship with the community inspires us to be innovative and compassionate in the way we serve and protect; we focused on recruiting, attracting the best and brightest officer candidates to serve, and assembling a team that is reflective of our community.

The Police Department continues to fight crime at an advanced rate with the assistance of technology. The Drones, FLOCK camera system, GreyKey, CellHawk, NIBIN, Facial Recognition, along with an excellent dedicated and well-trained staff, these advancements helped contribute to our rapid closure rates for crimes, including 100% homicide closures in the last 23 years. (13 homicides)

Now I would like to talk about some crime statistics.

Part I crimes, the most violent category of crimes, were down 5% in 2023 (These include Murder, Rape, Robbery, Burglary, Larceny).

Part II crimes were also down in 2023. (Assault, Drug Crimes, and lower offenses)

Law Enforcement Officers have experienced obstacles in the last several years (defund the police movement, COVID restrictions, hiring numbers, etc.). These events take its toll on officer morale & productivity. In 2023, I challenged the officers to be focused on increased officer-initiated activity (Field Contacts, Citations, Warnings, Vacation Home Checks). I basically reminded them, We Are West Chester! We have higher expectations.

Here are some of those results. 20% increase in Field Contacts (suspicious persons) / 17% increase in citations / 39% increase in warnings / 30% increase in OVI arrest.

This increased enforcement and visibility helped not only contribute to lower crime and to the 5% decrease in auto accidents, 8% decrease in injury accidents and no increase in fatalities. The fact that the West Chester Police has the incredible support of the leadership and the community in general is what makes the West Chester Police Department a great place to work as we continue to strive to be a premier law enforcement agency.

Here are some of the planned purchases for 2024 include:

\$600,000 – 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

\$70,000 – to replace duty weapon with the Red Dot system for improved target acquisition

\$44,000 – radio replacements for officers with Bluetooth mics

\$35,000- to replace garage doors to the PD sally port

\$30,000 – to replace a police canine (last 3 donated)

Thank you and I'm happy to answer any questions you might have.

## **KEN KEIM - ROADS AND CEMETERY**

### REVENUE CHART

The Roads and Cemetery Funds are next to be considered. This category encompasses 5 funds that collect revenue from a variety of sources including property taxes, the gasoline tax, and the motor vehicle license tax and also includes Cemetery activity.

The General Fund's annual transfer to the Roads Funds will be \$1.5 million in 2024 and \$250,000 will be transferred to the Cemetery Fund. These are both shown as revenue.

About \$5.8 million in revenue is projected into these 5 funds in 2024, including the transfers from the General Fund. Revenue into these funds is impacted by the Trustees decision to forego property tax increases with this particular fund seeing a decrease in collections of about \$462,000.00.

There is about \$700,000 in ARPA funding that remains for storm water repairs and improvements. These dollars are in a separate fund, not represented in any chart shown this evening.

### ROADS EXPENSES

Budgeted expenses are about \$7.9 million – nearly \$2 million more than revenue projections and an increase of about 25.9% from 2023 budget. We are within available resources as the Roads funds start the year with \$9,541,367 in available resources.

Community Services Director Arun Hindupur is here to share more details.

## **SERVICES DIRECTOR ARUN HINDUPUR**

Good Evening Trustees and Fiscal Officer Jones. Thank you for the opportunity to be here this evening to discuss the 2024 budget for the Community Services Department and, more specifically the Roads and Cemetery Funds.

Community Services will strive to continue being responsible stewards of West Chester particularly as it relates to asset management of the Township's infrastructure. Preparation of the 2024 operational budget has been challenging with much to consider in regards to the community's infrastructure, the cost to repair and replace assets, and the limits of available financial resources.

There are a few key areas of focus for the department in the coming year.

The 2024 work plan for Community Services is an ambitious one and will require consideration of two vacancies. We will seek to fill both a foreman and a project manager position to support completion of projects and managing operations in the coming year.

Filling these posts will support successful completion of larger higher profile projects like the Safety Services Building Entrance and The Square modernization.

There is an opportunity to develop a comprehensive infrastructure program which will allow the Township to more pro-actively manage and objectively evaluate its physical assets such as roads, storm sewers, facilities and parks. We look forward to implementing technology that addresses the evaluation and management of infrastructure; and will continue to look for opportunities to pursue innovative initiatives and modernize operations overall.

So much of the Township's infrastructure is of nearly the same age and is due to be replaced or repaired. The American Rescue Plan funding has done a great deal to push forward in addressing maturing storm water infrastructure throughout the community. That being said, there is still much to be done without the benefit of grant money of the same scale as ARPA.

In an effort to provide the community with high quality parks amenities, the Township will be undertaking a Parks Master Plan and Feasibility Study to develop a strategy and implementation plan for its parks facilities that addresses residents' needs today and for years to come. The overall goal of the study is to research, develop, design, and produce a customer-driven and fiscally responsible strategic document for recreation and parks facilities and services. The focus of the plan will be to identify specific short and medium term goals to achieve in the next 10-20 years; however, there is also a need to identify longer term goals and objectives beyond the 20-year timeframe. The Township is seeking a creative and innovative approach to the development of this Study with a clear implementation & action plan.

Roughly half of the funding associated with the combined allocation of approximately \$5.9 million of the Roads and Cemetery funds will go towards the Township's annual infrastructure improvements including roadway paving, curb repair, and stormwater pipe replacement. This includes \$3.49 million from the Roads Funds, \$2.44 million from TIF and \$700,000 from ARPA. In 2024, the Township is planning on undertaking approximately 5.0 miles of paving. This is considerably less mileage than previous years for 2 main reasons:

1. The vast majority of the roads that have been identified in need of paving fall outside of TIF areas thus requiring more of the Roads and Bridge fund
2. The vast majority of these roads that have been identified are urban cross sections with concrete curb and gutters. The cost to address these roads are nearly double compared to roads without curb and gutters. As the Board is aware, inflationary pressures including those related to commodity pricing impacting elements such as asphalt and concrete further exacerbate the issue.

There will be additional projects completed as part of West Chester's expanded partnership with the Butler County Engineer's Office. While County roads within TIF areas (which as previously noted are limited in 2024) are improved using TIF resources, the BCEO funds pavement of some Township roads and contributes equipment, personnel, project management, administration and other resources to improve Township infrastructure. In 2024, we will continue to work with the Engineer's Office to find balance in this partnership as we move forward.



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

I'd like to thank the Trustees for their continued support and my team for their efforts. I'm happy to answer any questions.

**CONCLUSION – LARRY BURKS**

Thank you, Ken and everyone who had a hand in preparing the 2024 operational budget and this presentation. A big thanks to all of Ken's finance team members, especially Michele Hunkler; and the Administrative Professionals from each of the departments who work for months to assemble these budgets.

Most of all, I want to thank the Board for the direction given to set the priorities, which are defined in the operational budget presented this evening. As Ken said, this budget is not formally approved by the Board. However, as each item comes before you during the year we look forward to your questions, concerns and input.

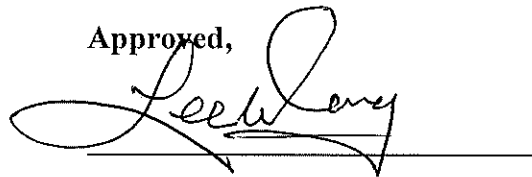
MOTION made by Mr. Welch, seconded by Mrs. Becker at 6:04 p.m. to adjourn the work session. Discussion: none. **Motion carried unanimously.**

**Respectfully Submitted,**



**Bruce Jones, Fiscal Officer**

**Approved,**



**Lee Wong, Chairperson**