

Record of Proceedings:
West Chester Township Board of Trustees
Work Session- 2013 Operational Budget

January 15, 2013

Convene: President Wong convened the meeting at 5:31 p.m..

Roll Call: Mr. Wong, Mrs. Stoker, and Mr. Lang responded.

Pledge of Allegiance: Repeated by those present.

Mr. Lang said he would need to leave the meeting at approximately 6:15 or 6:20 due to another commitment.

Mrs. Boyko began the session by noting there would be some themes that have been present in the budgetary process the last several years. 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 manage escalating infrastructure maintenance and replacement costs, and the delivery of our services,
- regenerated approach to expenses and operations, and
- addressed impact of ALL on delivery of services.

Since 2008, even before the decline in the macro-economy, she said 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 proposed 2013 Operational Budget continues to respond to the revenue reductions from varying sources affecting the primary funds uniquely, implements bridge year strategies that will be discussed throughout tonight's work session, and reflects West Chester's ongoing commitment to fiscal restraint. Mrs. Boyko identified three revenue sources and discussed how they've been impacted by the nation's macro economy and, specifically, how it relates to the Township's budgetary practices:

While the County Auditor's office has reported that property values fell .5% in 2013, West Chester is projecting a 2.0% reduction. While this is an austere projection it is consistent with West Chester's long standing practice of under estimating revenues in our budget.

Mrs. Boyko said, referencing chart #1, below, the second revenue source she wanted to point out was the tangible personal property tax. With the accelerated and further reduced TPPT/SB3 state funding which was once a significant revenue source, the Township has seen these revenues decrease from \$3.0 million to \$1.75 million with different gubernatorial state tax policies to now its complete elimination in 2013. Consequently, we will receive no revenue this year from a tangible personal property tax due to its elimination.

Mrs. Boyko then said, referencing chart #2, below, she wanted to lastly discuss the estate tax, another state funding source. The 2013 Operational Budget also demonstrates the first year of the repeal of the estate tax. Although the Township has never counted upon this revenue source, the receipts have allowed the Township to increase its carryover and implement its sustainable infrastructure financial plan implemented in 2009. The Township may continue to receive revenue from this source even after the repeal of the tax due to the inherent delay in settling estates. The Township, however, has budgeted no revenue from this source in the coming years.

This year, we will show the history of both budgeted and actual revenues and expenses. Great strides have been made in calculating projected liabilities and unanticipated circumstances, leading to West Chester's budget practice of underestimating revenues and accounting for potential or unanticipated and unexpected expenditures. This practice has allowed the Township to remain within self-imposed budgetary constraints and build a carryover which demonstrates fiscal solvency and enable the Township to meet the service needs of residents and businesses. Mrs. Boyko then turned the program over to Mr. Keim to discuss the General Fund.

Mr. Keim said the General Fund includes the Administration, Community Services, Community Development and Parks operations. Boards of Trustees have made a concerted effort since 2002 to build carryover in order to meet future demands in the community. Referencing chart #3, below, he said the General Fund's carryover was first impacted by a transfer to the Roads Funds in 2009. First discussed in 2008, and implemented in 2009, this Board determined that it would be necessary for the General Fund to help supplement roads and build a sustainable fund in order to maintain the community's infrastructure. Chart #3 demonstrates that despite the transfer each year to the Roads Funds, the General Fund carryover has recovered and has sustained a healthy balance due to fiscal restraint and improved efficiencies in operations.

Mrs. Boyko then interjected that, when viewing the General Fund Carryover on chart #3, there is no excess funding or surplus in the carryover amount. Rather, the carryover illustrates their effort to maintain a sustainable infrastructure plan in spite of the reduced revenue sources about which she previously spoke.

Mr. Keim then referenced chart #4, saying the lower line illustrates budgeted revenues in the General Fund since 2009, and includes 2013's budgeted revenues. The upper line represents actual revenues. This chart shows our budgetary practice of conservatively projected revenues based upon the larger economic climate. In each year, beginning in 2010, actual revenues have soundly exceeded budgeted revenues in the General Fund. In 2013, he said we project revenues of about \$3.4 million - approximately \$1 million less than budgeted in 2012 - and \$3.3 million less than was receipted in 2012. Budgeted revenues for 2013 take into account elimination of Tangible Personal Property Tax, the Estate Tax, as well as reductions in Local Government Fund and property taxes due to delinquencies and reduced property valuations.

Looking at the larger operational picture in the General Fund, first he noted actual revenues for the years leading up to 2013 (referencing chart #5, below, the bottom line in 2009 is the "Actual Revenues" line; follow accordingly). He then noted expenses, both budgeted and actual (referencing chart #5, "Budgeted Expenses is the top line in 2009 and "Actual Expenses" is the middle line in 2009; follow accordingly). Budgeted expenses in the General Fund have decreased

from more than \$10 million in 2009 to just less than the \$7 million budgeted for 2013. In all years, actual expenses have remained less than budgeted expenses. In order to continue building a sustainable fund for public infrastructure, the 2013 General Fund expenditures are greater than revenues. Expenses, however, are within available resources and slightly more than 2012 actual revenues.

Mrs. Boyko said the Board would be hearing throughout tonight's work session positive news about the implementation of bridge year strategies from the various departments. As previously discussed, in 2012 they made a concerted effort to analyze and access the Township's current operations, the result being that they re-approached the way they delivered services and spent resources. He referred to this as a transformed perspective in 2012, representing the bridge of shared and cooperative services, collaborative purchasing, contracted services, and leveraged assets, and expands the "new normal" perspective.

Some Bridge Year strategies associated with the General Fund, referencing chart #6 . . .

- Expanded public-private partnerships.
- Through attrition and redesigned permitting operations, the community development department reduced one employee, thereby reducing personnel costs by \$89,000. A redesigned permitting and application process now streamlines work so existing staff can handle it without compromising quality and timeliness of service.
- Opportunities to leverage assets and provide retail services to other local governments, citing specific examples such as WCCTV production and editing services, potential road services in terms of mechanics and our sign shop, and information and technology assets as well.

He said the full implementation of bridge year strategies introduced in 2012 will result in an initial \$225,000 cost reduction and an anticipated \$150,000 in on-going annual cost reductions.

Mrs. Boyko asked the Board if they had any questions about the General Fund presentation. Mr. Wong asked her to repeat the savings. Mrs. Boyko, clarifying that he was referring to savings realized from the implementation of the bridge year strategies, said those strategies were not in effect the entire year of 2012, but it's estimated that once a full year of those strategies, the first full year would be about \$225,000. There were no other questions.

Referring to the Roads and Maintenance Funds, **Mr. Keim** said the Road and Bridge Fund received a \$1.5 million transfer in 2009 and 2010 from the General Fund as part of a long-term funding solution for aging infrastructure (see chart #7): The results of these transfers appear in that Roads & Maintenance Funds carryover chart. In 2011, a \$1.5 million transfer was made instead to the Sustainable Infrastructure Fund and the annual paving program was paid from the Roads & Maintenance Funds. This, he explained, is why a reduced carryover is shown in 2011. The carryover going in to 2013 is just less than \$2 million.

Referring to roads revenues (see chart #8; the line that extends to 2013 are Budgeted Revenues and the line that extends only to 2012 are Actual Revenues), Mr. Keim said budgeted revenues in the Roads and Maintenance Funds for 2013 is almost \$3.5 million. This includes a direct

subsidy from the General Fund of \$1.275 million, and the balance - \$224,000 of the \$1.5 million - going to sustainable infrastructure.

For a more comprehensive look, Mr. Keim referred to chart #9, noting that the Roads Fund's actual revenues (see the middle line beginning in 2009 for "actual revenues") in the years leading up to 2013 with fluctuations the result of General Fund transfers to support infrastructure maintenance. This chart also shows expenses, both budgeted (see the top line beginning in 2009) and actual (see the bottom line beginning in 2009). Actual expenses again falling below budgeted expenses in all but one year: He noted that in 2010, delayed billing through the Butler County Engineer's Office resulted in payment for 2009 work being invoiced in 2010. The road funds' 2013 budgeted expenses of \$3.68 million are consistent with and less than the operational budget over the past four (4) years. Approximately \$1.4 million of the budget is assigned to personnel services and \$1.5 million is budgeted for capital improvement projects, including paving.

Mr. Keim then turned the program over to Mr. Tim Franck, Community Services Director.

Mr. Franck said great strides were made in 2012 due to Mrs. Boyko's 2012 bridge year strategy wherein they studied their operations and sought opportunities for improvement in the delivery of services. Referencing chart/visual #10, Mr. Franck said . . .

- In 2012, use of their Cartegraph system was expanded and the community services department identified and categorized replacement schedules for all types of infrastructure – pavement, curb, striping, storm sewer mains, culverts, snow routes, etc. He said this allows for effective planning for replacement of this critical infrastructure and ultimately cost savings related to efficiency.
- Our continued and expanded partnership with the Butler County Engineer's Office reduced costs by approximately \$300,000 in 2012 and is expected to reduce Township costs by \$400,000 in the coming year.
- Savings in the department have also been realized by staggering the hiring and scheduling of seasonal employees, collaborative purchasing, and redefining needs in terms of facility maintenance.

In 2013 his department will reduce staffing levels by one through attrition and will replace a mechanic.

He said the Services Department budget requests included:

- \$150,000 for the replacement of a 2.5 ton dump truck.
- \$100,000 for purchase of road salt for the 2013-2014 snow season.
- \$50,000 for a new 8-inch water main at Voice of America, anticipated to be reimbursed through the Ohio Cultural Facilities Grant.
- \$41,000 for a mechanics hoists system for large vehicles to improve efficiency when working on snow plows, fire vehicles, etc..
- \$30,000 for replacement of a ¾ ton pick-up truck equipped for snow removal and salt application, and
- \$15,000 for renovations to Kechner Park restrooms near the tennis courts for ADA compliance.

In 2012, the Township accepted 1.92 miles of new roadway which means the Township currently has 222 center line miles of roadway for which it is responsible. Over the last 10 years there has been an average increase of 3 miles per year.

Mr. Franck then referred to chart/visual #11: In terms of infrastructure maintenance, the Roads Division has budgeted nearly \$679,000 for paving 5.06 miles of roadway. An additional 2.28 miles will be paved at the expense of the Butler County Engineer. And an additional .82 miles of county roadway in the Township will be paved in the TIF Districts using TIF dollars. So, in total 8.2 miles of roadway will be paved in 2013, an increase from the previous two years. The 2013 budget requests nearly \$193,000 for slurry sealcoat application on 6.75 miles of roadway, \$220,000 for 6,882 lineal feet of curb replacement/repair and \$180,000 for repair and replacement of 13 sections of critical culvert/storm pipe. Upon conclusion, there was no response to Mr. Franck's offer to answer any questions.

Mr. Keim then resumed the presentation, addressing the matter of the Fire and EMS Funds: The Fire Department continues to maintain costs within the constraints of a levy approved by voters in 2006, referring to chart #12. Since that time, the Fire Department has built a carryover of approximately \$16.5 million due in part to the unrealized expense of constructing and equipping a 6th fire station to serve the northwest quadrant of the Township. (Fire Chief Goller spoke more specifically regarding this topic in his presentation, later.)

Moving on to revenues, Mr. Keim then referred to chart #13: He said this chart again illustrates their budget practice of conservatively projecting revenues. The orange line (lower line) shows budgeted revenues. The larger drop in projected revenue in 2012 was reflective of predictions from the County regarding reduced property values. The actual revenue received in 2012 was significantly greater than had been anticipated. He said increased revenues have been budgeted in 2013, compared to the 2012 budget, due to some slightly more promising news from the County. The blue line (upper line), showing actual revenues, again demonstrates that their budgeted revenues are always more conservative than what actually comes to pass.

For the bigger picture on the fire department budget Mr. Keim referred to chart #14: First, he noted the actual revenues realized by the Fire Department in years leading up to 2013 in blue (the highest line in 2009, stopping in year 2012). When looking at the combined revenues and expenditures, budgeted and actual, all fall within a compressed area with actual expenses (the lowest line in 2009, stopping in year 2012) never exceeding budgeted expenses (the middle line in 2009, stopping in year 2013). The fire department has budgeted nearly \$12.7 million in expenses, increased slightly from 2012 budget, and about \$1 million more than actual expenditures. He said this was in keeping with their budgetary practices. He further noted more than \$10.7 million of the 2013 budget request goes toward personnel costs and more than \$1.5 million is directed to general operations. Mr. Keim then turned the presentation over to Fire Chief Tony Goller.

Chief Goller said that he and Mrs. Boyko presented information and data to the Board of Trustees regarding the outlook for a new fire station in the northwest quadrant of the Township at the 2012 Operational Budget Work Session and at a special work session in 2012. To date, cost/benefit analysis of the potential project and development demands have not warranted this

fire station. The cost/benefit analysis was based upon responses, construction of new properties and population growth, adding that they have not seen any population growth in that area in the past 6 months since that presentation, and that the subject area only accounted for 6.4% of the Township's total call volume in 2012. He said the cost of operating this proposed station was considered with the passage of the 2006 levy, and this expense has not been realized to date as Mr. Keim pointed out when showing the fire department's carryover. He commented that they continually review these circumstances and work with our neighboring jurisdictions to supplement response to this area for specific call types; he referred to the automatic mutual aid agreement for structure fires with Liberty Township for this northwest service area, and said this was not utilized in 2012. He said it would not be fiscally responsible at this time to construct this station, but they will continue to monitor that area.

Chief Goller continued by saying the Fire Department continues to operate efficiently, maintaining a carryover should the need arise for the additional fire station, extending the life of the existing levy, and lessening the burden on the taxpayers in future years. He said they were challenged by Mrs. Boyko in early 2012 to deconstruct their operations and reconstruct with a new perspective, using data to identify opportunities for savings, and that it was a challenge his command staff took to heart.

- They reviewed 460 EMS call types in their computer aided dispatch system and changed 70 of them (15%) to decrease the number of times an Engine would respond with a paramedic unit. This resulted in a 14% decrease in the number of times an Engine responded to an EMS call, saving fuel costs and reducing wear, tear on vehicles, and not hindering any care to any patients. Then referring to chart/visual #15 . . .
- Through cooperative purchasing and collaboration with other departments, the fire department has saved 21% on fire helmets, 22% on ladder testing and 47% on fire pump testing, and 45% on station supplies. Some of these saving were the result of group purchasing with as many as 12 other fire departments.
- In March of 2012, they put video conferencing to work to improve communications, and keep apparatus and personnel in their stations for required training. They anticipated cost reductions of \$15,000 from video conferencing, but he gave two examples of added benefit from this technology:
 - There was a structure fire in March and Engine 72 responded from its own station because firefighters were receiving training in that station with video conferencing, rather than receiving training at headquarters. The result was they arrived 2 minutes, 25 seconds quicker than if they had been at headquarters for training. A limited fire spread to the kitchen cabinets resulting in only \$5,000 in damages. He added that a fire doubles in size every minute.
 - In July, a call came in with a victim on Tylersville Road having trouble breathing. Medic 75 responded from its station leaving training at their own station and they arrived on the scene 2 minutes 12 seconds quicker than if they had been in training at fire headquarters.

He added that these are just two examples of more than 100 calls that occurred during training utilizing video conferencing for training from their first in-district response.

Chief Goller said he had budget requests for 2013, anticipating an increase in the fire department salary account for communications officers, mechanic and firefighter salary increases with benefits per contracts. He also expected a 6% increase in drug and medications costs for our EMS units.

Some notable budget requests from the fire department in 2013, again referencing chart/visual #15, included:

- \$50,000 to replace our Jaws of Life (originally purchased in 1973).
- \$40,000 for replacement turnout gear with a 10-year life expectancy.
- \$25,000 for hypothermia induction kits to meet new protocol for cardiac patients.
- \$15,000 for fire helmets with a 10-year life expectancy.

He added that this work session also offered him the opportunity to share some end of year data, referencing chart/visual #16: In 2012, nearly 14,492 residents were reached through educational programming offered by the West Chester Fire Department. Their instructors also conducted 177 CPR classes with a total of 635 students. In Fire Prevention Month alone, he said nearly 2,200 community members were reached through 11 fire extinguisher training classes, 10 fire safety house appearances, 22 visits with trucks and equipment, and 5 Sparky's Hazard House presentations.

In terms of Property lost and saved in 2012 -

Total property value: \$132,859,743

Total property loss: \$851,320

2012 Property Saved: \$132,008,423

Total Contents Value: \$26,374,533

Total Contents Loss: \$290,014

2012 Content Saved: \$26,084,519

He attributed these successes to the expertise and professionalism demonstrated by the men and women who serve of our department, adding that the fire department experienced a nearly 5% increase in calls for service from 2011 to 2012.

He concluded by expressing his appreciation to the Board of Trustees, the Fiscal Officer and Mrs. Boyko for the confidence placed in the department, as well as the support provided and the opportunity to serve. Chief Goller then offered to answer any questions the Board might have for him. There was a clarification of an anticipated increase in drug costs.

Mr. Keim resumed the presentation, noting the police department begins 2013 with a carryover of nearly \$9.9 million, which is less than had been anticipated at the time of police levy approval in 2010. He said property value reductions had the greatest impact on the police levy fund. Collections receipted in 2011, the first year after the police levy was approved, were \$800,000 less than certified in 2010 when the police levy was renewed. Referencing chart #17, Mr. Keim said actual collections in 2012 were approximately \$1.6 million less than certified in 2010. This variance is attributed to decreased property values and delinquencies. He said, typically, in the early years of a levy, the Fund builds a carryover at a greater pace allowing the revenue

generated by that levy to be spread out over the subsequent, multiple years. He said Mrs. Boyko will offer further discussion on this topic later in the presentation.

Regarding Police revenues, he referred to chart #18 saying it illustrates how the more conservative revenue projections have come more closely to bear on the actual revenue figures in the years leading up to 2013. In the years prior to passage of the levy in 2010, he attributed this state to the "age" of the previous levy. After 2010, revenues were impacted by reduced property valuations. He said the police department anticipates a slight increase in revenue from 2012 budget due to the outlook from the County Auditor, but revenues are not budgeted to reach 2012 actual revenues.

Regarding Police revenues and expenditures in chart #19, Mr. Keim said we first see actual revenues (bottom line beginning in 2009) up to 2012 with just more than \$13 million receipted. Actual expenses (middle line beginning in 2009) up to 2012 and budgeted expenses through 2013 (top line beginning in 2009). The police department is budgeting just more than \$14.1 million in expenses in 2013, less than budgeted expenses in 2012. Approximately \$11.9 million of the 2013 budgeted expenses can be attributed to personnel-related costs and nearly \$2 million in general operations.

Mrs. Boyko then said her previous comments regarding the Township's traditional practice of underestimating revenues and anticipating projected liabilities, unforeseen and unanticipated circumstances to realize actual expenses less than budgeted, has even more meaning with the Police Department. In order to sustain the levy for at least five (5) years, at a minimum, the Township is relying on actual expenses being less than budgeted expenses as we continue to move through this 5 year cycle. She then offered further comment on the financial outlook of the police department: Property value reductions and elimination of other revenue sources have resulted in less than anticipated police levy collections, causing a financial strain on the projected five (5) year police levy. She said 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. 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 and even more deliberate cost reductions.

As part of this operational budget, the Trustees were asked to consider a budgetary change by redirecting currently receipted General Fund revenues into the police fund for the remaining life of the levy. These revenues total approximately \$142,000 and are revenues attributed and applicable to police operations, but have traditionally been receipted into the General Fund. Mrs. Boyko said this change is already reflected in this presentation and the Board would need to provide her with direction if that is not what they want to do.

In 2013, she said 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 these considered scenarios, 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. She noted that 85% of costs in the police department are personnel and ancillary related expenses, and added that personnel are the most critical component in a service intensive department such as police and fire, and therefore it is fitting that this component takes the largest percentage of budget. However, it also means that in order to effectively reduce costs, some consideration will have to be made in this area of the budget.

The amount of funding needed to achieve the intended levy life will be more accurately defined each year; however, chart #19 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. She said this was an issue that she, the Chief, and his command staff will continue to study as they move forward. Mrs. Boyko offered to answer any questions from the Board, but there were none. Thereupon she turned the presentation over to Police Chief Erik Niehaus.

Chief Niehaus thanked the Board for their continued support of our public safety services. He said West Chester voters showed their confidence in police services in 2010 by approving a replacement levy and, while levy collections are not living up to original expectations, they remain committed to making the difficult decisions that may be required over the next few years. He said they are fully aware of the challenges ahead regarding Police Department funding and have focused their energy on deploying new strategies and technology in policing to increase efficiency and effectiveness. Mrs. Boyko's bridge year challenge to all departments has taken on an even more critical meaning for the police department, and they are determined to uncover every possible opportunity to be more efficient in their operation and ultimately reduce costs without impacting the safety of our community.

He said they have implemented many cost-reduction strategies in the police department over the past few months, such as:

- In-field reporting was deployed in the police department resulting in an estimated cost reduction of \$46,800 for salary and benefits of a records clerk – the clerk was not replaced after retirement. This technology also results in a 7.5% increase in patrol presence with real time data entry and record availability.
- They are participating in collaborative purchasing programs and have redesigned fleet replacement purchases.
- The most significant reductions realized in the coming year, however, will be in the area of overtime salaries.
- In 2012, twelve (12) hour shifts were implemented for police officers, anticipating the reduction of overtime costs related to court, etc.. Though this has been in place for only 4 months, it is estimated this change will result in a cost reduction of \$60,000 annually with no loss of patrol coverage and a 5% increase in patrol presence. This, however, will need to be discussed when it's been implemented for a longer period of time.
- A \$51,000 grant for overtime reimbursements through a High Visibility Enforcement Grant and an \$11,000 overtime grant through the OVI Task Force have also helped to reduce overtime costs.

- With the unfortunate death of one of their police canines in 2012, they have reduced the number of canine units from 4 to 3.

Referencing chart/visual # 20, Chief Niehaus said 2013 budget requests include:

- \$180,000 for vehicle replacement. The police department deferred vehicle replacement in 2012 having purchased no vehicles. In 2013, it will be necessary to replace four of our aging patrol vehicles. He also expressed concern for the safety and the maintenance costs of aging vehicles, and said we get 5 to 6 years out of our vehicles while other departments only get 3 to 4 years.
- \$50,000 is budgeted for firearms replacement in 2013. A majority of the firearms were purchased in 2003 and they planned for a 7 to 10 year usage life. The \$50,000 purchase will be charged to the Drug Law Enforcement Fund and will require no funding from the police levy.
- Repairs also must be accomplished to the fire range used for officer training. The \$40,000 expense will also be charged to the Drug Law Enforcement Fund.
- \$35,000 has been budgeted for the Cogent System maintenance agreement. Cogent, their automatic fingerprint identification system, has had expenses that exceed the \$35,000 spent for the maintenance agreement.
- Approximately \$18,000 is budgeted for replacement of bullet proof vests, with \$7,500 to be reimbursed through a grant. The vests are replaced every 5 years and are due to expire in 2013.

Chief Niehaus said an important component of their policing strategies involves keeping residents and businesses “well-informed” on matters of crime prevention and involving them as added “eyes and ears” in the community. Crime prevention education and outreach to residents and businesses has been proven to play an important role in reducing crime and solving crime, adding that these efforts add little to no cost to operations. He said Lakota has reduced its funding for two school resource officers, but he made the decision to maintain two officers for the 2012 school year given multiple benefits: Their presence in our schools is of untold value with respect to gathering information and development of relationships that prove to be invaluable with respect to crime prevention education. While we have one officer assigned to our public affairs unit who helps to manage the dozens of programs offered, nearly all of our public education offerings are taught by patrol officers during their regular shift. No additional money is spent to offer these valuable programs.

Referencing chart/visual #21, Chief Niehaus said the Public Affairs Unit made 149 public appearances in 2012, including crime prevention events, self-defense classes, scout talks/tours, community organization talks, Lakota school events, and larger scale community events and presentations. Chief Niehaus said these 149 appearances, 17,803 individuals were reached with critical information regarding public safety. In 2012, they increased the Neighborhood Watch groups by 4, bringing the total to 22. Neighborhood Watch groups have been instrumental in generating information that has supported policing efforts in the community. He said the State of Ohio-funded Seat-Belt Safety program was presented to all third graders in the West Chester Lakota schools in 2012. The police department participated in two “Be the Difference” events at Lakota East High School. This was an anti-bullying and self-esteem building event attended by community leaders and Lakota employees. The Citizen Police Academy graduated its 7th class in 2012. Many of the approximately 100 CPAAA graduates regularly help out at public

education events. Lastly, he noted that more than 200 residents benefitted from the police department's unoccupied home checks. Residents register through the Township's website to let us know when they are going to be away from their homes for vacations, etc. Patrol officers will be given notes on these houses and will check them with the knowledge that the residents are away for a period of time. They also worked with the businesses and the Lakota schools on workplace safety training. Chief Niehaus then offered to answer any questions from the Board. Trustee Lang asked if the 12 hour shifts impacted moral. Chief Niehaus said it's better than expected, it's difficult to adapt to a 12 hour shift, adding that there are benefits. Mr. Wong asked if the cost of a school resource officer is shared with the Lakota schools, and Chief Niehaus said it is an approximately half shared expense for one position. Mrs. Boyko indicated the second officer is paid totally by the Township.

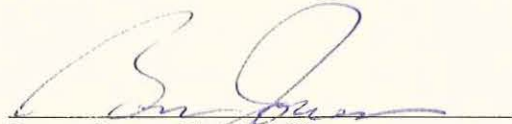
Mrs. Boyko noted three points in conclusion: The Township's traditional budgetary practice has resulted in all the primary fund's actual expenses being substantially less than the budgeted expenses, and they hope to achieve again this year. Traditionally the Board of Trustees has not formally adopted an Operational Budget and rather has relied on the formal statutory process of categorical budgeting through the tax budget and permanent appropriations. Regardless, the operational budget is a comprehensive overview of all the primary funds and their proposed expenses and planned capital improvements, demonstrated by individual account codes. She said the operational budget as presented does not represent approved expenses or encumbrances; rather, it represents a detailed illustration of expected expenditures by assigned account codes, and this information is in the information provided the Trustees. Lastly, Mrs. Boyko said the operational budget does not account for approved expenses or encumbrances, but merely projections and proposals. Rather the operational budget is a detailed illustration of the expected expenditures by account code as assigned to the specific budget priorities as set by the Board of Trustees. She said the merit of expenditures greater than \$2,500 must be evaluated and approved separately and independently by the Board of Trustees in a public forum.

Mrs. Stoker then commented that the departments have done an exceptional job at keeping costs down, crediting Mrs. Boyko and the department heads. (Fiscal Officer note: Mr. Lang then left the meeting at 6:27 p.m..)

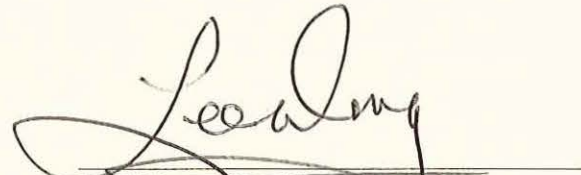
Mr. Wong said that, in light of reduced state funding, the Township is mindful of reducing costs and maintaining our infrastructure, and that the carryover was for any unforeseen disaster. Mrs. Boyko said the carryover was the reserve to maintain the sustainable infrastructure financial plan in future years. Mrs. Stoker said FEMA can be very slow and it's important to have reserves for an emergency. In response to an inquiry by Mr. Wong, Mrs. Boyko said the Local Government Fund has been declining, the Personal Tangible Property Tax has been eliminated, as well as the Estate Tax. Mrs. Boyko concluded by saying there are additional departments they are looking at in terms of reorganizing and bringing some new and additional leadership, and some different ideas to the delivery of the Township's services. She also expressed her appreciation for all the help and creativity extended by the departments and their employees.

Thereupon Mr. Wong adjourned the work session at 6:35 p.m..

(Fiscal Officer note: The preceding are 11 pages of narrative minutes. The signatures of the Fiscal Officer and Board President appear immediately below. Following this page are 21 pages of charts/visuals referenced herein. There are a total of 33 pages in this document.)



Bruce Jones, Fiscal Officer



Lee Wong, Resident



Accelerated Elimination Tangible Personal Property Tax & Kilowatt Tax All Funds

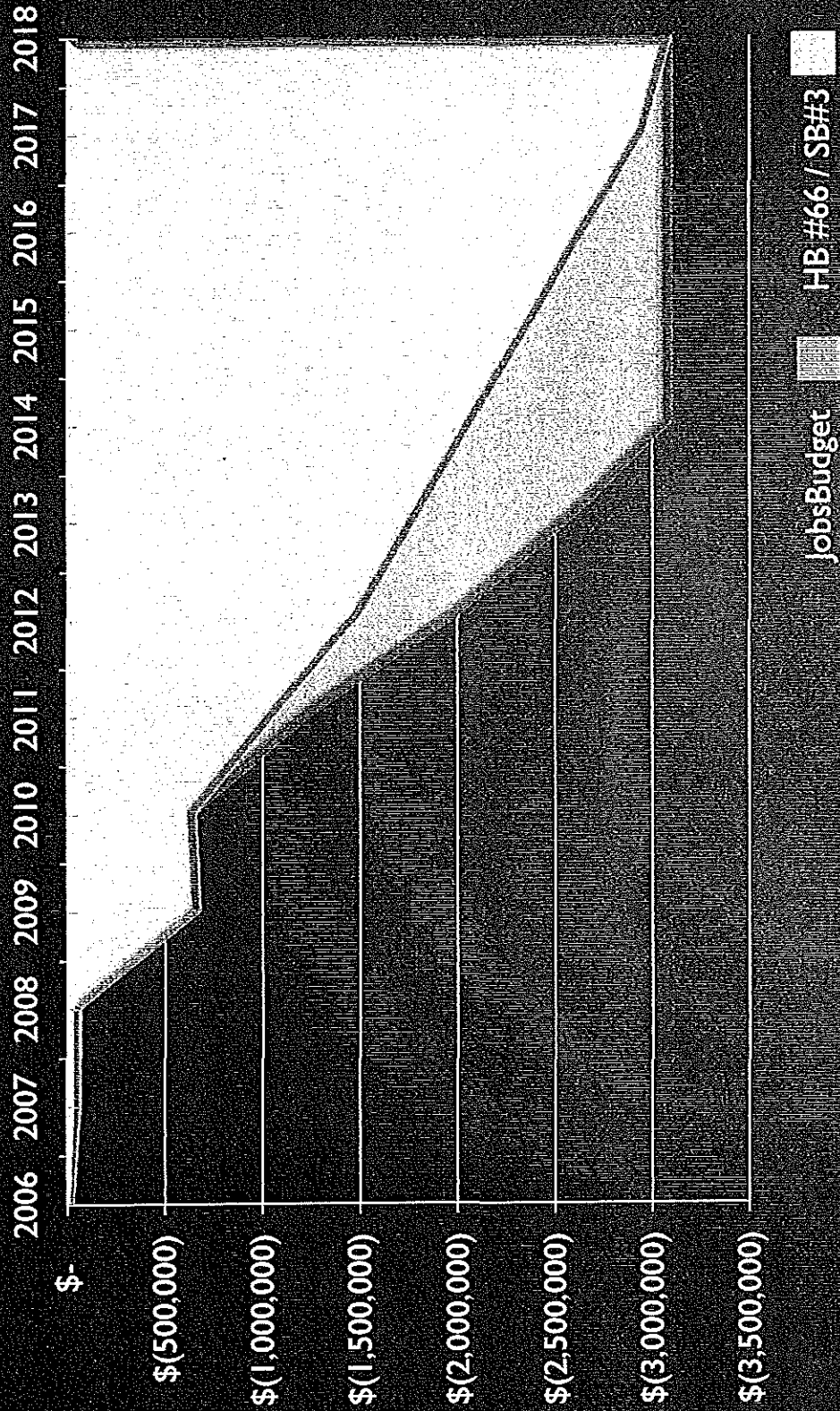
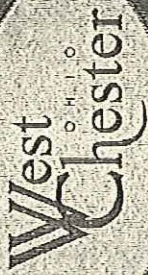


Chart #1



2013 Operational Budget
Estate Tax

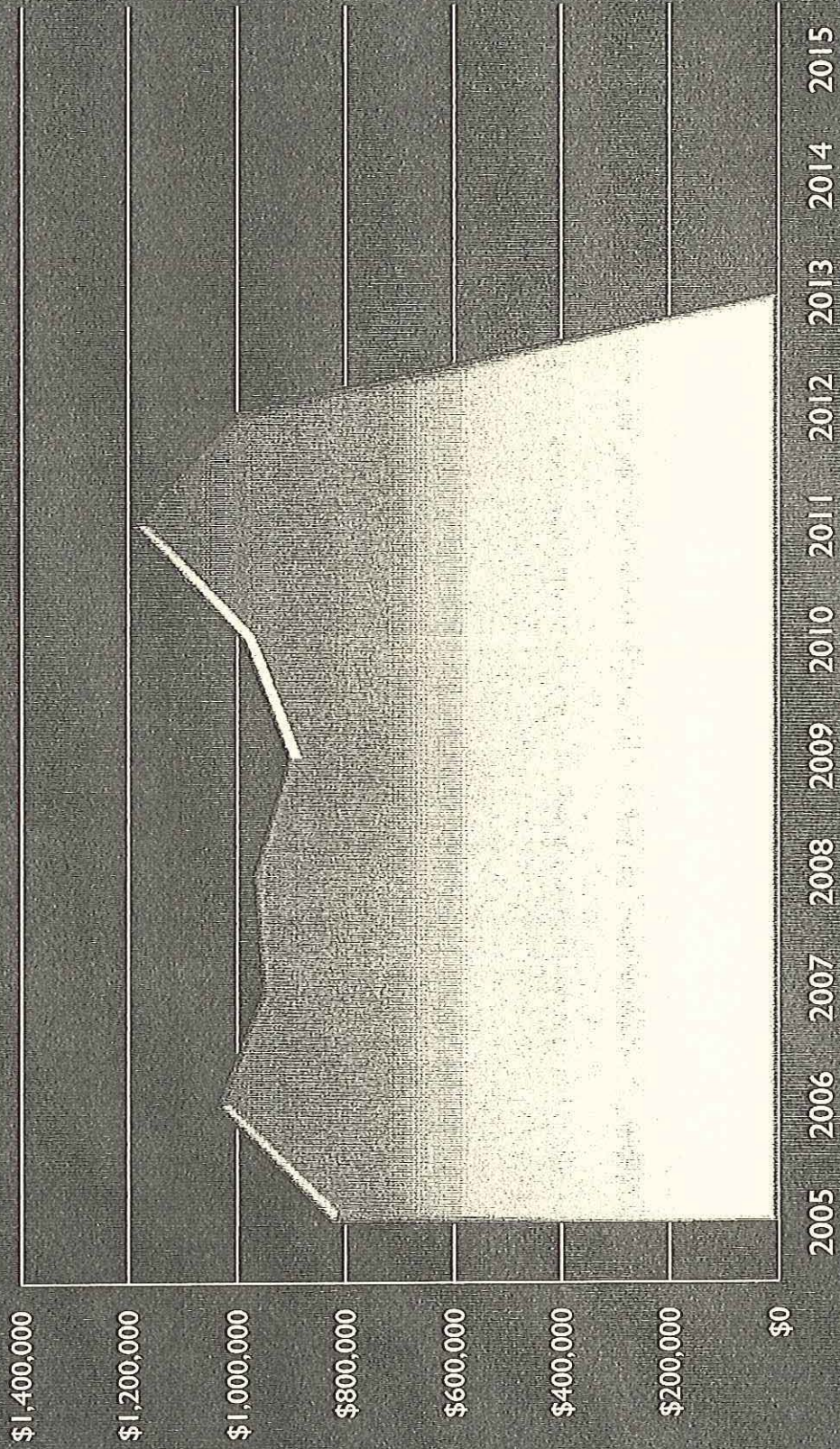


Chart #2



2013 Operational Budget
**General Fund
Carryover**

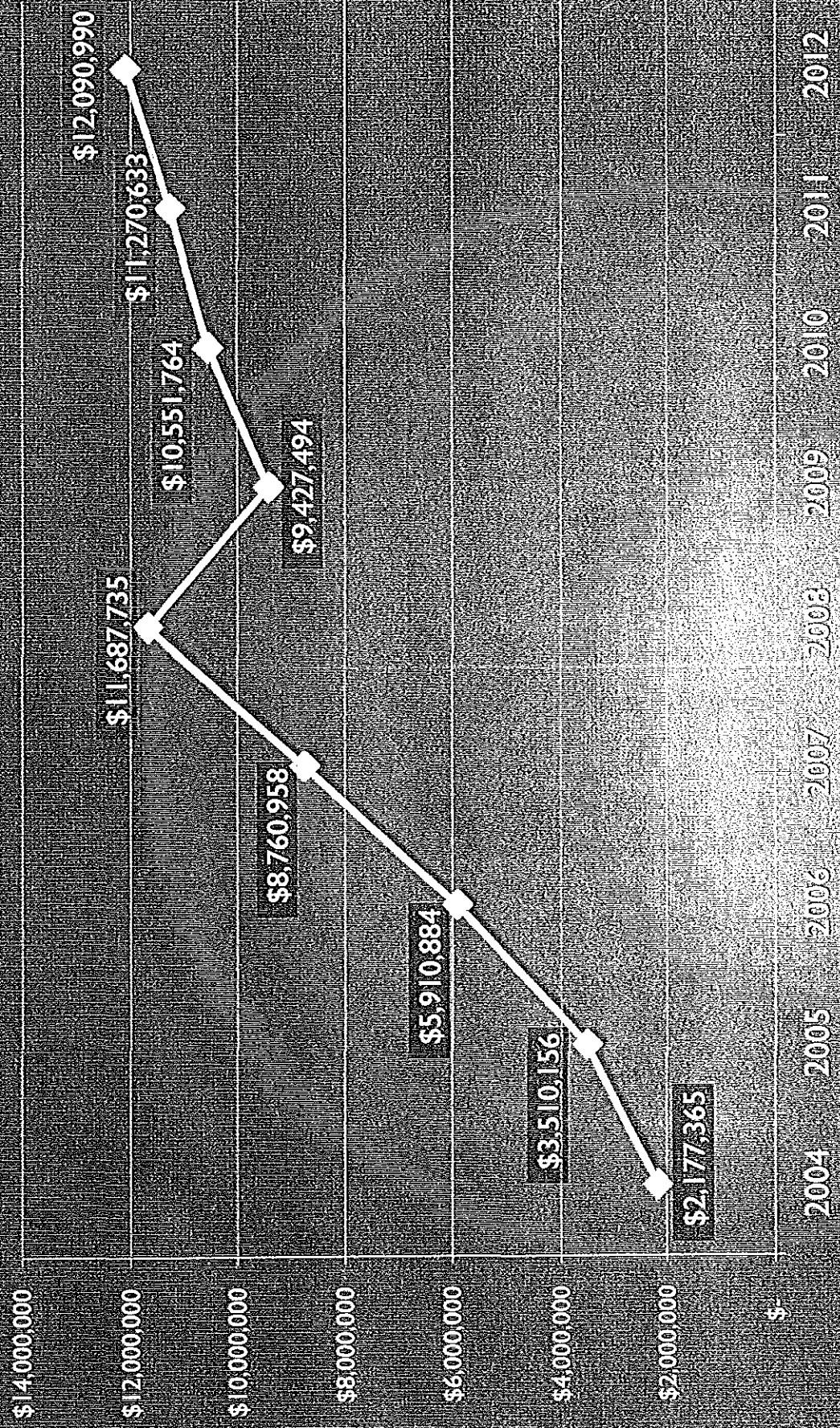


Chart #3

General Fund Revenues

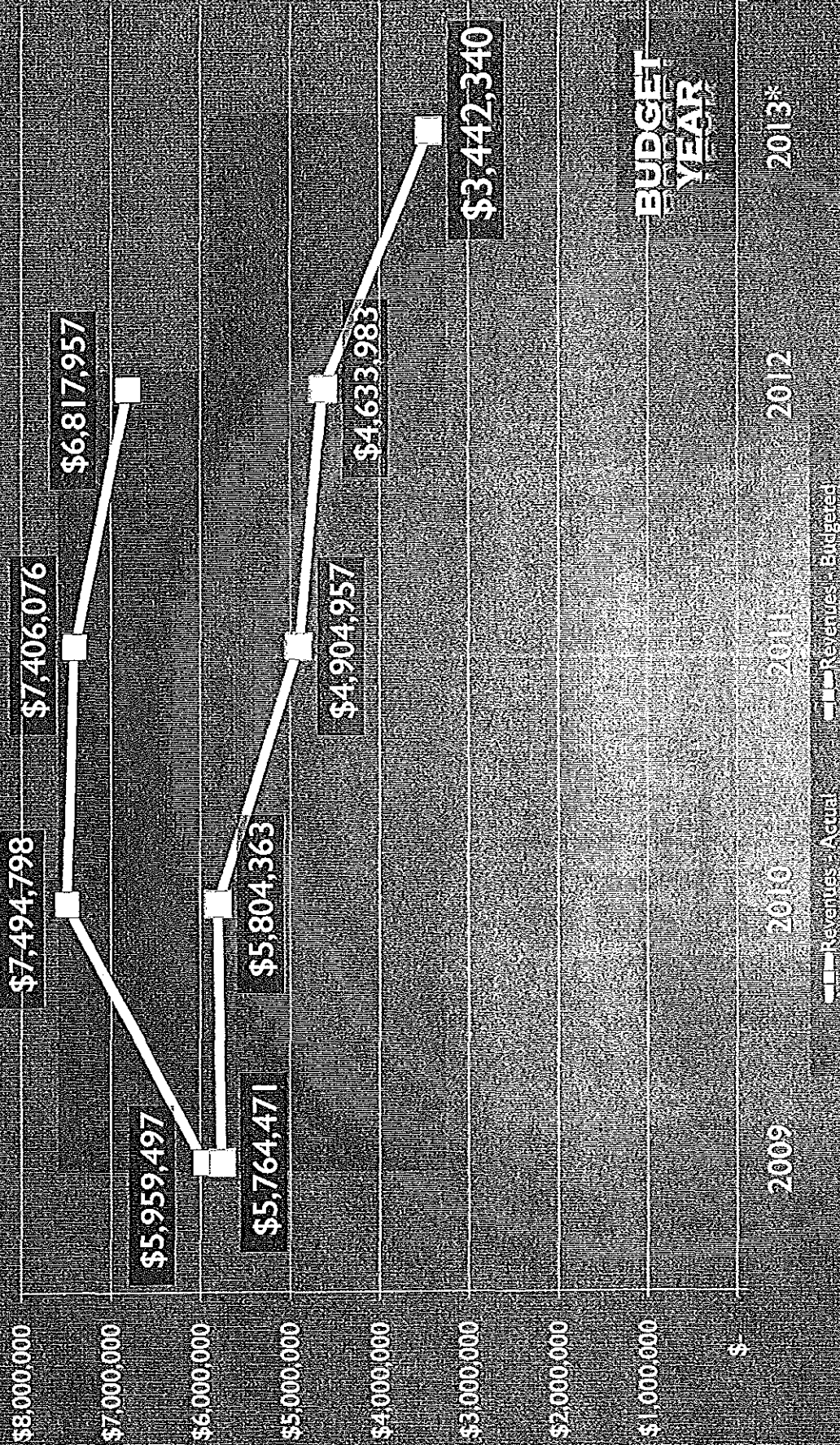
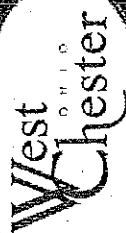
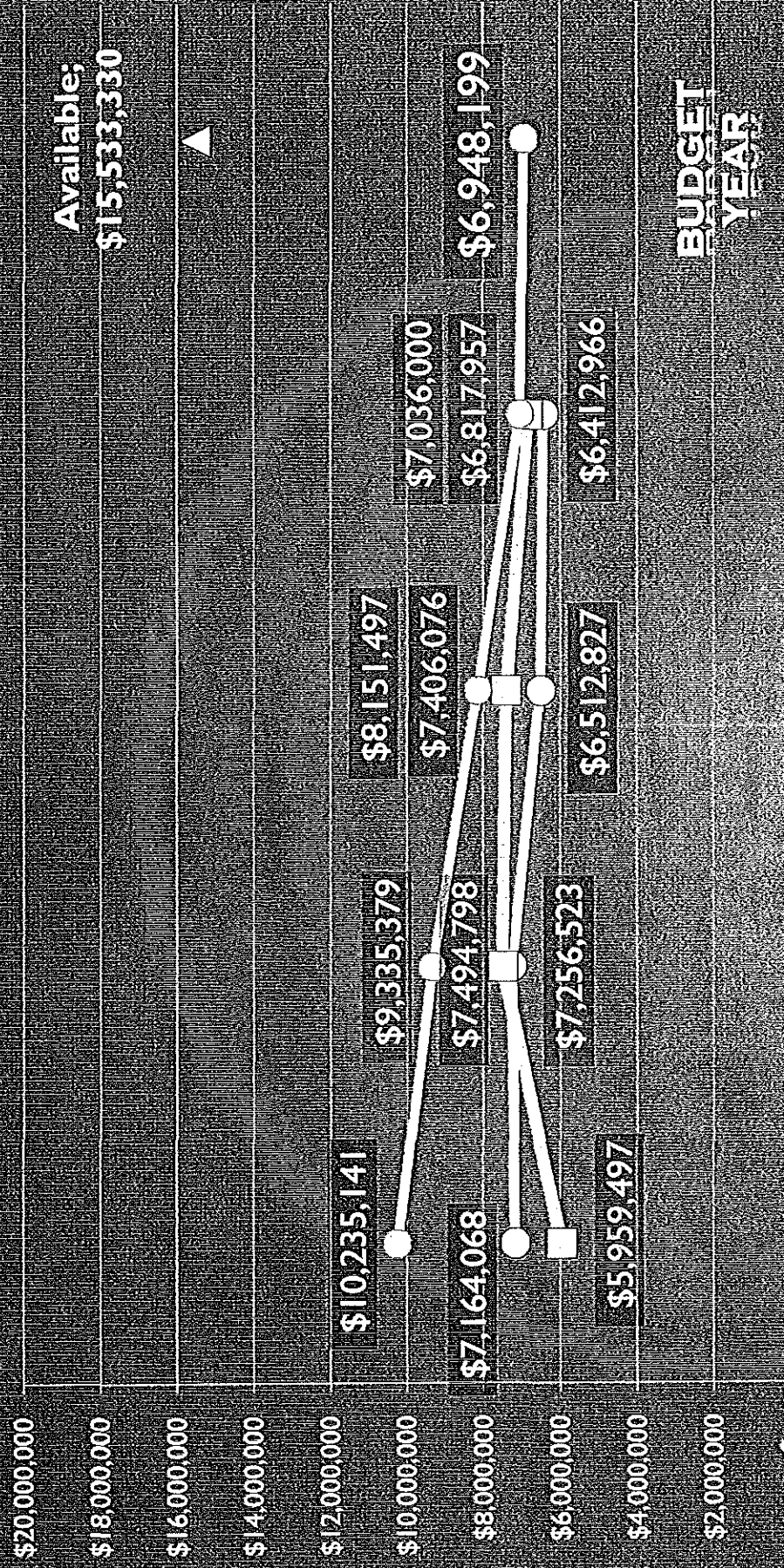


Chart #4



2013 Operational Budget
General Fund
Revenues & Expenditures



Revenues - Actual
 Expenditures - Budgeted
 Available = Projected Revenue + Carryover



General Fund

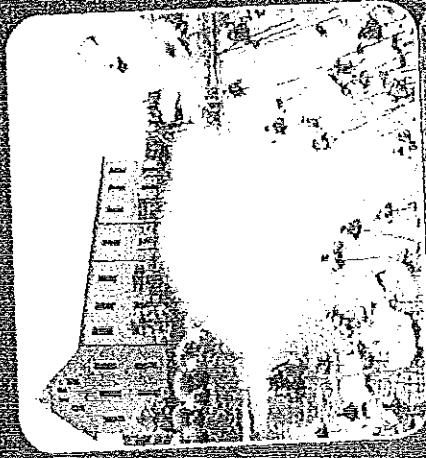
2013 Budget Notables

Bridge Year Cost Reductions

- Expanded public/private partnerships
- Reduced personnel costs through attrition
- Leveraged assets

Proposed Expenses

- \$1.5 million transfer for infrastructure maintenance
- Connections Pathway (\$300,000)
- Continue funding for Partners in Prime
- Consider funding for VOA Museum (\$85,000)



Roads Carryover

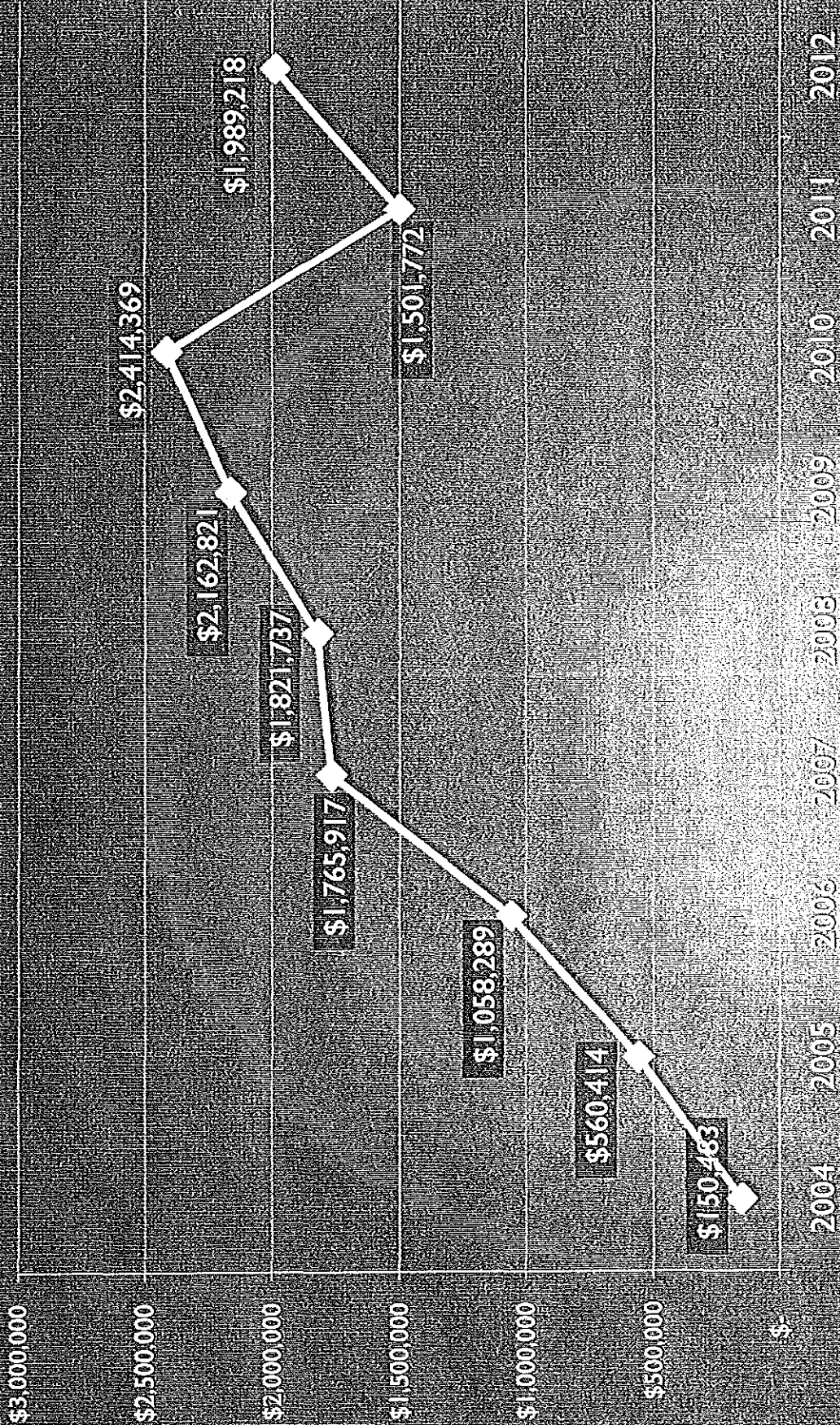
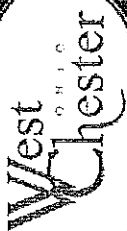
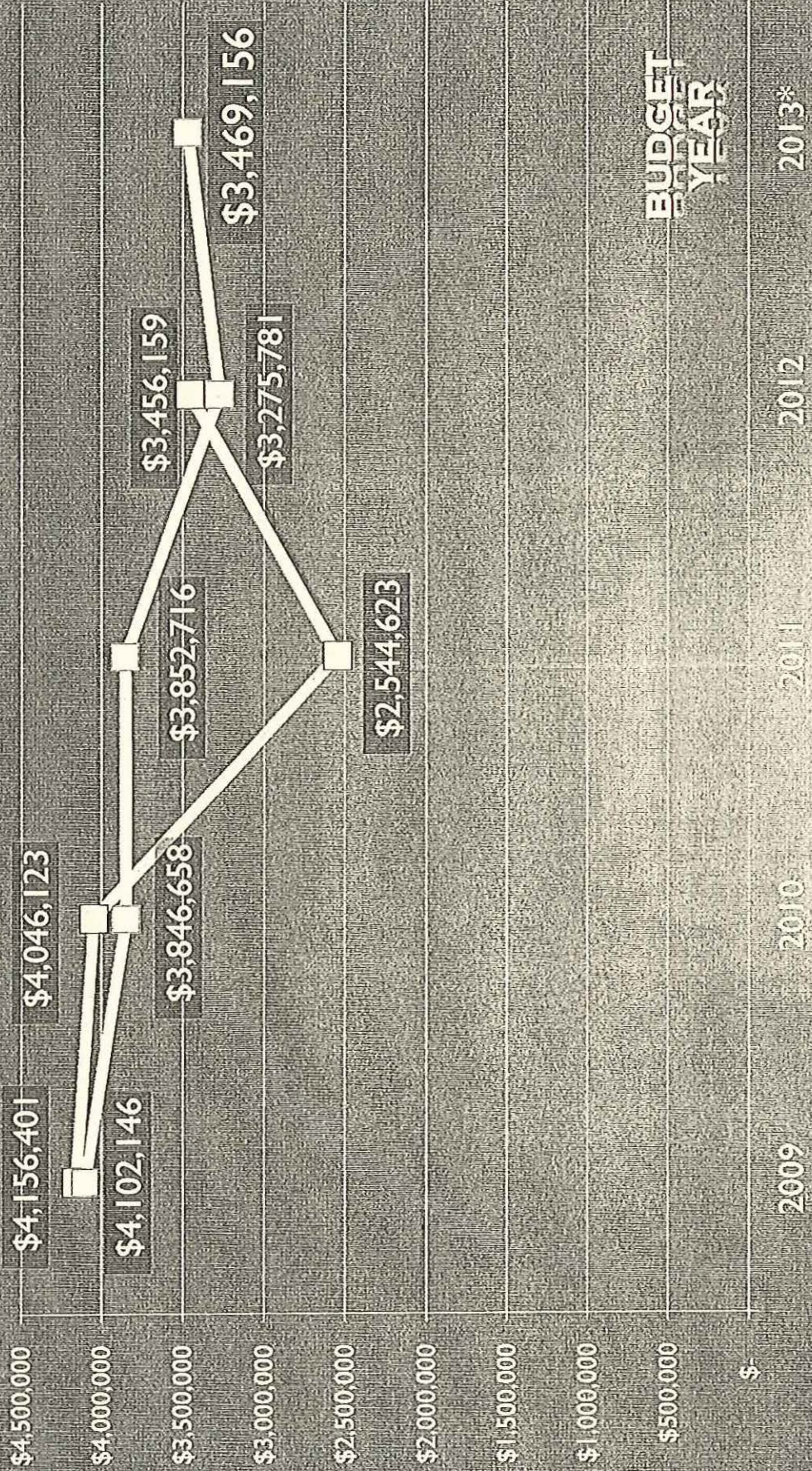


Chart #7

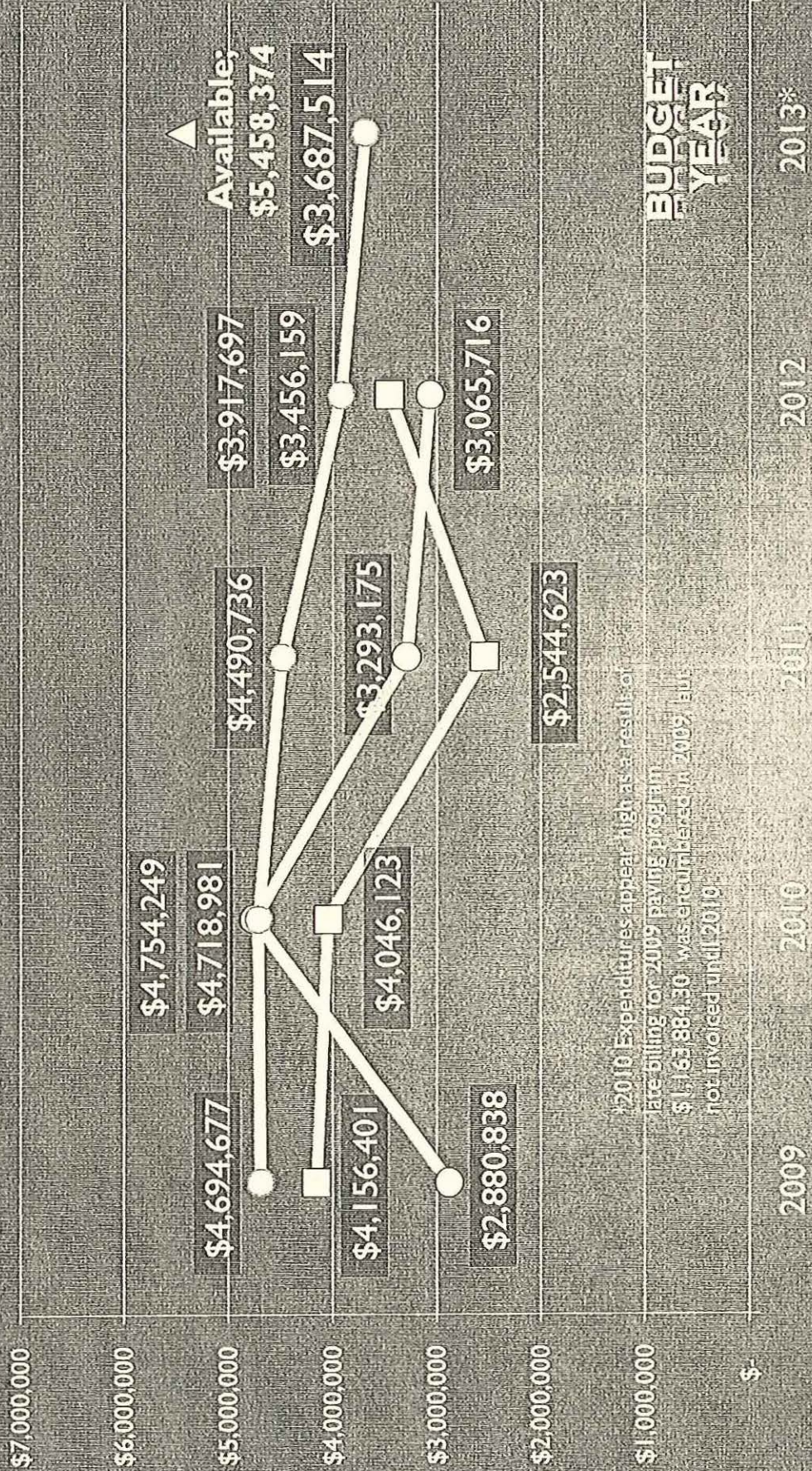
Roads Revenues



■ Revenues - Actual
 ■ Revenues - Budgeted

Chart #8

Roads Revenues & Expenditures



*2010 Expenditures appear high as a result of late billing for 2009 paving program. \$1,163,884.30 was encumbered in 2009, but not invoiced until 2010.

Legend:
 ● Revenues - Actual
 ■ Expenses - Budgeted
 Available = Projected Revenue + Carry over

Chart #9



Roads & Maintenance

2013 Budget Notables

Bridge Year Cost Reductions

- Cartegraph expansion
- Expanded partnership with BCEO
- Staggered schedules for seasonals
- Reduced staffing levels through attrition

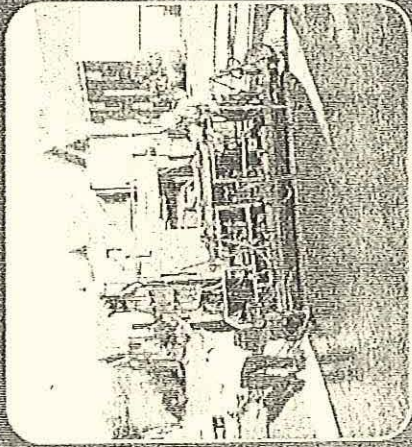


Proposed Expenses

- \$150,000 2.5 ton dump truck replacement
- \$100,000 road salt for 2013-14 winter season
- \$50,000 water main at VOA – to be reimbursed
- \$41,000 mechanic's hoist system
- \$30,000 pick-up truck replacement
- \$15,000 renovation to Keehner Park restrooms

Proposed Road Resurfacing Program

- \$678,798 – Asphalt Paving – 5.06 miles
- BCEO to fund additional 2.28 miles
- West Chester will fund additional .82 miles of county roadways within TIF Districts, using TIF funds
- \$192,798 – Slurry Sealcoat – 6.75 miles
- \$220,000 – Curb replacement/repair – 6,882 ft
- \$180,000 – Storm pipe repair/replacement – 13 sections



Fire & EMS Carryover

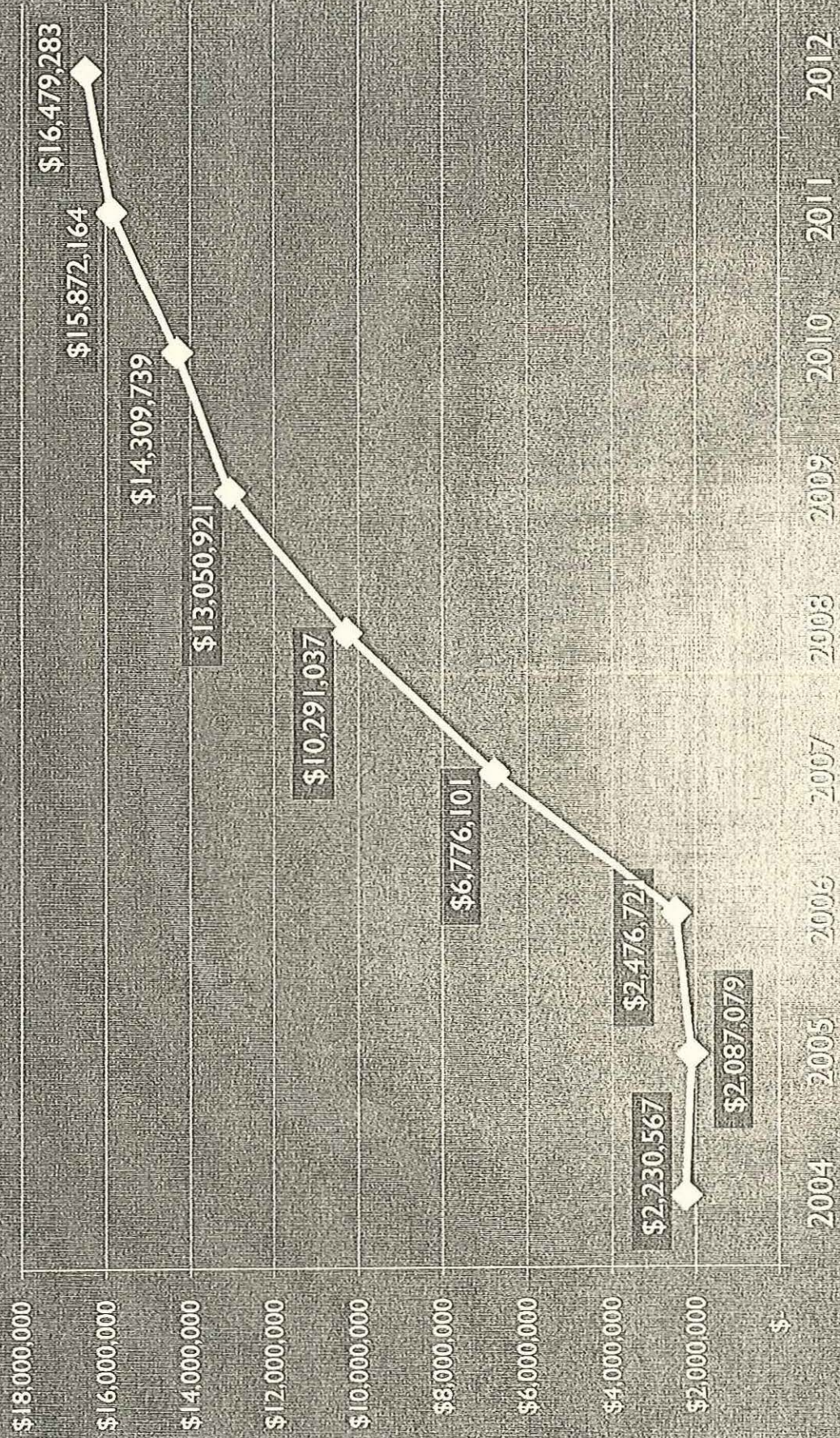
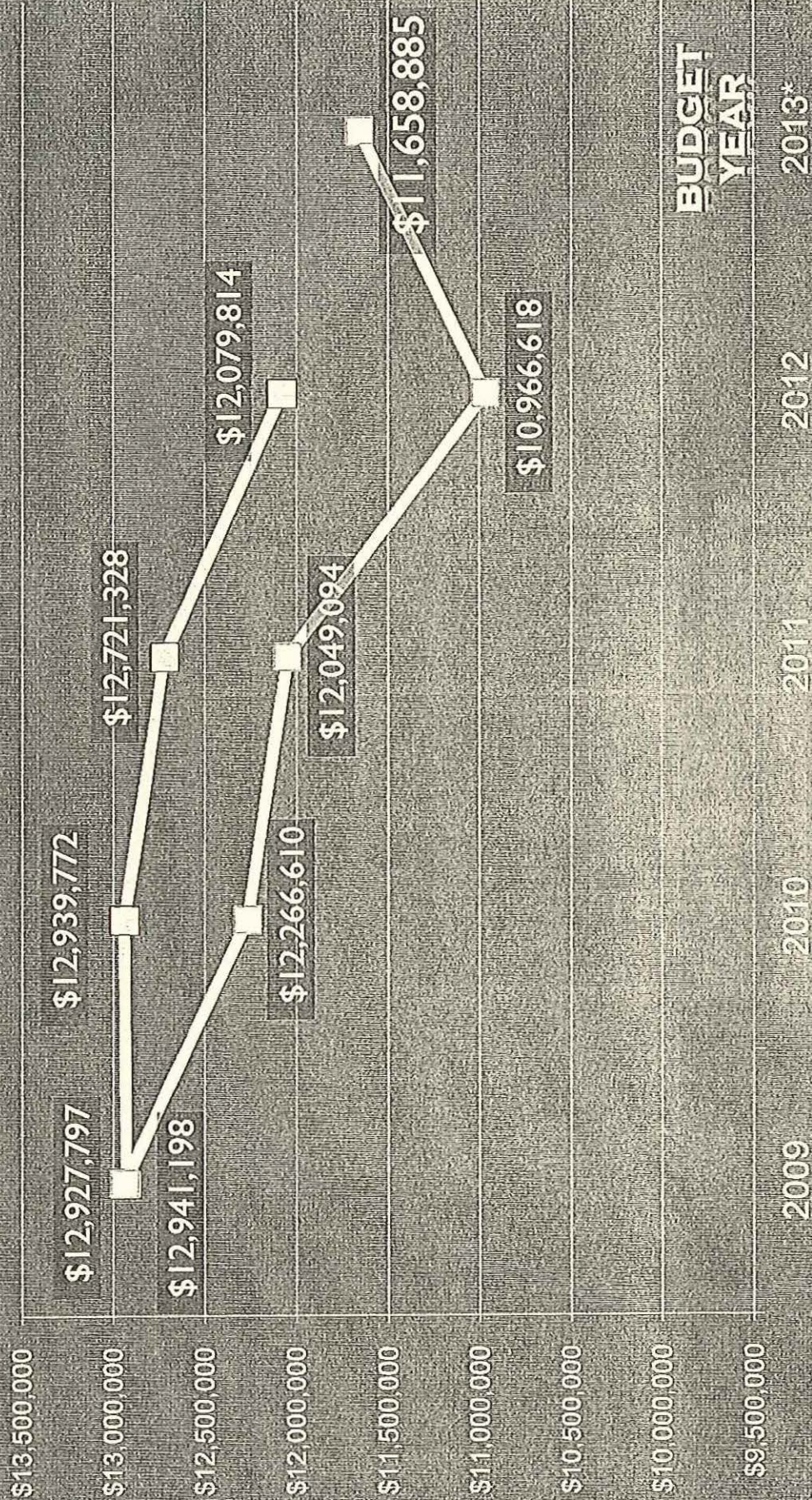


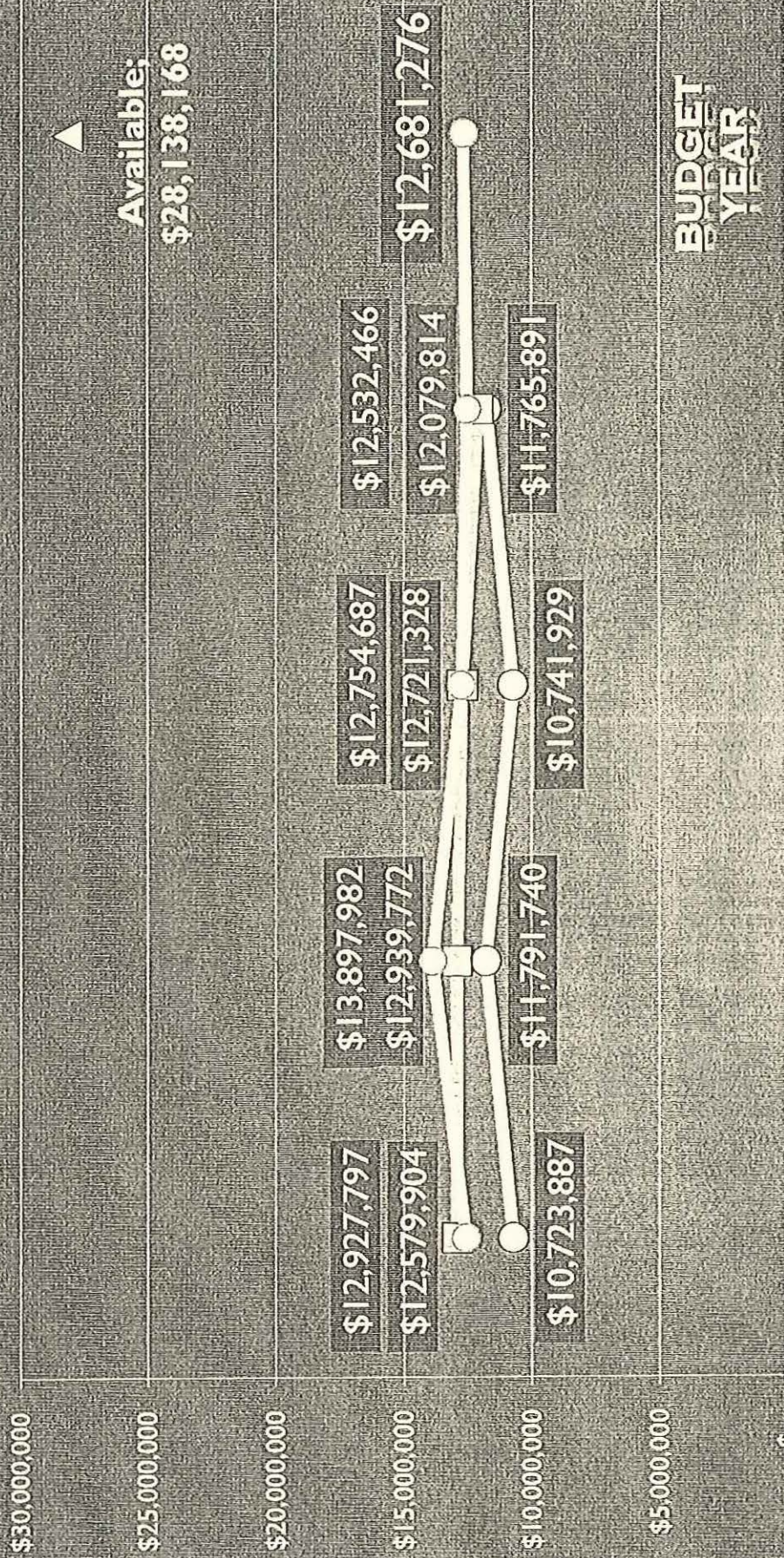
Chart #12

Fire & EMS Revenues



Legend:
 ■ Revenues - Actual
 ■ Revenues - Budgeted

Fire & EMS Revenues & Expenditures



BUDGET
YEAR

Available = Projected Revenue + Carryover

Legend:
 ● Revenues - Actual
 ■ Expenditures - Actual
 ○ Expenditures - Budgeted

Chart #14

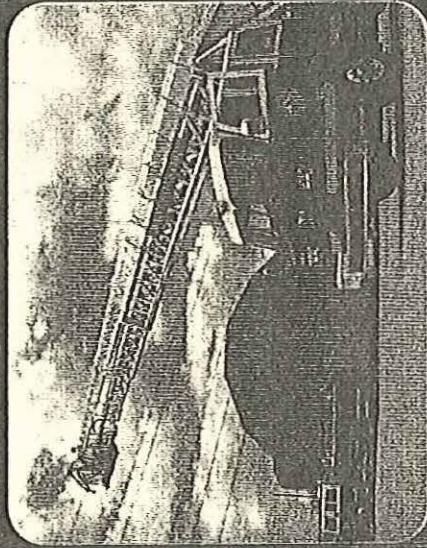


Fire Department

2013 Budget Notables

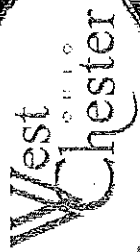
Bridge Year Cost Reductions

- Dispatched vehicle assignments
- Cooperative purchasing
- Video conferencing



Proposed Expenses

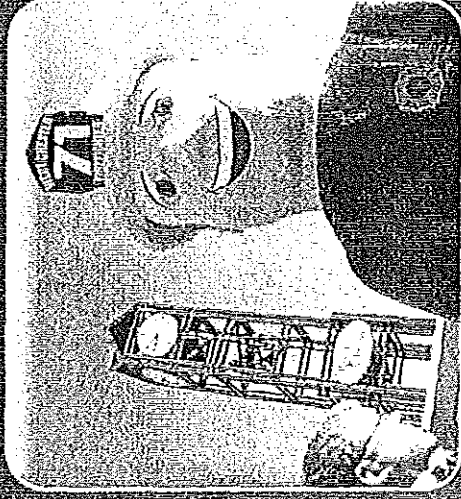
- \$50,000 Jaws of Life
- \$40,000 Turnout gear replacement
- \$25,000 Hypothermia induction kits
- \$15,000 Helmet replacement



Fire Department

Outreach Recap

- 14,492 people participated in fire department public education programming
- 177 CPR classes were offered with a total of 635 students



In 2012, \$132,859,743 in total property value was impacted by calls for service

\$132,008,423 in property value preserved

In 2012, \$26,374,533 in total property contents was impacted by calls for service

\$26,084,519 in property contents preserved

Police Carryover

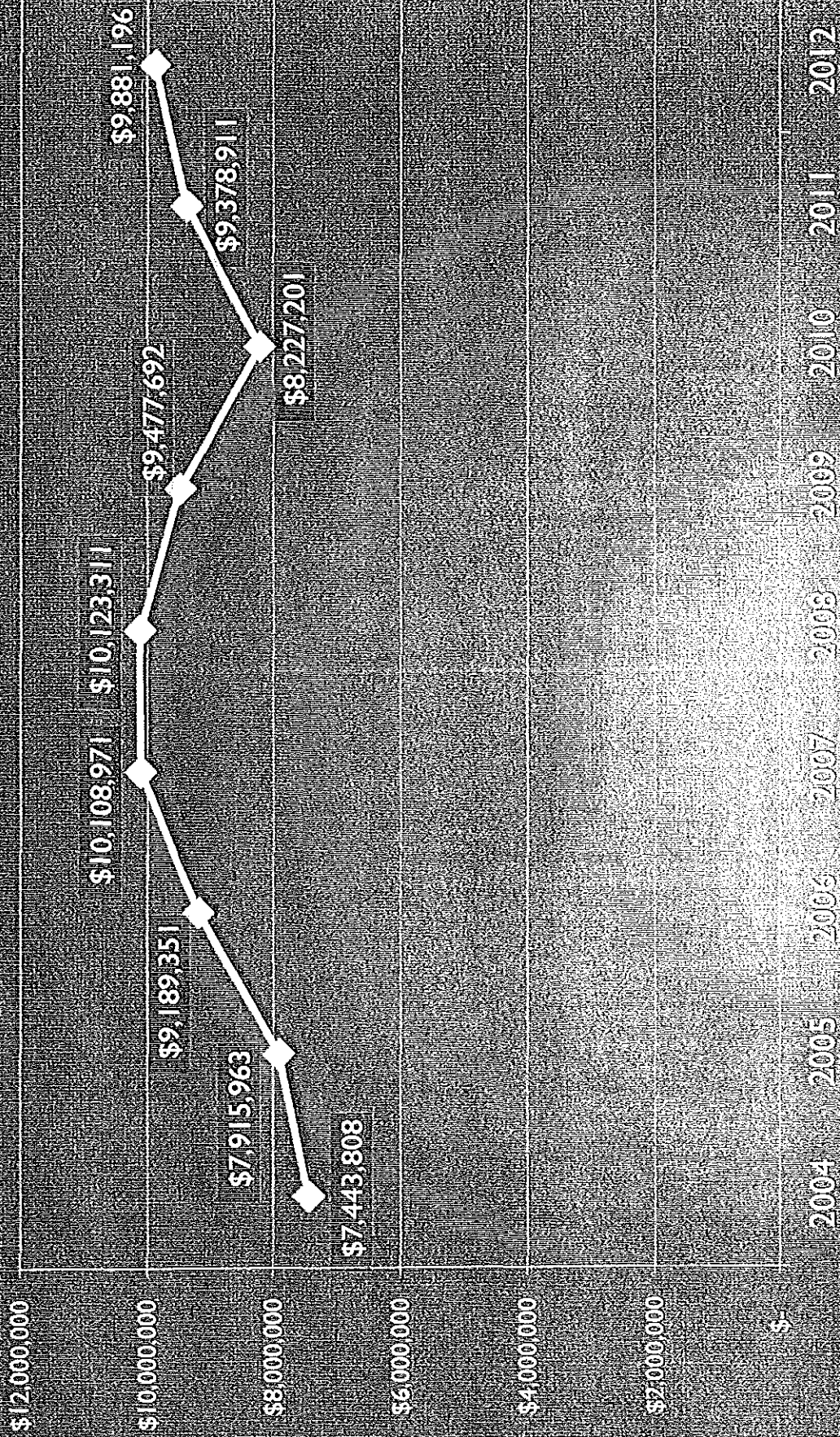
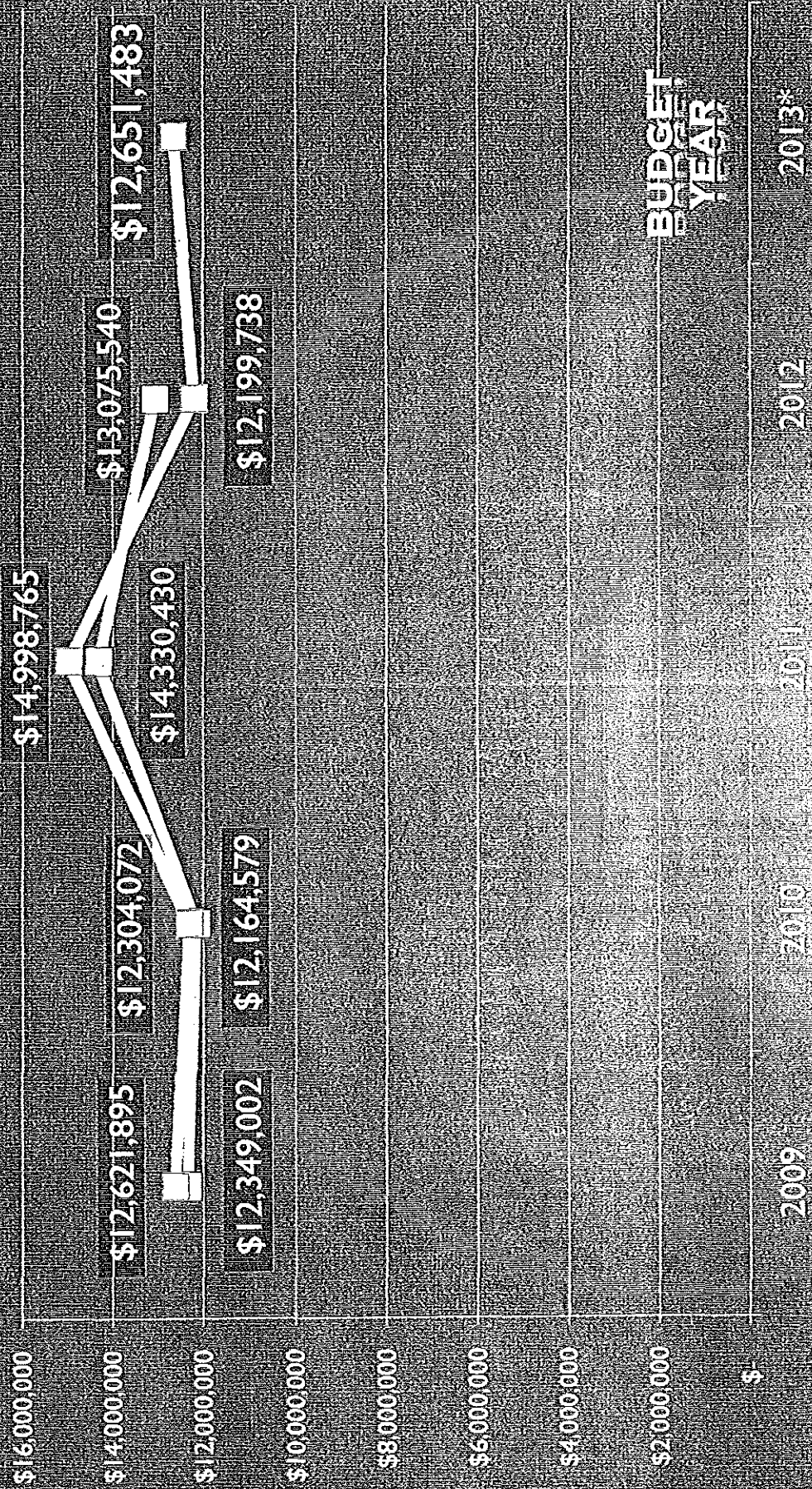


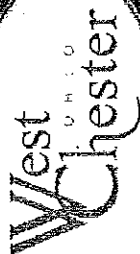
Chart #17

Police Revenues



Legend:
 Revenues - Actual
 Revenues - Budgeted

7.0-Mill Replacement Levy with collection in 2011

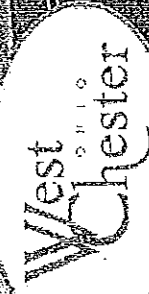


Police Levy	New Levy Passes		Year 2 Update 2012	Year 3 2013	Year 4 2014	Year 5 Revalue year 2015	2016	2017
	2010	2011						
Beginning Carry Over	\$9,477,692	\$8,227,201	\$9,378,911	\$9,381,196	\$8,466,480	\$6,212,531	\$2,966,938	\$(946,379)
Revenues:								
7.0 Levy	9,506,902	11,592,431	10,926,073	10,817,921	10,601,563	10,071,484	9,870,055	9,672,654
HRB, \$10,000 PPE	990,952	1,249,555	1,208,972	1,201,991	1,177,951	1,119,054	1,096,673	1,074,739
JEDD		26,531	118,607	118,607	118,607	118,607	118,607	118,607
"Hold Harmless" Reimbursement	1,227,601			277,274				
"Phase Out" Reimbursement		942,626	594,050					
Senate Bill #3	65,802	32,903						
Prev GF Recpts				142,319	142,319	142,319	142,319	142,319
Other Revenue*	373,317	346,312	227,833	93,370	100,000	100,000	100,000	100,000
Total Revenue	12,164,879	14,519,339	13,075,549	12,651,482	12,140,440	11,551,464	11,327,653	10,966,000
Expenses:								
Ending Carry Over	\$5,227,201	\$9,378,911	\$9,381,196	\$8,466,480	\$6,212,531	\$2,966,938	\$(946,379)	\$(5,678,578)

Net Need \$4,756,621

1/4 Annual Expense = Carry-over Goal
 The Carry-over Goal Less the Ending Carry-over in 2016 equals the Net Need

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 TPPF via HB66 will end in 2013
 Carryover also includes changes in liabilities and encumbrances
 * Other includes: School resource officer, accident reimbursements, misc grants/labour reimbursement, etc
 2013 revenue estimates consistent with 2013 Operational Budget

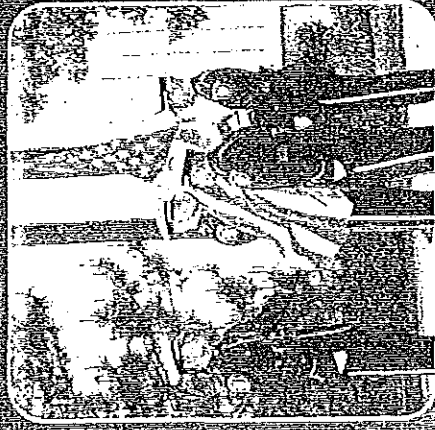


Police Department

2013 Budget Notables

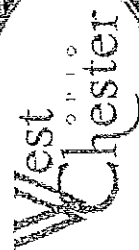
Bridge Year Cost Reductions

- In-field reporting
- Collaborative purchasing
- 12-hour shifts



Proposed Expenses

- \$180,000 – Vehicle replacement
- \$50,000 – Firearms replacement
- \$40,000 – Repairs to firing range
- \$35,000 – Cogent
- \$18,000 – Bullet-proof vests,
\$7,500 reimbursed from grant



Police Department Outreach Recap

149 public appearances with 17,803 participating

4 new Neighborhood Watch groups

• 22 Total

Seat-Belt Safety program

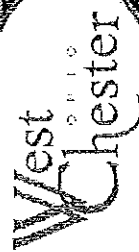
“Be the Difference”

Citizen Police Academy

• 7th graduating class

200 unoccupied home checks





Police Department

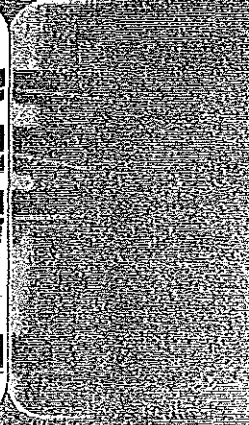
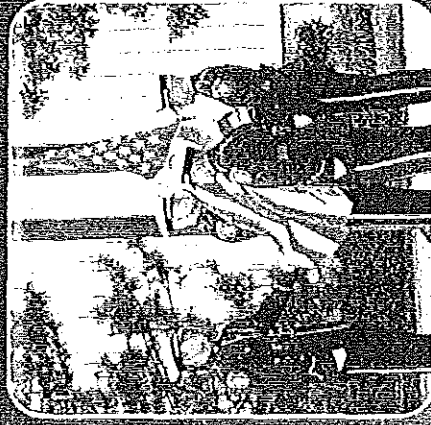
2013 Budget Notables

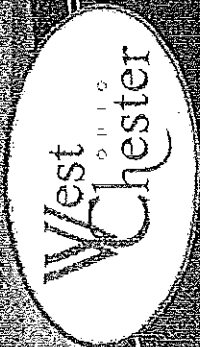
Bridge Year Cost Reductions

- In-field reporting
- Collaborative purchasing
- 12-hour shifts

Proposed Expenses

- \$180,000 – Vehicle replacement
- \$50,000 – Firearms replacement
- \$40,000 – Repairs to firing range
- \$35,000 – Cogent
- \$18,000 – Bullet-proof vests,
\$7,500 reimbursed from grant





Police Department Outreach Recap

149 public appearances with 17,803 participating

4 new Neighborhood Watch groups

- **22 Total**

Seat-Belt Safety program

“Be the Difference”

Citizen Police Academy

- **7th graduating class**

200 unoccupied home checks

