

Brookville City Council
Budget Work Session
December 5, 2023

The Budget Work Session of the Brookville City Council was called to order by Mayor Letner at 6:00 p.m. on December 5, 2023. The meeting was held in the City Council Chambers and virtually using the Cisco Webex application. The Pledge of Allegiance was recited. Members Crane, Kristof, Schreier and Zimmerlin; Manager Keaton, Finance Director Brandt, and Fire Chief Fletcher were present. Members Fowler and Wilder; and Police Chief Jerome were absent.

Roll Call by Clerk Duncan.

Motion by Zimmerlin, second by Kristof to adopt the Agenda as presented. All yeas, motion carried.

Manager Keaton thanked City Council, Department Heads, and employees for leading Brookville through a successful 2023. Twenty twenty-three seemed like old times where we saw an increase in income tax, motel tax, local government funds, zoning permits and interest on investment receipts in the General Fund, which is allowing us to increase our 2023 Unexpended Balance, which then becomes our 2024 Beginning Balance. Manager Keaton stated Council will find during the 2024 Budget Presentation that Finance Director Brandt is projecting 4M in income tax revenue, which is an increase of \$500,000 from 2023's budgeted income tax revenue. Manager Keaton stated she is confident that we will hit that projection. If so, it will be the first time in history that Brookville receives 4M in income tax receipts. Manager Keaton advised income tax accounts for 71% of our General Fund Revenue. The City's greatest growth in the city's budget has been in personnel costs, which is the greatest cost to most cities. Payroll and benefits account for 31% of the 2024 Budget. Our capital projects and equipment will be up in 2024, with the purchase of several new vehicles, a mobile lift, radios, pumps for the Wastewater Treatment Plant, the Wolf Creek Water Main Replacement Project, Street Resurfacing and the Hay Avenue Phase II Project. In 2024, Council will find an increase in our transfers out of the General Fund. Council will also find a 5% rate increase in our Sanitary Sewer Fund and a 2% Increase in our Water Fund. These rate adjustments are needed to ensure sustainability of our water distribution and sanitary sewer collection and treatment systems. Manager Keaton announced at this time she will turn the 2024 Budget Presentation over to Finance Director Brandt.

Finance Director Brandt presented a Power Point Presentation of the 2024 Budget. A copy of the presentation is attached to the minutes.

Finance Director Brandt explained the City has 15 Funds. This is one less fund than last year. The FEMA fund has been eliminated as we do not expect to receive any Safer Funds this year.

Finance Director Brandt provided a brief explanation of the General Fund and the projected 2024 Revenues and Expenditures from the General Fund.

Finance Director Brandt reported in 2024, she plans to increase the portion of the revenue from the fire protection contracts that goes into the Fire Capital Fund so we can build up funds for a new ambulance and eventually a new fire truck in the future.

Finance Director Brandt presented the 2024 Police Department Budget.

Finance Director Brandt projected a 7.25% increase over 2023 Appropriations, as the Police Department would like to get back to the staffing they had in 2018. Finance Director Brandt advised it is increasingly difficult to find part-time employees to give the City the police coverage that we need.

Member Zimmerlin inquired if the increase includes adding a full-time Officer and converting one part-time Officer to full-time?

Finance Director Brandt replied that is correct.

Member Schreier inquired if the 7.25% increase includes the employee benefit costs for additional full-time employees?

Finance Director Brandt replied it covers payroll, benefits and insurance costs. Finance Director Brandt advised the Capital Outlay includes a new cruiser and the upfitting that goes along with a new cruiser.

Member Crane inquired whether a camera system is in the budget for 2024?

Finance Director Brandt replied a camera system is not in the 2024 budget. There are more pertinent costs for 2024. She and Police Chief Jerome are in agreement that adding more police personnel is more important at this time. This should help to mitigate crime. If our income tax revenue increases, we can add the cameras into the budget at a later date.

Discussion followed regarding the GM expansion and the need for cameras increasing as that project and the Casey's Market project come to fruition.

Finance Director Brandt presented the 2024 Fire Department Budget.

Finance Director Brandt reported the Fire Department has requested another full-time employee as part-time employees are becoming harder to find. The 27.4% increase over 2023 Appropriations is mainly to cover the salary of a new full-time employee, plus benefits. The employer contribution share of the Ohio Police & Fire Pension for a firefighter is the highest of all the pension systems.

Finance Director Brandt reported another portion of the increase is rehabbing two vehicles in the Fire Department fleet.

Fire Chief Fletcher advised FEMA funds have been diverted to the largest cities in the country that we had anticipated using to purchase a new ladder truck, which is roughly \$2 million. He stated this has caused us to reevaluate and decide it makes more sense to invest in our current fleet. This also allows us to bypass the emission requirements in place for new equipment.

Discussion followed regarding purchasing new equipment and refurbishing existing equipment.

Member Schreier asked how much we had to increase the General Fund to offset some of the additional funding needed for an additional full-time employee?

Finance Director Brandt replied she has made a slight change to the distribution of the fire contract funds from a 75/25 split to a 70/30 split. This will allow us to build up capital for the Fire Department.

Discussion followed regarding fire contract funds and the logistics of hiring an additional full-time employee(s).

Finance Director Brandt presented the 2024 Government and Administration Budget.

Finance Director Brandt reported there is a 19.2% increase over 2023 Appropriations, which includes transfers for debt service payments, transfers the Street Department to purchase several pieces of equipment, increased payroll and pension costs, the City Manager's retirement cash-out and the cost of hiring a new City Manager.

Finance Director Brandt presented the 2024 Service Department Budget. This includes the Street M&R, Park, Water, Sewer, Refuse and Stormwater Funds.

Finance Director Brandt reported the Street Fund includes a 12.21% increase. This includes a new pick-up truck, a dump truck, a gas storage tank, the Hay Avenue Phase II Project, the Wolf Creek Resurfacing Project and the Curb Replacement Program for Maple Street and Mound Street.

Discussion followed regarding buying new or used, and possibly re-purposing a Fire Department pick-up truck for the Service Department.

Finance Director Brandt advised another large expenditure will be the purchase of a mobile lift to allow our Fleet Mechanic to lift equipment heavier than 7,500 pounds.

Finance Director Brandt presented the 2024 Park and Recreational Budget.

Finance Director Brandt reported the increase in expenditures are for the purchase of new mowers, a portion of a dump truck and a gas tank to refill the mowers and other equipment. Park shelter rental rates were increased for 2024 to help offset maintenance costs.

Finance Director Brandt advised there is no change from last year in the 2024 Land Reutilization Revenues and Expenditures.

Finance Director Brandt reported we expect to receive approximately \$5,000 in Ohioone Opioid Revenue Funds this year.

Finance Director Brandt presented the 2024 Law Enforcement Revenues & Expenditures Fund.

Finance Director Brandt presented the 2024 Local Fiscal Recovery Fund, which includes the Wolf Creek Watermain Project and the Maple & Mound Resurfacing Projects.

Finance Director Brandt presented the 2024 Bond Retirement Revenues & Expenditures Fund and the 2024 Note Retirement Revenues & Expenditures Fund.

Finance Director Brandt presented the 2024 Capital Improvement Fund.

Finance Director Brandt presented the 2024 Fire Capital Improvement Fund.

Finance Director Brandt presented the 2024 Water Fund.

Finance Director Brandt reported we will increase our water rates by 2% and sewer rates by 5% this year. Council agreed last year to increase the rates in small increments each year so it is not such a big hit to residents. The water increase will cover the City of Dayton water rate increase and help to pay for infrastructure maintenance.

Manager Keaton commented that we are almost in the final phase of getting our Ohio EPA funding approved, which has been a long, tedious process.

Finance Director Brandt presented the 2024 Sewer Fund.

Finance Director Brandt presented the 2024 Stormwater Fund and 2024 Refuse Fund.

Finance Director Brandt presented a comparison of 2024 Budget Totals compared to 2023 Budget Totals and 2023 Revenues and Expenditures.

Mayor Letner commended Finance Director Brandt for all the work she put into the budget process, stating she is doing a great job in her fourth year as the Finance Director. Mayor Letner also thanked Fire Chief Fletcher for his input during the meeting.

Manager Keaton stated in closing, she would like to reiterate to Council that for 2024, just like during 2023 and every other year, Staff will constantly monitor expenditures and receipts and keep Council informed. By law, cities must keep a balanced budget. Staff will continue to focus on economic development and bringing more jobs to Brookville.

Manager Keaton thanked Finance Director Brandt for an excellent 2024 Budget Presentation.

Motion by Zimmerlin, second by Schreier to adjourn. All yeas, motion carried.



Kimberly Duncan, Clerk



Charles Letner, Mayor