

Brookville City Council
Budget Work Session
December 7, 2021

The Budget Work Session of the Brookville City Council was called to order by Mayor Letner at 6:00 p.m. on December 7, 2021. The meeting was held in the City Council Chambers and virtually using the Cisco WebEx application. The Pledge of Allegiance was recited. Members Crane, Fowler, Schreier, Requarth, Wilder and Zimmerlin; Manager Keaton, Finance Director Brandt, Law Director Stephan, Fire Chief Fletcher and Police Chief Jerome were present. Clerk Duncan was absent.

Roll Call by Acting Clerk Brandt.

Mayor Letner advised Member Zimmerlin will be a few minutes late.

Motion by Fowler, second by Wilder to adopt the Agenda as presented. All yeas, motion carried.

Member Zimmerlin arrived.

Manager Keaton congratulated and thanked department heads, supervisors, employees and City Council for leading Brookville through another difficult and unpredictable year. While some things have returned to normal in 2021, we are still in some uncertain and trying times. Putting together the 2022 budget was challenging, especially for Finance Director Brandt, due to being short staffed in the front office, but she has done a commendable job. You will find during the Finance presentation that the estimated income tax revenue for 2022 increased \$250,000 from 2021's budgeted income tax. We are projecting just over three million dollars for 2022. This projected increase is credited to DMAX and Pak-Rite expanding and ramping up in 2022. There are still two unknowns as it relates to income tax. The first is how business net profits, due to the pandemic, will impact our income tax. Secondly, with the number of people working from home, we will not know what that number is until they file their returns. The city's greatest growth in the budget is the personnel cost. In the 2022 budget, we included various vehicles, but that is subject to change due to the shortage of vehicles, due to the unavailability of the chip. We will continue to monitor this situation and make decisions accordingly. Manager Keaton turned the 2022 budget presentation over to Finance Director Brandt.

Finance Director Brandt presented a Power Point Presentation of the 2022 Budget. A copy of the presentation is attached to the minutes.

Finance Director Brandt explained the City has 14 Funds. She provided a brief explanation of the General Fund and the projected 2022 Revenues and Expenditures from the General Fund.

Finance Director Brandt presented the 2022 Police Department Budget.

Member Requarth asked what the health insurance period is?

Finance Director Brandt replied our health insurance period will end in July, so our insurance costs could increase after that. There has been an increase in insurance costs as some of our new hires are on a family insurance plan versus an employee and spouse plan.

Member Fowler asked what is budgeted for in Capital Outlay?

Finance Director Brandt replied Capital Outlay includes a new cruiser if we can get one at a good price. We did not purchase a new cruiser in 2021.

Member Zimmerlin asked if contractual services include dispatch services?

Finance Director Brandt replied it does include dispatch services.

Member Zimmerlin inquired about the length of our contract with Englewood Dispatch?

Police Chief Jerome replied there is an annual opt-out period.

Member Zimmerlin asked if we monitor the dispatch costs at Montgomery County Regional Dispatch Center as a comparison?

Police Chief Jerome replied Englewood Dispatch always charges less per call than the Regional Dispatch Center.

Fire Chief Fletcher explained that Regional Dispatch Center customers are under contract to share in the costs of any infrastructure improvements. When we terminated our contract with them in 2013, we had to pay a buy-out of approximately \$206,000. When we first went with Englewood Dispatch, they gave us a discounted rate for the first five years that saved us that \$206,000 in fees. Now we are on a year-by-year basis with Englewood, who looks at the going rate for the Regional Dispatch Center and sets their rates slightly lower. It is a huge investment to keep equipment in a dispatch center current, and we are fortunate to be with a dispatch center that does not pass the costs on to us.

Discussion followed regarding the benefits of using Englewood Dispatch Center versus the Regional Dispatch Center.

Finance Director Brandt advised the only other large increase you will see in the Police Budget is Supplies and Materials. A big portion of that is for the Police Department to replace their firearms.

Police Chief Jerome advised the Police Department rotates their guns every seven years. The old Glock guns are traded in for credit towards the new version of Glock guns. All of the new guns and rifles will have built-in flashlights, which will require new holsters. Half of the \$10,000 outlay will be recouped with trade-in values.

Finance Director Brandt presented the 2022 Fire Department Budget.

Fire Chief Fletcher advised the focus this year is equipping our apparatus with the technology we need to work with. Fire Chief Fletcher stated the Fire Department has used mobile data terminals for years. However, they have to be ruggedized to withstand their working conditions. With the Motorola system, the platform will run on more economical hardware, so the budget includes the purchase of new iPads.

Member Schrier asked if the increase in the Fire Budget is mostly salaries and wages?

Finance Director Brandt replied that is part of it, along with more operating expenses to purchase smaller tools that do not meet the capitalization threshold.

Fire Chief Fletcher commented he has three times the staff as the Police Department, so his contractual number is even higher than the Police Department. He is outfitting 50 personnel.

Member Zimmerlin inquired about turnover in the Fire Department.

Fire Chief Fletcher replied turnover is high industry wide but we are managing better than many other departments.

Finance Director Brandt present the 2022 Government and Administration Budget.

Member Fowler asked what the Capital Outlay is for?

Manager Keaton replied that it is not for anything specific. It is for unexpected expenses.

Member Zimmerlin asked if Salary/Wages includes potential increases later in the year?

Finance Director Brandt replied it includes potential increases and payouts.

Member Schreier asked what the big bucket items are in the \$866,000 Contractual Services?

Manager Keaton replied a good share of it is the incentives for GM that were negotiated years ago. We have a few more years before that will drop down. It also includes revenue sharing with Brookville Schools, which includes Pak-Rite.

Member Requarth commented on the Contingency in the Administration Budget, stating it is not listed in any other departments.

Manager Keaton replied it goes in the Administrative Budget per the O.R.C. She has only had to use these funds once in the last 20 years.

Finance Director Brandt presented the General Fund Projected Carryover.

Discussion followed regarding the estimated carryover and the comparison with 2021.

Finance Director Brandt present the 2022 Service Department Budget. This includes the Street M&R, Park, Water, Sewer, Refuse and Stormwater Funds.

Manager Keaton commented we have not replaced a pick-up truck since 2018. Our last lift gate truck was purchased in 2000 and the floorboard has rusted out. These items are budgeted for in Capital Outlay.

Member Fowler inquired if we would list these vehicles on GovDeals?

Manager Keaton replied the pickup trucks will be rotated within the Service Department and the oldest listed on GovDeals.

Member Fowler inquired if we will look to purchase these replacement vehicles on GovDeals?

Manager Keaton commented if we can find a good deal on a pickup truck or a lift gate truck on GovDeals, that is the route we will go versus purchasing brand new.

Mayor Letner advised we have more buying power through the State bid than to buy on GovDeals.

Member Schreier inquired if there is any significant debt service that will fall off in 2022?

Manager Keaton replied the fixed rate on the Note Retirement drops off in 2023 and the variable rate on the Note Retirement drops off in 2026.

Finance Director Brandt presented the 2022 Park and Recreational Budget.

Member Zimmerlin inquired if our rental rates are in-line with what other municipalities charge for their facility rentals?

Finance Director Brandt advised we did conduct a comparison before the last rate increase. It is hard to compare because many charge to rent their open-air shelters, or their facilities are much larger than ours. We are in-line with those that are comparable.

Member Zimmerlin inquired if we have a lot of non-residents rent our shelters and if we charge a premium rate for our busier seasons?

Manager Keaton replied we do have quite a few rentals by non-residents. Our new rates include discounted rates for residents.

Discussion followed regarding rental trends.

Member Requarth inquired what kind of Contractual Services we have in the park?

Finance Director Brandt advised this includes utilities, caretaker expenses, and month-to-month expenses. This also includes equipment maintenance.

Member Fowler inquired whether the lights at the park have been switched over to LED lighting?

Manager Keaton replied all but the ball diamond lights.

Finance Director Brandt advised there is no change from last year in the 2022 Land Reutilization Revenues and Expenditure.

Finance Director Brandt presented the 2022 Law Enforcement Revenues & Expenditures Fund.

Finance Director Brandt presented the 2022 Local Fiscal Recovery Fund.

Finance Director Brandt advised we have not determined the best use of these funds as there are many guidelines on how they can be spent.

Finance Director Brandt presented the 2022 Bond Retirement Revenues & Expenditures Fund and the 2022 Note Retirement Revenues & Expenditures Fund.

Finance Director Brandt presented the 2022 Capital Improvement Fund.

Finance Director Brandt presented the 2022 Fire Capital Improvement Fund.

Finance Director Brandt presented the 2022 Water Fund.

Member Fowler inquired what the total cost is for all of the new vehicles in the budget for 2022.

Finance Director Brandt advised we estimated about \$45,000 for each vehicle so the total would be approximately \$180,000.

Finance Director Brandt presented the 2022 Sewer Fund, 2022 Stormwater Fund and 2022 Refuse Fund.

Finance Director Brandt presented a comparison of 2022 Budget Totals compared to 2021 Budget Totals 2021 Revenues and Expenditures.

Manager Keaton stated in closing, we will continue to monitor our budget as we have in the past. By law we must keep a balanced budget and that has always been our goal. Staff will continue to focus on economic development to help bring our income tax receipts up.

Discussion followed regarding current business employee counts and projected income tax revenue.

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



Michelle Brandt, Acting Clerk



Charles Letner, Mayor