



Hanover Township Butler County, Ohio

**Board of Township Trustees Special Meeting
September 6, 2017
(6:00PM)**

A Special Meeting was called to order by President Fred Stitsinger at 6:00PM on September 6, 2017 with following personnel present: Trustee Miller, Trustee Johnson, Trustee Stitsinger, Fiscal Officer Sullivan, Administrator Henry and Fire Chief Phil Clark.

The Board approved the following agenda items as New Business:

1. New Business

- A) Approve Resolution No. 39-17 Certifying Tax Rates
- B) Review of Fire Department Finances and Operations
- C) Discussion of Capital Equipment Purchase and Financing- Fire Department
- D) Reminder: Board Meeting September 13, 2017
- E) Other

A) Fiscal Officer Sullivan presented the Board with the 2018 Certification of tax rates for the Township. Mr. Henry explained the requirements to approve and recommended passage of Resolution No. 39-17 Certifying the Township Tax Rates. Mr. Miller moved to approve said rates and accompanying resolution which was seconded by Mr. Johnson. After discussion a roll call vote was taken by the Fiscal Officer with all three Trustees voting yes.

B) Mr. Henry began the discussion by reviewing the operational costs of the Fire Department and presented the following information:

**Fire Department Operations and Finances
(September 2017)**

1. Current chief source of revenue: 3.5 mil levy expires end of 2020, generates \$723,000 annually.

2. For 2017, the estimated total available resources for the Fire Department are: Carry over \$266,190.00, tax generation \$723,00.00, insurance reimbursements \$100,000.00 for a total of \$1,049,190.00.

3. Levy Campaign Promises listed below:

A) Personnel: Staff the EMS function on station 2/7 with two FF/EMT or Paramedics. Targeted April 1, 2017 but not staffed until later in the spring.

B) Fire Department Five Year Capital Purchases Projections:

<u>Year</u>	<u>Description</u>	<u>Estimated Cost</u>	<u>Rating</u>
2017-2019	New Tanker (3000 Gal)	\$325,000 to 345,000	Essential
2017 -2018	New Air Packs	\$40,000	Essential
2018-2020	Engine Pumper	\$465,000 to \$500,000	Essential
2021	FF Turn Out Gear 10 sets	\$25,000	Essential
2022	New Squad/EMS Unit	\$245,000	Essential
2017-2020	Command Vehicle SUV	\$60,000	Important

4. Current Operating Budget : \$1,049,190.00

Estimated Expenditure Range for 2017: \$688,886.00 to \$727,927.00 (allow 5% adj.)

Estimated Revenue Range for 2017: \$862,895.00 to \$967,536.00

Estimated Carry Over to 2018: \$165,00.00 to \$210,000.00

(Above figures are based upon actual figures through July and projected through December 2017. These figures do not include adding more PT personnel or purchase of equipment).

Debt Service Payment for 2017: \$139,450.00

Current cost of on station personnel: Try to cover a total of 17,520 hours with FF/EMT or paramedics range \$227,760.00 to \$280,320.00 annually.

5. Other Issues/Questions: Other jurisdictions have raised their pay rates for EMS personnel causing pressure on our scheduling as we lose people to other agencies. Should our rates be increased? To increase base by 3%, range of cost for 3 months additional amount: \$6,000.00 to \$8,000.00.

Should the department add 2 more people on station part time to handle additional calls or be able to dispatch a fire unit to a fire run? For the remainder of the year cost: \$9,360.00 to \$10, 300.00 for 13 weeks.

Apparatus Purchase: Purchase now or continue to build a reserve and purchase in 2018 after staffing issues settle down?

Fire Chief Phil Clark reviewed the need to purchase a new Tanker but stated that Sutphen Corporation has offered an apparatus which is a combined Tanker and Pumper instead of purchasing two separate units over time. The addition of this unit would help improve the Township's ISO rating as the department would have a 6,000 gallon total water capacity.

Questions from the Board included timing, how long to receive the unit, scheduling and use of the unit etc. The unit will take 8-10 months before arrival and final payment. A high priority will still be emphasized to recruit not only part time paid personnel for EMS operations but for paid per run volunteers. The existing tanker would be retained as well as the existing pumper. AAS for timing, the Chief indicated that prices for the tanker/pumper are schedule to increase by 18% in 2018.

Financing options were reviewed as listed below, all assuming a down payment up to \$60,000.00:

Recommended Purchase: Tanker/Pumper combined unit for a total cost of \$516,100.00

Purchase Terms to be Negotiated: borrowing period 10 or 15 years ideal. Rate of interest ranges 2.75% to 3.75%. Possible down payment of \$66,100.00 or 12.8%. Finance \$450,000.00 on a lease-purchase plan.

Capital Purchase Plan: If a pumper and tanker are purchased separately the total cost would be estimated at \$850,000.00.

Purchase Plan Example*

<u>Years of Loan</u>	<u>Amount</u>	<u>Rate</u>	<u>Monthly</u>	<u>Annual</u>
10	\$450,000	2.75%	\$4,293.50	\$51,522.00
10	\$450,000	3.20%	\$4,386.90	\$52,643.00
15	\$450,000	3.40%	\$3,195.00	\$38,340.00
15	\$450,000	3.75%	\$3,272.00	\$39,276.00

* Rates will vary depending upon lock in date and amount financed.

After much discussion, Mr. Stitsinger suggested that the purchase proceed and the unit to be financed over a 10 year period. After much discussion, Mr. Johnson made a motion to direct that legislation be prepared for the September 13th Board meeting approving the purchase of the tanker/pumper and utilizing the lease purchase option for a 10 year period. The motion was seconded by Mr. Miller. Upon roll call by the Fiscal Officer, all three Trustees voted yes.

There being no further action or matters to consider, adjournment was in order.

Motion to Adjourn: Mr. Johnson moved, seconded by Mr. Stitsinger, to adjourn the Board of Trustees meeting. Upon roll call, both Trustees voted yes.

Minutes Approved by the Board of Trustees as Witnessed by their Signatures:

Frederick J. Stitsinger, President: _____

Douglas L. Johnson, Trustee: _____

Larry Miller, Trustee: _____

Date: _____

Verified by: Greg Sullivan, Fiscal Officer: _____