



To: Council, Citizens and Employees of the City of Elkton
Date: May 30, 2023
Subject: FY 2024 Budget Proposal and Message

Introduction

I am pleased to present to you this budget proposal and message for the fiscal year beginning July 1, 2023 and ending June 30, 2024.

This budget is being proposed after working over the last month with department heads in reviewing past year's actual figures, current year to date totals and discussing future goals.

The major goal of the city is to continue to improve the quality of services provided to the citizens of Elkton, while keeping the costs of these services as low as possible.

Without the necessary updates and improvements included in this budget the city will struggle to maintain services and to prepare for growth. This budget challenges us to maintain the city infrastructure and to prepare for necessary changes that must be addressed for the health, safety, and welfare of our citizens.

Revenues

The city anticipates continued residential, business and industrial growth. Therefore, we expect a 3% increase in tax revenue without any proposed tax rate increases.

The water and sewer departments continuously need ongoing maintenance and repairs to water lines, water tanks, sewer lines and the wastewater treatment plant. The city will need to continuously monitor utility rates, especially in the sewer department in the future.

I feel it is important to point out that without the constant effort to seek grants and assistance from state and federal sources the city could not complete many tasks. This is not a source of revenue we can depend on for revenue but it is of major benefit to our community.

Expenditures

This budget proposal contains a 4% cost of living salary increase to all full-time and part-time employees and public officials.

There are a few special projects and goals proposed in this budget, including the following:

Administration

- It is proposed that the city spend approximately \$25,000 for updated furniture in City Hall.
- This budget also includes \$73,200 for façade improvements and interior updates in City Hall. Interior updates include improving security in the front reception area. The remaining Fiscal Recovery Funds in the amount of \$98,200 will be used for this project.
- We also propose spending approximately \$7,000 on a new city website and posting the city code of ordinances online to better communication with our citizens.

Police Department

- The budget includes the second year's payment of a three year lease for five Dodge police vehicles in the amount \$44,100.
- This proposal also includes façade renovation of the police department estimated to cost about \$40,000.

Fire Department

- The fire department will continue to apply for grant funds to update turnout gear and Self-Contained Breathing Apparatus and other necessary equipment.

Street Department

- The city is projected to begin a new Transportation Alternatives Project through the Transportation Cabinet to replace approximately 500 feet of sidewalks on West Main Street. The project will also make drainage improvements near the 500 block of West Main Street. The total project is estimated to cost \$500,000 and the city will be reimbursed 80% of the project, or about \$400,000 for this project through TAP.
- The city will also focus on sidewalk repairs by budgeting about \$20,000 for repairs in various areas in the city.

Cemetery

- The budget proposal includes completing work to remove trees and survey the new addition the Elkton and Glenwood Cemeteries at a cost of about \$35,000.

Culture and Recreation

- I propose continuing our annual contribution to the Recreation Commission in the amount of \$17,000 for operation and maintenance of the City-County Park and sports programs.
- This budget also includes a Land and Water Conservation Grant Project totaling \$246,000 to install new lighting on one small baseball field and new playground equipment in the park. The city will receive \$123,000 in LWCF grant funds and will partner with the county for the remaining portion of the project costing about \$61,500 each.
- Also included in the budget is \$18,000 for special events.

Water and Sewer Departments

- This budget proposes completing water, sewer, and gas line extensions for the new assisted living project with the city installing water, sewer and gas lines to the property at a total cost estimated at \$30,000 in this fiscal year.
- This budget includes \$247,899 grant funds from Cleaner Water Program, that will be used for improvements at the wastewater treatment plant and study of low-pressure expansion.

This proposal and explanations are presented for your consideration, and it is my belief that you will find them both reasonable and workable. However, this budget does not include any potential cost the city may incur in the continuing efforts to address the Stinson Lake remediation.

I appreciate input from the city council members and city staff for the preparation of this proposal and as always the guidance and work of the City Clerk/Treasurer. I believe the city is well positioned to be successful in meeting the demands of a growing community.

Sincerely,

Arthur Green, Mayor

