



To: Council, Citizens, and Employees of the City of Elkton  
Date: May 23, 2024  
Subject: FYE June 30, 2025, Budget Message and Proposal

## Introduction

I am pleased to present to you this budget proposal and message for the fiscal year beginning July 1, 2024 and ending June 30, 2025.

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

The major goal of this budget 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 and to improve the quality of life in the city.

This budget challenges us to maintain the city infrastructure and to prepare for necessary changes that must be addressed for continued growth and to maintain the health, safety, and welfare of our citizens.

## Revenues

The city anticipates continued residential, business, and industrial growth. Therefore, we expect a 6% 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. Monitoring and repair of water leaks and reducing sewer I & I, will help us control utility rates and reduce operational cost.

Although not a source of revenue we depend on the benefits of grants and assistance from state and federal sources for the city to complete many projects and task.

## Expenditures

This budget proposal contains a 3.4% cost of living salary increase to all city 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 \$24,000 for startup costs to implement Asset Management, Mobile Mapping Work Tracking and Scheduling Software and Equipment. This software will allow for mapping, tracking, maintenance scheduling and record keeping of the city's water, sewer, street, sidewalks, signs, and cemetery assets. We believe implementing this software will produce a more efficient workflow and improved maintenance of city assets.
- It is anticipated the city will need to spend funds on approved Residential Development Incentive agreements for three residential developments in Elkton. These agreements pledge future property tax income towards infrastructure costs for the development, which may include streets, water, and sewer lines. Riverbend Subdivision will need to receive the topcoat asphalt layer for lots 127-150 at a cost

estimated at \$40,000. Tyler Gilliland Construction will be reimbursed approximately \$23,300 for costs incurred developing residential lots on Beckham Road. And Crouch Farm Subdivision maybe reimbursed up to \$130,000 for development of streets, water, and sewer lines for 34 residential lots.

#### ***Police Department***

- The budget includes the third and final payment of a three-year lease for five Dodge police vehicles in the amount \$44,100.

#### ***Fire Department***

- This budget proposes the initiation of planning for either a new addition to the fire hall or planning for a new fire department location at a cost not to exceed \$10,000.
- The city will begin implementing a plan to purchase necessary safety equipment on an annual basis with the addition of a \$14,000. per year line item in the budget for Equipment/Turnout Gear. The department will continue to apply for grant funds to assist in updating necessary safety equipment as well.

#### ***Street Department***

- The city is scheduled to begin construction of the West Main Street Sidewalk and Drainage Project. The construction phase of the project is estimated to cost \$470,000 and the city will be reimbursed 80% of the project, or about \$376,000 for this project through Transportation Alternatives Project funding.
- The city will also focus on a sidewalk maintenance plan and a city ordinance by budgeting \$20,000 for repairs in various areas in the city.

#### ***Cemetery***

- The budget proposal includes continuing to work to remove dangerous trees in the city-maintained cemeteries at a cost of about \$20,000.

#### ***Culture and Recreation***


- I propose continuing our annual contribution in the amount of \$17,000 for operation and maintenance of the Elkton-Todd County Park and sports programs.
- Also included in the budget is a new contribution to the Todd County Fair Board in the amount of \$1,000 and an increase in contribution to the Imagination Library program in Todd County in the amount of \$1,000.

#### ***Water and Sewer Departments***

- Both water and sewer departments will continue long term planning for infrastructure grants to facilitate maintenance and expansions of the water and sewer systems.

This proposal and explanations are presented for your consideration, and it is my belief that you will find them both reasonable and workable.

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.(for her last time). Since Elkton has just been recognized as the 3rd fastest growing city by percentage in Kentucky, I believe the city is well positioned to be successful in meeting the demands of a growing community.

Sincerely,  
  
Arthur Green, Mayor