

CITY OF FORT MITCHELL, KENTUCKY
CITY COUNCIL MEETING
June 3, 2019

CALL TO ORDER / PLEDGE OF ALLEGIANCE / ROLL CALL

Mayor Hehman called the regular council meeting to order at 6:32 p.m.

MAYOR AND COUNCIL MEMBERS PRESENT

Mayor Jude Hehman, Vicki Boerger, Greg Pohlgeers, Michael Stoeckle, Scott McVey and Kim Nachazel.
Absent: Jerry Deatherage and Mary Burns

OTHERS PRESENT

City Administrator, Sharmili Reddy; City Attorney, Claire Parsons; Fire Chief, Adam Fuller; Police Chief, Andrew Schierberg; Public Works Director, Matt Stegman; and City Clerk/Treasurer, Amy Guenther; Abby Link, Thomas More Intern

APPROVAL OF THE AGENDA

Mayor Hehman stated that the dates for the budget under the City Attorney's report were changed from 2017-18 to 2018-19 and 2018-19 to 2019-20. The Mayor asked for a motion for approval of the revised agenda. Ms. Boerger made a motion to approve the agenda. Mr. Pohlgeers offered a second to the motion. After asking for discussion or questions and hearing none, Mayor Hehman called for a voice vote. The motion carried by all ayes.

APPROVAL OF THE MINUTES

Mayor Hehman asked for a motion for approval of the May 20, 2019 minutes. Mr. Pohlgeers made a motion to approve the minutes of the May 20, 2019 council meeting. Mr. Stoeckle offered a second to the motion. After asking for discussion and hearing none, Mayor Hehman called for a voice vote. The motion passed by all ayes.

CITIZENS AND GUESTS

Mayor Hehman asked if any citizens wished to speak and no citizens wished to speak.

MUNICIPAL ROAD AID PUBLIC HEARING

Mayor Hehman opened the Municipal Road Aid Public Hearing and asked the Public Works Director, Matt Stegman, to summarize budgeted expenses. Mr. Stegman stated that \$400,000 was budgeted for Orphanage sidewalk and other projects budgeted in the fund are the Bromley Crescent Springs Road, and the engineering for the Beechwood Road safety project and sidewalk. The Mayor asked if there were any questions. Hearing none, Ms. Boerger made a motion to close the hearing and Mr. McVey seconded the motion. Mayor Hehman called for a voice vote and the motion passed with all ayes.

MAYORS BUDGET MESSAGE

Mayor Hehman read a summary of his budget message for the 2019-2020 fiscal year as attached. The Mayor asked if there were any comments. Ms. Reddy went over a presentation showing that the pension costs are estimated to increase from \$990,000 to \$1,681,000 over the next four years. She also showed financial graphs with different fire departments staffing scenarios and total funding deficits as shown in the attached. The Mayor stated that if staffing the fire department with five employees 24 hours 7 days per week is the route Council feels the City needs to go, to have adequate coverage for fires and ambulance runs, then Council needs to look at additional revenue sources.

CITY ATTORNEY'S REPORT

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Ms. Parsons performed a first reading of **Ordinance 2019-05: Amended Budget 2018-19 Ordinance 2019-05.**

Ms. Parsons performed a first reading of **Ordinance 2019-06: Budget 2019-20.**

Ms. Parsons read **Municipal Order 2019-08: Appointing Acena Beck to the Park Board.**

Mayor Hehman asked Ms. Beck to say a few words about herself. She is the Executive Director of the Children's Law Center and has children herself. Mr. Stoeckle made a motion to appoint Acena Beck to the Park Board and Mr. Pohlgeers seconded the motion. Mayor Hehman asked if there was any discussion and hearing none, called for a voice vote. The motion passed with all ayes.

Ms. Parsons read **Resolution 2019-07: Authorizing the Mayor to apply for a Kentucky Office of Homeland Security Grant for the Purchase of a Lucas 3 Chest Compression System.**

The Mayor stated that there was no City match of funds and asked if there was any discussion. Hearing none, Mayor Hehman asked for a motion. Ms. Boerger made a motion to pass Resolution 2019-07 and Mr. McVey made a second to the motion. Mayor Hehman asked for a voice vote and the motion passed with all ayes.

MAYOR'S REPORT

- The Mayor stated that Mr. Stegman spoke to Mr. Yeager at the Kentucky Transportation Department and they have bid out the pothole work and have made fixing the pot holes a priority on Dixie Highway.
- The City will be developing a backup plan for the parade route in case Beechwood Road is closed.
- The Mayor and City Staff met with Christ Hospital regarding their plans and have concerns regarding traffic patterns. The City will also be coordinating a meeting with the adjacent property owners to ensure adequate access and circulation concerns are addressed.
- The engineers have some concerns about the stability of the hillside where the City is looking to build a sidewalk near Grandview Tavern. The Mayor will ask Crescent Springs to increase their contribution when applying for a grant.
- The Orphanage sidewalk easements have not been signed, but they have received a verbal commitment from the owner.

CITY ADMINISTRATOR'S REPORT

- The Board of Adjustment meeting for Braxton Microbrewery's outdoor dining is June 12 at 6:00 p.m.
- The Grandview map amendment will be discussed by KCPC at the PDS office June 6th at 7:00 p.m. It will come back to City Council to take action on 7/1/2019
- The Verizon MCI Franchise agreement will come before council next month.
- The Mayors group of Kenton, Boone and Campbell Counties will be held at the Gardens of Park Hills on Saturday, June 15 at 9:00 a.m. A representative from the Kentucky Retirement System will be presenting if you would like to attend.

COUNCIL MEMBER COMMENTS

There were no comments from Council.

DEPARTMENT HEAD REPORTS

Fire Chief, Adam Fuller

- The fire department has had many open burn questions and the department will be working on making the ordinances the same as surrounding cities. A three by three foot fire pit is allowed.
- The National Fire Prevention week theme will be Plan Your Escape.
- There will be three Beechwood interns and the department has received two new applications from volunteers.
- The announcement for the staffing grant is expected to be made October 1st.

Police Chief, Andrew Schierberg

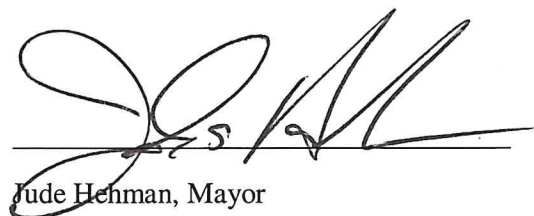
- Three suspects are in jail for the bank robbery at Central Bank.
- There were two severe car accidents, one of them fatal.
- Sergeant Gross made a presentation to the State to make the expressway safer. Some of the possible suggestions were adding truck restrictions, "Watch for Stop" Signs and speed limits.
- Sergeant Schrand graduated from the Police Supervision program.
- Officer Dietz received crisis intervention training. Half of the department will be trained this year. This especially important for the Diocesan Catholic Children's Home.
- Two smaller speed signs have been ordered.
- The department monthly stats were reviewed.

Public Works Director, Matt Stegman

- The Beechwood Turn Lane construction was delayed three weeks. Duke Energy had to order a part.
- Highland Avenue Waterline work and Resurfacing will start July 8th.
- Ridge, West Orchard, Coleman road work will be completed this fall.

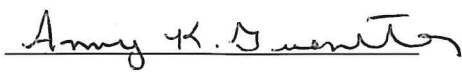
ADJOURNMENT

Ms. Nachazel made a motion to adjourn the City Council Meeting at 7:10 p.m. Mr. Stoeckle offered a second to the motion. After asking for discussion or questions and hearing none, Mayor Hehman called for a voice vote. The motion carried unanimously.



Jude Hehman, Mayor

Prepared By:



Amy Guenther, City Clerk/Treasurer

MAYOR
Jude S. Hehman

CITY ADMINISTRATOR
Sharmili Reddy



CITY COUNCIL
Vicki Boerger
Mary Burns
Jerry Deatherage
Scott McVey
Kim Nachazel
Greg Pohlgeers
Michael Stoeckle

MEMORANDUM

To: Members of City Council and Department Heads
From: Mayor Jude Hehman
Date: May 31, 2019
Subject: Budget Message

You have previously received a draft copy of the original budget for fiscal year ending June 30, 2020. Please allow this memorandum to serve as my budget message.

My goal is to present a balanced budget that is not only focused on providing a high level of service for our residents but one that is also fiscally responsible. While this budget does not reflect a property tax increase or the utility franchise fee, there are two specific needs that are going to require us to consider these options. First, our pension contributions are increasing exponentially the next several years. The City will be paying at least \$500,000 more in pension contributions in 4 years compared to the 2017-18 fiscal year. While the payroll tax increases this year will cover some of these costs, next year we will have to look at other revenue sources to compensate for this increase.

Secondly, providing fire service is one of our essential responsibilities. It is important to have a professional fire department that is adequately staffed to serve our residents as well as those cities that contract with us. It takes a minimum of five fire/ems staff to get an ambulance and fire truck out for an emergency. We have been steadily moving towards this goal since 2014 and will continue to work towards increasing the staffing model to five during all shifts. However, this will require us to take a deep dive into all revenue options available to us to accomplish this.

The two issues outlined above are going to fiscally constrain us in the future, but this budget still includes key goals for economic development, infrastructure improvements and beautification. Planned and conscientious development in the former Drawbridge, Remke, and Average Joes properties will ensure some increase in revenue while providing the types of uses desirable in our community.

I ask for your continued support as we work through the upcoming fiscal challenges facing our City. With that, below is an outline of the proposed budget for FY 2019-20.

General Fund

Revenues

The property tax rate is budgeted at the compensating rate and no utility franchise fee is instituted. Payroll tax revenue is budgeted to increase approximately \$242,000 based on a 1.25% payroll tax rate which was implemented January 1st. These revenues will assist in covering the additional retirement costs.

General & Administration Department

The administration department's budget has decreased 7%. The City Clerk and Treasurer position has been combined while replacing the part-time administrative assistant position. The Tree Board coordinated a comprehensive tree replacement plan for Dixie Highway and Edenderry. They have requested an investment of \$25,000 this year to continue working on these projects and that is included in this budget.

Police Department

The police department budget includes continued staffing of the department with 15 officers to maintain adequate road coverage, a D.A.R.E program at both Fort Mitchell schools and a School Resource Officer at Beechwood School, which has been partially funded by Beechwood. Monies for three crossing guards is also provided due to safety concerns that have been repeatedly expressed by residents for their children crossing Dixie Highway. The budget also includes \$15,000 replacement of personal protective equipment and ten ballistic vests that are expiring. Forfeiture funds will be used to purchase \$7,500 of active shooter response gear.

Fire Department

The fire departments budget includes taking another step towards increasing staffing around the clock to five employees and an additional 1-2 employees during business hours, when the run volume is highest. A volunteer recruitment program will continue to provide additional coverage. \$20,000 has been budgeted for hose replacement.

Public Works Department

The public works budget includes streetscape and beautification for the Beechwood/Dixie Highway Corner, downtown planters and planning for the north gateway area. LED and/or solar lights will be implemented as a trial along a small portion of a roadway to analyze costs and benefits.

Recreation Department

The program coordinator will continue to provide events and activities that appeal to large groups, to achieve the largest return on investment. The program includes four large community events, a robust summer recreation program and many smaller events that are typically held in partnership with other organizations and businesses.

Municipal Road Aid Fund

The City has budgeted for normal road maintenance and snow removal, as well as, \$400,000 for an Orphanage Road sidewalk, \$105,000 for the Bromley/Crescent Springs road project with Kenton County, \$15,000 for a Beechwood Road (by the school) safety project, \$40,000 for Beechwood Road (Grandview to Ft. Mitchell Place) sidewalk.

Park Fund

The Park board will be improving General Ormsby Mitchell Park based on resident feedback. These improvements include additional parking, realigning the baseball field, developing a walking trail, a new service building and constructing a new pavilion.

Road Tax Fund

Maintaining roads is always a priority of the City. This budget includes resurfacing of Highland Avenue, Oak Street, Coleman Avenue, Virginia Avenue and Anthony Lane; reconstruction of West Orchard, Pieck Lane and some Dixie Highway curbs. The City will continue to reserve funds for a study and design plan for a Buttermilk-Orphanage realignment by the State. This alignment plan would reduce dangerous traffic situations that currently exist while allowing for well-planned business and residential development.

Capital Fund

The Capital Replacement Fund includes sidewalk repairs, fire fighter dorms, replacing old HVAC systems, gym equipment and windows, artwork, public works fence, council room technology and public works garage planning expenses. The budget also includes purchase of two police vehicles, one fire pickup truck, two public work's maintenance trucks and a street sweeper that the City shares with Edgewood. Public works radios for the upgraded Northern Kentucky system are also included. The City will continue to plan for future capital purchases and annually contribute to the Capital Replacement Fund to keep the city fiscally strong.

Conclusion

The City has been vigilant in maintaining a healthy fund balance (3-6 months) as recommended by our auditors, so that the City can better deal with economic down turns and unexpected expenditures. As a city, we provide services that are of the highest quality that makes Fort Mitchell one of the most desirable cities to live in. I am presenting a fiscally responsible budget that allows us to strengthen our community through targeted investments. Thank you for reviewing and considering the information and issues contained in my report. I look forward to discussing the budget with you.

Respectfully,

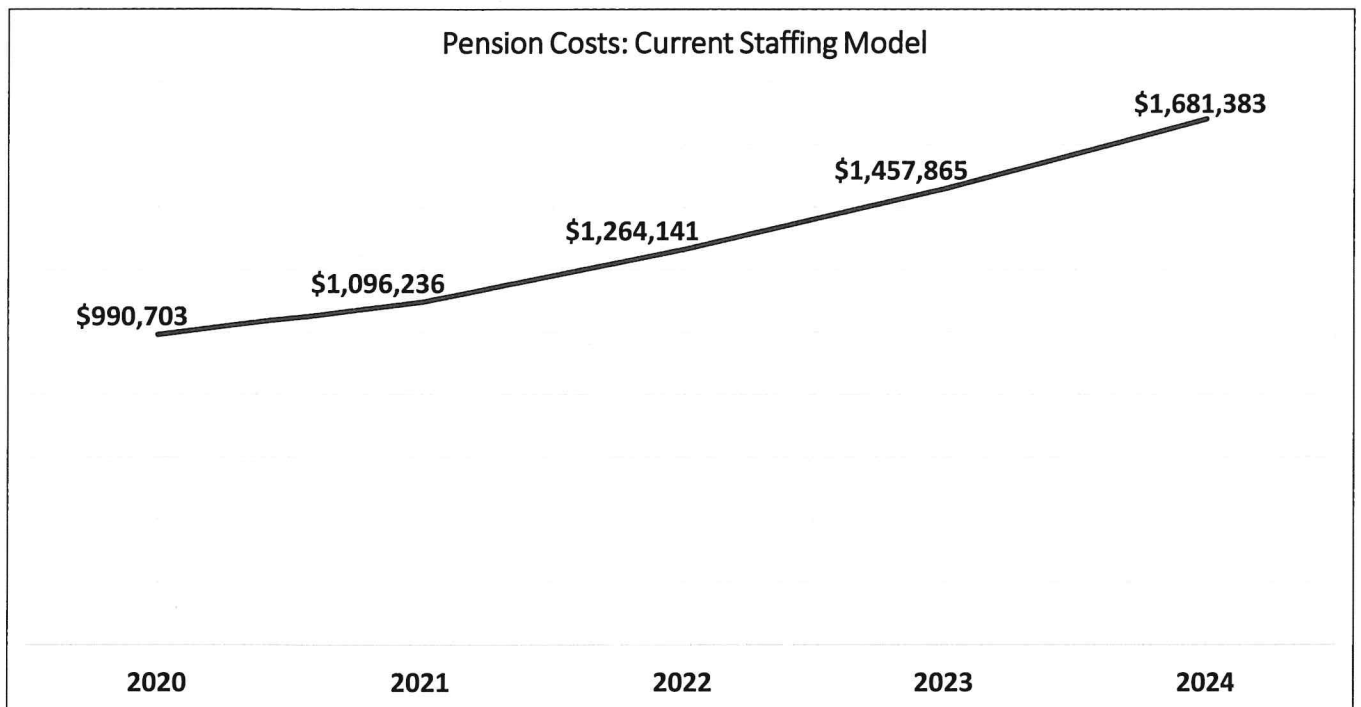
Jude Hehman
Mayor



CITY OF FORT MITCHELL

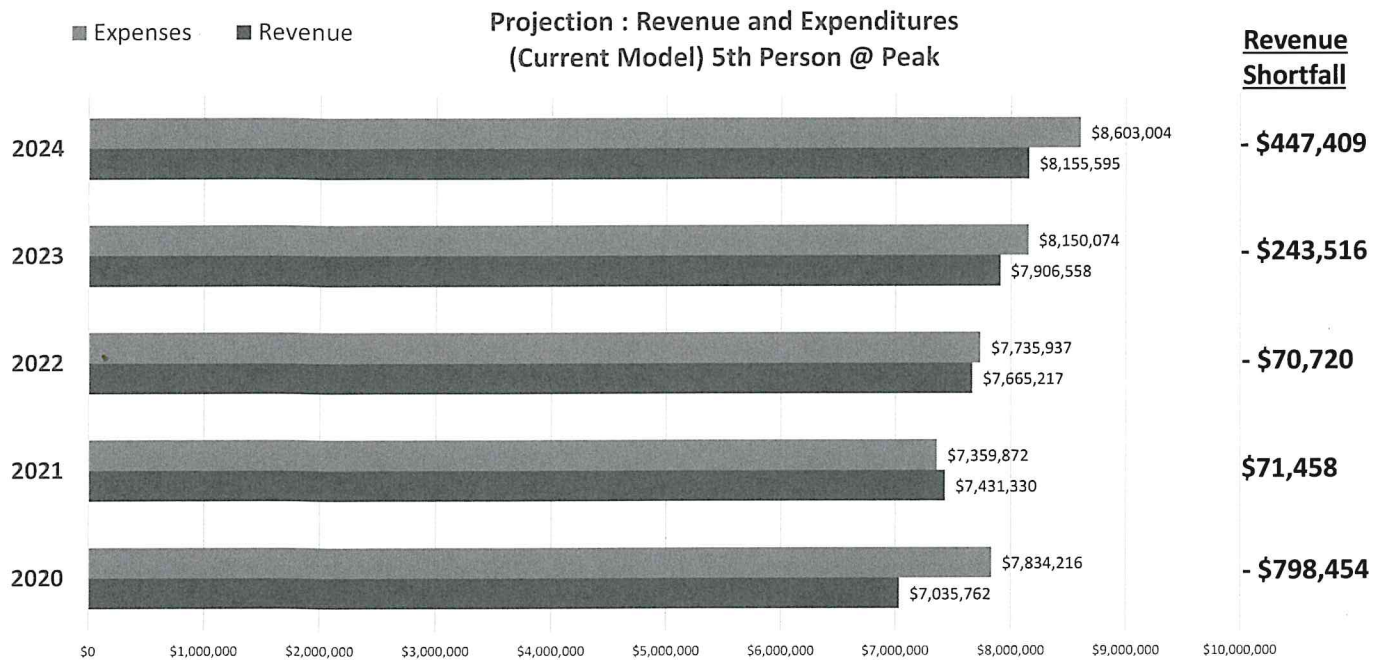
Financial Projections 2020-2024

June 3, 2019





Financial Projections 2020-2024

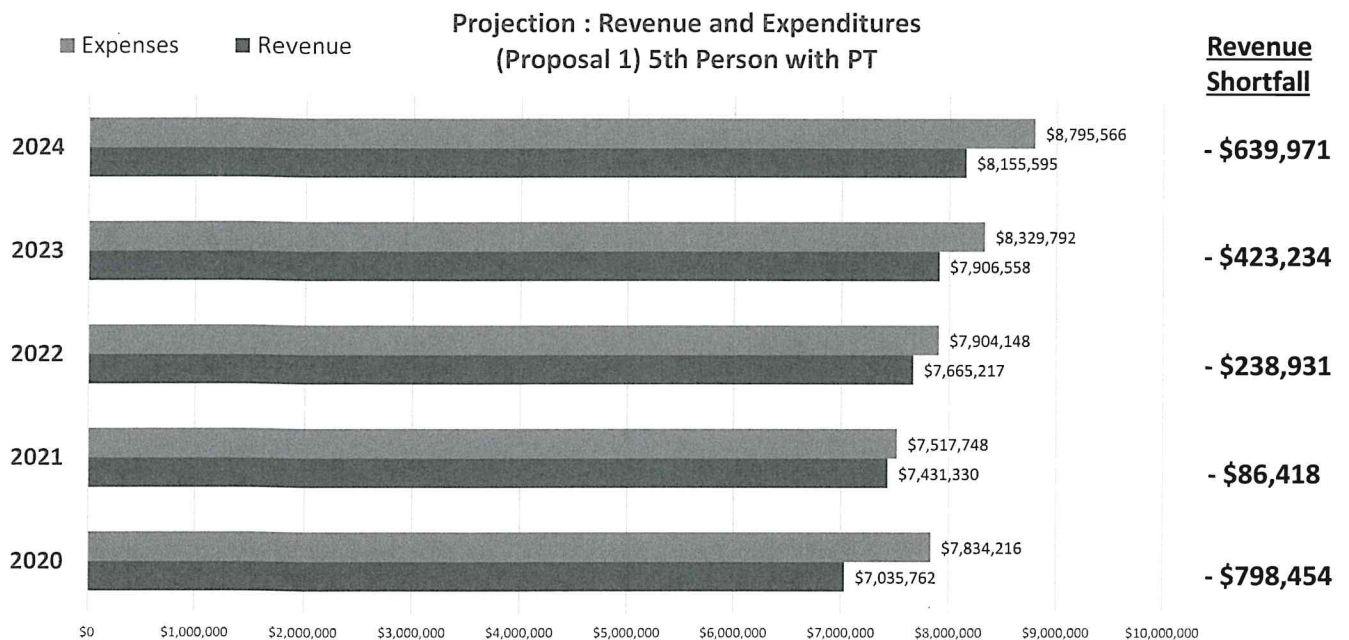


* Revenues include property taxes at comp plus 4% and Utility Franchise Fee at 3%

June 3, 2019



Financial Projections 2020-2024

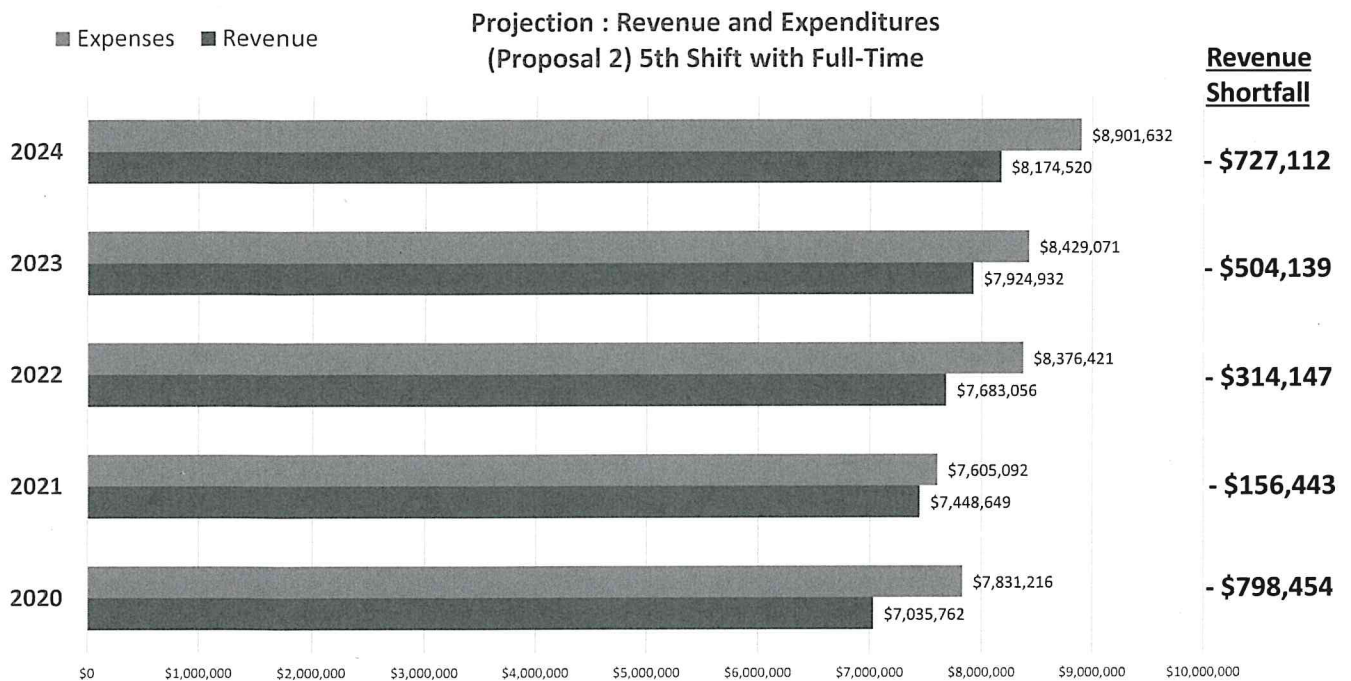


* Revenues include property taxes at comp plus 4% and Utility Franchise Fee at 3%

June 3, 2019



Financial Projections 2020-2024



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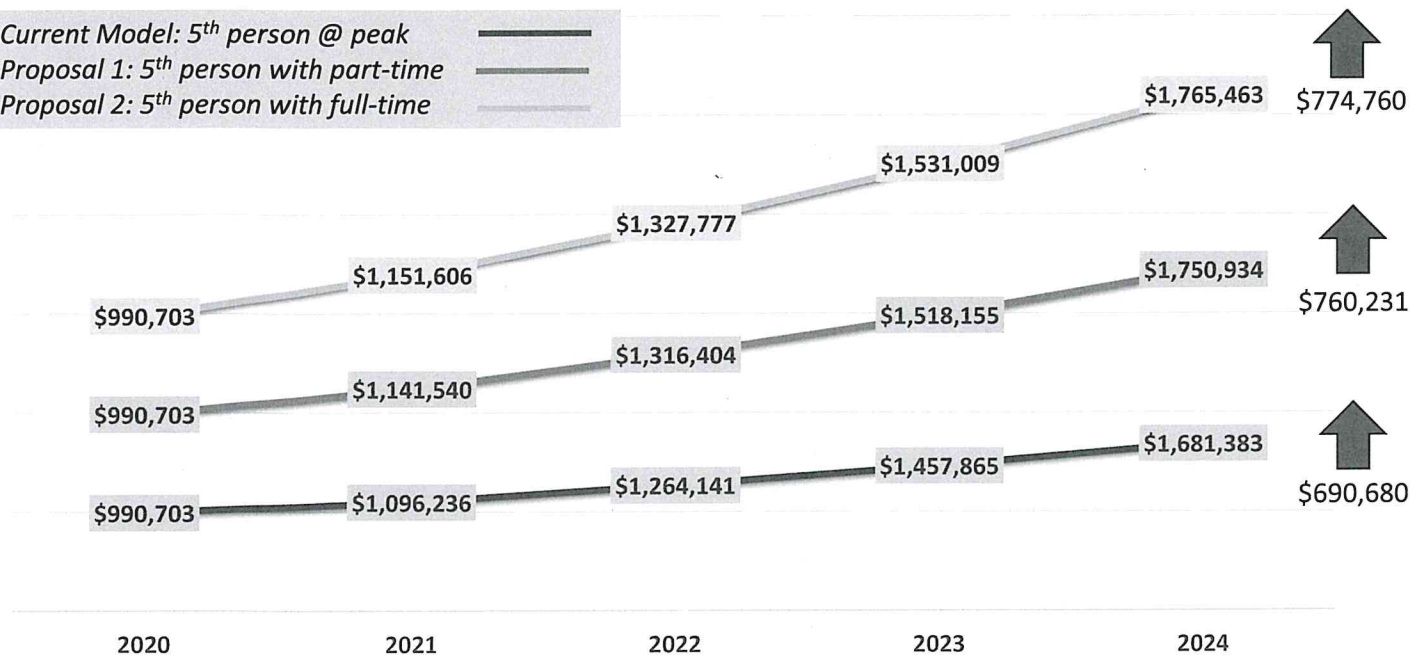
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Financial Projections 2020-2024

Pension Costs based on staffing model

Current Model: 5th person @ peak
Proposal 1: 5th person with part-time
Proposal 2: 5th person with full-time



June 3, 2019