



MEMORANDUM

To: Members of City Council and Department Heads
From: Mayor Jude Hehman
Date: May 31, 2022
Subject: Mayor's Budget Message for the Fiscal Year Ending June 30, 2023

You have previously received a draft copy of the original budget for fiscal year ending June 30, 2023. Please allow this memorandum to serve as the Mayor's Budget Message.

This budget reflects my goals and those of City Council to provide exceptional government services to our residents. Our vision is to provide the best service possible to our residents and businesses in the most financially responsible way. Every year we plan for essential services, quality economic development, and infrastructure projects. This budget includes funds to maintain staffing and equipment to protect the life and safety of our residents and employees. This budget provides police, fire protection, park, recreation, and road repair funding. The City will continue to prioritize road repair projects and police and fire services, while planning and saving for future capital projects.

With these goals in mind, I hope that you will support this budget so we can work together and continuing our collective vision in keeping the City of Fort Mitchell the best place to live and work.

General Fund

Revenues

The General Fund Revenue budget includes the following:

- The City's real estate tax rate is budgeted to stay the same tax rate.
- Insurance Premium Taxes, Gross Receipts Tax, and Payroll Taxes will stay the same rates.
- Total budgeted revenue is approximately \$11,000,000 which is an increase of \$653,000 from the prior year;

- Total grant revenue is \$1,529,000 which includes \$534,000 from the American Rescue Plan Act funds for general government services, \$750,000 for a possible pass-through Community Development Block Grants for improvements to two nonprofit organizations within the City. The remaining grants are for police and fire payroll and equipment;
- A transfer from the Park Tax Fund to begin paying back the \$750,000 loan.

Expenses

The General Fund Expense budget includes the following:

- Seven percent inflationary increase in employee wages
- Adjustments to police wages to be competitive in the Northern Kentucky market and to combat nationwide staffing shortages;
- Two percent increase in health insurance premiums;
- Phase III of the Dixie Highway tree removal and replacement;
- Increase the seasonal public works position to full-time to accomplish more road and sidewalk projects;
- Change the part-time administrative position to full-time to cover the increased staffing model of the Fire and EMS department.
- Recruitment coordinator, uniforms, tuition, and gear covered by the federal SAFER grant;
- Transfers of \$800,000 to the Capital Fund and \$700,000 to the Road Tax Fund to plan for future capital purchases and keep the City fiscally strong and responsible.

Municipal Road Aid Fund

The City has budgeted for the Bromley/Crescent Springs road project with Kenton County, a sidewalk inventory and maintenance plan along with various sidewalk replacement and repairs, and sidewalk construction between Grandview Drive and Fort Mitchell Place.

Park Tax Fund

The Park Tax budget includes completing the General Ormsby Mitchell Park improvements based on City resident feedback. These improvements include making the park handicap accessible, resurfacing the tennis courts, and adding pickle ball courts, adding parking spots, realigning the baseball field, developing a walking trail, constructing a pavilion with restrooms, and installing new playground equipment.

Road Tax Fund

Maintaining roads is always a priority of the City. This budget includes the repair of miscellaneous curbs on Dixie Highway, sewer repairs and partial reconstruction of Grace Avenue, reconstruction of Requardt Avenue, Virginia Avenue resurfacing, Cornell Avenue extension reconstruction, Dale Court resurfacing, Avon Drive and Summit Avenue resurfacing, Chelsea Lane Concrete repair, and Royal Drive reconstruction.

Capital Fund

The Capital Replacement Fund budget includes roof replacement of the older section of the city building, public works building design, public works front fence replacement, and the addition of an electronic sign to improve communication with residents. The budget also includes two police vehicles, two EMS cardiac monitors, a fire fighter breathing apparatus fill station, and a public works pickup truck.

Conclusion

I am presenting a fiscally responsible budget that allows us to strengthen our community through targeted investments. This budget addresses many priorities mentioned by City Council and members of the Fort Mitchell community. 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