



City of Horse Cave

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May 9, 2016

TO: City Council Members
FROM: Randall Curry, Mayor
RE: The 2016-2017 Budget Proposal and Message

The Kentucky Revised Statutes (KRS) set forth the requirements and certain guidelines for financial administration of the fiscal affairs of cities in the Commonwealth of Kentucky. KRS 91A.060, KRS 83A.130 (12), and KRS 83A.140 (8) and KRS 83A.150 (5) address the requirements of financial administration and fiscal responsibility.

This budget proposal and message are presented to you in compliance with these statutes. It is intended to address the requirements of any state or federal programs in which the city may be participating.

The goals proposed by the adoption of this budget included the following:

1. Maintaining adequate services provided to the citizens through our administrative, police, fire, and maintenance departments.
2. Providing adequate funding for salaries and benefits for our city employees in order to attract and retain competent and capable people for the on-going, day-to-day operations of the city.
3. Continuing adequate funding of repairs on the Thomas House to keep this historical home in a condition commensurate with its use as a community gathering place.
4. Completing and maintaining the Maple Street Park and walking trail.
5. Providing debt service for the new firehouse.
6. Upgrading the City Hall awnings and painting windows, doors and trim.
7. Setting aside Municipal Road Aid funds for street and sidewalk repair.
8. Provide equipment necessary for each department to perform its duties adequately.
- h. Setting aside fire and police funds for future purchase of vehicles.

Anticipated revenue for discretionary general fund receipts is \$1,529,758. Estimated carryforward from the 2015-2016 budget is \$157,695, giving us \$1,687,453 to spend. It does not include any Winn Cemetery Fund CDs. The Fire District Dues will have their own budget and will be adequate for debt service on the fire truck and will assist with the debt service on the firehouse. The fire department budget and library budget are also separate.

Employee Salaries and Benefits

Employee salaries total \$415,003 which includes a 3% increase for all employees except Robert Poynter who is being moved to full-time. Fire Chief Donnie Parker has been provided a \$10 weekly stipend to care for the new firehouse. Employee salaries represent 24.5% of the city's general fund budget.

The city provides FICA, retirement, health insurance and unemployment insurance as benefits to employees. This category totals 24.9% of the city's budget. We now have one policemen receiving hazardous duty retirement at a cost to the city of 31.6% (down from last year) of his salary. Eight employees are under the non-hazardous retirement system at a cost to the city of 18.68% of their salaries, up from last year. Health insurance is provided to employees based upon their needs. It ranges from none for employees covered under a spouse's insurance to full family coverage for several employees.

New Expense Items

For the most part expenditure items are the same as last year with the exception of the following:

Administration Capital Outlay: We need to purchase a laptop computer for out of the office use, such as in the cemetery and code enforcement. We need to rotate our main computer storage, affectionately known as Darth, out to everyday use and replace it.

Thomas House, Capital Outlay: Improvements and renovations at the Thomas House will be on-going.

Capital Outlay Projects

I have met with the heads of all departments about their capital outlay needs for the coming year.

Police: The police have requested three new computers, compatible with their phones, to be placed in three of the cruisers. Also they are needing one additional desk-top computer. In addition, \$20,000 will again be set aside for future vehicle purchase. I'm enclosing state bid prices for Chevy Tahoes and Ford Explorers.

Fire: Fire Department capital outlay will be used this year for debt service on the building, to complete last year's turnout gear request and add a wash-extractor, and for a first year purchase of self-contained breathing apparatuses. Payments on the building are estimated at \$45,600. Debt services for the pumper will come from Fire District Dues with the remainder of this fund assisting with the firehouse debt. In addition, \$20,000 will be set aside for future truck purchase under the same stipulations as above in Police. We also have \$56,000 in retainage awaiting completion of the punch list for the firehouse. This includes the \$50,000 grant from the Dart Foundation.

Maintenance: Capital Outlay of \$20,000 as above is set aside for a future truck purchase. Animal Control is allotted \$10,000 and \$11,000 for a mower. We propose adding \$50 income to the \$350 fee for a grave opened or closed on the weekend

Municipal Road Aid Funds – Municipal Road Aid Funds have again been divided 90%/10% for Street/Sidewalk repair this year.

Budget Message

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I am open to suggestions from the council and residents concerning budgeted items and look forward to discussing it with you as we move the city forward in the next fiscal year.

Thank you,
Randall Curry, Mayor