



CITY OF DAYTON
PROPOSED BUDGET
FISCAL YEAR 2025



Mayor

Ben Baker

Council Members

Christina Kelly

Jessica Lovins

Joe Neary

Beth Nyman

Jeff Volter

John Wirick

City Administrator

Jay Fossett

Assistant City Administrator

Jerrod Barks

City Clerk

Tristan Klein

Chief of Police

David Halfhill

Public Works Director

Rick Lucas

Chief of Fire Department

Chris Adkins

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CITY OF DAYTON, KENTUCKY
ORDINANCE NO. 2024#___

AN ORDINANCE ADOPTING THE CITY OF DAYTON, KENTUCKY’S ANNUAL BUDGET FOR THE FISCAL YEAR RUNNING FROM JULY 1, 2024, THROUGH JUNE 30, 2025, AND ESTIMATING REVENUES AND RESOURCES AND APPROPRIATING FUNDS FOR THE CITY TO THE FULL EXTENT AUTHORIZED BY KRS 82.082 AND INTERPRETATIVE CASE LAW.

WHEREAS, a proposed annual operating budget has been prepared and delivered to the City Council of the City of Dayton, Kentucky; and,

WHEREAS, the City Council, having reviewed and discussed the proposed budget, desires to adopt it for Fiscal Year 2025.

NOW THEREFORE, BE IT ORDAINED BY THE CITY OF DAYTON, CAMPBELL COUNTY, KENTUCKY, AS FOLLOWS:

1. The Annual Operating Budget for the Fiscal Year beginning July 1, 2024, and ending June 30, 2025, including all sources of estimated revenues and appropriations for all City funds as set forth in Exhibit 1, which is attached and made by reference a part hereof, is hereby adopted.
2. All encumbrances outstanding on June 30, 2024, for goods not yet provided or services not yet rendered are hereby reappropriated to conform with generally accepted accounting principles for the Fiscal Year beginning July 1, 2024 and ending June 30, 2025.
3. The balance of all capital construction, renovation, improvement projects and grants currently approved and/or nearing completion are hereby approved for reappropriation and carry over for the Fiscal Year beginning July 1, 2024 and ending June 30, 2025.
4. The provisions of this Ordinance are hereby declared to be severable, and if any section, phrase, or provision shall for any reason be declared invalid, such declaration of invalidity shall not affect the validity of the remainder of this Ordinance.
5. All prior Municipal Order/Resolutions and/or or Ordinances or parts of any thereof that are in conflict with this Ordinance are hereby repealed.
6. This Ordinance is adopted pursuant to KRS 83A.060 in that it was introduced on May 21, 2024, and given final reading on June 4, 2024, and this Ordinance shall be in full force and effect upon signature, recordation, and publication in summary pursuant to KRS Chapter 424.

Adopted by City Council of the City of Dayton, Campbell County, Kentucky assembled in regular session.

First Reading: May 21, 2024
Second Reading: June 4, 2024

MAYOR BEN BAKER

ATTEST:

TRISTAN KLEIN
CITY CLERK/TREASURER

CITY OF DAYTON BUDGET 2024-2025 PROPOSAL

City of Dayton Budget 2025					
The annual budget for fiscal year beginning July 1, 2024 and ending June 30, 2025 is hereby adopted as follows:					
Resources Available	General Fund	Municipal Aid Fund	Econ. Development	Park Board	TIF
Fund Balance Forward:	\$ 2,750,000.00	\$ -	\$ 450,000.00	\$ 235,000.00	\$ 800,000.00
Estimated Revenue					
Taxes	\$ 2,040,000.00				\$ 1,100,000.00
Licenses and Permits	\$ 2,505,200.00				
Fines	\$ 171,200.00				
Intergovernmental	\$ 71,000.00	\$ 118,000.00		\$ 140,000.00	
Charges for Services	\$ 415,500.00				
Miscellaneous	\$ 622,750.00			\$ 400.00	
Grant Restricted	\$ 3,273,260.00			\$ 72,000.00	
Interest	\$ 30,000.00	\$ 500.00	\$ 1,000.00	\$ 1,000.00	\$ 6,000.00
Total Estimated Revenue	\$ 9,128,910.00	\$ 118,500.00	\$ 1,000.00	\$ 213,400.00	\$ 1,106,000.00
Available Appropriations	\$ 11,878,910.00	\$ 118,500.00	\$ 451,000.00	\$ 448,400.00	\$ 1,906,000.00
Appropriations					
General Government	\$ 753,950.00				\$ 150,000.00
Police	\$ 1,476,400.00				
Fire	\$ 1,285,690.00				
Public Works	\$ 553,350.00	\$ 30,000.00		\$ 77,500.00	
Code Enforcement	\$ 148,650.00				
Parks				\$ 225,000.00	\$ 150,000.00
Economic Development			\$ 50,000.00		
Waste Collection	\$ 232,000.00				
Professional Services	\$ 137,500.00	\$ 78,500.00			
TIF Payment					\$ 800,000.00
Miscellaneous	\$ 74,750.00				
Capital Spending	\$ 5,557,240.00			\$ 98,000.00	
Total Appropriations	\$ 10,219,530.00	\$ 108,500.00	\$ 50,000.00	\$ 400,500.00	\$ 1,100,000.00
Est. Ending Fund Balances	\$ 1,659,380.00	\$ 10,000.00	\$ 401,000.00	\$ 47,900.00	\$ 806,000.00

SELECTED FINANCIAL POLICIES

The financial policies of the City of Dayton are in line with those mandated by Kentucky Revised Statutes. The city operates using the modified accrual basis of budgeting and accounting. This type of accounting is a process in which expenditures other than accrued interest on general long-term debt are recorded at the time liabilities are incurred and revenues are recorded when received in cash, except for material and/or available revenues, which should be accrued to reflect the taxes levied and revenue earned. All City funds use this type of accounting. The basis for accounting and budgeting are the same.

Annual Budget Requirement:

1. Under Kentucky law, each City is required to operate and expend funds under an annual budget adopted by ordinance by the legislative body. City officials and employees are prohibited from expending any city funds except in accordance with the adopted budget. KRS 91A.030(1), (13).
 1. "Budget" is defined as a proposed plan for raising and spending money for specified programs, functions, activities, or objectives during a fiscal year. KRS 91A.030(4).
2. Each city's budget must cover one full fiscal year. KRS 91A.030(4). Cities are required by Section 169 of the Kentucky Constitution to operate on a July 1 to June 30 fiscal year.
3. If a city fails to adopt a budget by the beginning of the new fiscal year, the previous year's budget remains in force as if readopted. KRS 91A.030(3). In this event, the previous year's budget will govern the expenditure of funds until a new budget ordinance is adopted.
4. No budget may provide for expenditures in excess of revenues in any one fiscal year (balanced budget). "Revenues" means all income from every source, including unencumbered reserves carried over from the previous fiscal year. "Expenditures" means all funds to be paid out for expenses of the city during the fiscal year, including amounts necessary to pay the principal and interest due during the fiscal year on any debt. Kentucky Constitution section 157b; KRS 91A.030(8)(b).
5. The legislative body is obligated to appropriate in the budget ordinance the full amount necessary to service any outstanding debt of the city for the full fiscal year. KRS 91A.030(9).
6. The budget must be presented in full form to the City Council at least 30 days prior to July 1 of the upcoming fiscal year. The budget must undergo two separate readings for passage.

Budget Amendments:

1. The budget ordinance may be amended at any time during the fiscal year, subject to the restriction that expenditures may not exceed revenues for the fiscal year and subject to all other statutory requirements. An ordinance amending the budget must be enacted in the same manner as any other ordinance. Kentucky Constitution Section 157b; KRS 91A.030(10).

Budget Administration:

1. Once adopted, the administration of the budget is the responsibility of the executive authority (mayor) of Dayton. The executive authority is required to submit operating statements to the legislative body, which must include budgetary comparisons of each governmental fund set forth in the budget. These operating statements must be submitted not less than once every three months in each fiscal year. KRS 91A.030(11)
2. The executive authority is authorized to expend funds in accordance with the adopted budget.

Budgetary Accounting

To the extent practicable, the system utilized in implementing and administering the budget must be consistent with the requirements of KRS 91A.020, which requires each city to keep accounting records and render financial reports that:

1. Determine compliance with statutory provisions.
2. Determine fairly and with full disclosure the financial operation of constituent funds and account groups of the city in conformity with “generally accepted principles of government accounting,” which means in accordance with those standards and procedures issued by the Governmental Accounting Standards Board (GASB)

Fund Balance

The City is committed to retaining an adequate fund balance to ensure smooth operation of city services if an emergency or undesirable financial situation were to occur. The city is committed to providing at least 20% of its funding per budget year in reserves. (At minimum, 20% of the expenditure amount per budget will be retained in reserves.)

Financial Goals

The City of Dayton is committed to being a good steward of public money. Therefore, practices involving finance must comply with the standards set forth in the Kentucky Revised statutes, including but not limited to public spending and taxation.

1. Annually, the City of Dayton will review tax laws and tax amounts/percentages in the region and state to determine the appropriateness of current tax levels.
 - a. September: Property Tax
 - b. January: Occupational Tax
 - c. April: Insurance Premium Tax
2. The city will provide a balanced budget yearly.
3. The city will retain at least 20% of revenue as reserve funding. The reserve funding -- or fund balance -- will remain in the General Fund.
4. Financial Statements will be presented to the City Council at its monthly meeting and/or at a specially called meeting, if appropriate.
5. The City will ensure proper funding for all debts incurred during its budget cycle.

BUDGET SCHEDULE

March

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
					1 Budget Process Begins	2
3	4 Meetings with Departments	5 Meetings with Departments	6	7	8	9 Strategic Planning Session
10	11	12 Department Requests Due	13 Year to Year Comparable Analyzed	14	15	16
17	18	19	20	21	22 Meeting with Administration	23
24/31	25	26	27	28	29	30

Beginning March 1st: The budget process officially begins. During this period, data is collected from the previous year’s budget, surveys are taken, and comments gathered throughout the previous year. Invoices and quotes are requested for respective potential projects from area contractors and businesses.

March 6th-7th: Meetings are scheduled with department supervisors. Needs and requests for each department are discussed.

March 9th: City holds a Strategic Planning Session with the City Council. Council hears from all departments and decides on goals and priorities for the upcoming year.

March 12th: All department requests are due to City Hall.

March 13th-March 21st: Department requests are reviewed, and costs tabulated.

April

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
	1 Budget Construction Begins	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26 Finalization of Budget Numbers	27
28	29	30				

April 1st-May 25th: During this period, much of the budget is constructed by city administration based on prior research and department needs.

April 26th: Final numbers are tabulated utilizing information from all meetings in the previous month.

May

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21 First Reading	22 Budget Publication to Public	23	24	25
26	27	28	29	30	31	

May 21st: First Reading of the budget is conducted.

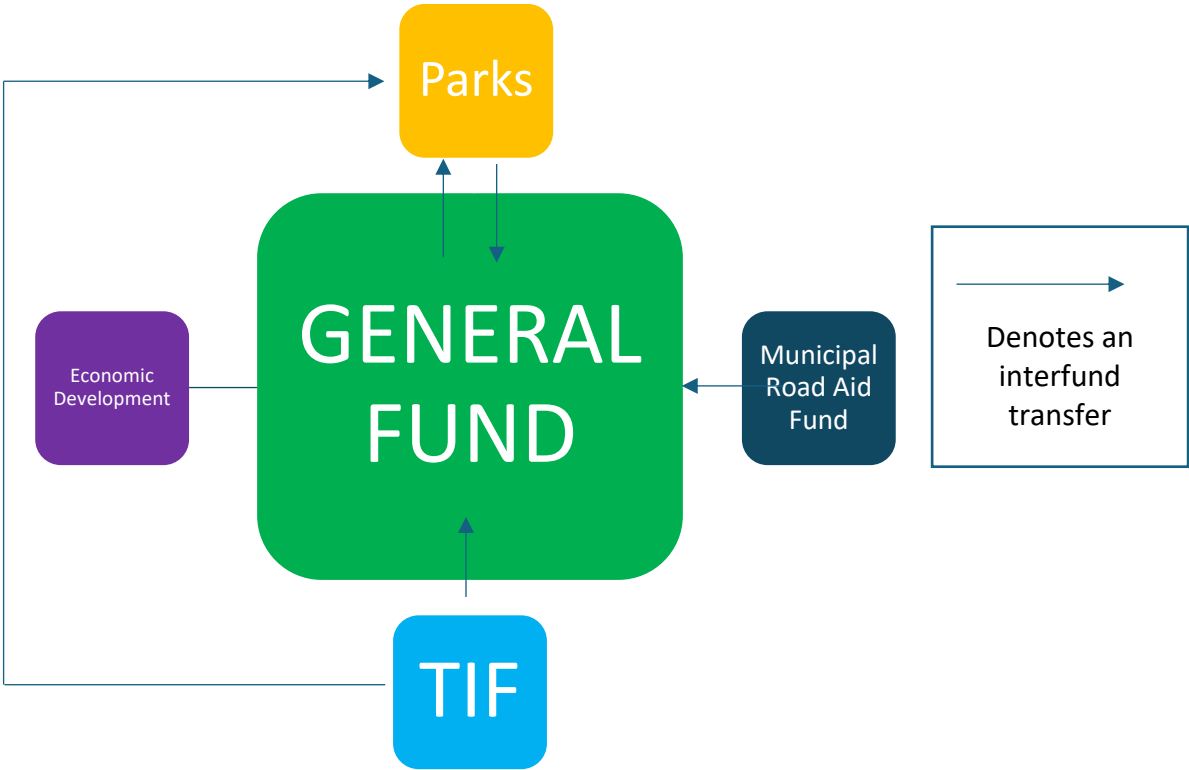
May 22nd: The budget is published online for public view and comment.

June

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
2	3	4	5	6	7	1/8
9	10	11 Second Reading/Budget Approval	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30						

June 11th: Second and final reading of the budget is conducted. Budget period begins July 1, 2024.

FUND DESCRIPTIONS



The following funds are allocated in the budget:

General Fund

The General Fund is the largest of all the City’s funds. This fund is used for general expenses for city operations, commonly referred to as “government spending.” Most revenue is deposited into the general fund, including all occupational fees, insurance premium taxes, and property taxes. Expenses for the general fund include, but are not limited to:

- Insurance
- Payroll
- Retirement and Medical Benefits
- Operating and capital expense
- Administrative Costs
- Police Department
- Fire Department
- Public Works Department
- Code Enforcement Department
- Planning and zoning expenses
- General government expense

The General Fund holds within it several *reserved* funds, meaning these funds can only be spent on specific items or projects. The reserved fund accounts within the General Fund are listed below:

- *Drug Forfeiture Funds*
- *Civic Activities Board Funds*
- *Museum Board Funds*

- *Opioid Settlement Funds*
- *Health Insurance Fund*
- *Brooklyn-Jamestown Fund*
- *Community Garden Fund*

Municipal Road Aid Fund

The Municipal Road Aid (MRA) Fund receives revenues from the Commonwealth of Kentucky's fuel tax and is devoted to the maintenance and repair of streets and sidewalks in the City. The allotment given to each city in the state is calculated based on population. The state's MRA funding, created by KRS 177.365 and KRS 177.366, accounts for 7.7% of the motor vehicle fuel tax for urban roads and streets. The City of Dayton's general fund, utilizing an interfund transfer, receives \$30,000 per year from this fund, this amount partially funds the Public Works Department, which maintains the City's roads, sidewalk, and infrastructure. The City of Dayton will receive approximately \$118,000 from the Commonwealth of Kentucky in fiscal year 2023-24.

Park Fund

The Park fund is utilized to maintain and improve the City of Dayton's Park system. Seven Park and recreational areas are in the city, including Clark Street Park, Gil Lynn Park, Jamestown Park, Monument Park, Riverfront Commons, Sargeant Park, and Vine Street Park. The City of Dayton receives funding for the park fund by assessing a separate property tax in the amount of 50 cents per \$1,000 of assessed property value. An inter-fund transfer is made during the fiscal year from the park fund to the general fund; this funding is devoted to the salaries of Public Works crew members who maintain the general upkeep of the park grounds and capital improvements in these parks.

- *Sargeant Park Trust Account*

Sargeant Park funds are held in a Certificate of Deposit at the City's banking institution. These funds are held at a steady \$30,000. This amount of funding is maintained pursuant to an agreement between the City and the donor of the land now known as Sargeant Park, which is located on Dayton's southern edge, adjacent to Fort Thomas and Bellevue. The interest received by the certificate of deposit can be utilized to maintain Sargeant Park; however, there are no plans to use these funds during the fiscal year 2024-25. All maintenance of the park grounds has been primarily funded by the Park Fund and/or funding from the American Rescue Plan Act (ARPA). These funds are accounted for in the larger Park Fund.

TIF Fund

1. Grant Park Account

The Grant Park TIF Fund is a tax-increment financing fund devoted to paying off a bond issued for the public infrastructure improvements in the Grant Park subdivision on the south side of the City of Dayton. Formerly a component of the general fund, in this year's budget, the City separated these revenues and created a new specific fund for TIF accounts. Currently, 75% of property taxes received by the City from the residential properties in Grant Park are allocated to this fund, the remaining 25% is allocated to the general fund of the city. The general fund first receives the funds, they then are transferred to the Grant Park TIF Fund utilizing an inter-fund transfer. Most of the remaining funds in the TIF account are used to pay off the public infrastructure bond issue. The bond will be paid off in 2038; thereafter, the City of Dayton will receive 100% of all property tax revenues generated by these properties.

2. *Manhattan Harbor Account*

The Manhattan Harbor TIF Fund is a tax-increment financing fund devoted to paying for the development costs associated with public infrastructure put in place during the development of the Manhattan Harbor development area on the north side of the City of Dayton. Formerly a part of the general fund, in this budget year, the City separated these revenues and created a new fund. Currently, 80% of the property tax, occupational tax, and other taxes are allocated to this fund, with the remaining 20% being allocated to the general fund of the city. The fund is utilized for the development of public infrastructure in the Manhattan Harbor development area, including installation of sewers, water, gas, electric, and other utilities, creating and paving of roads and sidewalks and other public infrastructure. This TIF arrangement will end in 2043; thereafter, the City of Dayton will receive 100% of the tax revenue generated by these properties.

3. *Pottebaum Point Account*

Economic Development Fund

Generally, the Economic Development fund has been used to create and maintain the Dayton Business Assistance Grant (DBA) program and other economic development projects in the city. The DBA grants assist entrepreneurs and new businesses with façade improvements, rental assistance, funding devoted to updating signage. In recent years, the City has utilized this fund to purchase and/or demolish vacant and abandoned properties.

This upcoming fiscal year, the city is proposing to add a Commercial Conversion Grant to the mix, allotting funding toward the conversion of residential apartments on the first floor to commercial storefronts on 6th Avenue.

HISTORICAL BACKGROUND

Incorporated in 1867 when two separate communities — Brooklyn and Jamestown — were merged, Dayton, Kentucky is a historic community on the Ohio River directly across from Cincinnati, Ohio. A walkable community of about two square miles, the city was served as the eastern “end of the line” of the Northern Kentucky streetcar system. Dayton is just three miles from Fountain Square in downtown Cincinnati and is conveniently located on Ky. 8 near I-471 and the cities of Bellevue, Newport, Covington, and Fort Thomas.

Celebrating its past while embracing its promise of a bright future, Dayton is seeing a surge of new housing and commercial developments that are reconnecting the city to the Ohio River and bringing a renewed vibrancy to the city.

The city offers a diversity of housing, neighborhoods, businesses, and parks. No matter your taste in homes or your station in life, Dayton has a home for you — from historic homes and condominiums on the hills overlooking the Ohio River to more contemporary housing, such as large, suburban homes in the city’s Grant Park subdivision or luxury homes and multi-family developments like Manhattan on the River and Gateway Flats perched along the banks of the river. Dayton also offers affordable homes for first-time homebuyers and young couples looking to start a family.

Dayton Independent Schools has earned the Kentucky Department of Education’s highest rating: Distinguished School District. Lincoln Elementary School has 650 students and approximately 350 students attend Dayton Middle/High School.

Restaurants and catering businesses, entertainment, and event centers, recording studios, retail outlets, and professional offices, including financial and medical services, are found on Sixth Avenue in the city’s Central Business District. Several industries operate in the city’s industrial park and three marinas are located in the city.

The city maintains six public parks, including a vast trail system that includes Riverfront Commons along the river and Sergeant Park in south Dayton on Covert Run Pike.



ECONOMIC INDICATORS

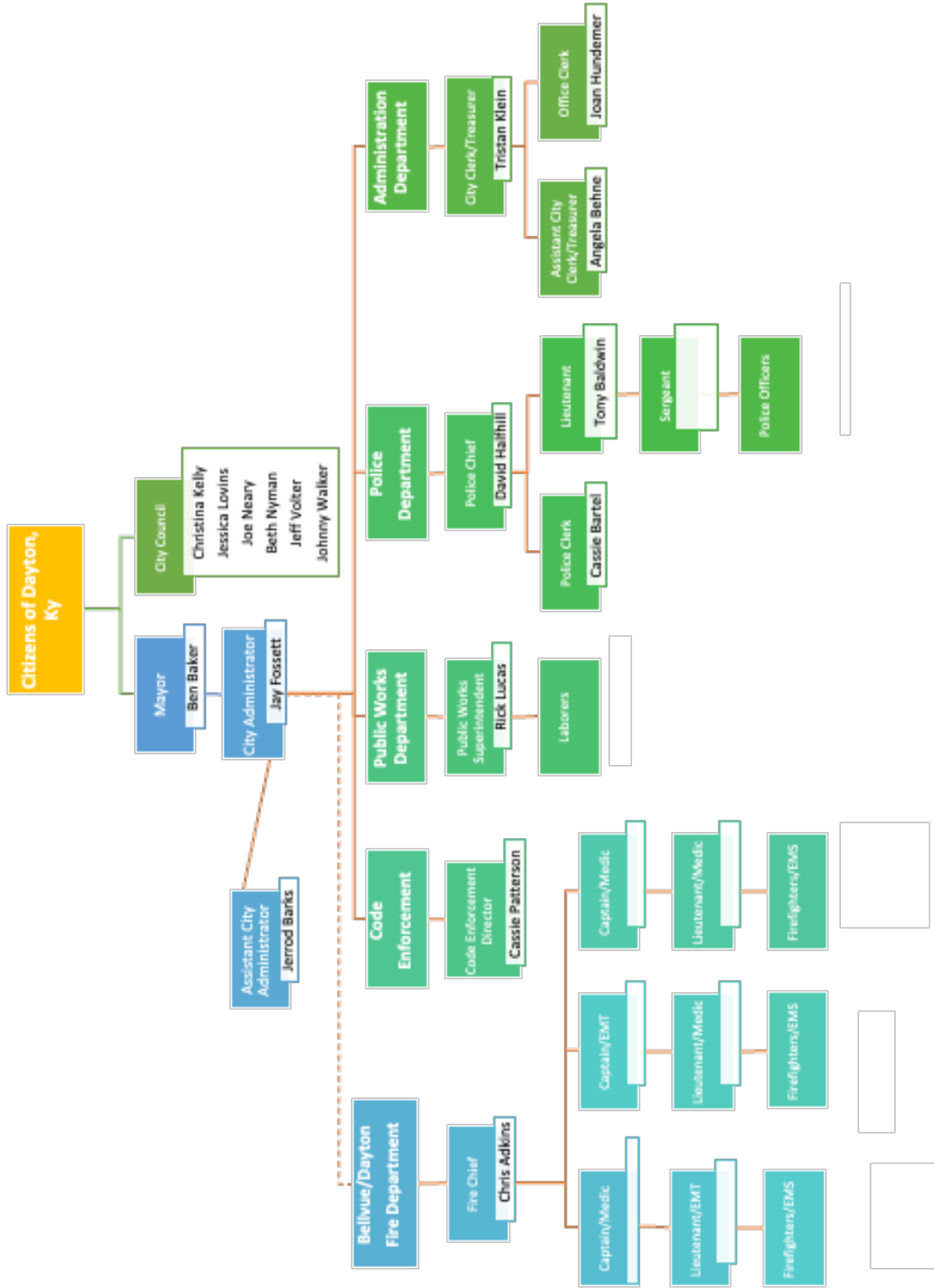
Personal Income of City Jurisdiction Labor Force by Calendar Year

2014	\$25,953,700
2015	\$26,155,455
2016	\$25,805,250
2017	\$25,494,585
2018	\$24,867,824
2019	\$25,800,789
2020	\$25,855,057
2021	\$27,211,623
2022	\$36,087,310
2023	\$50,171,080

Top Employers (Fiscal Year 2022)

Employer Name	# of Employees
Dayton Board of Education	234
TQ Contractors	43
Active Radiator Supply	31
Riverside 4 Enterprises	30
Metal Solutions	27
Fastemp	27
Hansmans Market	25
City of Dayton	25
Boruske Brothers	20
Bellevue/Dayton Fire Department	20

CITY ORGANIZATIONAL CHART



CITY COUNCIL GOALS

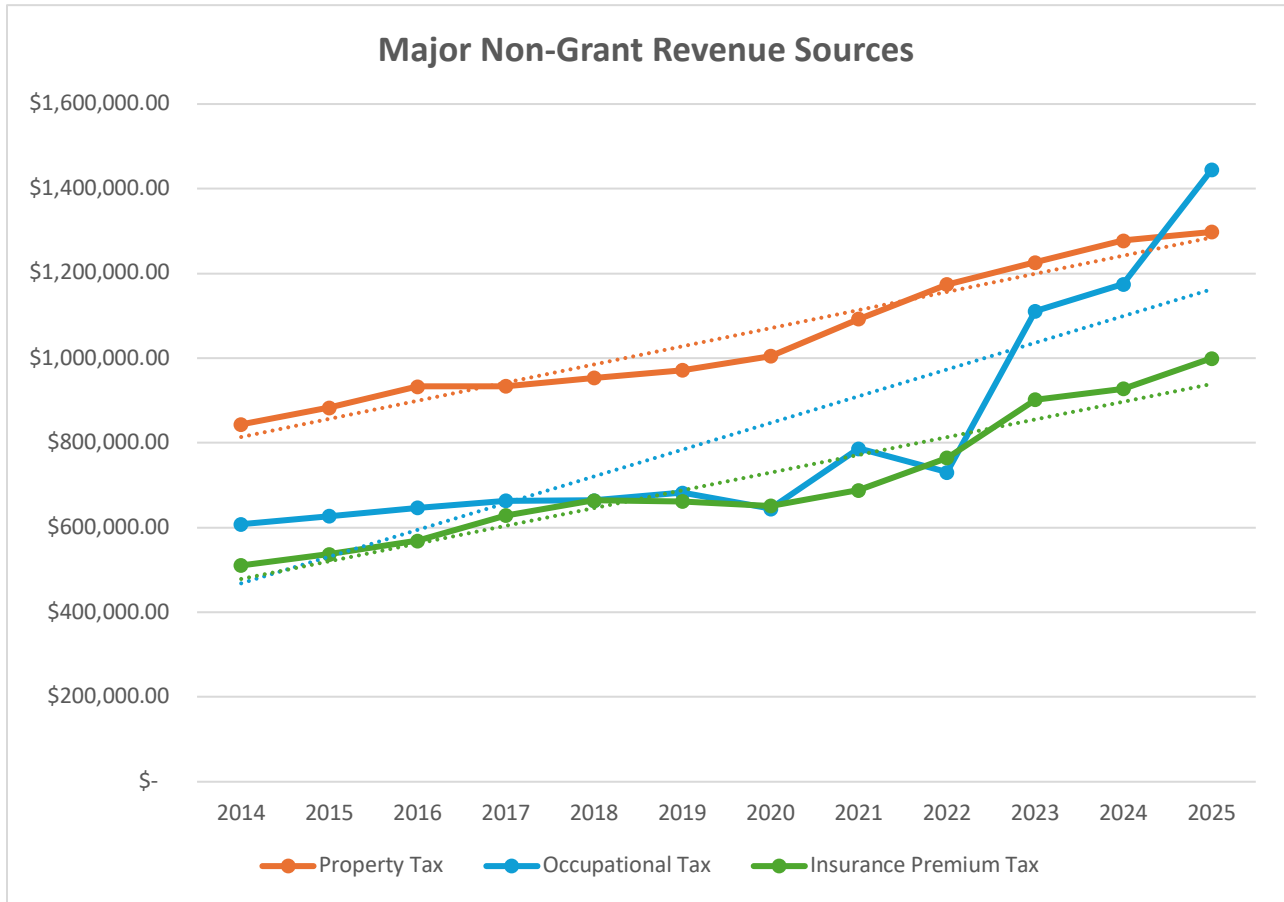
The City Council of the City of Dayton met on March 9, 2024, for a strategic planning session at the then under construction Community and Meeting Center. After presentations by all city departments, the council voted, utilizing a point system, for the following priorities and goals for the City:

Rank	Proposed city project, program, or initiative	Votes
1	Formalize agreement with Dayton School system to share maintenance costs at Gil Lynn Park.	27
2	Design and build a new City Building	26
3	Design and build a new Public Works Building	22
4	Incentivize sidewalk maintenance, i.e., sidewalk repair grant program	18
5	Low-interest loan repair fund program for owner-occupied, low-to-moderate income homeowners.	15
6	Continue emphasis on addressing blight and updating city appearance	14
7	Promote and support the city's small businesses	14
8	Completion of Dayton Pike Sidewalk (Phase II)	13
9	Create incentive program to convert first-floor residential property in CBD into commercial space	11
10	Competitive pay for first responders	11
11	Install new playground equipment at Gil Lynn Park	10
12	Increase home ownership in the city	10
13	Improve walkability and bike-ability in the city	10
14	Improve city gateways/entrances	8



CITY REVENUES

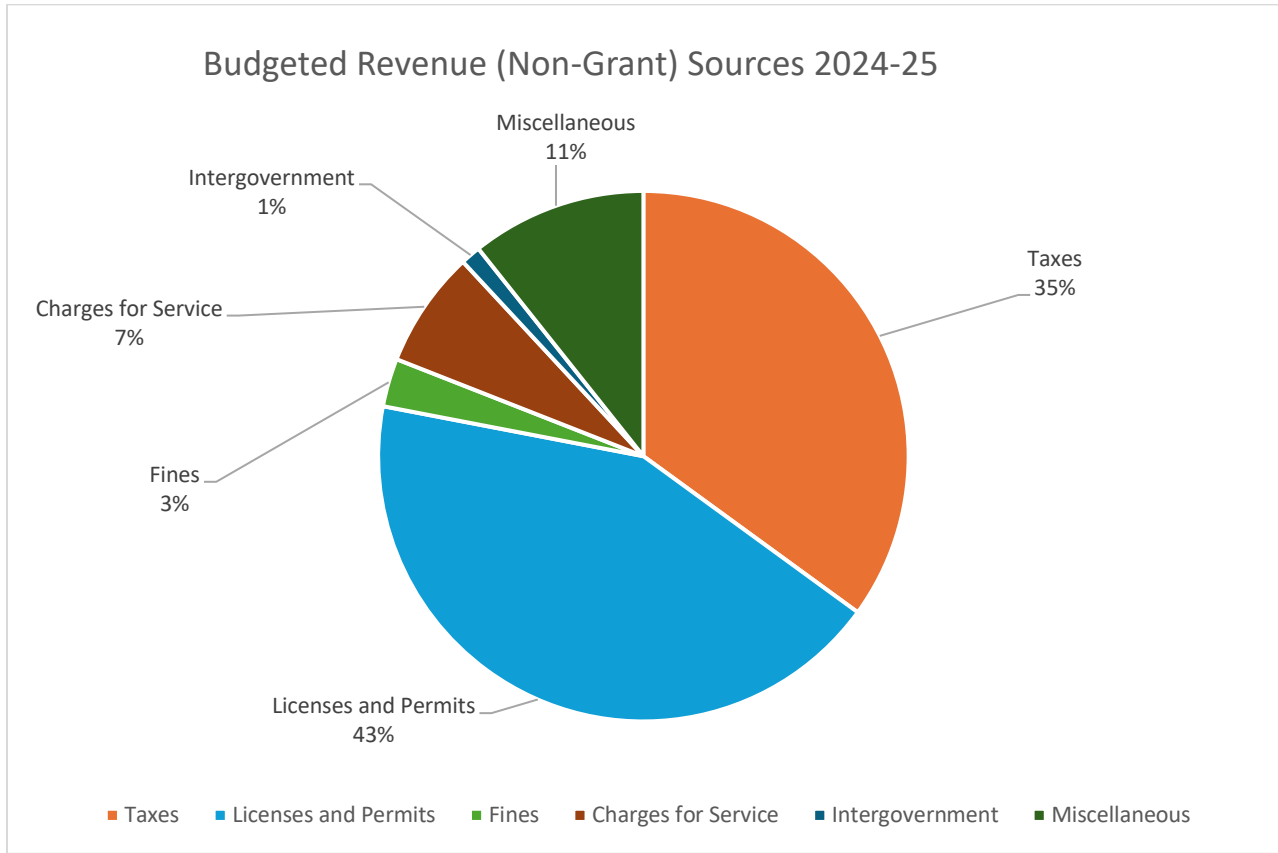
REVENUES OVERVIEW



Above: The data above shows the growing revenues of the City in its three largest revenue streams. Utilizing this information, we can see that revenues are increasing in these categories year-over-year and trend lines show that we can expect continued growth in the years ahead. New interest in homeownership and entrepreneurial opportunities in the community also support this trend.

To add transparency to the city’s budget, staff separated out revenue sources from the general fund in fiscal year 2022. Separation of these funds provides a clearer picture of the actual funds devoted to these specific projects while also creating a more easily understood fund balance in the general fund on a yearly basis. Secondly, line items in the general fund have been shifted into better suited fields. This change will also affect the ability of readers to compare this budget to past year’s budgets; this change was needed to portray the City’s true revenues more accurately.

MAJOR REVENUE DESCRIPTIONS (Excluding Grant and Federal Funding)



Property Tax- 22% OF REVENUE

With the limited amount of space available for business and industry when compared to neighboring river cities, Dayton relies heavily upon its property tax revenue (in green on page 23). In previous years, this category was the highest revenue stream for the City of Dayton. As shown on page 23, property tax revenue has increased year after year. This trend is expected to continue as more interest grows in Dayton residential and commercial properties and the continued growth of the TIF districts, including Manhattan Harbor, Grant Park, and the Pottebaum Point (Red Knot) homes.

Insurance Premium Tax- 20% OF REVENUE

The City of Dayton currently requires the payment of an 11% surcharge to insurance line items, excluding health and life insurances. This is higher than other river cities; however, other river cities, including Bellevue, charge a tax for (10% across line items) health and life insurance included. Like property tax, the revenues for this line item have increased yearly, so this trend is expected to continue in future years.

Occupational/Payroll License- 29% OF REVENUE

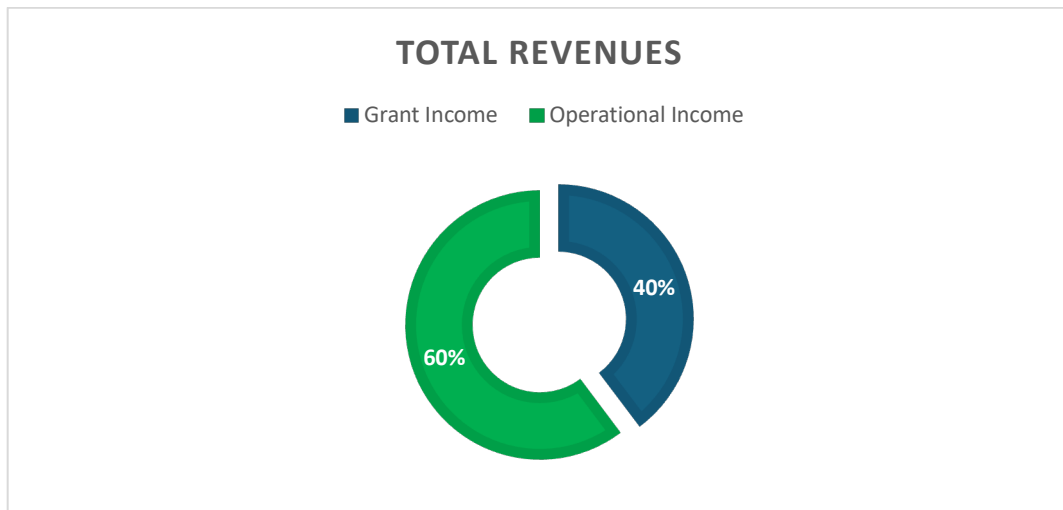
Occupational and payroll account for the highest of the largest three revenue streams in the city. Currently, the city has a step/grade net profit fee schedule. Payroll taxes are charged at 2.5% of payroll earnings in Dayton. The occupational rate at 2.5% compares with the rates charged by similar cities (Bellevue, Newport, and Covington) in the region.

EXPECTED GRANT REVENUES

Grant Name	Total Project	Grant Award	Grant Percentage	Issuing Agency
Riverfront Levee Wall Trail*	\$742,500	\$594,000	80%	KYTC
Riverfront Commons Phase II	\$1,123,500	\$898,800	80%	KYTC
Riverfront Commons Phase II (OKI Grant)	\$714,000	\$571,200	80%	OKI
Riverfront Commons Phase III	\$946,500	\$757,200	80%	KYTC
Dayton Pike Sidewalk Phase II	\$325,900	\$260,720	80%	KYTC
TAP/TANK Grant	\$155,000	\$124,000	80%	KYTC
Urban Forestry Grant*	\$67,340	\$67,340	100%	KY Div of Forestry
TOTAL:	\$4,074,740	\$3,273,260		

*Projects pending approval.

TOTAL REVENUES



Above: Total Revenues consist of operational (non-grant) and grant funds. Grant funds comprise 40% of the City's total revenues in the amount of \$3,273,260.00. Operational funds account for 60% of revenues at \$4,961,650.

REVENUE SCHEDULES

General Fund Revenues	2022-23 Budget	2023-24 Budget	YTD Actual Balance*	2024-25 Proposed
Taxes	1,790,000	1,640,000.00	1,801,724.84	2,040,000*
Licenses and permits	1,749,150	2,077,200.00	2,473,102.66	2,505,200
Intergovernmental	131,304	71,000.00	74,700.87	71,000
Fines and Penalties	63,150	80,650.00	240,690.53	\$171,200
Charges for Services	409,800	431,600.00	409,890.27	415,500
Miscellaneous	91,300	110,900.00	259,271.38	622,750*
Grant Restricted	3,335,928.60	3,303,120.00	65,700	3,273,260
Interest	1,500	30,000.00	34,980.02	30,000
Grand Totals	\$7,572,132.60	7,744,470.00	5,360,060.57	9,128,910

Municipal Road Aid Revenues	2022-23 Budget	2023-24 Budget	YTD Actual Balance	2024-25 Proposed
Intergovernmental	\$118,000	118,000	104,595	118,000
Interest	\$150	2,500	463.28	500
Grand Totals:	\$118,150	120,500	105,058.28	18,500

Park Fund Revenues	2022-23 Budget	2023-24 Budget	YTD Actual Balance	2024-25 Proposed
Property Tax	\$130,000	135,000	299,263.54	140,000
Other	\$400	400.00	800.77	400
Interest	\$75	1,000.00	1,250.34	1,000
Recreation Trail Grant	\$72,000	72,000.00	--	72,000
Grand Totals:	\$202,475	208,400.00	301,314.65	213,400

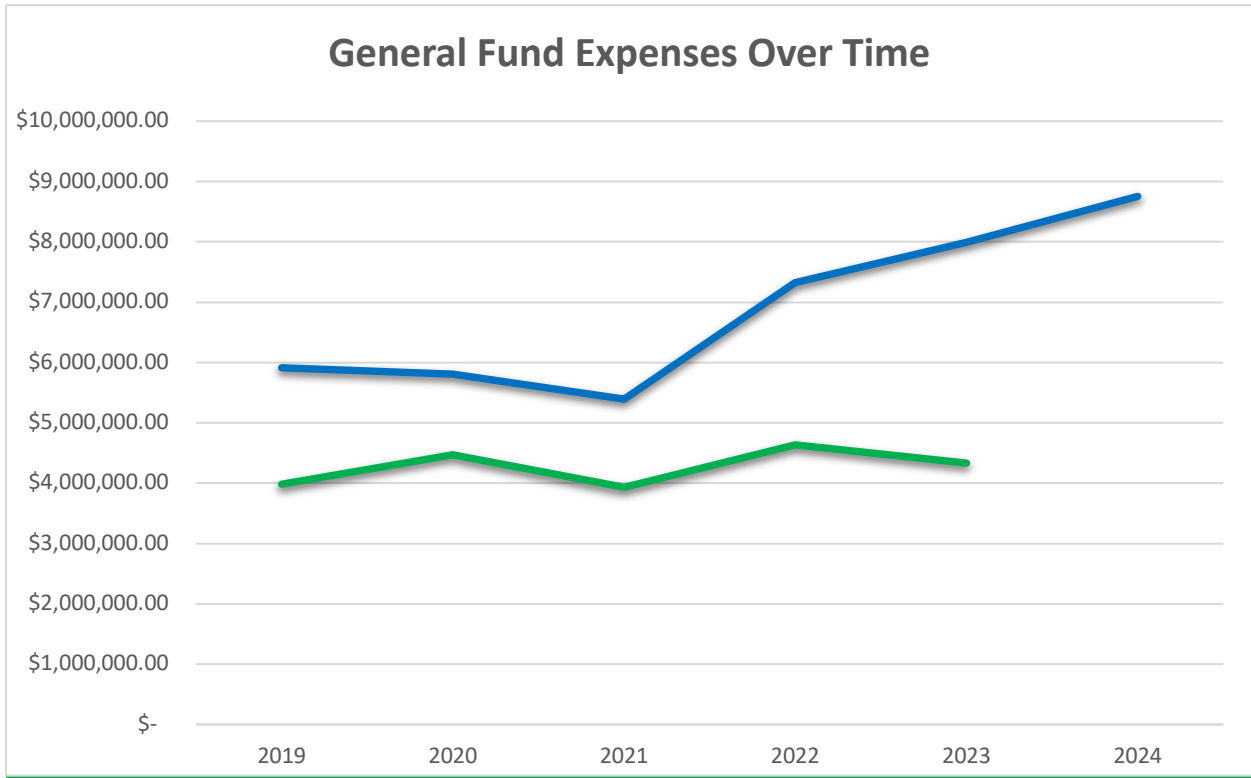
TIF Revenues	2022-23 Budget	2023-24 Budget	YTD Actual Balance	2024-25 Proposed
Taxes	\$377,200	650,000	741,830.60	750,000
Interest	\$250	10,000	7,707.16	6,000
Grand Totals:	\$377,450	660,000	749,537.76	756,000

Economic Development Revenues	2022-23 Budget	2023-24 Budget	YTD Actual Balance	2024-25 Proposed
Interest Revenue	\$200	\$8,000	8,837.90	7,000
Other Income:	--	--	37,642.37	--
Grand Totals:	\$200	\$8,000	46,480.207	7,000



CITY EXPENDITURES

EXPENDITURES OVERVIEW

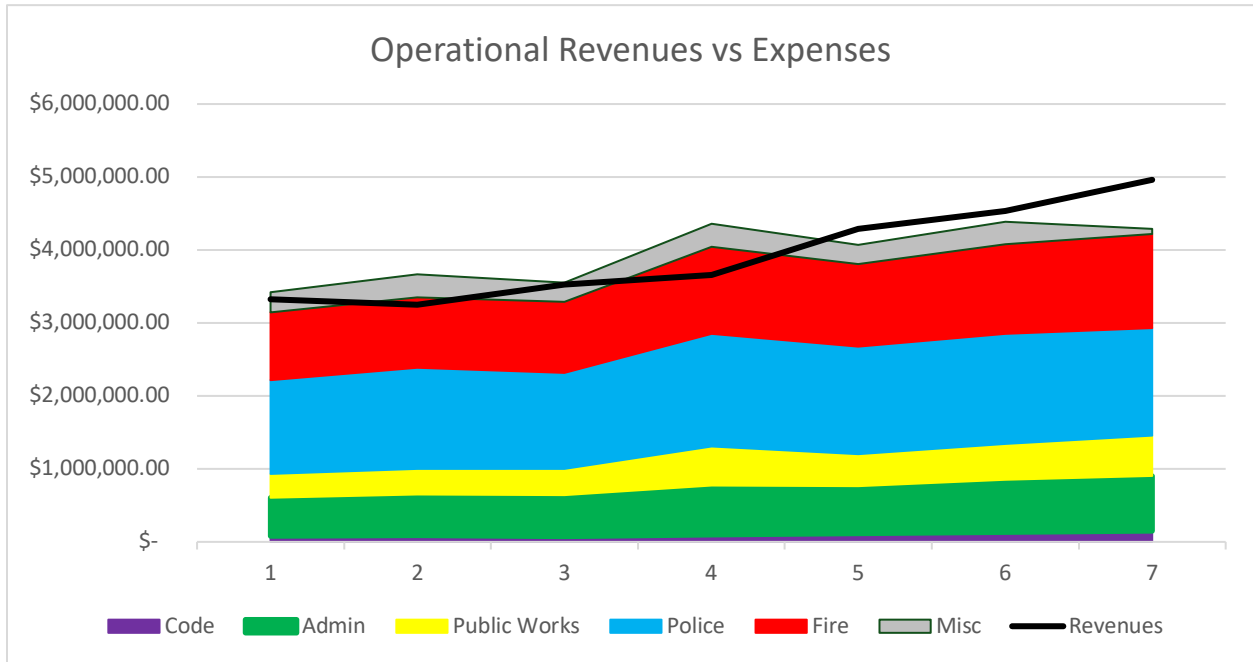


Shown above: A chart comparing the budgeted expenses by year (blue line) compared to actual expenses (green line). 2023 and 2024 actuals were not available at the time of this publication.

Historically, over the last several years, the City of Dayton has budgeted more in expenses than it has spent (shown above). This is largely because the city has had several pending grants that have been budgeted for but were delayed over multiple years. The city has allocated funds for these grants year after year but has not spent them due to the project or approvals being delayed.

For fiscal year 2025, it is likely that many of these grants will be completed or, at the least, started. This construction boom will limit the discrepancy between budgeted and actuals in future budgets, or at the very least limit the discrepancy. The city’s finances remain in good standing due to its large fund balance. This large fund balance allows for multiple capital spending projects, many of them without the help of grant funding. This shows the growing strength of the city’s budgeting practices and available funds to fulfill these projects.

OPERATIONAL EXPENSES



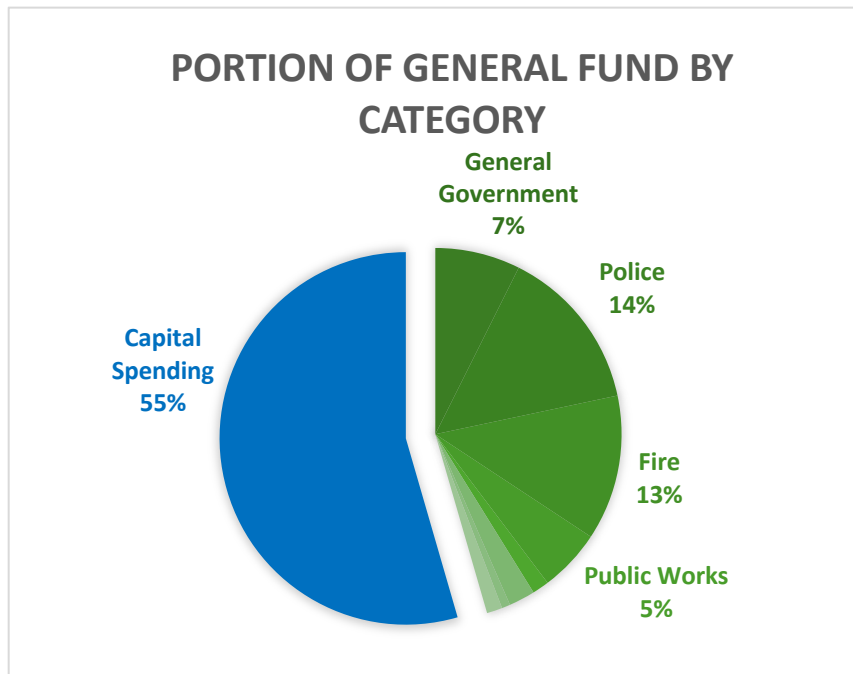
The City of Dayton defines “operational expenses” as those expenses that are required for the day-to-day operations of the city. Examples of operational expenses are supplies, employee salaries and benefits, equipment maintenance, fuel for vehicles, insurance, utility bills, etc. The graph above shows the operational expenses compared to the revenues of the city (revenues in this case do not include grant funding or one-time revenues) over the past seven years.

As shown above, the City of Dayton has operated by budgeting more in expenses than in revenues in the past in various amounts. The driver of this discrepancy has historically been the increase of employee salaries and the corresponding CERS contribution increases year-over-year. To operate in the long term, the City should increase revenues or lower expenses in future years. Fortunately, during fiscal years 2023 up to this current budget, the City has changed this trend and is now operating within its means. This practice should be continued for future solvency.

GENERAL FUND EXPENDITURES

General Fund Category	2022-23 Budget	2023-24 Budget	YTD Actual Balance*	2024-25 Proposed
General Government	\$655,050.59	\$703,364.40	738,1653.04	753,950
Police	\$1,476,389.57	\$1,536,659.72	1,285,470.40	1,476,400
Fire	\$1,173,871.79	\$1,230,559.95	1,230,559.95	1,285,690
Public Works	\$435,094.56	\$494,027.60	385,450.17	553,350
Code Enforcement	\$110,523.40	\$136,609.20	110,596.71	148,650
Waste Collection	\$232,000	\$232,000	199,042.95	232,000
Miscellaneous	\$360,250	\$248,250	250,462.47	74,750
Professional Services	\$67,000	\$92,300	68,511.01	137,500**
Capital Spending	\$3,333,777	4,280,290.00	425,516.25	5,557,240**
Grand Totals	\$7,995,956.91	\$8,754,060.87	4,686,366.23	10,219,530

**Expenditures greater than 10% increase from the previous Budget Cycle



CAPITAL INVESTMENT PLAN

The centerpiece of this budget is the Capital Investment Plan (CIP). As shown in the chart on page 31, capital spending accounts for 55% of the City of Dayton’s budget for fiscal year 2025. This amount includes federal grant funds and City funds.

Police Vehicles: \$65,000 (\$30,480 additional)

The City of Dayton Police Department will be utilizing these funds to purchase a police vehicle. For this coming fiscal year, the police will be adding two patrol SUVs and an administrative SUV. This will increase their leased vehicles to a total of six. These vehicles will be leased for 5 years.

Public Works Vehicle: \$22,200

The City of Dayton Public Works Department will be utilizing these funds to purchase a new truck. This truck will be equipped with a dump bed and snowplow hookup. This vehicle will be purchased with a 5-year lease.

Code Enforcement Vehicle: \$7,800

The City of Dayton Code Enforcement Department will be utilizing these funds to purchase a vehicle for the Code Enforcement Director position. The vehicle will be a small 4-door truck that can be utilized in the patrolling of the city. This vehicle will be leased for 5-years. The inspector position will inherit an SUV from the police department.

City Bonded Projects: \$1,300,000 (Year 1 of 30)

The long-awaited City Building project and other buildings will be a priority for fiscal year 2025. The City will be completing their due diligence on choosing the site and architecture of a new city building. The Public Works Garage will also be replaced in this plan. The current public works garage is in structural disrepair and would take significant investment to correct issues. The following numbers are an estimate and may not affect the true cost of the project.

- Public Works Building (Bonded Project): ~\$750,000
- New City Hall Building (Bonded Project): ~\$4,500,000
- Rehab current City Hall Building for Police Department Use (Bonded Project): ~\$250,000
- Misc./Contingency Fund (Bonded Project): ~\$400,000

The City will be receiving an approximate \$500,000 in 2025 from the Manhattan Harbour Development as part of the original agreement of the TIF District. The remaining \$500,000 of a \$1,000,000 down payment would consist of City funds. A yearly payment of approximately \$300,000 would be needed in future budgets to pay this debt down over a period of approximately 30 years. The City does expect to receive additional funds from the developer that would go toward this payment in future years, lowering the overall burden on the City’s General Fund and operational budget.

Based on current projections, the City can handle this bond payment in subsequent budgets.

Capital Spending -- Grant Match

Grant Name	Total Project	Grant Award	Grant Percentage	Local Match	Local Percentage
Riverfront Levee Wall Trail**	\$742,500	\$594,000	80%	\$140,100	20%
Riverfront Commons Phase II (KYTC Grant)	\$1,123,500	\$898,800	80%	\$224,700	20%
Riverfront Commons Phase II (OKI Grant)	714,000	\$571,200	80%	\$142,800	20%
Riverfront Commons Phase III	\$946,500	\$757,200	80%	\$189,300	20%
Dayton Pike Sidewalk Phase II	\$325,900	\$260,720	80%	\$65,180	20%
TAP/TANK Grant	\$155,000	\$124,000	80%	\$31,000	20%
Urban Forestry Grant**	\$67,340	67,340	100%	\$0	0%
TOTAL:	\$4,128,900	\$3,273,260	80%	\$825,780	20%

Above: A table showing the grants currently offered to or pending with the City of Dayton.

Riverfront Levee Wall Trail: \$724,500 total cost with 20% (\$140,100) match

In 2022, the City of Dayton applied for a TAP (Transportation Alternatives Program) grant to widen and repave the upper Riverfront Commons trail on top of the levee. The current trail is about 25 years old, is narrow, is not ADA capable, and has degraded over time. This grant is pending with Kentucky Transportation Cabinet; however, the city must commit the funds in case this project is awarded.

Riverfront Commons Phase II (KYTC): \$1,123,500 with 20% (\$224,700) match

The construction and completion of the Riverfront Commons Phase II project is expected in fiscal year 2023-24. This newly constructed 10-foot concrete sidewalk along the banks of the Ohio River will join with the trail surface already constructed during Phase I of the project. This project has met delays due to construction bids being higher than originally planned.

Riverfront Commons Phase II (OKI): \$714,000 with 20% (\$142,800) match

Due to the additional costs detailed above for the Riverfront Commons Phase II project, the City applied for supplemental funds from OKI. The City was subsequently awarded the funds needed, allowing the work to move forward in FY 2025.

Riverfront Commons Phase III: \$946,500 total cost with 20% (\$224,700) match

This will be the next phase of the Riverfront Commons project building an Eastern portion of the walking and biking surface along the Ohio River in Dayton, as part of the larger, multi-city project. When completed, the sidewalk will span from O’Fallon Ave on Dayton’s west to 6th Ave on Dayton’s east side, with the possibility of continuing east along Mary Ingles Highway to Fort Thomas.

Dayton Pike Sidewalk Phase II: \$325,900 total cost with 20% (\$65,180) match

The City of Dayton will continue to construct ADA-compliant sidewalks from the intersection of Dayton Pike and Chateau Drive through the remaining portion of Dayton Pike to the city limits, where the sidewalk will join the sidewalk that the City of Fort Thomas completed in 2021.

TAP/TANK Grant: \$155,000 total cost with 20% (\$31,000) match

The City of Dayton filed a TAP grant in 2017 that would provide for amenities along the TANK route and bus stops. These amenities include benches, trash cans and shelters. The City of Dayton is currently working with TANK to work out details needed to move further.

NOTABLE GENERAL FUND SPENDING

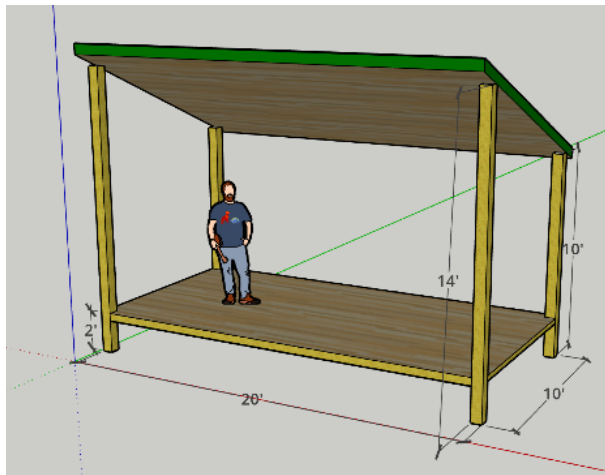
Public Works Seasonal Employees

The City of Dayton is devoting funds to the Public Works Department to hire two seasonal employees for the Summer of 2024. In previous years, the PW department utilized a contract with Campbell County Jail for extra labor. During, and subsequently after, the COVID-19 pandemic, this source of labor is no longer available. In the years since, the City has hired one additional full-time staff member, however, additional staff are needed, particularly in warmer seasons.

City Board Funding: \$4,500

Volunteer Boards assist the City in many of its projects, like year’s past, the city will be allotting funds for board to assist them in their work in the upcoming fiscal year. The Museum Board will receive more as they are responsible for the care and upkeep of the Dayton Heritage Museum Building. The Park Board is funded by property taxes and is not included in this list.

- Civic Board- \$1,000
- Museum Board- \$2,500
- Main Street Board- \$1,000



Monument Park Stage: \$20,000

The City of Dayton is devoting \$20,000 toward the construction of a small, covered stage, to be located in Monument Park. This site is utilized by City Events, such as the Memorial Day program, Veteran’s Day Program, Final Fridays, and more. This stage can be utilized for these events and by the community at-large. The stage will be ADA accessible and will have electrical outlets installed for bands.

Pictured left: A potential design for the stage at Monument Park.

Community Garden Funding: \$1,000

The City of Dayton has two Community Gardens, to add new amenities to these spaces, the City has devoted \$1,000 toward needed improvements. City staff will be working alongside community garden members to decide what improvements are needed in the coming months. The gardens are located at 1106 3rd Avenue and 1119 4th Avenue. The 4th Avenue location is currently not available to the community as of yet.

Clerk’s Office Equipment and Software: \$7,500

The City Clerk’s Office will be purchasing an automated stamp machine and software that will allow them to take online payments. Both improvements are expected to lower the amount of staff time devoted to mailing and taking payments from customers.

City Sidewalk Grant Allotment: \$50,000

The City of Dayton is bringing back its popular grant program for homeowners. The City will offer grants up to \$2,500 toward the improvement/installation of sidewalks contiguous to properties. The grant will be a 50/50 match up to \$2,500. The City will have 20 grants available in FY 2025.

City Parking Pad Grant Allotment: \$10,000

The City will also be bringing back its popular parking pad grant program. Like the sidewalk grant, this fund is only for homeowners (landlords or commercial properties are not eligible). The City will have 10 \$1,000 grants available. This is a 50/50 matching grant.

Community Betterment Fund: \$30,000

The City is committing \$30,000 toward the Community Betterment Fund. Community Betterment funds Final Friday and other events the city hosts for economic development.



NON-MAJOR FUND EXPENDITURES

Non-major funds	2022-23 Budget	2023-24 Budget	YTD Actual Balance	2024-25 Proposed
Municipal Road Aid Fund	\$239,000	\$80,000	120,712.71	108,500
Parks	\$225,500	\$235,500	108,648.48	400,500
TIF	\$280,000	\$716,000	\$1,045,939.50	800,000
Economic Development	185,000	\$185,000	\$108,502.83	50,000

PARK FUND CAPITAL EXPENDITURES

Recreational Trail Grant: \$98,000

The City of Dayton received a Recreational Trail Grant from the Department of Local Government in 2021. The grant funds trail creation and maintenance, bulletin boards, signage, benches, and trash cans for Sargeant Park in the amount of \$110,000. This grant requires a local match of \$22,000, with the remaining \$88,000 being funded by the federal government.



Photo above: Volunteers planting trees in Sargeant Park in Dayton, Ky.

Dog Park and Pickleball Court Complex: \$100,000 (Estimate)

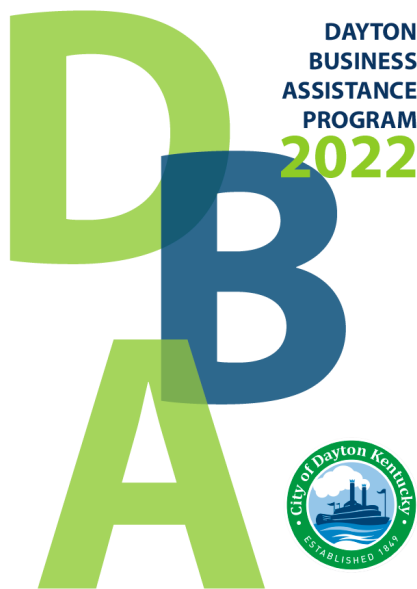
The City of Dayton is considering the construction of a dog park and pickleball court complex on the western side of the Dayton Community Center located at 625 2nd Avenue. This project is anticipated to be completed within the next 12 months.

Park Upgrades: \$125,000

The Park Fund receives its budget from a special assessment on property tax bills. This upcoming fiscal year, the City of Dayton will have an additional \$125,000 that can be spent on park upgrades and capital improvement projects. The City of Dayton staff work alongside the City's Park Board, made up of residents, to decide how these funds are spent. Emphasis will be placed on the acquisition and installation of new playground equipment at Gil Lynn Park pending discussions with Dayton Independent School System.

ECONOMIC DEVELOPMENT FUND NOTABLE SPENDING

Dayton Business Assistance Program Funds: \$50,000



Dayton will continue to fund the successful Dayton Business Assistance (DBA) Grant Program for another year. Currently, there are two recipients of rental-abatement grants. The allotted \$50,000 will ensure the program is well funded for individuals who apply in the next fiscal year.

For more information visit: <https://daytonky.com/dba/>

Left: The cover image of the DBA program booklet



FUND BALANCE

FUND BALANCE

Ending Fund Balances by Fiscal Year

FUND	2022	2023	2024 (Estimate)*	2025 (Estimate)
General Fund	2,100,000*	2,400,000	2,750,000	1,659,380
Municipal Road Aid	180,000*	115,000	0	10,000
Park Fund	115,000*	60,100	235,000	47,900
TIF	580,000*	900,000	800,000	806,000
Economic Development	610,000*	500,000	450,000	401,000

*Expected Fund Balance at the conclusion of the 2023-24 Fiscal Year.

Expected Fund Balance for Fiscal Year 2023-24

FUND	Beginning (estimated)	Increase/(Decrease)	Percentage Change	Ending (estimated)
General Fund	2,750,000	(1,090,620)	-40%	1,659,380
Municipal Road Aid	0	10,000	+100%	10,000
Park Fund	235,000	(187,100)	-80%	47,900
TIF	800,000	6,000	0.75%	806,000
Economic Development	450,000	(49,000)	-11%	401,000