

Fiscal Year 2020 Finance and Economic Development Budget Link

Chair, Fifth District Councilmember Bill Farmer, Jr.

Vice Mayor Steve Kay

At-Large Councilmember Richard Moloney,

May 28, 2019



LEXINGTON



Link Departments, Divisions and Partner Agencies

- **Finance**
 - Accounting
 - Budgeting
 - Central Purchasing
 - Commissioner of Finance
 - Revenue

- **Chief Development Officer**

- **Partner Agencies**
 - Commerce Lexington
 - Lexington Center Corporation
 - SCORE
 - Bluegrass Area Development District
 - Lyric Theatre
 - World Trade Center
 - Downtown Arts Center
 - Human Rights Commission
 - LexArts
 - VisitLEX
 - Downtown Lexington Partnership



Division of Accounting

- FY19 Adopted Budget: \$1,698,342
- FY20 MPB: \$1,541,468
- Highlights
 - One recently-vacated position of Administrative Specialist will be not be filled in FY20.
- Recommendations
 - Accept the Mayor's budget as proposed.



Division of Budgeting

- FY19 Adopted Budget: \$577,316
- FY20 MPB: \$510,769
- Highlights
 - Not filling vacant positions; MPB funds five positions.
- Recommendations
 - Accept the Mayor's budget as proposed.



Division of Central Purchasing

- FY19 Adopted Budget: \$803,184
- FY20 MPB: \$822,869
- Highlights
 - Possible distribution of Senior Buyer as it relates to Water Quality and the EPA Consent Decree.
- Recommendations
 - Accept the Mayor's budget as proposed.



Commissioner of Finance

- FY19 Adopted Budget: \$2,766,693
- FY20 MPB: \$2,691,534
- Recommendations
 - Accept the Mayor's budget as proposed.



Division of Revenue

- FY19 Adopted Budget: \$6,434,319
- FY20 MPB: \$5,874,431
- Recommendations
 - Accept the Mayor's budget as proposed.



Chief Development Officer

- FY19 Adopted Budget: \$1,330,375
- FY20 MPB: \$900,846
- Recommendations
 - In the link for the Chief Development Officer, a possible change was discussed to have the Workforce Development Grants use what is currently the Jobs Fund as their “home” fund. The net impact of this change would be \$0.
 - Fund 1144 be renamed as the “Lexington Economic Development Fund” from the “Lexington JOBS Fund.”
 - \$200,000 which is budgeted for the Workforce Development Grant Program in the General Fund as “Assistance-Economic Development” be instead budgeted as a transfer from the General Fund to the Lexington Economic Development Fund.
 - A budget of \$200,000 to be established for “Assistance-Economic Development” under the account string 1144-136102-1362-78103.



Commerce Lexington

- FY19 Adopted Budget: \$457,000
- FY20 MPB: \$388,450
- **Recommendations**
 - Accept the Mayor's budget as proposed.



Lexington Center Corporation

- FY19 Adopted Budget: \$0
- FY20 MPB: \$0
- **Recommendations**
 - Accept the Mayor's budget as proposed.



SCORE

- FY19 Adopted Budget: \$0
- FY20 MPB: \$0
- Highlights
 - Effective mission carried out directly could benefit from possible LFUCG funding. Future guidance would be needed for that opportunity.
- Recommendations
 - Accept the Mayor's budget as proposed.

Bluegrass Area Development District (BGADD)

- FY19 Adopted Budget: \$107,215
- FY20 MPB: \$107,210
- Highlights
 - LFUCG dues to BGADD = \$58,601
 - Home Care Match funds = \$48,610, which provides funding for the Lexington Senior Center
- Recommendations
 - Accept the Mayor's budget as proposed.



Lyric Theater

- FY19 Adopted Budget: \$150,000
- FY20 MPB: \$127,500
- Recommendations
 - Accept the Mayor's budget as proposed.



World Trade Center

- FY19 Adopted Budget: \$55,000
- FY20 MPB: \$46,750
- Highlights
 - Ed Webb has been an effective leader during his time with the World Trade Center. We look forward to working with the new director during the next budget cycle.
- Recommendations
 - Accept the Mayor's budget as proposed.



Downtown Arts Center

- FY19 Adopted Budget: \$236,209
- FY20 MPB: \$214,754
- Highlights
 - The Downtown Arts Center is served by an excellent management team. The link applauds their efforts and encourages others to explore this underutilized resource.
- Recommendations
 - Accept the Mayor's budget as proposed.



Human Rights Commission

- FY19 Adopted Budget: \$242,030
- FY20 MPB: \$205,725
- **Recommendations**
 - Accept the Mayor's budget as proposed.



LexArts

- FY19 Adopted Budget: \$489,050
- FY20 MPB: \$415,700
- **Recommendations**
 - Accept the Mayor's budget as proposed.



VisitLEX

- FY19 Adopted Budget: \$0
- FY20 MPB: \$0
- Highlights
 - The funding VisitLEX receives from LFUCG comes directly from the transient room tax, which is then used to grow the economy through tourism, site meetings and engagement opportunities to attract visitors to Lexington.
- Recommendations
 - Accept the Mayor's budget as proposed.



Downtown Lexington Partnership

- FY19 Adopted Budget: \$363,470
- FY20 MPB: \$308,950
- Recommendations
 - The Downtown Lexington Partnership be funded in the amount of \$147,055.
 - \$40,000 will be budgeted to pay for events as managed in past years.
 - \$72,010 will be budgeted to be reimbursed monthly for the actual cost of the salary expense for the full-time Economic Development Manager.
 - \$13,428 will be budgeted to be reimbursed monthly for the actual cost of the direct benefits expense of the full-time Economic Development Manager.
 - \$21,617 will be budgeted to be reimbursed for the office expense allocation for the full-time Economic Development Manager.



Downtown Lexington Partnership

- Recommendations (continued)
 - In the event that the full-time Economic Development Manager position is vacant, or there otherwise is no full-time Economic Development Manager, those costs will not be reimbursed.
 - The Downtown Lexington Partnership will be required to conduct a review of economic development efforts and events over the next year to demonstrate adherence to, or progress toward best practices.
 - The review is to be presented in a public presentation to Council.
- The Link further recommends that \$161,895 be allocated for predevelopment costs, including but not limited to site plan consulting for the 200 acres of undeveloped city-owned property in the newly expanded Coldstream Research Park.



Summary of Finance and Economic Development Link Recommendations

- The Link recommends to have the Workforce Development Grants use what is currently the Jobs Fund as their “home” fund. The net impact of this change would be \$0.
- The Link recommends funding the Downtown Lexington Partnership at \$147,055.
- The Link recommends that \$161,895 be allocated for predevelopment costs, including but not limited to site plan consulting for the 200 acres of undeveloped city-owned property in the newly expanded Coldstream Research Park.

Questions?



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