

BUDGET & FINANCE COMMITTEE

October 23, 2012

Summary

Ellinger called the meeting to order at 1:00 PM. All committee members present except Lawless.

I. 9.25.12 Committee Meeting Summary

A motion by Beard, seconded by Blues to approve the 8.28.12 Committee summary passed unanimously.

II. Monthly Financial Report

Jane Driskell introduced the monthly financial report. She stated that the audit was on schedule and a detailed report will be provided at the November Budget & Finance Committee.

Bill O'Mara provided the revenue portion of the monthly financial report. He stated that the 3-month trend economic indicators were moving in a positive direction. He stated some of the September monthly indicators, including building permits, business licenses, home sales and foreclosures, were on a negative slope but cautioned against examining the monthly indicators too closely because seasonal changes and timing issues can impact those monthly numbers.

O'Mara discussed the year to date General Fund revenue statement. He stated that while some of the actual revenue categories were flat or in a negative position compared to budgeted revenue, actual revenue was slightly above budgeted revenue by approximately \$ 1.2 million.

In response to a question from Councilmember Lane, O'Mara stated that Franchise Fee revenue was down primarily because of weather conditions.

Lane asked a question about the Services revenue category being higher by over \$ 1 million. In response Ryan Barrow stated that the increase is a timing issue related to medical reimbursement at the Detention Center as well as being a function of higher rents/leases being charged by the Urban County for some building space.

Barrow stated that the increase in the Intergovernmental category was also a timing issue.

Barrow discussed the fiscal year expenditure report. He stated that personnel costs were below projected budget by over \$ 2.5 million. He also stated that operating costs were slightly above the projected budget by approximately \$ 300,000.

Barrow stated that General Fund actual expenditures are below budgeted expenditures by approximately \$ 2.8 million year to date.

No motions came from this item

III. Urban Development Action Grant (UDAG) Balance

Ellinger stated that the current balance in the UDAG Fund was \$ 133,397 after Council approved of the \$ 1,000,000 loan to the 21C Hotel project and the \$ 20,000 allocation for a multi-use field at Shillito Park.

Gorton asked Jane Driskell if the Administration was requesting any of these funds for HOME match. In response Driskell stated no.

Myers spoke about the \$ 80,000 request for the Berry Hill skate park project.

Myers spoke about the \$ 100,000 request for the Gainesway Small Area Plan. He stated that this was the District's highest priority.

A motion by Myers, seconded by Farmer to remove the Gainesway capital project from the UDAG list passed unanimously.

Lane spoke about the roof of the Old Courthouse project.

Gorton stated that the original request was for mold & lead abatement.

Beard stated that the original estimate to rehabilitate the Old Courthouse was \$ 12 million which has now escalated to \$ 18 million.

Jamshid Baradaran discussed plans to address the roof, mold & lead abatement and building structure. He stated that it would take more than \$ 20,000 to address the roofs at the Courthouse.

A motion by Lane, seconded Blues to amend the Old Courthouse request to \$ 20,000 passed on a 7-2 vote (Ellinger, Kay, Farmer, Myers, Beard & Blues-Yes; Gorton & Stinnett- No).

Farmer spoke about the Chevy Chase intersection redesign project. He stated that the Corridors Commission allocated \$ 3,500 to the project.

A motion by Farmer, seconded by Myers to amend the Chevy Chase project request to \$ 31,500 passed unanimously.

Heather Lyons spoke about the Living Arts & Science Center (LASC) request. He stated that their request was reduced to \$ 80,000. She stated that \$ 1.9 million had been raised already for their capital campaign. She stated that \$ 80,000 from the UDAG Fund would be used to match the Lucille Little Fund grant.

Gorton asked a question about the trail match request. In response CAO Moloney stated that the bridge over New Circle would cost \$ 350,000 and an additional \$ 150,000 for the trail.

Ellinger asked if anyone objected to the late item from Blues.

Blues spoke about the \$ 2,122 requested for the engine brake signs.

Myers asked about adding a location for the signs. In response Blues stated that the locations came from Traffic Engineering.

Stinnett asked if the appropriation could come from the Corridors Commission

Kay requested that Scott Shapiro address another late item.

Shapiro requested that \$ 80,000 be added to the request list to retain a consultant to examine the Police & Fire Pension system. He stated that this item was an economic development issue.

On a motion by Kay, second Lane a motion to add \$ 80,000 to the request list to retain a Police & Fire Pension Plan consultant passed 8-1 (Ellinger, Lane, Gorton, Kay, Farmer, Stinnett, Beard & Blues-Yes; Myers- No).

Ellinger stated that that was the end of presentations on the various projects. He stated that it would now be appropriate for motions to allocate up to the balance of the UDAG Fund.

Kay stated that the Living Arts and Science proposal best fits the purpose of UDAG funds.

Ford stated this was a shovel ready project and would be a tremendous opportunity for the entire community.

A motion by Lane, seconded Gorton to allocate \$ 60,000 for the Living Arts & Science Center passed unanimously.

A motion by Farmer, seconded by Lane to approve \$ 31,500 for the Chevy Chase intersection redesign was approved unanimously.

Beard asked Shapiro why the Administration started the consultant procurement process without the funds in place to fund such a study. In response Shapiro stated that the Administration is seeking funds. He also stated the some private funds had been secured for the work.

Driskell stated that they will identify funds before engaging in a contract for the consultant work.

Lane stated that while the pension was a critical issue, it was not appropriate to fund the consultant work with UDAG funds.

Stinnett stated that the Administration should recommend that the fund balance be used to pay for the consultant work. Stinnett also asked about the private donors agreeing to fund the study. In response Shapiro stated that private sources had agreed to partially fund the study but LFUCG had not yet received such funds.

A motion by Gorton, seconded by Beard to approve \$ 2,122 to the brake signage project passed with an 8-1 vote. (Ellinger, Lane, Gorton, Kay, Farmer, Myers, Beard & Blues-Yes; Stinnett-No.)

Gorton discussed the Gainesway Small Area Plan. She stated that the Comprehensive Plan had identified the need for a plan for the area for some time. She stated that these plans were very effective in engaging the community and developing an action strategy to revitalize neighborhoods. She stated that funds had not been allocated in the General Fund for small area plans for several years.

Stinnett stated that if the plans are a priority they should be requested and considered for funding during the normal budget process.

Myers spoke in favor of the small area plan.

Ford suggested that the small area plan and the Living Arts & Science Center split the remaining funds.

A motion by Gorton, seconded by Myers to allocate \$ 39,775 to the Gainesway Small Area Plan passed by a 7-2 vote (Ellinger, Gorton, Kay, Farmer, Myers, Beard & Blues-Yes; Lane & Stinnett- No).

IV. Referred Items

Ellinger stated that the Procurement Task Force would re-convene to consider the outstanding purchasing items.

It was announced that the Waste Management Task Force would meet Thursday Oct 25.

Kay updated the committee on the affordable housing item.

Lane indicated that he was working on the activity based accounting item.

A motion by Farmer, seconded by Beard to allocate \$ 20,000 to the Living Arts & Science Center from the General Fund fund balance passed unanimously.

The meeting was adjourned at 2:40 PM.

PAS 10.29.12