



## Budget, Finance & Economic Development Committee

September 24, 2024

Summary and Motions

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Chair James Brown called the meeting to order at 1:01 p.m. Vice Mayor Dan Wu and Council Members Chuck Ellinger, Hannah LeGris, Liz Sheehan, Preston Worley, Fred Brown, Whitney Baxter, Jennifer Reynolds, and Kathy Plomin were in attendance. Council Members Tayna Fogle, Shayla Lynch, Brenda Monarrez, Denise Gray, and Dave Sevigny were also present as non-voting members.

### **I. Approval of August 27, 2024 Committee Summary**

A motion by Plomin to approve the August 27, 2024 Committee Summary, seconded by Wu, the motion passed without dissent.

### **II. Monthly Financial Update – August 2024**

Commissioner Erin Hensley presented the monthly financials and introduced Crosslin, a representative women owned business, as LFUCG's auditing team for this year. The department of Finance and Crosslin are working to finalize the audit by the end of December.

Revenue collections are 1.1% ahead of budget for FY25, however, some revenue sources are showing less growth than budgeted. Insurance revenue is underperforming. Franchise fees and charges for services are performing well. Lock box processing has greatly reduced collection times for net profit withholdings.

Personnel accounts are LFUCG's greatest expense and is running less than a \$2M variance to budget. Of the operating variance, nearly 45% is found in four expense accounts: vehicle repairs and maintenance, professional services - other, software maintenance, and professional services – mental health. Savings is due to delayed billing and services that have not yet been rendered.

No action was taken on this item.

### **III. Lexington Downtown Projects Update**

Council Member LeGris introduced the downtown projects update item and presenter Hannah Eiden. The focus is on an updated downtown master plan. A downtown master plan is a comprehensive, long-term strategic document that guides the development and revitalization of a city's downtown area. It typically includes a vision for the future of the area, along with specific goals, objectives, policies, and implementation items designed to achieve that vision.

The last downtown master plan was conducted in 2006 and done subsequently after the 2002 college town master plan. The 2008 downtown streetscapes master plan took place in anticipation of the 2010 World Equestrian Games, but these plans were not adopted by the Planning Commission as an element of the Comprehensive Plan and no action was taken by Council. The focus of the 2006 master plan was to enhance Lexington's urban environment through strategic land use, infill development, transportation, preservation, and infrastructure improvements.

Components of a master plan include community engagement and partnerships, development, quality of life, and implementation and phasing. A roadmap for the future of downtown is needed for sustained and new growth. It will also be helpful when celebrating the 250<sup>th</sup> anniversary of Lexington by looking forward to the future. Next steps include consideration of a funding proposal during the fund balance conversation in October, request for proposal, data collection, analysis, plan development, final plan, and implementation.

No action was taken on this item.

#### **IV. LexArts Finance and Equity Review**

Vice Mayor Wu introduced this item and LexArts CEO, Ame Sweetall.

In 2022, the Creative Vitality Index for Fayette County was 1.09, with a score of 1 or greater being the ideal metric. The creative vitality index compares the per capita concentration of creative activity with data on creative industries, occupations, and cultural nonprofit revenues. In Fayette County from 2021 to 2022, 301 jobs were created, industry earnings gained \$25.3M, and nonprofit revenues increased by \$843,000 for the arts.

The vision of LexArts is to be a catalyst for creating a progressive and innovative community inspired by the arts. LexArts is the local arts agency for the city of Lexington and was established through an executive order to promote, support, advocate, and develop the arts to create a vital presence for the arts in Lexington, health and vitality of the arts and artists, accessibility of the arts to entire community, and eligibility for federal funding. The functions of LexArts as a local arts agency are to promote community arts, arts in schools/youth programs, ArtsPlace as an Arts center, marketing, promotion, and outreach, fiscal sponsorship, arts in health, and public and private art project facilitation. LexArts FY25 revenue goal is \$2.7M with nearly 64% of funding going directly towards artists, projects, and grants.

LexArts goal is to build and nurture an environment where diversity, equity, inclusion, and access are embedded in everything they do. They are committed to honoring and sharing the community's collective history and experiences through leadership, funding, programming, and community engagement. From 2022-2023 LexArts applied for the Kentucky Peer Advisory Network Cultural Equity Assistance for Kentucky Arts Partners to provide a specialist to assist with creating and advancing a cultural equity plan. In 2023 a task force was formed from staff,

board members, and community activists for a series of workshops and development of action plans.

Since then, LexArts has amended their bylaws to include a standing DEIA committee with a seat on the executive committee and staff liaison; provided arts equity grants; offers an artist registry; subsidizes arts in schools with impact grants; piloted the LexArts cultural pass program; and enhanced outreach efforts.

No action was taken on this item.

## **V. Adjournment**

A motion by J. Brown to adjourn at 2:58pm, seconded by Wu, the motion passed without dissent.