

# BUDGET, FINANCE & ECONOMIC DEVELOPMENT COMMITTEE

*Financial Update*

*August 30, 2022*

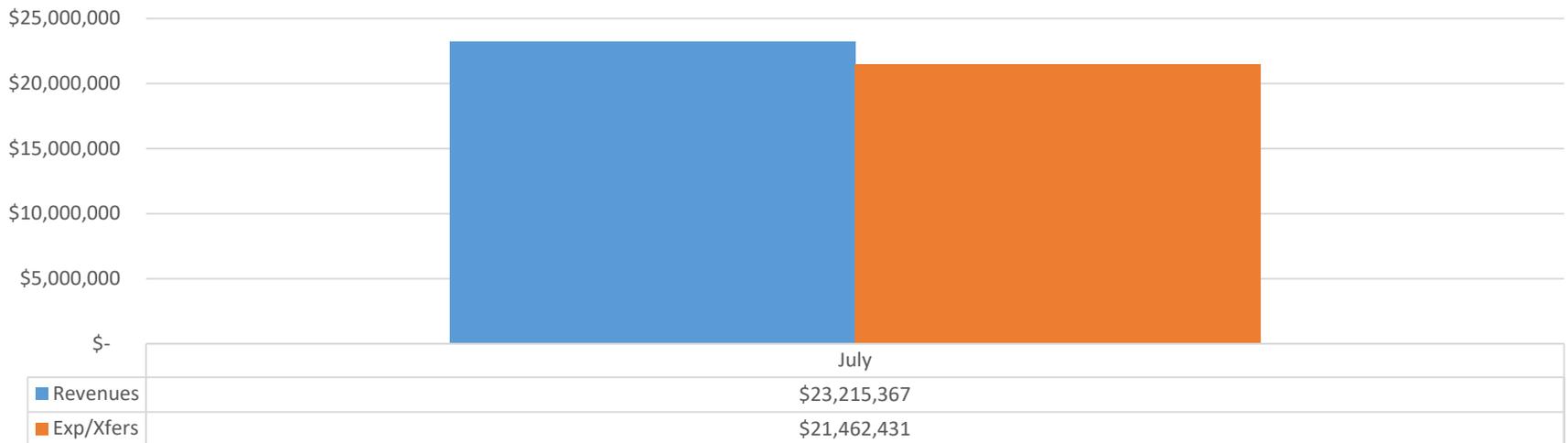


**LEXINGTON**



# 1 Month Performance Review (Actuals)

FY23 One Month Actual



July FY23	
Revenues	23,215,367
Expenses	(20,967,046)
Transfers	<u>(495,385)</u>
Surplus/(Deficit)	1,752,936

### Factors to Consider

- FY23 personnel budget changes increased attrition based on actual staffing history. This budget works toward minimizing personnel surpluses in FY23.
- Budgets are being released quarterly for operations accounts.
- Supply chain issues continue to delay expenditure of funds. Projects rolled from FY22 may not be spent in the first quarter as budgeted.
- Adjustment for Ad Valorem will increase partner agencies by \$1,008,530 and reduce \$252,530 from budgeted fund balance.



## July 2022 YTD Actual Compared to Adopted Budget

<b><u>Revenue Category</u></b>	<b><u>Actual</u></b>	<b><u>Budget</u></b>	<b><u>Variance</u></b>	<b><u>% Var</u></b>
OLT- Employee Withholding	13,130,008	14,000,000	(869,992)	-6.2%
OLT - Net Profit	1,442,380	750,000	692,380	92.3%
Insurance	1,854,383	2,550,000	(695,617)	-27.3%
Franchise Fees	2,376,097	2,400,000	(23,903)	-1.0%
<b>TOTALS</b>	<b>18,802,868</b>	<b>19,700,000</b>	<b>(897,132)</b>	<b>-4.6%</b>



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## July 2022 YTD/July 2021 YTD Current Year Compared to Prior Year

<b><u>Revenue Category</u></b>	<b><u>Jul-22</u></b>	<b><u>Jul-21</u></b>	<b><u>Variance</u></b>	<b><u>% Var</u></b>
OLT- Employee Withholding	13,130,008	14,376,233	(1,246,225)	-8.7%
OLT - Net Profit	1,442,380	1,468,398	(26,018)	-1.8%
Insurance	1,854,383	2,450,488	(596,105)	-24.3%
Franchise Fees	2,376,097	2,376,097	0	0.0%
<b>TOTALS</b>	<b>18,802,868</b>	<b>20,671,216</b>	<b>(1,868,348)</b>	<b>-9.0%</b>



## 2023 Fiscal year – Cash Flow Variance Revenue ( Actual to Budget)

<i>For the one month ended July 31, 2022</i>				
	<b>Actuals</b>	<b>Budget</b>	<b>Variance</b>	<b>% Var</b>
<b><u>Revenue</u></b>				
Payroll Withholding	13,130,008	14,000,000	(869,992)	-6.2%
Net Profit	1,442,380	750,000	692,380	92.3%
Insurance	1,854,383	2,550,000	(695,617)	-27.3%
Franchise Fees	2,376,097	2,400,000	(23,903)	-1.0%
Other Licenses & Permits	474,799	325,810	148,989	45.7%
Property Tax Accounts	43,193	167,333	(124,140)	-74.2%
Services	2,296,333	2,239,291	57,042	2.5%
Fines and Forfeitures	11,380	16,000	(4,620)	-28.9%
Intergovernmental Revenue	18,591	38,668	(20,077)	-51.9%
Property Sales	14,276	8,333	5,943	71.3%
Investment Income	18,841	8,659	10,182	117.6%
Other Financing Sources	-	40,000	(40,000)	-100.0%
Other Income	1,535,086	191,215	1,343,871	702.8%
<b>Total Revenues</b>	<b>\$23,215,367</b>	<b>\$22,735,309</b>	<b>\$480,058</b>	<b>2.1%</b>



## 2023 Fiscal Year - Cash Flow Variance Revenue (CY to PY)

<i>For the one month ended July 31, 2022</i>				
	<b>FY 2023</b>	<b>FY 2022</b>	<b>Variance</b>	<b>% Var</b>
<b>Revenue</b>				
Payroll Withholding	13,130,008	14,376,233	(1,246,225)	-8.7%
Net Profit	1,442,380	1,468,398	(26,018)	-1.8%
Insurance	1,854,383	2,450,488	(596,105)	-24.3%
Franchise Fees	2,376,097	2,376,097	0	0.0%
Other Licenses & Permits	474,799	43,693	431,106	986.7%
Property Tax Accounts	43,193	-	43,193	-
Services	2,296,333	2,076,122	220,211	10.6%
Fines and Forfeitures	11,380	10,315	1,065	10.3%
Intergovernmental Revenue	18,591	68,334	(49,743)	-72.8%
Property Sales	14,276	35,115	(20,839)	-59.3%
Investment Income	18,841	-	18,841	-
Other Income	1,535,086	161,394	1,373,692	851.1%
<b>Total Revenues</b>	<b>\$23,215,367</b>	<b>\$23,066,189</b>	<b>\$149,178</b>	<b>0.6%</b>



## 2023 Fiscal Year – Cash Flow Variance Expense (Actual to Budget)

<i>For the one month ended July 31, 2022</i>				
	Actuals	Budget	Variance	% Var
<b><u>Expense</u></b>				
Personnel	10,597,479	10,384,556	(212,923)	-2.1%
Operating	4,660,591	6,630,521	1,969,930	29.7%
Insurance Expense	226	226	0	0.0%
Debt Service	3,486,416	3,486,416	0	0.0%
Partner Agencies	2,186,198	2,100,254	(85,944)	-4.1%
Capital	36,136	237,746	201,610	84.8%
<b>Total Expenses</b>	<b>\$20,967,046</b>	<b>\$22,839,719</b>	<b>\$1,872,673</b>	<b>8.2%</b>
<b>Transfers</b>	<b>495,385</b>	<b>544,044</b>	<b>48,659</b>	<b>8.9%</b>
<b>Change in Fund Balance</b>	<b>\$1,752,936</b>	<b>(\$648,454)</b>	<b>\$2,401,390</b>	



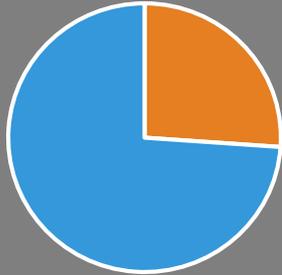
## 2023 Fiscal Year - Cash Flow Variance Expense (CY to PY)

<i>For the one month ended July 31, 2022</i>				
	<b>FY 2023</b>	<b>FY 2022</b>	<b>Variance</b>	<b>% Var</b>
<b><u>Expense</u></b>				
Personnel	10,597,479	11,860,276	1,262,797	10.6%
Operating	4,660,591	4,419,915	(240,676)	-5.4%
Insurance Expense	226	226	0	0.0%
Debt Service	3,486,416	4,538,622	1,052,206	23.2%
Partner Agencies	2,186,198	1,498,394	(687,804)	-45.9%
Capital	36,136	5,832	(30,304)	-519.6%
<b>Total Expenses</b>	<b>\$20,967,046</b>	<b>\$22,323,265</b>	<b>\$1,356,219</b>	<b>6.1%</b>
<b>Transfers</b>	<b>495,385</b>	<b>463,087</b>	<b>(32,298)</b>	<b>-7.0%</b>
<b>Change in Fund Balance</b>	<b>\$1,752,936</b>	<b>\$279,837</b>	<b>\$1,473,099</b>	

# Questions?



# ARPA DASHBOARD



■ Obligated/Expended   ■ Remaining Budget

**Total ARPA Received**  
**\$121.2 Million**

**Total ARPA Expected**  
**\$121.2 Million**

**Total ARPA Budgeted**  
**\$119.8 Million**

**Total ARPA Obligated**  
**\$31.6 Million**

## Funding Overview by ARPA Expenditure Category

**1. Public Health** **\$ 1,325,000**

- Eligible projects include services and programs to contain and mitigate COVID-19 spread and services to address behavioral healthcare needs exacerbated by the pandemic.

**2. Negative Economic Impacts** **\$ 28,437,346**

- Eligible projects include those that address the negative impacts caused by the public health emergency including assistance to workers; small business support; speeding the recovery of tourism, travel, and hospitality sectors; and rebuilding public sector and non-profit capacity. This category also includes programs and projects that support long-term housing security and promote strong, healthy communities.

**3. Economic Impact: Public Sector/Health Capacity** **\$ 6,000,000**

- Eligible projects include expenses for payroll, rehiring, enhanced service delivery, and administrative needs for public sector health, safety, or human services workers.

**4. Premium Pay** **\$12,954,007**

- ARPA funding provides resources to local government to recognize the heroic contributions of essential workers. Eligible workers include a broad range of essential workers who must be physically present at their job.

**5. Infrastructure** **\$ -**

- Eligible projects include necessary improvements in water, sewer, and broadband infrastructure

**6. Revenue Replacement for General Government** **\$ 63,371,322**

- Local governments facing budget shortfalls are permitted to use funding to replace lost revenue for the purpose of providing governmental services. These services may include recreation, transportation, economic development, and other general government services.

**7. Administration** **\$ 7,713,605**

- Local governments are permitted to use funding for administering ARPA funds, including costs of in-house staff or consultants to support effective oversight and ensuring compliance with legal, regulatory, and other requirements. A project contingency is also held in this Expenditure Category.

Please see ARPA Revenue and Expense Report for details



# ARPA State and Local Fiscal Recovery Funds Revenue and Expense Report

*For the period through July 31, 2022*

		Actuals	Budget	Variance
<b>Revenue</b>				
LFUCG Allocation		\$ 121,178,058	\$ 121,178,058	\$ -
<b>Total Revenues</b>		<b>\$ 121,178,058</b>	<b>\$ 121,178,058</b>	<b>\$ -</b>

*For the period through July 31, 2022*

		Obligated	Budget	Variance	
<b>Expense</b>					
EC 1: Public Health		\$ 528,222	\$ 1,325,000	\$ (1,134,100)	
1.05	Personal Protective Equipment	Personal Protective Equipment for LFUCG	\$ 4,972	\$ 225,000	\$ (220,028)
1.11	Community Violence Interventions	Safety Net	\$ 350,000	\$ 350,000	\$ -
1.11	Community Violence Interventions	It Takes a Village - Mentoring Program (Personnel)	\$ 3,250	\$ 240,000	\$ (236,750)
1.12	Mental Health Services	NAMI - Mental Health Court Funding (FY22)	\$ 170,000	\$ 170,000	\$ -
1.12	Mental Health Services	NAMI - Mental Health Court Funding (FY23)	\$ -	\$ 170,000	\$ (170,000)
1.12	Mental Health Services	NAMI - Mental Health Court Funding (FY24)	\$ -	\$ 170,000	\$ (170,000)

\*\*Expenditures represent a point-in-time and are subject to change as result of FY2022 closeout processes.\*\*



# ARPA State and Local Fiscal Recovery Funds Revenue and Expense Report

For the period through July 31, 2022

			Obligated	Budget	Variance
<b>Expense (Continued)</b>					
<b>EC 2: Negative Economic Impacts</b>			<b>\$ 6,973,159</b>	<b>\$ 28,437,346</b>	<b>\$ (24,203,727)</b>
2.02	Household Assistance: Rent, Mortgage, and Utility Aid	Emergency Financial Assistance for Residents (FY22)	\$ 211,404	\$ 240,846	\$ (29,442)
2.02	Household Assistance: Rent, Mortgage, and Utility Aid	Emergency Financial Assistance for Residents (FY23)	\$ 40,564	\$ 200,000	\$ (159,436)
2.02	Household Assistance: Rent, Mortgage, and Utility Aid	Recovery Supportive Living Assistance (FY22)	\$ 198,600	\$ 200,000	\$ (1,400)
2.02	Household Assistance: Rent, Mortgage, and Utility Aid	Recovery Supportive Living Assistance (FY23)	\$ 43,200	\$ 200,000	\$ (156,800)
2.10	Assistance to Unemployed or Underemployed Workers	Workforce Development (Other)	\$ -	\$ 150,000	\$ (150,000)
2.10	Assistance to Unemployed or Underemployed Workers	Summer Youth Work Readiness Program	\$ 92,522	\$ 960,000	\$ (867,479)
2.15	Long-Term Housing Security: Affordable Housing	Shropshire Affordable Housing Project Site Improvements	\$ -	\$ 750,000	\$ (750,000)
2.15	Long-Term Housing Security: Affordable Housing	Affordable Housing	\$ 1,013,017	\$ 10,000,000	\$ (8,986,983)
2.16	Long-Term Housing Security: Services for Unhoused Per	OHPI Homelessness Allocation (FY22)	\$ 624,836	\$ 750,000	\$ (125,164)
2.16	Long-Term Housing Security: Services for Unhoused Per	OHPI Homelessness Allocation (FY23)	\$ 590,922	\$ 750,000	\$ (159,078)
2.16	Long-Term Housing Security: Services for Unhoused Per	OHPI Homelessness Allocation (FY24)	\$ -	\$ 750,000	\$ (750,000)
2.16	Long-Term Housing Security: Services for Unhoused Per	Homelessness Contracts via Department of Housing and Community	\$ -	\$ 4,000,000	\$ (4,000,000)
2.16	Long-Term Housing Security: Services for Unhoused Per	Homelessness Contracts - Non-Shelter Eligible Families/Individuals	\$ -	\$ 1,000,000	\$ (1,000,000)
2.16	Long-Term Housing Security: Services for Unhoused Per	COVID-19 Alternate Shelter for Winter Warming	\$ 1,400,000	\$ 1,400,000	\$ -
2.16	Long-Term Housing Security: Services for Unhoused Per	Domestic Violence Sheltering: Greenhouse 17	\$ -	\$ 400,000	\$ (400,000)
2.22	Strong Healthy Communities: Neighborhood Features the	Village Branch Library Construction	\$ -	\$ 1,000,000	\$ (1,000,000)
2.22	Strong Healthy Communities: Neighborhood Features the	Black and Williams Center Improvements - Gymnasium	\$ 111,594	\$ 1,040,000	\$ (928,406)
2.22	Strong Healthy Communities: Neighborhood Features the	BCTC Dental Hygiene Clinic	\$ -	\$ 2,000,000	\$ (2,000,000)
2.30	Technical Assistance, Counseling, or Business Planning	Minority Business Accelerator - Commerce Lex	\$ 991,000	\$ 991,000	\$ -
2.34	Aid to Nonprofit Organizations	Explorium of Lexington - Children's Museum Assistance	\$ 125,000	\$ 125,000	\$ -
2.34	Aid to Nonprofit Organizations	LexArts Nonprofit Services Contract (FY22)	\$ 325,000	\$ 325,000	\$ -
2.34	Aid to Nonprofit Organizations	Lyric Theater Assistance	\$ 127,500	\$ 127,500	\$ -
2.34	Aid to Nonprofit Organizations	Radio Lex	\$ 78,000	\$ 78,000	\$ -
2.35	Aid to Tourism, Travel, or Hospitality	Visit LEX/Hospitality Industry Recovery	\$ 1,000,000	\$ 1,000,000	\$ -

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# ARPA State and Local Fiscal Recovery Funds Revenue and Expense Report

*For the period through July 31, 2022*

			Obligated	Budget	Variance
<b>Expense (Continued)</b>					
EC 3: Public Health - Negative Economic Impact: Public Sector Capacity			\$ -	\$ 6,000,000	\$ (6,000,000)
3.01	Public Sector Workforce	Social Services Department Personnel Expenses	\$ -	\$ 6,000,000	\$ (6,000,000)
EC 4: Premium Pay			\$ 12,954,007	\$ 12,954,007	\$ (0)
4.01	Premium Pay	Premium Pay for High Exposure LFUCG Staff	\$ 12,592,084	\$ 12,592,084	\$ (0)
4.01	Premium Pay	Premium Pay for Fayette County Sheriff's Office	\$ 361,923	\$ 361,923	\$ 0
EC 5: Infrastructure			\$ -	\$ -	\$ -

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# ARPA State and Local Fiscal Recovery Funds Revenue and Expense Report

*For the period through July 31, 2022*

			Obligated	Budget	Variance
<b>Expense (Continued)</b>					
<b>EC 6: Revenue Replacement/Government Services</b>			<b>\$ 11,020,273</b>	<b>\$ 63,371,322</b>	<b>\$ (56,276,102)</b>
6.01	Provision of Government Services	Economic Development Grants to Service Partners	\$ 298,745	\$ 300,000	\$ (1,255)
6.01	Provision of Government Services	Nbhood Rec Imprvmnts - Berry Hill Park - Basketball Court	\$ 19,637	\$ 175,000	\$ (155,363)
6.01	Provision of Government Services	Nbhood Rec Imprvmnts - Buckhorn Park - Phase II Improvements	\$ 44,999	\$ 45,000	\$ (1)
6.01	Provision of Government Services	Nbhood Rec Imprvmnts - Dogwood Park - Basketball Court	\$ 11,808	\$ 95,000	\$ (83,192)
6.01	Provision of Government Services	Nbhood Rec Imprvmnts - Gardenside Park - Playground	\$ 148,040	\$ 150,000	\$ (1,960)
6.01	Provision of Government Services	Nbhood Rec Imprvmnts - Ecton Park Restrooms and Concessions	\$ 33,000	\$ 457,400	\$ (424,400)
6.01	Provision of Government Services	Nbhood Rec Imprvmnts - Lakeside Irrigation Replacement	\$ 1,420,408	\$ 1,421,000	\$ (592)
6.01	Provision of Government Services	Nbhood Rec Imprvmnts - Masterson Station Park - Playground	\$ 147,478	\$ 150,000	\$ (2,522)
6.01	Provision of Government Services	Nbhood Rec Imprvmnts - Meadowthorpe Park - Roof Repair	\$ 78,585	\$ 80,000	\$ (1,415)
6.01	Provision of Government Services	Nbhood Rec Imprvmnts - Raven Run Park - Prather House Roof Rep	\$ -	\$ 50,000	\$ (50,000)
6.01	Provision of Government Services	Nbhood Rec Imprvmnts - Shilito Park - Access Imprvmnt Parking Lot	\$ 43,984	\$ 400,000	\$ (356,016)
6.01	Provision of Government Services	Nbhood Rec Imprvmnts - Southland Park - Access Imprvmnt Parking	\$ 14,144	\$ 100,000	\$ (85,856)
6.01	Provision of Government Services	Nbhood Rec Imprvmnts - Woodland Park - Restroom Facilities	\$ 526,988	\$ 529,259	\$ (2,271)
6.01	Provision of Government Services	Access to Quality Green Space for Disadvantaged Pop - ADA Imprvm	\$ -	\$ 125,000	\$ (125,000)
6.01	Provision of Government Services	Cardinal Run North Park Development	\$ 700,000	\$ 10,100,000	\$ (9,400,000)
6.01	Provision of Government Services	Access to Quality Green Space in QCT - Douglass Park - Pool Imprv	\$ 5,800	\$ 175,000	\$ (169,200)
6.01	Provision of Government Services	Access to Quality Green Space in QCT - Mary Todd Park - Basketba	\$ 16,892	\$ 118,000	\$ (101,108)
6.01	Provision of Government Services	Access to Quality Green Space in QCT - Northeastern Park - Playgrd	\$ 9,484	\$ 250,000	\$ (240,516)
6.01	Provision of Government Services	Access to Quality Green Space in QCT - Phoenix Park - Inclusive Use	\$ 148,800	\$ 150,000	\$ (1,200)
6.01	Provision of Government Services	Access to Quality Green Space in QCT - Pine Meadows Park - Playgr	\$ 153,480	\$ 153,735	\$ (255)
6.01	Provision of Government Services	Access to Quality Green Space in QCT - River Hill Park - Sports Cou	\$ 11,183	\$ 165,000	\$ (153,817)
6.01	Provision of Government Services	General Neighborhood Parks and Recreation Improvements	\$ 454,205	\$ 3,935,000	\$ (3,480,795)
6.01	Provision of Government Services	Parks Master Plan - QCT Areas	\$ 219,584	\$ 3,345,000	\$ (3,125,416)
6.01	Provision of Government Services	Parks Master Plan - Maintenance	\$ 523,093	\$ 1,000,000	\$ (476,907)
6.01	Provision of Government Services	Parks Master Plan - Aquatics	\$ 92,900	\$ 1,870,000	\$ (1,777,100)

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# ARPA State and Local Fiscal Recovery Funds Revenue and Expense Report

For the period through July 31, 2022

			Obligated	Budget	Variance
<b>Expense (Continued)</b>					
<b>EC 6: Revenue Replacement/Government Services (Continued)</b>					
6.01	Provision of Government Services	Pam Miller Downtown Arts Center Renovation	\$ -	\$ 2,500,000	\$ (2,500,000)
6.01	Provision of Government Services	Government Employee Pay Supplements	\$ 4,436,928	\$ 4,436,928	\$ 0
6.01	Provision of Government Services	Critical Government Needs - Broadband Study with Scott County	\$ 24,909	\$ 30,000	\$ (5,091)
6.01	Provision of Government Services	Coldstream Industrial Park Campus Infrastructure	\$ -	\$ 9,500,000	\$ (9,500,000)
6.01	Provision of Government Services	Bike/Ped Planning and Design	\$ -	\$ -	\$ -
6.01	Provision of Government Services	Bike/Ped - Brighton	\$ -	\$ 132,500	\$ (132,500)
6.01	Provision of Government Services	Bike/Ped - Harrodsburg	\$ -	\$ 1,040,000	\$ (1,040,000)
6.01	Provision of Government Services	Bike/Ped - Town Branch Trail (Manchester)	\$ 67,500	\$ 67,500	\$ -
6.01	Provision of Government Services	Fire SCBA	\$ -	\$ 3,100,000	\$ (3,100,000)
6.01	Provision of Government Services	Public Safety Fleet	\$ 1,367,698	\$ 1,500,000	\$ (132,302)
6.01	Provision of Government Services	Code Enforcement Grants for Residents with Low Income (FY22)	\$ -	\$ 200,000	\$ (200,000)
6.01	Provision of Government Services	Code Enforcement Grants for Residents with Low Income (FY23)	\$ -	\$ 200,000	\$ (200,000)
6.01	Provision of Government Services	Code Enforcement Grants for Residents with Low Income (FY24)	\$ -	\$ 200,000	\$ (200,000)
6.01	Provision of Government Services	Workforce Development Grants to Service Partners (FY22)	\$ -	\$ 400,000	\$ (400,000)
6.01	Provision of Government Services	Workforce Development Grants to Service Partners (FY23)	\$ -	\$ 400,000	\$ (400,000)
6.01	Provision of Government Services	LexArts (FY24)	\$ -	\$ 325,000	\$ (325,000)
6.01	Provision of Government Services	Non-Profit Capital Grants	\$ -	\$ 6,000,000	\$ (6,000,000)
6.01	Provision of Government Services	Farmers Market Construction (Match)	\$ -	\$ 4,000,000	\$ (4,000,000)
6.01	Provision of Government Services	Housing Stabilization - Salvation Army Pledge	\$ -	\$ 2,000,000	\$ (2,000,000)
6.01	Provision of Government Services	Housing Stabilization - Hope Center Roof	\$ -	\$ 2,000,000	\$ (2,000,000)
<b>EC 7: Administrative</b>			<b>\$ 158,024</b>	<b>\$ 7,713,605</b>	<b>\$ (7,555,581)</b>
7.01	Administrative Expenses	ARPA Administrative Services	\$ 158,024	\$ 5,000,000	\$ (4,841,976)
7.01	Administrative Expenses	Hold for Construction Contingency	\$ -	\$ 2,713,605	\$ (2,713,605)
<b>Total Expenses</b>			<b>\$ 31,633,686</b>	<b>\$ 119,801,280</b>	<b>\$ (95,170,627)</b>
<b>TOTAL - ARPA SLFRF</b>			<b>\$ 89,544,372</b>	<b>\$ 1,376,778</b>	<b>\$ 95,170,627</b>

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