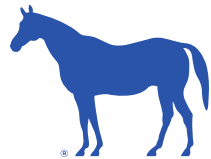


FUND BALANCE DISCUSSION FISCAL YEAR ENDED JUNE 30, 2024

*Committee of the Whole
October 29, 2024*

Commissioner Erin Hensley



LEXINGTON

WHERE DOES ALL THE MONEY GO?

Non-Spendable

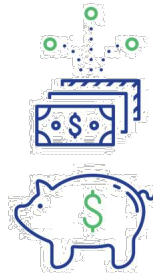


Generally not in a spendable form

Items Held in Inventory
Items Pre-paid

You already bought it but haven't used it...

Committed



Formal constraints have been placed on resources

Donations for a Specific Purpose
Other Fund Balance (AH)
Emergency Savings

You already reserved it for a specific use...

Assignments

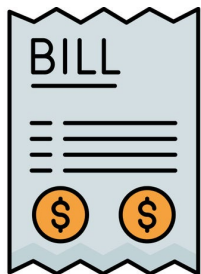


Items committed annually to address ongoing known needs

Health Reserve
Ongoing Capital Commitments

You already know why you need it...

Obligations



Responsibility to meet a contract or agreement

Open POs
Grant Match Committed

You already owe it...

Pre-Commitments



Pre-approved in the budget

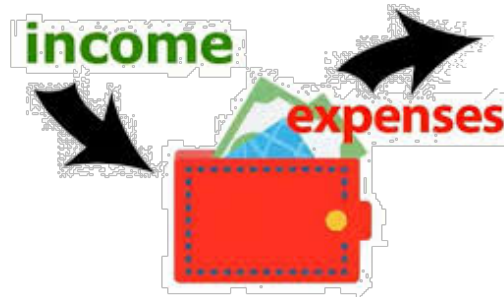
Savings to be used for a specific purpose, included in spending plan

You already decided how you were spending it...

Unassigned



FUND BALANCE – HOW DO WE GET THERE?



FY23 Fund Balance	\$200,238,016
FY24 Net Change	\$13,260,362
Total FY24 Fund Balance	\$213,498,378



NON-SPENDABLE FUND BALANCE

6/30/2024 Total Fund Balance **\$213,498,378**

Non spendable – Prepaids and Inventory

Prepaids and Inventory	2,839,638
Energy Improvement Fund	373,848
Qualified Energy Bond Reserve	2,008,421

6/30/2024 Fund Balance after Non-spendable **\$208,276,471**

Prepaids

Software Contracts

Advertising

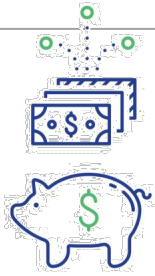
Etc.

Inventory

Fuel

Vehicle Parts

Etc.



FUND BALANCE COMMITMENTS & PRE-COMMITMENTS

6/30/2024 Fund Balance after Non-spendable	\$208,276,471
---------------------------------------------------	----------------------

Commitments

Economic Contingency – Balance on 6/30/2024	40,833,204
EOY Economic Contingency Addition ORD 099-2024	<u>2,271,480</u>
	43,104,684

Non 1101 Fund Balances	23,178,492
<i>(Donation, Tenant Relocation, Misc Revenue, AH, Eco Development, Other)</i>	


6/30/2024 Fund Balance After Committed	\$141,993,295
-----------------------------------------------	----------------------

Pre-Commitments

Pre-commitments Unencumbered – Prior Budgets/FY2025 BAs	226,151
Reserve of Opioid Settlement Received (To be moved to Grant Funding in FY25)	5,973,152

06/30/2024 Fund Balance After Pre-Commitments	\$135,793,992
------------------------------------------------------	----------------------

HOW SAVINGS PLAY A PART – ECONOMIC CONTINGENCY



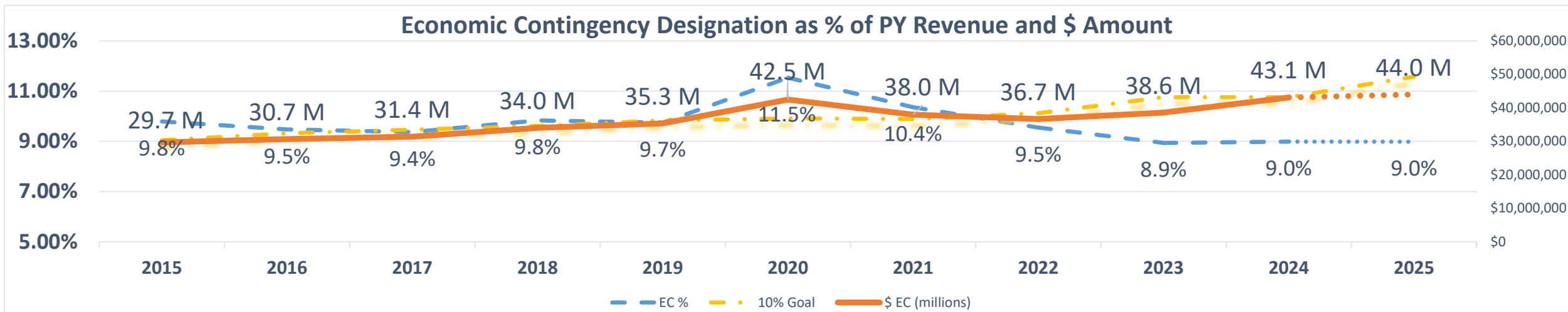
Current Balance
\$43,104,684
 \$40,833,204 (Balance) +
 \$2,271,480 (10% Unassigned FB)

FY2025 Budgeted Balance
\$44,004,684
 +\$900,000 (\$75,000/month)
 Interest Earned and
 Additional Contribution from Fund Balance
 Not Included in Budgeted Balance

ORDINANCE NO. 099 -2024

AN ORDINANCE AMENDING AND RESTATING ORDINANCE NO. 50-2016 PERTAINING TO THE CONTINGENCY DESIGNATION FUND AND POLICY, TO INCREASE THE AMOUNT OF THE REQUIRED MONTHLY DEPOSIT TO \$75,000 AND TO INCLUDE A POTENTIAL ADDITIONAL ANNUAL DEPOSIT IN THE EVENT A FUND BALANCE EXISTS.

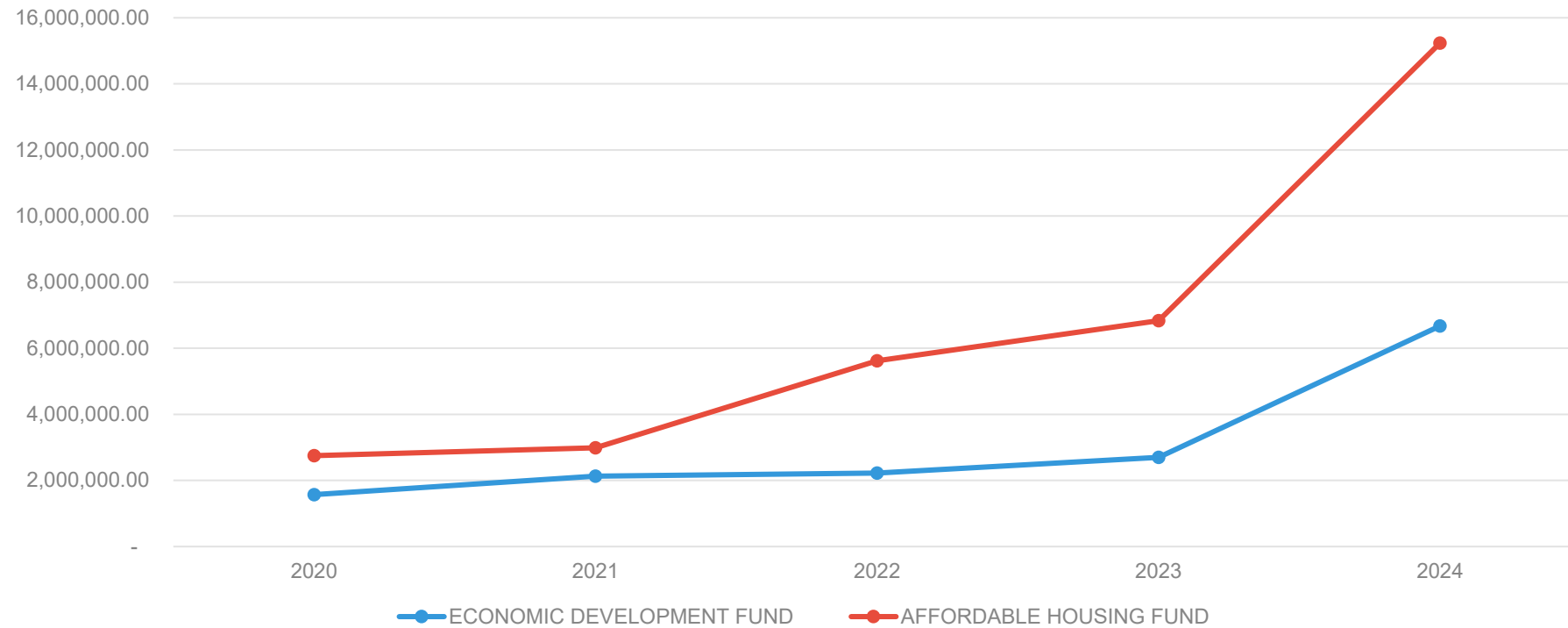
- Requires report of funding required to meet 10% goal in current year
\$5.0 Million Additional Contribution would be Required
- Requires 10% Unassigned balance deposited and reported as a commitment
\$2.3 Million Additional Contribution Reported as Committed in FY2024 Fund Balance



COMMITMENTS & PRE-COMMITMENTS

POINT OF REFERENCE

RISING RESERVES IN NON-1101 AS ARPA DOLLARS WERE SPENT FIRST





HISTORICAL ASSIGNMENTS AND OBLIGATIONS

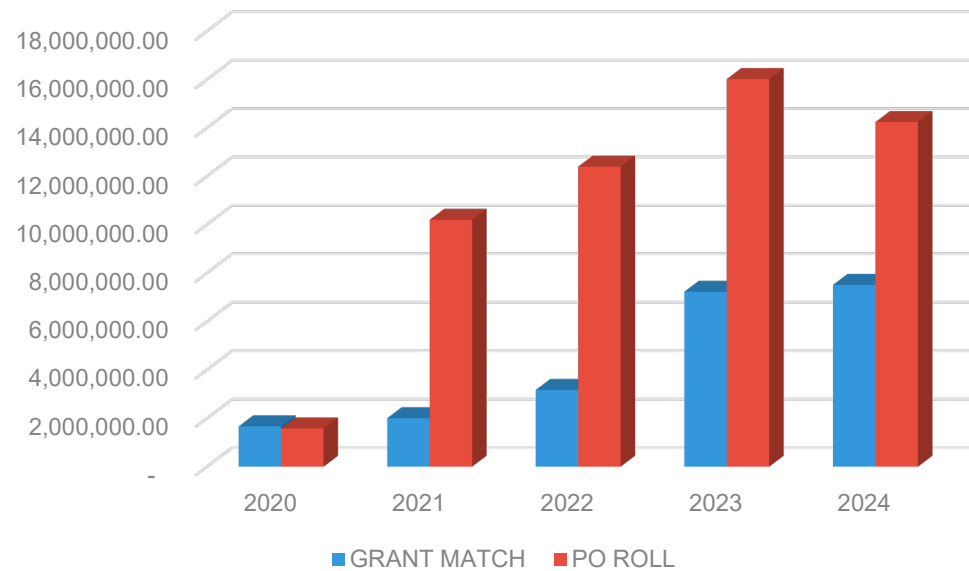
6/30/2024 Fund Balance After Committed	\$135,793,992
Health Insurance Reserve	8,000,000
Capital Projects – General Fund In Progress	84,701,062
<u>Obligated Fund Balance Uses</u>	22,649,609
<u>6/30/2024 Fund Balance After Historical Assignments</u>	\$20,443,321

Obligated Fund Balance Uses	
PO Roll to FY 25	\$ 14,224,642
Grant Match Roll to FY 25	\$ 7,424,967
FY 2024 Budgeted Beginning Fund Balance	\$ 1,000,000
Obligated Uses of Unassigned	\$ 22,649,609

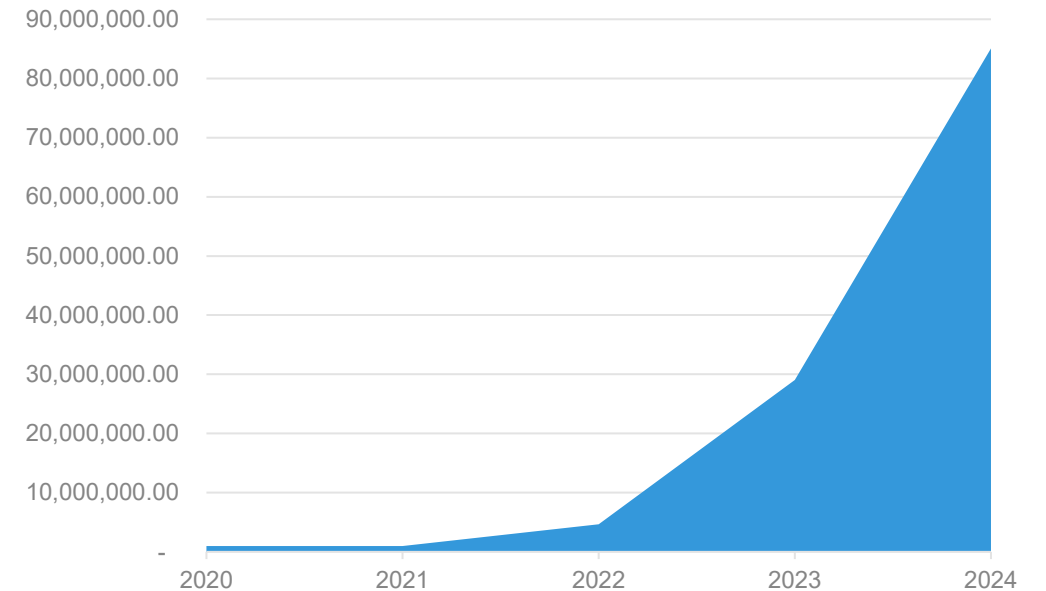
HISTORICAL ASSIGNMENTS AND OBLIGATIONS

POINT OF REFERENCE

COVID IMPACT ON OPERATIONS



ENHANCED INVESTMENT IN CAPITAL FUND



MAYOR’S RECOMMENDATIONS

Fund Balance - Unassigned **\$ 20,443,321**

Mayor’s Priorities for Remaining Unallocated Fund Balance

Allocation to Government Center Capital Account	\$10,000,000
Council Capital Funds at \$100,000 per Councilmember	\$1,500,000
Civil Service End of Year Supplement (Scaled based on Rate of Pay)	\$1,110,610
Infrastructure Funding Plan for Urban Growth Master Plan	\$750,000
Cardinal Run North Additional Paving	\$647,000
Downtown Master Plan	\$300,000
NAMI Facility Support	\$225,000
Free Philharmonic Concert – 250Lex	<u>\$45,000</u>
	\$14,577,610

REMAINING UNASSIGNED FUNDS **\$5,865,711**

Questions?



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Annual Change in Fund Balance

All General Funds

(Includes Capital, Affordable Housing, Economic Development, and Other General Funds)

Net of Revenue and Expenditures

