

Lexington-Fayette Urban County Government

*200 E. Main St
Lexington, KY 40507*



Docket

Tuesday, September 28, 2021

1:00 PM

Council Chamber

Budget and Finance and Economic Development Committee

Committee Agenda

- 0973-21** Committee Summary: Budget, Finance & Economic Development, August 31, 2021
Attachments: [08-31-21 BFED Summary](#)
- 0974-21** Monthly Financial Update - August 2021
Attachments: [BF&E August Financial Update - Council Submittal](#)
- 0975-21** Attracting Remote Workers to Relocate to Lexington-Fayette County
Attachments: [Kentucky Remote Presentation Slides PDF V-9-22-21](#)
- 0976-21** Use of Additional FY21 Economic Development Funding (\$300,000)
a. Talent Development Project
b. Regional Economic Competitiveness Plan
Attachments: [EconDev FY21 fund - Talent Development Project 9.17.21](#)
- 0977-21** Use of MAP Funds for Salaries
Attachments: [Map Funds and Salaries - BFED 9-28-2021](#)
- 0978-21** Budgeting Models and LFUCG Budgeting
a. Budget Amendments
Attachments: [Budget Amendment - Grants Pilot](#)
[budget amendment modification grants - draft ord 9-22-21](#)
[budget amendment ordinance 22-79](#)
- 0979-21** Items Referred to Committee
Attachments: [BFED referral list 9-23-21](#)

Adjournment



Lexington-Fayette Urban County Government

Master

200 E. Main St
Lexington, KY 40507

File Number: 0973-21

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Sponsors:

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1	Urban County Council Work Session	09/28/2021	Received and Filed				

Text of Legislative File 0973-21

Title

Committee Summary: Budget, Finance & Economic Development, August 31, 2021



Budget, Finance & Economic Development Committee

August 31, 2021

Summary and Motions

Committee chair, Council Member Amanda Bledsoe, called the meeting to order at 1:01 p.m. Committee members Vice Mayor Steve Kay and Council Members Richard Moloney, Chuck Ellinger, James Brown, Josh McCurn, Susan Lamb, Fred Brown, and Kathy Plomin were present. Council Member Preston Worley was absent. Council Members Liz Sheehan and Jennifer Reynolds attended as non-voting members.

I. Approval of June 29, 2021 Committee Summary

Motion by Plomin to approve the June 29, 2021, Budget, Finance, and Economic Development Committee summary; seconded by Ellinger. The motion passed without dissent.

II. Items Referred to Committee

Motion by F. Brown to remove the following items: *assessment of LFUCG owned property for potential revenue and cost savings opportunities* (No. 7), *industrial revenue bond fee schedule amendments* (No. 12), *proposals for coronavirus relief funds and fund balance* (No. 13), and *economic development partnership services RFP* (No. 17); seconded by Kay. The motion passed without dissent.

Initiatives related to item no. 7 remain in the LFUCG Property Assessment Subcommittee. Bledsoe said the *economic development partnerships update* (item no. 11) would become an annual update item.

III. Monthly Financial Update – July 2021

The monthly financial report was provided for information only. Bledsoe reviewed a few highlights. The last few pages of the financial update include up-to-date revenue and expenses for ARPA State and Local Recovery Funds, which will remain a component of the committee's financial reports going forward.

F. Brown and Erin Hensley, Commissioner of Finance, discussed two reports that were due by August 31st for ARPA, the interim report and the (annual) recovery plan, which totaled 67 pages for the previously allocated \$8M. Each project will have a detailed form. LFUCG is required to report expenditures by code (e.g. EC 1, 2, etc.) The information provided in the packet mirrors what is in the reports. F. Brown pointed out line-items for neighborhood recreation improvements for each park, which provides insight for the projects that the council approves and required details. Hensley explained they will track how much was allocated and how much the city is spending for each project, to know if they have met the budgetary requirements. Projects can also qualify differently, which they are also tracking; for example, within a qualifying census tract or for tourism.

Lamb believes it's in the best interest for the public to understand the details that LFUCG has to consider to use ARPA funds. Bledsoe clarified that once a project is approved it will be added to the reporting structure included in this financial report. Kay agreed it would be helpful for the public to understand the reporting requirements. He invited council members to submit other suggestions for information that would be helpful for the next committee of the whole meeting dedicated to ARPA. He said a lot of details will come after they have narrowed down the list of projects. Lamb and Bledsoe discussed how some projects that were submitted are conceptual and how LFUCG is learning as we go, particularly how

ARPA funds are not the best use for some projects because they would be too cumbersome administratively. Lamb concluded the projects list creates a wish list for the future and said ideas won't be thrown to the curb. No action was taken on this item.

July 2021 YTD Actual Compared to Adopted Budget:

<u>Revenue Category</u>	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>	<u>% Var</u>
OLT- Employee Withholding	14,376,233	12,270,000	2,106,233	17.2%
OLT - Net Profit	1,468,398	910,000	558,398	61.4%
Insurance	2,450,488	3,220,000	(769,512)	-23.9%
Franchise Fees	2,376,097	2,320,000	56,097	2.4%
TOTALS	20,671,216	18,720,000	1,951,216	10.4%

July 2021 YTD/July 2020 YTD Current Year Compared to Prior Year:

<u>Revenue Category</u>	<u>Jul '21</u>	<u>Jul '20</u>	<u>Diff</u>	<u>% Var</u>
OLT- Employee Withholding	14,376,233	13,002,271	1,373,962	10.6%
OLT - Net Profit	1,468,398	8,144,267	(6,675,869)	-82.0%
Insurance	2,450,488	2,820,646	(370,158)	-13.1%
Franchise Fees	2,376,097	2,339,091	37,006	1.6%
TOTALS	20,671,216	26,306,275	(5,635,059)	-21.4%

FY2022 – Cash Flow Variance Revenue (Actual to Budget)

<u>For the one month ended July 31, 2021</u>				
	<u>Actuals</u>	<u>Budget</u>	<u>Variance</u>	<u>% Var</u>
<u>Revenue</u>	-	-	-	-
<u>Payroll Withholding</u>	<u>14,376,233</u>	<u>12,270,000</u>	<u>2,106,233</u>	<u>17.2%</u>
<u>Net Profit</u>	<u>1,468,398</u>	<u>910,000</u>	<u>558,398</u>	<u>61.4%</u>
<u>Insurance</u>	<u>2,450,488</u>	<u>3,220,000</u>	<u>(769,512)</u>	<u>-23.9%</u>
<u>Franchise Fees</u>	<u>2,376,097</u>	<u>2,320,000</u>	<u>56,097</u>	<u>2.4%</u>
<u>Other Licenses & Permits</u>	<u>43,693</u>	<u>270,583</u>	<u>(226,890)</u>	<u>-83.9%</u>
<u>Property Tax Accounts</u>	<u>-</u>	<u>15,333</u>	<u>(15,333)</u>	<u>-100.0%</u>
<u>Services</u>	<u>1,986,937</u>	<u>1,949,768</u>	<u>37,169</u>	<u>1.9%</u>
<u>Fines and Forfeitures</u>	<u>10,315</u>	<u>20,833</u>	<u>(10,518)</u>	<u>-50.5%</u>
<u>Intergovernmental Revenue</u>	<u>77,539</u>	<u>22,178</u>	<u>55,361</u>	<u>249.6%</u>
<u>Property Sales</u>	<u>35,115</u>	<u>8,333</u>	<u>26,782</u>	<u>321.4%</u>
<u>Investment Income</u>	<u>-</u>	<u>16,020</u>	<u>(16,020)</u>	<u>-100.0%</u>
<u>Other Income</u>	<u>158,393</u>	<u>101,883</u>	<u>56,510</u>	<u>55.5%</u>
<u>Total Revenues</u>	<u>\$22,983,208</u>	<u>\$21,124,931</u>	<u>\$1,858,277</u>	<u>8.8%</u>

FY2022 – Cash Flow Variance Expense (Actual to Budget)

<i>For the one month ended July 31, 2021</i>				
	Actuals	Budget	Variance	% Var
<u>Expense</u>				
Personnel	11,823,432	12,395,985	572,553	4.6%
Operating	4,525,138	7,256,046	2,730,908	37.6%
Insurance Expense	226	226	0	-
Debt Service	4,538,622	4,538,622	0	-
Partner Agencies	1,498,394	1,837,054	338,660	18.4%
Capital	5,832	241,208	235,376	97.6%
Total Expenses	\$22,391,644	\$26,269,141	\$3,877,497	14.8%
Transfers	463,087	463,087	0	-
Change in Fund Balance	\$128,477	(\$5,607,297)	\$5,735,774	

IV. Local Small Business Economic Stimulus Program 2020

Tyrone Tyra, Senior Vice President of Community & Minority Business Development for Commerce Lexington, first talked about the 2020 Local Small Business Economic Stimulus Program. The information provided is based on a form that LFUCG created for program reporting and the data comes from 77 percent of participants. The average monthly payroll and average total monthly full-time employees were outlined for January, March and December 2020, and May 2021. Tyra pointed out the dip in full-time employees in December and said the employment level has not fully recovered yet. He provided a brief update on the 2021 Small Business Economic Recovery Program, which is more extensive than the 2020 program. They continue to hear how important these funds are to the businesses. They dispersed \$3.79M and about \$500,000 remained available for allocation. Members and the Access Loan Committee and Traditional Bank were thanked for making this work possible.

Worley spoke about businesses as the lifeblood of Lexington's economy. He talked about these programs showing the need for support is overwhelming, particularly by how quickly the funds have gone out. Reynolds confirmed the 2021 stimulus program is still open and accepting applications. Tyra explained this program requires a lot of applications for funds because of the program criteria, which helps determine the appropriate level of funds to award. Applicants can only apply once for this program. They discussed the effort made to follow up with people and answer questions; Commerce Lexington has four people returning calls.

Tyra said they hired Falon McFarland to assist with the program. J. Brown asked what the next step is to help the small business community bounce back from the pandemic. Tyra said he is encouraging businesses to look at their finances. Tyra also suggested making it easier for businesses to get involved in city contracts, which LFUCG's minority business liaison is working on, and helping businesses to develop partnerships to expand and identify new targets. He is working with Sherita Miller on reworking a training program as well.

Ellinger pointed out this program is different from the 2020 program because funds have to be returned if outcomes aren't met. Tyra said the closing of the grant helps emphasize it is a one-year agreement.

Commerce Lexington has planned three check-ins with the awarded businesses. That process will start once all funds have been expended.

Moloney asked if the businesses are having a hard time with employment. Tyra said a lot of the awarded businesses are using the money to retain employees, for example, giving them bonuses. He talked about several employment factors. Some employers, who have strong benefits, are turning people away. Many folks are switching jobs by choice. People are starting businesses at a record rate. Tyra added that a consultant who advises Commerce Lexington doesn't anticipate a "magic bounce back" in employment.

Lamb asked about the number of new businesses that Commerce Lexington has met through these programs and if it has increased the diversity of its membership. Tyra said some businesses are visiting their offices for the first time and the Accelerator program is asked about frequently. They plan to follow up with these businesses in the future.

In response to Bledsoe, Kevin Atkins, Chief Development Officer, said Commerce Lexington met and exceeded on all fronts of the program. Payroll and employment numbers show the average number of employees was under 10, meeting the focus to reach true small businesses; past presentations showed the program far exceeded the goal for 50 percent of the funds to reach women- and minority-owned businesses. No action was taken on this item.

V. Bluegrass Farm to Table Update (annual)

This item was postponed and will be rescheduled. No action was taken on this item.

VI. Budgeting Models and LFUCG Budgeting

Bledsoe first recalled the work of a task force in 2019 with Mayor Gorton that looked at how we can improve the city's budget and finances. This presentation covers some of the items from that work. Erin Hensley began the presentation talking about the purpose and goals of a government's budget. She explained four budgeting approaches, reviewing the pros and cons for each. *Incremental budgeting* is most commonly used and easiest to understand. *Budget for outcomes* (focuses on community priorities) and the *performance-based approach* (more data-driven and works well for situations like ARPA) are similar; LFUCG accounting is not set up structurally for them. The *zero-based approach* requires intentional thought and justification for every dollar. Hensley said 65 percent of the city's budget is an inflexible cost due to personnel; if you take into consideration other annual funding obligations (such as occupancy costs, debt service, insurance, the Extended Social Resource program, etc.), these in total represent over 80 percent of the budget and prevent LFUCG from starting at zero.

Hensley reviewed the annual budgeting process, pointing out how the Division of Budgeting meets with each division monthly to review their budget. Divisions are asked to justify their operating budgets each year as well as provide performance measures. LFUCG's hybrid budgeting includes components of *incremental*, *zero-based*, and *performance-based budgeting*. She outlined best practices identified by the Government Finance Officers Association. The 2019 workgroup created a list of criteria they wanted to enhance the budget process with, some of which are already accomplished. Some of those criteria included publishing the *Budget in Brief* book and making the budgeting process more collaborative among the council and mayor earlier in the process. The last two recommendations regard the volume of budget amendments and a process for a Capital Improvement Plan. Budget amendments are cumbersome and some are insignificant; this should be reviewed to see if there are changes the council

is comfortable with. The process for the CIP is designed to look at long-range expenditures to have a better idea of what's coming.

Bledsoe talked about a process for members of the council and the administration to work together before the budget process starts (maybe September) on a long-term CIP; a joint effort to influence the CIP. This could be a pilot project this year that make a recommendation for the process going forward. In regards to budget amendments, Bledsoe pointed out the council's consideration of consent agendas in the past and talked about balancing transparency with being fiscally responsible, for example, staff time to process all the budget amendments. She suggested a pilot project that would modify what budget amendments would require the council's approval for grant projects and funds.

Moloney agreed the council doesn't need to spend as much time as it does on budget amendments for a small amount of money and referenced how it works differently at the state level. He encouraged the administration to share draft language [to amend necessary ordinances] that would modify the process.

F. Brown referenced the GFOA best practices related to unrestricted fund balance; he is not happy with how LFUCG portrays this. He mentioned the Comprehensive Annual Financial Report and outstanding awards in past years, which means the city is doing things right. He prefers all budget amendments that affect fund balance to go through the council for approval no matter the amount. He and Hensley discussed divisions that have a CIP (e.g. Police, Fire, and Parks and Recreation). Bledsoe said the idea is to not wait until the budget process to see the CIP, it would be a joint effort with the council earlier in the year.

J. Brown asked about parameters if a pilot project was tested for budget amendments with grants. They will need to review an ordinance from the 1970s that direct budget amendments. Hensley said the council would need to be informed of the grant budget, major changes in scope or funding, and the end result. Council would want to establish a threshold for change in revenue and determine what level of movement within expenditure categories was allowed if they aren't triggering the funding source.

Lamb recalled changes within LFUCG made over the years to be more efficient, which she compared to the possibility of improving budget amendments. She wants to continue to improve transparency and engagement with the public so they know where to look at things. The council often doesn't discuss CIP projects until the budget or when a project begins. Kay said the city is not looking for a return on investment and therefore the budget process is different from a corporate setting. He is in favor of simplifying budget amendments. Regarding the CIP process, he compared the project list in the Lexington Area Metropolitan Planning Organization; the list could be used as a base and modified. Kay pointed out various categories of fund balance and how they were used in the past to help with cash flow; ultimately he questioned how formal the process for unrestricted fund balance needs to be.

Sheehan talked about how helpful it was to participate in the mayor's budget hearings and asked what else can be done towards a collaborative budget review process. Hensley highlighted a couple of opportunities including the council's involvement in Budgeting's monthly meetings with divisions to review their budget and additional support for new council members before the council's budget process starts. Hensley said the budget retreats that provide an opportunity for a dynamic conversation can only go further in future years.

Sally Hamilton, CAO, said the CIP process doesn't mean each division submits their full CIP. She then explained the state process. Every state agency submits their (two-year) capital budget, a committee composed of various parts of the government ranks those projects, and then the ranked list is submitted

to the legislature. The legislature would often amend the list but it was a good guidance process. Hamilton talked about this kind of process helping everyone. Moloney and Bledsoe discussed the at-large council members serving on the group, particularly because the purpose is long-range planning and they have four-year terms. Bledsoe asked the administration to come back with (1) a proposal on how to do a CIP process and (2) what a modified process for budget amendments tied to grants would look like, including changes to the ordinance for the next meeting. No action was taken on this item.

Motion by Kay to adjourn (at 2:24 p.m.); seconded by Ellinger. The motion passed without dissent.

Materials for the meeting:

<https://lexington.legistar.com/MeetingDetail.aspx?ID=890624&GUID=46E8842D-4BCD-467F-A532-3DDC75512071&Options=info|&Search>

Video recording of the meeting: http://lfucg.granicus.com/player/clip/5423?view_id=4&redirect=true

HBA 9/22/21



Lexington-Fayette Urban County Government

Master

200 E. Main St
Lexington, KY 40507

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Text of Legislative File 0974-21

Title

Monthly Financial Update - August 2021

BUDGET, FINANCE & ECONOMIC DEVELOPMENT COMMITTEE

Financial Update
September 28, 2021

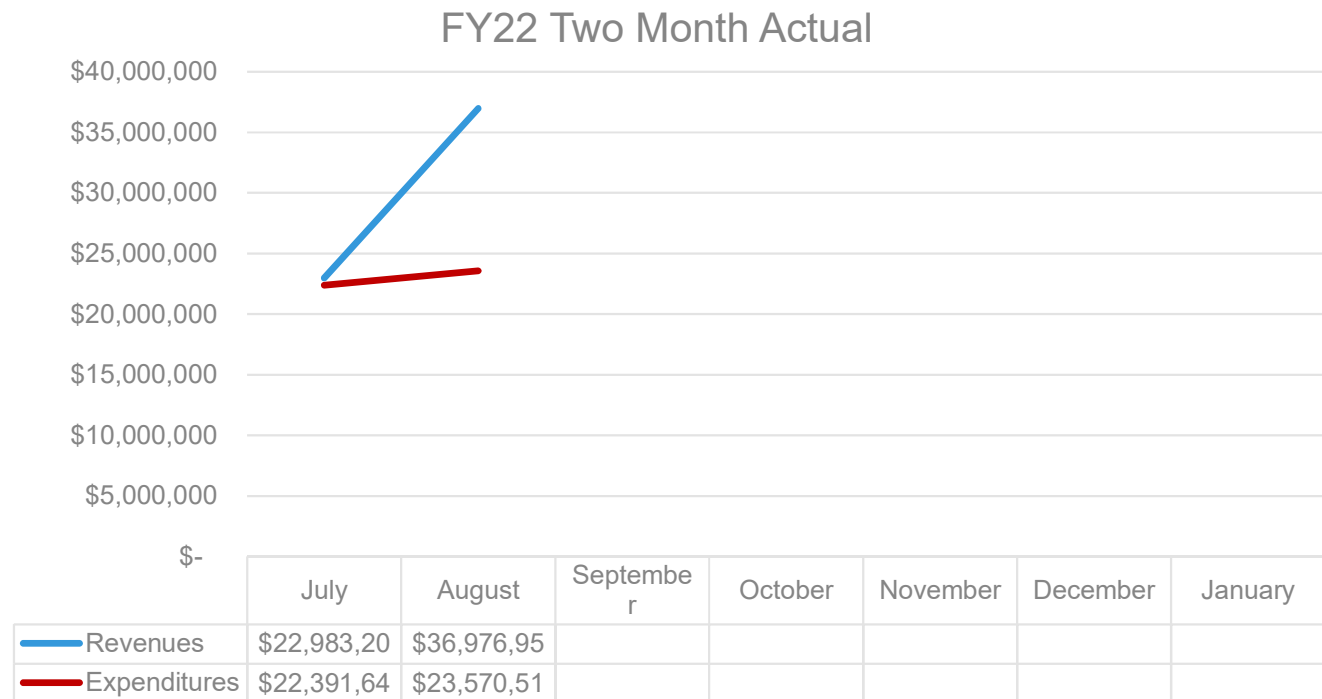


LEXINGTON



2 Month Performance Review (Actuals)

August FY22	
Revenues	59,960,161
Expenses	(45,962,160)
Transfers	<u>(6,727,714)</u>
Δ in Fund Balance +/-	7,270,287



Factors to Consider

- Payroll withholding is \$4.6 million above budget, and continues to trend positively
- Variance overstated for Repairs and Maintenance (nearly \$2 million under budget)
- Continue trend of savings in full-time salaries; however, payouts for separations were over budget. Continue to monitor overtime impacts.



August 2021 YTD Actual Compared to Adopted Budget

<u>Revenue Category</u>	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>	<u>% Var</u>
OLT- Employee Withholding	38,741,290	34,120,000	4,621,290	13.5%
OLT - Net Profit	2,308,084	2,410,000	(101,916)	-4.2%
Insurance	9,021,541	8,640,000	381,541	4.4%
Franchise Fees	4,273,901	4,350,000	(76,099)	-1.7%
TOTALS	54,344,816	49,520,000	4,824,816	9.7%



August 2021 YTD/August 2020 YTD Current Year Compared to Prior Year

<u>Revenue Category</u>	<u>Aug-21</u>	<u>Aug-20</u>	<u>Variance</u>	<u>% Var</u>
OLT- Employee Withholding	38,741,290	33,786,545	4,954,745	14.7%
OLT - Net Profit	2,308,084	9,661,885	(7,353,801)	-76.1%
Insurance	9,021,541	8,370,389	651,152	7.8%
Franchise Fees	4,273,901	4,326,411	(52,510)	-1.2%
TOTALS	54,344,816	56,145,230	(1,800,414)	-3.2%



2022 Fiscal year – Cash Flow Variance Revenue (Actual to Budget)

<i>For the two months ended August 31, 2021</i>				
	Actuals	Budget	Variance	% Var
<u>Revenue</u>				
Payroll Withholding	38,741,290	34,120,000	4,621,290	13.5%
Net Profit	2,308,084	2,410,000	(101,916)	-4.2%
Insurance	9,021,541	8,640,000	381,541	4.4%
Franchise Fees	4,273,901	4,350,000	(76,099)	-1.7%
Other Licenses & Permits	502,897	542,985	(40,088)	-7.4%
Property Tax Accounts	303,748	227,892	75,856	33.3%
Services	4,163,436	4,006,306	157,130	3.9%
Fines and Forfeitures	27,685	41,667	(13,982)	-33.6%
Intergovernmental Revenue	84,663	44,650	40,013	89.6%
Property Sales	51,072	16,667	34,405	206.4%
Investment Income	-	32,529	(32,529)	-100.0%
Other Financing Sources	40,000	40,000	0	0.0%
Other Income	441,844	198,957	242,887	122.1%
Total Revenues	\$59,960,161	\$54,671,653	\$5,288,508	9.7%



2022 Fiscal Year – Cash Flow Variance Expense (Actual to Budget)

<i>For the two months ended August 31, 2021</i>				
	Actuals	Budget	Variance	% Var
<u>Expense</u>				
Personnel	29,685,754	30,338,958	653,204	2.2%
Operating	7,397,774	12,090,799	4,693,025	38.8%
Insurance Expense	1,263,377	1,236,829	(26,548)	-2.1%
Debt Service	4,538,622	4,538,622	0	0.0%
Partner Agencies	3,026,661	3,689,646	662,985	18.0%
Capital	49,972	467,438	417,466	89.3%
Total Expenses	\$45,962,160	\$52,362,292	\$6,400,132	12.2%
 Transfers	 6,727,714	 6,637,567	 (90,147)	 -1.4%
Change in Fund Balance	\$7,270,287	(\$4,328,206)	\$11,598,493	



2022 Fiscal Year - Cash Flow Variance Revenue (CY to PY)

<i>For the two months ended August 31, 2021</i>				
	FY 2022	FY 2021	Variance	% Var
<u>Revenue</u>				
Payroll Withholding	38,741,290	33,786,545	4,954,745	14.7%
Net Profit	2,308,084	9,661,885	(7,353,801)	-76.1%
Insurance	9,021,541	8,370,389	651,152	7.8%
Franchise Fees	4,273,901	4,326,411	(52,510)	-1.2%
Other Licenses & Permits	502,897	413,737	89,160	21.5%
Property Tax Accounts	303,748	202,116	101,632	50.3%
Services	4,163,436	3,377,763	785,673	23.3%
Fines and Forfeitures	27,685	21,855	5,830	26.7%
Intergovernmental Revenue	84,663	12,212	72,451	593.3%
Property Sales	51,072	-	51,072	-
Investment Income	-	1,096	(1,096)	-100.0%
Other Financing Sources	40,000	-	40,000	-
Other Income	441,844	250,705	191,139	76.2%
Total Revenues	\$59,960,161	\$60,424,714	(\$464,553)	-0.8%



2022 Fiscal Year - Cash Flow Variance Expense (CY to PY)

<i>For the two months ended August 31, 2021</i>				
	FY 2022	FY 2021	Variance	% Var
<u>Expense</u>				
Personnel	29,685,754	28,063,141	(1,622,613)	-5.8%
Operating	7,397,774	6,621,164	(776,610)	-11.7%
Insurance Expense	1,263,377	994,241	(269,136)	-27.1%
Debt Service	4,538,622	4,941,859	403,237	8.2%
Partner Agencies	3,026,661	3,130,539	103,878	3.3%
Capital	49,972	93,844	43,872	46.7%
Total Expenses	\$45,962,160	\$43,844,788	(\$2,117,372)	-4.8%
 Transfers	 6,727,714	 907,210	 (5,820,503)	 -641.6%
Change in Fund Balance	\$7,270,287	\$15,672,716	(\$8,402,429)	



ARPA State and Local Fiscal Recovery Funds Revenue and Expense Report

For the period through August 31, 2021				
		Actuals	Budget	Variance
Revenue				
LFUCG Allocation		\$ 60,589,029	\$ 121,178,058	\$ 60,589,029
Total Revenues		\$ 60,589,029	\$ 121,178,058	\$ 60,589,029

For the period through August 31, 2021					
			Actuals	Budget	Variance
Expense					
EC 1: Public Health			\$ 13,472	\$ 395,000	\$ (381,528)
1.05	Personal Protective Equipment	Personal Protective Equipment for LFUCG	\$ 1,186	\$ 225,000	\$ (223,814)
1.10	Mental Health Services	NAMI - Mental Health Court Funding	\$ 12,286	\$ 170,000	\$ (157,714)
EC 2: Negative Economic Impacts			\$ 64,590	\$ 2,637,500	\$ (2,572,910)
2.02	Household Assistance: Rent, Mortgage,	Emergency Financial Assistance for Residents	\$ 7,890	\$ 200,000	\$ (192,110)
2.02	Household Assistance: Rent, Mortgage,	Recovery Supportive Living Assistance (RSLA)	\$ 56,700	\$ 60,000	\$ (3,300)
2.07	Job Training Assistance	Workforce Development Grants to Service Partners	\$ -	\$ 200,000	\$ (200,000)
2.10	Aid to Nonprofit Organizations	Explorium of Lexington - Children's Museum Assistance	\$ -	\$ 125,000	\$ (125,000)
2.10	Aid to Nonprofit Organizations	LexArts Nonprofit Services Contract	\$ -	\$ 325,000	\$ (325,000)
2.10	Aid to Nonprofit Organizations	Lyric Theater Assistance	\$ -	\$ 127,500	\$ (127,500)
2.11	Aid to Tourism, Travel, or Hospitality	Ecton Park Improvements - Concess/Rstrm Facilities for Local Users an	\$ -	\$ 300,000	\$ (300,000)
2.11	Aid to Tourism, Travel, or Hospitality	Lakeside Irrigation Replacement	\$ -	\$ 1,300,000	\$ (1,300,000)
EC 3: Services to Disproportionately Impacted Communities			\$ 36,906	\$ 2,833,000	\$ (2,796,094)
3.10	Housing Support: Affordable Housing	Shropshire Affordable Housing Project Site Improvements	\$ -	\$ 750,000	\$ (750,000)
3.11	Housing Support: Services for Unhoused	Homelessness Allocation	\$ 36,906	\$ 750,000	\$ (713,094)
3.12	Housing Support: Other Housing Assista	Code Enforcement Grants for Residents with Low Income	\$ -	\$ 200,000	\$ (200,000)
3.13	Social Determinants of Health: Other	Access to Quality Green Space for Disadvantaged Pop - ADA Imprvmnts	\$ -	\$ 125,000	\$ (125,000)
3.13	Social Determinants of Health: Other	Access to Quality Green Space in QCT - Douglas Park - Pool Imprvmnts	\$ -	\$ 175,000	\$ (175,000)
3.13	Social Determinants of Health: Other	Access to Quality Green Space in QCT - Mary Todd Park - Basketball C	\$ -	\$ 118,000	\$ (118,000)
3.13	Social Determinants of Health: Other	Access to Quality Green Space in QCT - Northeastern Park - Playgroun	\$ -	\$ 250,000	\$ (250,000)
3.13	Social Determinants of Health: Other	Access to Quality Green Space in QCT - Phoenix Park - Inclusive Use an	\$ -	\$ 150,000	\$ (150,000)
3.13	Social Determinants of Health: Other	Access to Quality Green Space in QCT - Pine Meadows Park - Playgrou	\$ -	\$ 150,000	\$ (150,000)
3.13	Social Determinants of Health: Other	Access to Quality Green Space in QCT - River Hill Park - Sports Courts	\$ -	\$ 165,000	\$ (165,000)



ARPA State and Local Fiscal Recovery Funds Revenue and Expense Report

<i>For the period through August 31, 2021</i>				Actuals	Budget	Variance
Expense (Continued)						
EC 4: Premium Pay				\$ -	\$ -	\$ -
EC 5: Infrastructure				\$ -	\$ -	\$ -
EC 6: Revenue Replacement/Government Services				\$ -	\$ 2,070,000	\$ (2,070,000)
6.01	Provision of Government Services	Economic Development Grants to Service Partners		\$ -	\$ 300,000	\$ (300,000)
6.01	Provision of Government Services	Nbhood Rec Imprvmnts - Berry Hill Park - Basketball Court		\$ -	\$ 175,000	\$ (175,000)
6.01	Provision of Government Services	Nbhood Rec Imprvmnts - Buckhorn Park - Phase II Improvements		\$ -	\$ 45,000	\$ (45,000)
6.01	Provision of Government Services	Nbhood Rec Imprvmnts - Dogwood Park - Basketball Court		\$ -	\$ 95,000	\$ (95,000)
6.01	Provision of Government Services	Nbhood Rec Imprvmnts - Gardenside Park - Playground		\$ -	\$ 150,000	\$ (150,000)
6.01	Provision of Government Services	Nbhood Rec Imprvmnts - Masterson Station Park - Playground		\$ -	\$ 150,000	\$ (150,000)
6.01	Provision of Government Services	Nbhood Rec Imprvmnts - Meadowthorpe Park - Roof Repair		\$ -	\$ 80,000	\$ (80,000)
6.01	Provision of Government Services	Nbhood Rec Imprvmnts - Raven Run Park - Prather House Roof Repair		\$ -	\$ 50,000	\$ (50,000)
6.01	Provision of Government Services	Nbhood Rec Imprvmnts - Shillito Park - Access Imprvmnt Parking Lot Co		\$ -	\$ 400,000	\$ (400,000)
6.01	Provision of Government Services	Nbhood Rec Imprvmnts - Southland Park - Access Imprvmnt Parking Re		\$ -	\$ 100,000	\$ (100,000)
6.01	Provision of Government Services	Nbhood Rec Imprvmnts - Woodland Park - Restroom Facilities		\$ -	\$ 525,000	\$ (525,000)
EC 7: Administrative				\$ -	\$ -	\$ -
Total Expenses				\$ 114,969	\$ 7,935,500	\$ (7,820,531)
TOTAL - ARPA SLFRF				\$ 60,474,060	\$ 113,242,558	\$ (52,768,498)

Questions?



LEXINGTON



Lexington-Fayette Urban County Government Master

200 E. Main St
Lexington, KY 40507

File Number: 0975-21

File ID: 0975-21

Type: Committee Item

Status: Agenda Ready

Version: 1

Contract #:

In Control: Budget and
Finance and
Economic
Development
Committee

File Created: 09/23/2021

File Name: Attracting Remote Workers to Relocate to
Lexington-Attracting Remote Workers to Relocate to
Lexington-Fayette County

Final Action:

Title: Attracting Remote Workers to Relocate to Lexington-Fayette County

Notes:

Sponsors:

Enactment Date:

Attachments: Kentucky Remote Presentation Slides PDF
V-9-22-21

Enactment Number:

Deed #:

Hearing Date:

Drafter:

Effective Date:

History of Legislative File

Ver- sion:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
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Text of Legislative File 0975-21

Title

Attracting Remote Workers to Relocate to Lexington-Fayette County



KENTUCKY REMOTE

An Innovative Approach to
Economic Development

WHO WE ARE



Lincoln Brown

**Social Impact Investor & Advisor;
Serial Entrepreneur**



Brian Raney

**Co-Founder / CEO
Awesome Inc & APAX Software**



Hannah Conover, CPA

**VP of Operations
Kentucky 2030 Project**

PROBLEM

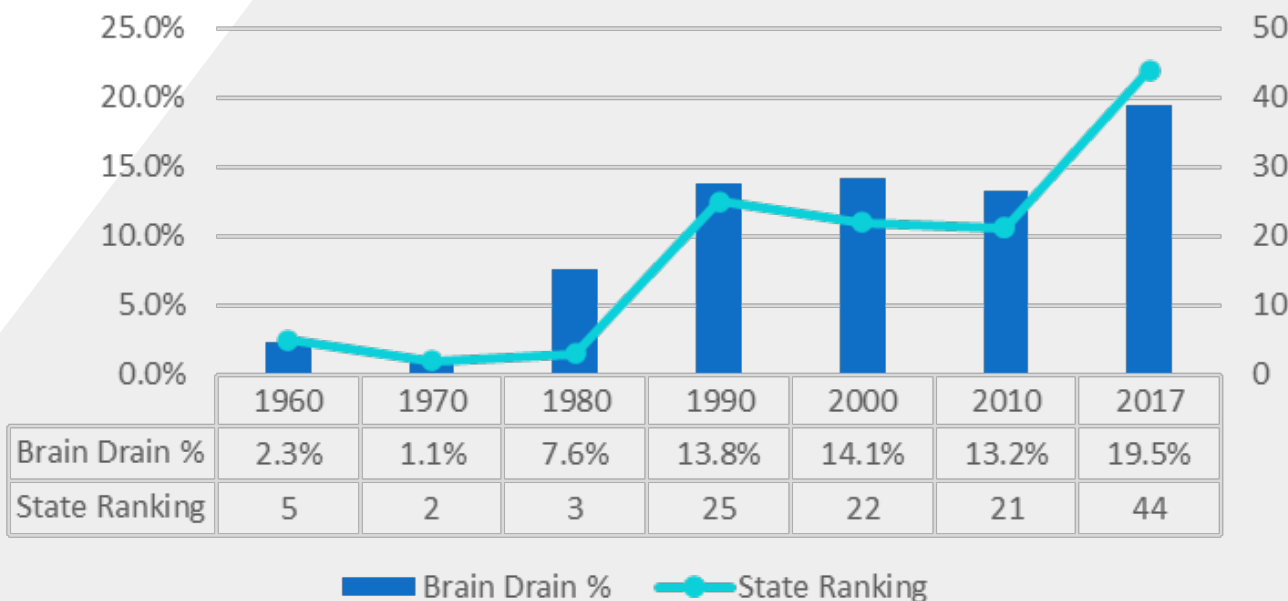
A study by the US Joint Economic Committee found that Kentucky ranks 44th in the nation for **losing our most highly-educated citizens**.

In 1970, we were the 2nd best at retaining talent, giving KY the **worst trend-line change in the nation** over the past 50 years.

This lack of robust labor supply pool creates a **barrier for new businesses and economic opportunities**.

Kentucky Outmigration Trends

(% Highly Educated among Leavers minus % among Stayers)





OPPORTUNITIES

Remote Work & Migration

- 1 in 4 Americans now work remotely full-time
- By 2025, the number of fully remote workers is expected to double from pre-pandemic levels [\(Source\)](#)
- 14-23 million Americans are planning to move as a result, with 21% choosing to abandon high-priced, urban metro areas [\(Source\)](#)

Quality of Life vs Cost of Living

- Kentucky cities, such as Lexington and Louisville, are consistently ranked highly for affordability and quality of life measures
- Vast migration of workers gives Lexington an opportunity to capture this talent

“WORK FROM ANYWHERE IS HERE TO STAY...POLICY MAKERS AND POLITICIANS SHOULD VIEW THIS AS AN OPPORTUNITY FOR ATTRACTING TECH WORKERS AND FUTURE ENTREPRENEURS.”

- Prithwiraj Choudhury, Harvard Business School Professor specializing in the study of Remote Work

EMERGING SOLUTION: REMOTE WORKER TALENT RECRUITMENT

WHAT IS IT?

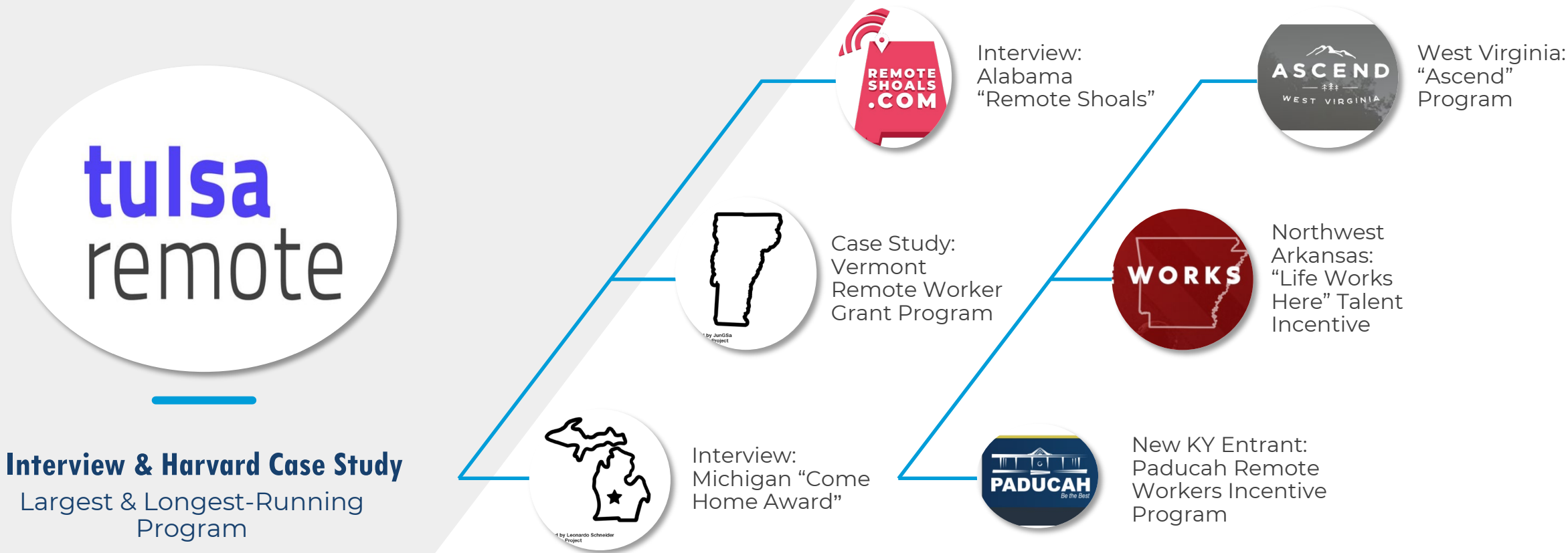


AN ECONOMIC DEVELOPMENT PROGRAM AIMED AT ATTRACTING **INDIVIDUALS** RATHER THAN COMPANIES, WHICH YIELDS ECONOMIC IMPACT SIMILAR TO ATTRACTING A **TOP-10** PRIVATE-SECTOR EMPLOYER TO THE CITY.

PRIMARY BENEFITS:

1. Increase pool of talented workers needed to attract Tier 1 companies (chicken/egg)
2. Add high-income citizens to the tax base

RESEARCH & INTERVIEWS OF COMPARABLE PROGRAMS



TYPICAL PROGRAM OPERATION



APPLICATION & SELECTION

Committee chooses diverse, talented, and community-minded applicants



FINANCIAL INCENTIVE

\$10,000 relocation grant paid to each participant over 1 year



COMMUNITY & RETENTION

Coworking and regular community-building events ensure retention

“THE TULSA REMOTE PROGRAM...HAS SHOWN
PAYOFF IN BOTH **INCOME TAX REVENUE**,
PROJECTING A BOOST OF \$1.4 MILLION IN 2020,
AND IN COMMUNITY ENGAGEMENT; MANY
OF THE 300-SOME PARTICIPANTS CONTINUE TO
VOLUNTEER LOCALLY.”

- Article in reference to [Harvard's case study](#) on the Tulsa Remote program



TULSA REMOTE METRICS

- **10,000** applications at launch in 2018
- **95%** retention for first cohort; **88%** of all cohorts intend to stay per latest polls
- Average annual salary of recruits **>\$100,000**
- Quick recruit growth: 25 in 2018; **>300 recruits by 2020; nearly 1,000 now**
 - 40% of first cohort also brought family members and other employable adults
- Consistently recruiting **cohorts of 400+** participants on a rolling basis

KEY BENEFIT SUMMARY

Piloted and Proven Elsewhere



Oklahoma: Tulsa Remote
West Virginia: Ascend
Alabama: Remote Shoals
Newest: City of Paducah, Kentucky

Guaranteed Tax Base Increase



Average salary of participants: \$100,000
Tulsa added \$1.4mm income tax revenue in 2020

Talent Pool Increase



1,000s of applicants, majority highly-educated STEM
West Virginia just had 7,500 applications at launch in 2021

PILOT RETURN ON INVESTMENT FOR LEXINGTON & KENTUCKY

Recruits in Pilot	Initial Investment	Long-term Retention Assumption	Direct NPV (Tax Revenue)	Total Lifetime NPV (w/ local spend multipliers)
200	(\$3.4 MM)	85%	\$8.6 MM	\$62 MM
Direct impact of tax base increase alone create significant value above cost, but the added “induced” value of participants spending new dollars in the local economy yields a long-term NPV of over 10X the cost.				

OVER 10X RETURN TO THE CITY & STATE PER \$1 INVESTED

PILOT BENEFITS SPECIFIC TO LEXINGTON

TANGIBLE

- A 200-recruit pilot could yield \$450k in annual occupational tax revenue for Lexington
 - 2.25% of \$20MM tax base, assuming \$100k salary
- Recruits also tend to bring other employable adults with them (40-60% in comp programs)
- If recruits spend 35% of their wages locally, this could inject \$7MM annually into the Lexington economy, supporting small businesses and inducing further jobs / tax revenue

INTANGIBLE

- Rigorous selection criteria would target new citizens that are diverse, talented, and community-minded:
 - Improve the talent pool for in-demand skills
 - Invigorate the local STEM and Entrepreneurial community
 - Entice graduates to boomerang back
 - Benefit from agglomeration effects

POTENTIAL GROWTH OF LEXINGTON PROGRAM

Example 5 Year Growth

Year:	1	2	3	4	5
Cohort 1	50	43	38	36	35
Cohort 2		150	128	115	109
Cohort 3			300	255	230
Cohort 4				400	340
Cohort 5					500

Total Recruits	50	193	466	806	1,213
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Pilot

Equivalent to large regional employer

Assumptions

Year	Size	Retention Curve
1	50	85%
2	150	90%
3	250	95%
4	350	95%
5	500	95%

“BLUE SKY” 5 YEAR GOAL FOR LEXINGTON

1,200 Retained Recruits

\$120 MM New Wages

\$100k Average Salary

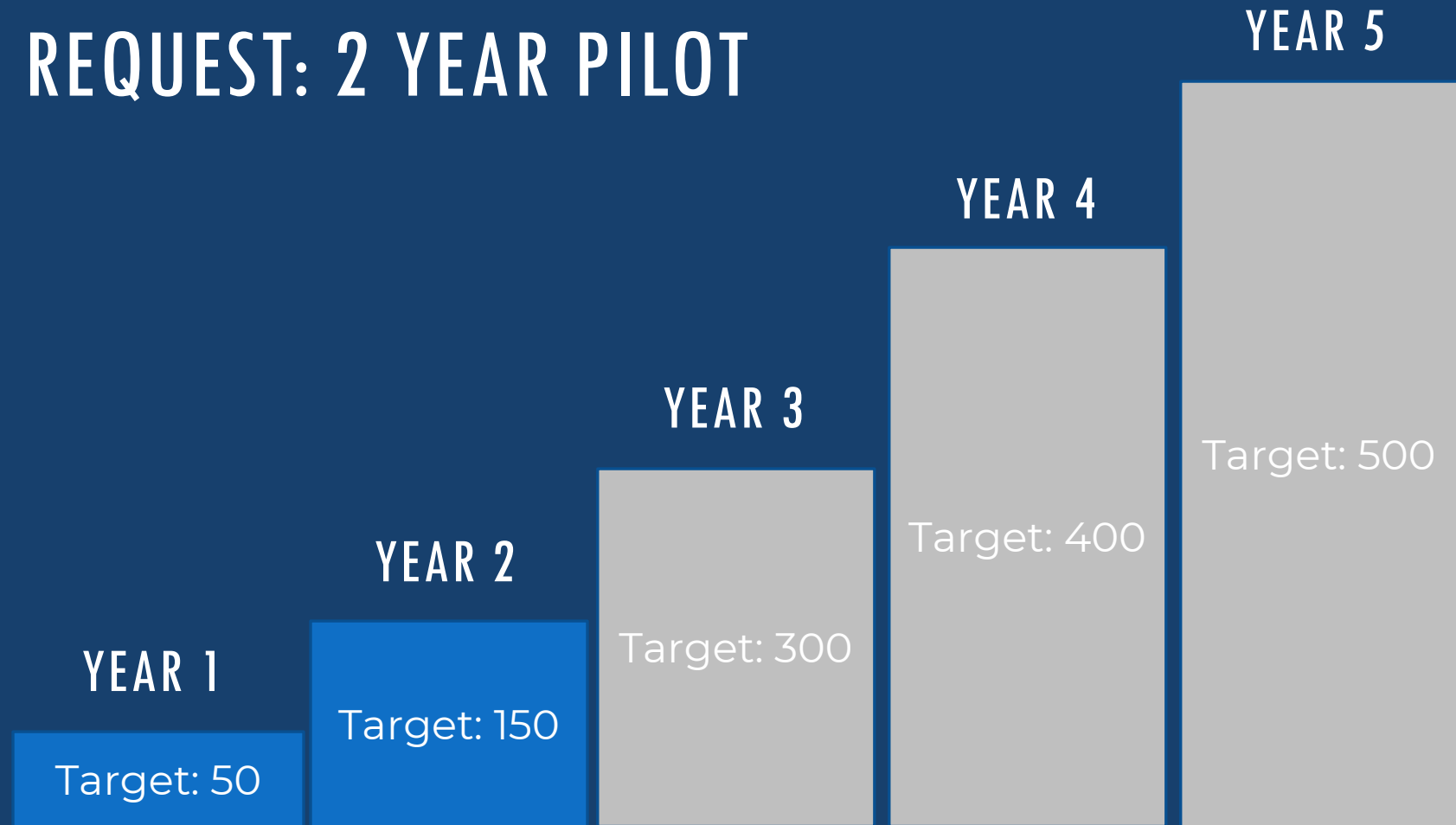
\$2.7 MM New Revenue

Annually, occupational tax at 2.25%

\$42 MM Local Spending

Annually, if 35% of wages spent

FUNDING REQUEST: 2 YEAR PILOT



LEVEL OF SUPPORT:

INITIAL COSTS

\$3.4MM

SWITCH TO TRAILING REVENUE %

EXAMPLE: 1% OF PAYROLL TAX

FUNDING SUSTAINABILITY: PUBLIC-PRIVATE PARTNERSHIP

- Philanthropic support and/or matching likely available upon launch
- Annual cohorts mean no long-term commitments are necessary
- A large, successful pilot in Lexington would provide metrics necessary to garner support at the state level

QUESTIONS



APPENDIX: OPERATING PLAN EXECUTED BY AWESOME INC

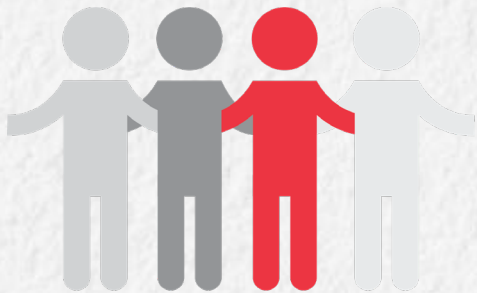
AWESOME INC CORE VALUES



Core Value #1
be: Good



Core Value #2
be: Excellent



Core Value #3
be: A Friend



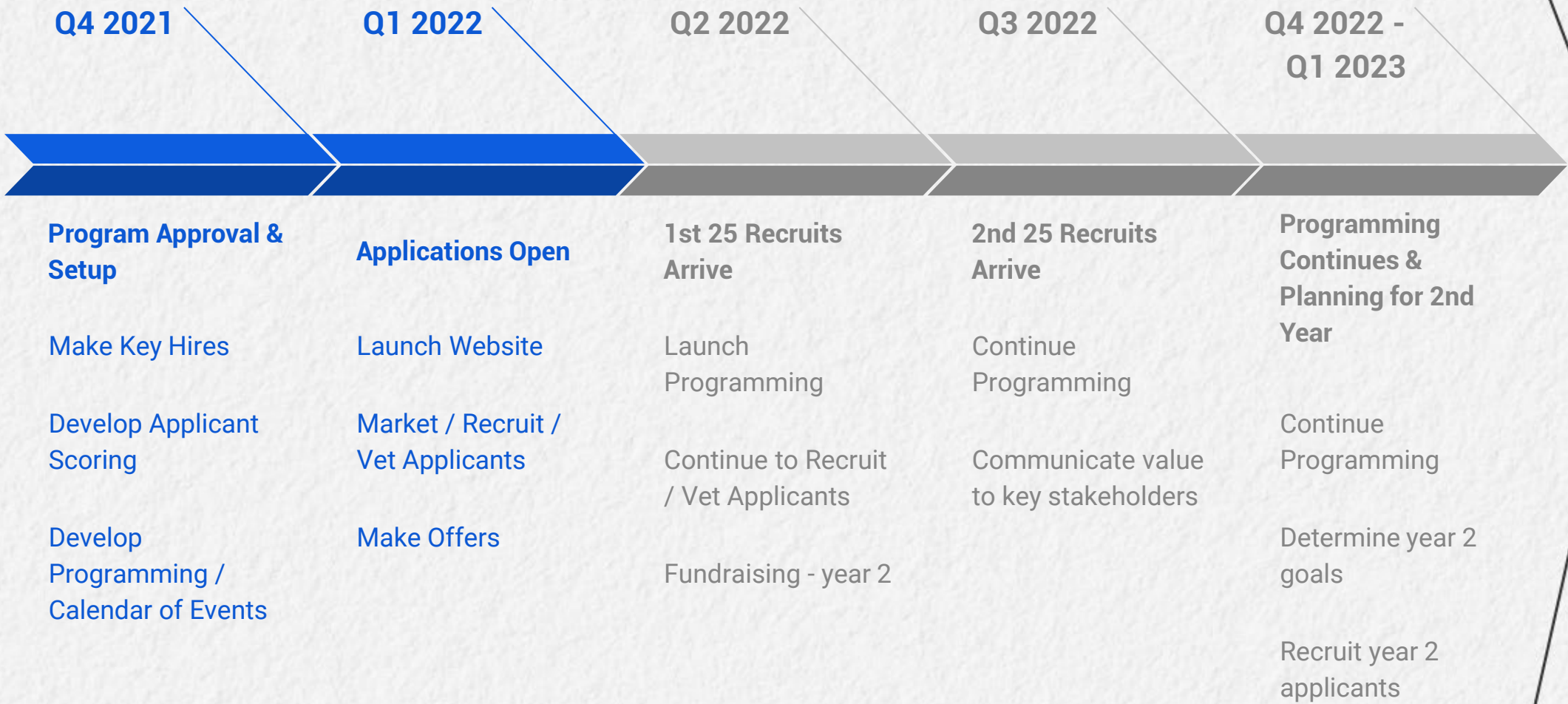
Core Value #4
be: You

WHY AWESOME INC

- Mission: Build community around entrepreneurship and technology (12 years of experience)
- Infrastructure is in place
- Ties into other initiatives
 - Coding School
 - Fellowship Program
 - Community Space
 - Events
- Create more Kentucky Entrepreneur Hall of Fame Inductees



EXECUTION → Suggested Timeline



EXECUTION → Key Partners

- VisitLex
- Governor's Scholars Program
- Governor's School for Entrepreneurs
- BaseHere
- CLEX
- LFUCG
- Downtown Lex
- Real Estate Agent
- Other Awesome Inc Programs (ie. discounts to coding classes, access to events)

EXECUTION → Budget

- \$10K Stipend for 200 recruits = \$2MM
- Startup Costs + Overhead @ 200 recruits = \$7K / recruit = \$1.4MM
 - Staff Salaries
 - Coworking Space
 - Website
 - Marketing / Recruiting
 - Application Management Software
 - Programming / Event Cost

Note: Larger cohorts realize economies of scale on costs



Lexington-Fayette Urban County Government Master

200 E. Main St
Lexington, KY 40507

File Number: 0976-21

File ID: 0976-21

Type: Committee Item

Status: Agenda Ready

Version: 1

Contract #:

In Control: Budget and
Finance and
Economic
Development
Committee

File Created: 09/23/2021

File Name: Use of Additional FY21 Economic Development
Funding (\$300,000)

Final Action:

Title: Use of Additional FY21 Economic Development Funding (\$300,000)
a. Talent Development Project
b. Regional Economic Competitiveness Plan

Notes:

Sponsors:

Enactment Date:

Attachments: EconDev FY21 fund - Talent Development Project
9.17.21

Enactment Number:

Deed #:

Hearing Date:

Drafter:

Effective Date:

History of Legislative File

Ver- sion:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
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Text of Legislative File 0976-21

Title

Use of Additional FY21 Economic Development Funding (\$300,000)
a. Talent Development Project
b. Regional Economic Competitiveness Plan

Accelerate Lexington

An initiative committed to increasing the talent pipeline in Lexington



Workforce Crisis

- The Covid-19 pandemic caused a major disruption to the workforce leaving thousands of vacant positions here in Central Kentucky.
- Our region already faced a workforce shortage prior to the start of the pandemic, but the last year and a half has accelerated that issue.



Public Private Partnership

We wanted to create a project that would bring employers together to strategically expand the talent pipeline for high-demand careers in industry sectors that are drivers of our region's economy.

- Customized to the needs of the workforce
- It is not a one-size-fits all solution
- Strategic and Intentional- One industry and one occupation at a time
- Led by the private sector in partnership with community and academic leaders

Phase 1- Healthcare



Phase 1: Certified Nursing Assistant (CNA)

Course Description & Details

- This course will provide the knowledge and skills for nurse aides to assume the role and responsibility required in a long-term care setting. Course content focuses on communication, infection control, safety, resident/patient rights, and basic nursing skills.
- Class Length – 80 clock hours
- Class Schedule:
 - 2 days a week, 5-8 pm
 - All day Saturday, 9 am-3:30 pm
- Number of Participants – Minimum of 5/Maximum of 15 per cohort
- Location of Training – BCTC Leestown Campus, 164 Opportunity Way, Lexington KY

Phase 1: Certified Nursing Assistant (CNA)

Responsibilities of Bluegrass Community & Technical College (BCTC)

- Assist participants with the completion of the Workforce Solutions Application for Admission
- Provide instructor and training space that will accommodate social distancing guidelines
- Provide TRAINS-reimbursable participant materials/supplies: textbook/workbook, KNAT Testing Manual and Study Guide, malpractice insurance, state testing fee
- Maintain required class records and conduct course evaluations
- Provide Certificates of Completion
- Provide state competency testing at the conclusion of training
- Provide instructor and participant support as needed

Phase 1: Certified Nursing Assistant (CNA)

Responsibilities of Lexington Healthcare Partners

- Interview and select program participants
- Cover the cost of training provided by BCTC
- Employ students while enrolled at BCTC at approximately \$14/hr.
- Assist participants with the completion of health-related program requirements by the first class, e.g., TB skin test(s), TB Risk Assessment Form, and Hepatitis B vaccination (recommended but not required)
- Provide a full-time job upon completion of the CNA certification

Phase 1: Certified Nursing Assistant (CNA)

Responsibilities of Commerce Lexington

- Talent Recruitment Campaign
 - Market the training program and recruit potential participants
- Provide participant materials/supplies that are not TRAINS-reimbursable:
 - Name badge/scantrons
 - Blood pressure cuff/stethoscope/ gloves, etc...
 - Scrubs and black shoes required for clinicals

Shared Investment

Private Industry

- ❖ Covers the cost of training
- ❖ Covers the cost of employment for each participant at approx. \$14/hr

KCTCS through the TRAINS grant

- ❖ Discounted Training Package
- ❖ Covers textbook/workbooks, KNAT Testing Manual and Study Guide, malpractice insurance, & state testing fee

LFUCG

- ❖ Strategic Talent Recruitment Campaign
- ❖ Materials not reimbursable with TRAINS grant
 - Name badge/scantrons, Blood pressure cuff/stethoscope/ gloves, scrubs and black shoes required for clinicals

Next Steps

- Creates a framework that we can replicate for other industries and occupations
- Opportunities for Phase 2 and beyond....

Thank You.

Betsy Dexter
Executive Director
The Business & Education Network
Commerce Lexington

bdexter@commercelexington.com





Lexington-Fayette Urban County Government Master

200 E. Main St
Lexington, KY 40507

File Number: 0977-21

File ID: 0977-21

Type: Committee Item

Status: Agenda Ready

Version: 1

Contract #:

In Control: Budget and
Finance and
Economic
Development
Committee

File Created: 09/23/2021

File Name: Use of MAP Funds for Salaries

Final Action:

Title: Use of MAP Funds for Salaries

Notes:

Sponsors:

Enactment Date:

Attachments: Map Funds and Salaries - BFED 9-28-2021

Enactment Number:

Deed #:

Hearing Date:

Drafter:

Effective Date:

History of Legislative File

Ver- sion:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
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Text of Legislative File 0977-21

Title

Use of MAP Funds for Salaries

MAP FUNDS AND THE USE OF FUNDING FOR SALARIES

Budget, Finance & Economic Development Committee
September 28, 2021

(item referred through FY20 Budget COW
from the Planning & Public Safety Link)



LEXINGTON

Municipal Aid Funds (1136)

- Account for Fayette County's share of the state gasoline tax (allocation of funds is based on population).
- Major projects are street resurfacing and road improvements.
- The use of these funds is RESTRICTED to: supervising, inspecting, building, and all expenses incidental to the construction, reconstruction, or maintenance of urban roads/streets; including planning, locating, surveying and mapping, preparing roadway plans, acquisition of rights-of-way, relocation of utilities, lighting, and the elimination of hazards.

*KRS that applies to MAP Funds: [KRS 177.365](#) / [KRS 177.366](#) / [KRS 177.369](#)

History

- Use of MAP Funds for salaries in the Division of Streets, Roads & Forestry starting in FY2007
 - \$880,000 each year FY2007-FY2010
- Use of MAP Funds for salaries in the Division of Engineering starting in FY2010
 - \$775,000 each year
- Council initiated the use of MAP Funds for debt service on the council paving bond in FY2014

Department of Law's Opinion

- The Law Department issued an opinion in 2017...
- LFUCG may expend MAP funds on personnel costs, provided that such costs are necessary for and incidental to the construction, reconstruction and maintenance of urban roads and streets.



Budgeted Personnel Expense

- Each year, FY2015 through FY2022:
 - \$1,587,610 of MAP funds budgeted for salaries:
 - Streets & Roads: \$812,612
 - Engineering: \$775,000



Revenue

Fiscal Year	Total MAP Revenue
FY 2015	\$6,786,667
FY 2016	\$5,702,522
FY 2017	\$5,784,482
FY 2018	\$5,801,257
FY 2019	\$5,859,552
FY 2020	\$5,836,013
FY 2021*	\$3,375,586
FY 2022**	\$7,823,717

Note:

FY15-20 – Actual revenues collected

*FY21 – Adopted Budget for revenue was lower than normal budget due to state's COVID-19 projections

**FY22 – Adopted Budget includes using \$2M of MAP fund balance earned in previous FY



Expenses – Debt, Personnel, Projects

Fiscal Year	Total MAP Expense (Adopted)	% Budgeted for Debt	% Budgeted for Personnel	% Budgeted for Projects
FY 2015	\$11,904,920	11%	13%	76%
FY 2016	\$10,131,490	13%	16%	72%
FY 2017	\$7,401,990	19%	21%	60%
FY 2018	\$5,438,698	28%	29%	42%
FY 2019	\$5,739,210	27%	28%	45%
FY 2020	\$5,671,235	26%	28%	46%
FY 2021	\$3,354,110	44%	47%	9%
FY2022	\$7,566,360	19%	21%	60%

Note: Total expense and percent budgeted is based on the adopted budget (not actuals)



Lexington-Fayette Urban County Government

Master

200 E. Main St
Lexington, KY 40507

File Number: 0978-21

File ID: 0978-21

Type: Committee Item

Status: Agenda Ready

Version: 1

Contract #:

In Control: Budget and
Finance and
Economic
Development
Committee

File Created: 09/23/2021

File Name: Budgeting Models and LFUCG Budgeting; a. Budget
Amendments

Final Action:

Title: Budgeting Models and LFUCG Budgeting
a. Budget Amendments

Notes:

Sponsors:

Enactment Date:

Attachments: Budget Amendment - Grants Pilot, budget
amendment modification grants - draft ord 9-22-21,
budget amendment ordinance 22-79

Enactment Number:

Deed #:

Hearing Date:

Drafter:

Effective Date:

History of Legislative File

Ver- sion:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
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Text of Legislative File 0978-21

Title

Budgeting Models and LFUCG Budgeting
a. Budget Amendments

BUDGET AMENDMENTS GRANTS PILOT

Budget, Finance, and Economic Development Committee
September 28, 2021

Department of Finance



LEXINGTON



Current Budget Amendment List

September 28 Council Agenda

CURRENT

Total BAs 14
Grants BAs 8

JOURNAL	130994-95	DIVISION	Grants and Special Programs	Fund Name	US Dept of Agriculture
				Fund Impact	125,000.00 125,000.00CR .00
To establish grant budget for Child Care Food - FY 2022.					
JOURNAL	130883-84	DIVISION	Grants and Special Programs	Fund Name	US Dept of HUD
				Fund Impact	18,871.77 18,871.77CR .00
To amend CDBG FY 2021 grant to reflect actual program income received and to reduce amount budgeted for housing rehabilitation assistance.					
JOURNAL	130885-86	DIVISION	Grants and Special Programs	Fund Name	US Dept of HUD
				Fund Impact	41,897.61 41,897.61CR .00
To amend HOME FY 2021 grant to reflect actual program income received and to reduce amount budgeted for rental projects.					
JOURNAL	130898	DIVISION	Grants and Special Programs	Fund Name	US Dept of Justice
				Fund Impact	3,220.00 3,220.00CR .00
To reallocate funds from professional services to desktops and laptops, operating supplies, and minor equipment, all within Sexual Assault Nurse Examiner (SANE) FY 2021 grant.					
JOURNAL	130959-60	DIVISION	Grants and Special Programs	Fund Name	US Dept of Transportation
				Fund Impact	20,000.00 20,000.00CR .00
To adjust Motor Carrier Safety Assistance Program (MCSAP) FY 2021 to reflect actual grant award.					
JOURNAL	130896-97	DIVISION	Grants and Special Programs	Fund Name	US Small Business Admin
				Fund Impact	327,411.13 327,411.13CR .00
To establish grant budget for Small Business Administration/Shuttered Venues FY 2022 for the Kentucky Theatre.					
JOURNAL	130899-00	DIVISION	Grants and Special Programs	Fund Name	Grants - State
				Fund Impact	39,082.92 39,082.92CR .00
To establish grant budget for Police Administration FY 2021.					
JOURNAL	130944	DIVISION	Grants and Special Programs	Fund Name	Grants - State
				Fund Impact	45,000.00 45,000.00CR .00
To reallocate budget remaining for personnel expenses to repairs and maintenance for Kentucky Pride FY 2021 grant.					



Current Budget Amendment List

September 28 Council Agenda

CURRENT

Total BAs 14
Grants BAs 8

PILOT

Total BAs 12
Grants BAs 6

X Changes to line items within a grant budget

JOURNAL	130994-95	DIVISION	Grants and Special Programs	Fund Name Fund Impact	US Dept of Agriculture 125,000.00 125,000.00CR .00
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To establish grant budget for Child Care Food - FY 2022.

JOURNAL	130883-84	DIVISION	Grants and Special Programs	Fund Name Fund Impact	US Dept of HUD 18,871.77 18,871.77CR .00
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To amend CDBG FY 2021 grant to reflect actual program income received and to reduce amount budgeted for housing rehabilitation assistance.

JOURNAL	130885-86	DIVISION	Grants and Special Programs	Fund Name Fund Impact	US Dept of HUD 41,897.61 41,897.61CR .00
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To amend HOME FY 2021 grant to reflect actual program income received and to reduce amount budgeted for rental projects.

JOURNAL	130898	DIVISION	Grants and Special Programs	Fund Name Fund Impact	US Dept of Justice 3,220.00 3,220.00CR .00
---------	--------	----------	-----------------------------	--------------------------	---

To reallocate funds from professional services to desktops and laptops, operating supplies, and minor equipment, all within Sexual Assault Nurse Examiner (SANE) FY 2021 grant.

JOURNAL	130959-60	DIVISION	Grants and Special Programs	Fund Name Fund Impact	US Dept of Transportation 20,000.00 20,000.00CR .00
---------	-----------	----------	-----------------------------	--------------------------	--

To adjust Motor Carrier Safety Assistance Program (MCSAP) FY 2021 to reflect actual grant award.

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To establish grant budget for Small Business Administration/Shuttered Venues FY 2022 for the Kentucky Theatre.

JOURNAL	130899-00	DIVISION	Grants and Special Programs	Fund Name Fund Impact	Grants - State 39,082.92 39,082.92CR .00
---------	-----------	----------	-----------------------------	--------------------------	---

To establish grant budget for Police Administration FY 2021.

JOURNAL	130944	DIVISION	Grants and Special Programs	Fund Name Fund Impact	Grants - State 45,000.00 45,000.00CR .00
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To reallocate budget remaining for personnel expenses to repairs and maintenance for Kentucky Pride FY 2021 grant.



Current Budget Amendment List

What would Council review under the Pilot?

1. Budget Establishment

- ✓ 130994-95
- ✓ 130896-97
- ✓ 130899-00

2. Increase/Decrease to Revenues

- ✓ 130883-84
- ✓ 130885-86
- ✓ 130959-60

3. Change in Scope of Project

4. Closeout w/ Revenue Change

✓	JOURNAL	130994-95	DIVISION	Grants and Special Programs	Fund Name	US Dept of Agriculture	Fund Impact	125,000.00 125,000.00CR .00
	To establish grant budget for Child Care Food - FY 2022.							
✓	JOURNAL	130883-84	DIVISION	Grants and Special Programs	Fund Name	US Dept of HUD	Fund Impact	18,871.77 18,871.77CR .00
	To amend CDBG FY 2021 grant to reflect actual program income received and to reduce amount budgeted for housing rehabilitation assistance.							
✓	JOURNAL	130885-86	DIVISION	Grants and Special Programs	Fund Name	US Dept of HUD	Fund Impact	41,897.61 41,897.61CR .00
	To amend HOME FY 2021 grant to reflect actual program income received and to reduce amount budgeted for rental projects.							
	JOURNAL	130898	DIVISION	Grants and Special Programs	Fund Name	US Dept of Justice	Fund Impact	3,220.00 3,220.00CR .00
	To reallocate funds from professional services to desktops and laptops, operating supplies, and minor equipment, all within Sexual Assault Nurse Examiner (SANE) FY 2021 grant.							
✓	JOURNAL	130959-60	DIVISION	Grants and Special Programs	Fund Name	US Dept of Transportation	Fund Impact	20,000.00 20,000.00CR .00
	To adjust Motor Carrier Safety Assistance Program (MCSAP) FY 2021 to reflect actual grant award.							
✓	JOURNAL	130896-97	DIVISION	Grants and Special Programs	Fund Name	US Small Business Admin	Fund Impact	327,411.13 327,411.13CR .00
	To establish grant budget for Small Business Administration/Shuttered Venues FY 2022 for the Kentucky Theatre.							
✓	JOURNAL	130899-00	DIVISION	Grants and Special Programs	Fund Name	Grants - State	Fund Impact	39,082.92 39,082.92CR .00
	To establish grant budget for Police Administration FY 2021.							
	JOURNAL	130944	DIVISION	Grants and Special Programs	Fund Name	Grants - State	Fund Impact	45,000.00 45,000.00CR .00
	To reallocate budget remaining for personnel expenses to repairs and maintenance for Kentucky Pride FY 2021 grant.							

Questions?



LEXINGTON

ORDINANCE NO. _____-21

AN ORDINANCE REPEALING ORDINANCE NO. 22-79, PERTAINING TO THE MAYOR'S AUTHORITY TO TRANSFER THE UNENCUMBERED BALANCE OF GRANTS, AND PROVIDING THAT THE MAYOR MAY, UPON SPECIFIC AUTHORIZATION BY ORDINANCE OR RESOLUTION, TRANSFER THE UNENCUMBERED BALANCE OF ANY ACCOUNT WITHIN THE SAME GRANT BUDGET SO LONG AS THE SCOPE AND INTENT OF THE GRANT IS NOT SIGNIFICANTLY CHANGED.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT:

Section 1 - That Ordinance No. 22-79 be and hereby is repealed in its entirety.

Section 2 - That subject to the provisions of this Section, the Mayor, as Chief Executive Officer of the Urban County Government, may, from time to time, be authorized by ordinance or resolution to transfer the unencumbered balance of any account within the same grant budget, so long as the scope and intent of the grant is not significantly changed.

Section 3 - That weekly summaries of grant budget transfers made pursuant to any such ordinance or resolution will be furnished the Office of the Council of the Lexington-Fayette Urban County Government.

Section 4 - That the provisions contained herein are in addition to all other means of amending any grant budget, and are not a limitation on such means.

Section 5 - That this Ordinance shall become effective on the date of its passage.

PASSED URBAN COUNTY COUNCIL:

MAYOR

ATTEST:

CLERK OF URBAN COUNTY COUNCIL

___-21DJB_X:\FINANCE\21LE0001\LEG\00739211DOC

AN ORDINANCE PROVIDING THAT THE MAYOR MAY, UPON SPECIFIC AUTHORIZATION BY ORDINANCE OR RESOLUTION, TRANSFER THE UNENCUMBERED BALANCE OF ANY OPERATING OR CAPITAL ACCOUNT APPROPRIATION IN A GRANT BUDGET TO ANOTHER OPERATING OR CAPITAL ACCOUNT APPROPRIATION WITHIN THE SAME GRANT BUDGET, NOT TO EXCEED \$5,000.00 FROM OR TO ANY APPROPRIATED OPERATING OR CAPITAL EXPENDITURE DETAIL ACCOUNT.

BE IT ORDAINED BY THE COUNCIL OF THE LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT:

Section 1 - That subject to the provisions of this Section, the Mayor, as Chief Executive Officer of the Urban County Government, may, from time to time, be authorized by ordinance or resolution to transfer the unencumbered balance of any operating or capital account appropriation in a grant budget to another operating or capital account appropriation within the same grant budget, so long as the scope and intent of the grant is not significantly changed. The transfer authority granted by any such ordinance or resolution is limited to \$5,000.00 from or to any appropriated operating or capital expenditure detail account. Monthly summaries of grant budget transfers made pursuant to any such ordinance or resolution will be furnished the office of the Council of the Lexington-Fayette Urban County Government.

As used in this section, the following terms shall have the meaning given:

A. "Unencumbered balance" is that portion of any appropriation which is not encumbered by a valid purchase order or a contractual obligation of the Urban County Government.

B. "Operating account" includes those expenditure detail accounts, relating to the operation of any unit of the Urban County Government, that is, the 400 through 800 accounts, but shall not include any personnel, 300 accounts, or capital, 900 accounts.

C. "Capital account" includes those expenditure detail accounts, as set out in the Chart of Accounts, relating to the capital expenditures of any unit of the Urban County Government, that is, the 900 accounts.

D. "Appropriation" is that amount set forth in an expenditure detail account for a given purpose within the budget established by ordinance for a particular grant.

The provisions contained herein are in addition to all other means of amending any grant budget, and are not a limitation on such means.

Section 2 - That this Ordinance shall become effective on the date of its passage.

PASSED URBAN COUNTY COUNCIL: January 25, 1979

James G. Amato
Mayor

ATTEST:

Kathryn W. Johnson
Clerk of Urban County Council

PUBLISHED: January 31, 1979-lt

STEP 1 - SUMMARY OF ACTION BEING REQUESTED

Enactment of ordinances setting in place Mayor's grant budget
transfer power language in order to avoid repeatedly typing and
publishing this language.

BUDGETARY IMPLICATIONS (IF APPLICABLE) N/A

ARE FUNDS BUDGETED?

☐ YES
☒ NO

ACCT. NO. _____

ENTER CONSTRUCTION PROJECT NUMBER
IF APPLICABLE _____SIGNATURE Mary A. DelaneyDATE 12-14-78

STEP 2 - COMMISSIONER REVIEW



APPROVE



DISAPPROVE



OTHER _____



ATTACHMENTS

SIGNATURE Timothy C.

DATE _____

STEP 3 - C. A. O. CHECK FOR APPROPRIATE ADMINISTRATIVE SERVICES REVIEW

DATE

INITIALS

APPROVE

SEE

ATTACHMENT

1-4-78BW by MxH

BUDGETING

☒ SUBJECT TO
CHANGE DISCUSSED
AT 4-12 MEETING1-4-79J

PERSONNEL

1/4/79HFT

PROGRAM DEV'T. & MGMT.

grant 722.
has exp'd

PUBLIC INFORMATION



COUNCIL OFFICE



STEP 4 - C.A.O. REVIEW



APPROVE



DISAPPROVE



OTHER _____



ATTACHMENTS

SIGNATURE John M. BriggsDATE 1/24/79

STEP 5 - MAYOR REVIEW



APPROVE



DISAPPROVE



OTHER _____



ATTACHMENTS

SIGNATURE James B. Davis

DATE _____

STEP 6 - WORK SESSION

ACTION TAKEN:

PLACE ON DOCKET
(SEND TO LAW)

REFER TO

COMMITTEE



REFER TO

FOR ADDITIONAL INFORMATION

RECEIVE AS
INFORMATION

OTHER _____

SIGNATURE BellDATE 1/9

STEP 7 - DEPARTMENT OF LAW FOR DRAFT ORDINANCE OR RESOLUTION AND REVIEW



ORDINANCE ATTACHED



RESOLUTION ATTACHED

SIGNATURE Theresa L. KaderDATE 1/11

STEP 8 - CLERK OF THE URBAN COUNTY COUNCIL

SIGNATURE _____

DATE _____

Fayette Urban County Government

DEPARTMENT OF LAW

TO: James G. Amato, Mayor
and
Members of Urban County Council

FROM: Department of Law

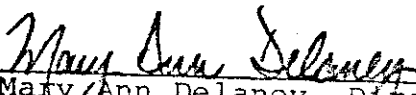
DATE: January 4, 1979

RE: Budgetary Transfer Power for Grants.

On several occasions, representatives of the Office of Program Development and Management, the Department of Law, the Division of Budgeting, and the Council Clerk have discussed the problems attendant with repeating at length the language authorizing grant budget transfer power in each ordinance adopting a grant budget. These problems include both the cost in repeatedly publishing this language as well as the typing time involved. Accordingly, we have drafted the attached proposed ordinance, dated 1-4-79, which would permanently adopt this language in an ordinance. We could then simply refer to that ordinance number in a short sentence in each subsequent ordinance establishing a grant budget, for which the Council desires to give transfer authority. This proposal has been reviewed by the aforementioned offices and has received their approval.

Subsequently, Diane Schorr has recommended that we also draft an ordinance affirmatively granting the Mayor's transfer authority for a number of existing grant budgets. Accordingly, we have drafted the attached ordinance, dated 12-14-78, to achieve that purpose.

The Law Department requests Council to adopt the first mentioned ordinance for the sake of avoiding unnecessary typing and publication costs. Ms. Schorr will speak to the second ordinance.


Mary Ann Delaney, Director
Division of Corporate Counsel

MAD:ps

cc: Diane Schorr, Office of Program Development
Kathryn W. Johnson, Urban Co. Council Clerk
Mike Hardman, Division of Budgeting
The Municipal Building 136 Walnut Street Lexington, Kentucky 40507

(606) 255-5631

LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT
Inter-Department Memorandum

FOR Mayor James G. Amato

FROM
OFFICE OF
DATEDiane F. Schorr
January 4, 1979SUBJECT: BUDGETARY TRANSFER POWER FOR
GRANTS BUDGET

At the beginning of this fiscal year, Council authorized the Mayor to administratively approve within certain limits minor budget amendments to local budgets. In the case of grants, this authorization is made for each grant at the time that a grant budget is established. At the time that the budgetary transfer power was initiated, various grants were already requested and budgeted. These grant budgets do not currently have the transfer power so that even minor amendments would still require Council action. Budgetary transfer power for these grants is requested.

Diane F. Thacker
for Diane F. Schorr, Director
Division of Program Development
and Management

DFS:cfs



Lexington-Fayette Urban County Government Master

200 E. Main St
Lexington, KY 40507

File Number: 0979-21

File ID: 0979-21

Type: Committee Item

Status: Agenda Ready

Version: 1

Contract #:

In Control: Budget and
Finance and
Economic
Development
Committee

File Created: 09/23/2021

File Name: Items Referred to Committee

Final Action:

Title: Items Referred to Committee

Notes:

Sponsors:

Enactment Date:

Attachments: BFED referral list 9-23-21

Enactment Number:

Deed #:

Hearing Date:

Drafter:

Effective Date:

History of Legislative File

Ver- sion:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
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Text of Legislative File 0979-21

Title

Items Referred to Committee

ITEMS REFERRED TO COMMITTEE

Budget, Finance & Economic Development Committee

	Referral Item	Referred By	Date Referred	Last Heard	Status	File ID
1	Creation of Lexington Film Commission	Bledsoe	August 30, 2016		(pending review)	
2	Efforts to Reduce Barriers for Second-Chance and Reentry Employees	Bledsoe	January 29, 2019	February 26, 2019	(pending review)	0217-19
3	Review of the Exaction Program	Ellinger	August 28, 2018	March 19, 2019	(pending review)	0357-20
4	Consideration of 2-year budget cycle	Bledsoe	April 30, 2019		(pending review)	
5	Review of the Current Civil Service Pay Scale; Exploration of Annual Compensation Increases for City Employees	J. Brown	August 13, 2019		(pending review)	0359-20
6	Revenue Sources	Kay	August 11, 2020	December 1, 2020	(pending review)	1184-20
7	Legislation Impacting the Budget	Bledsoe	December 1, 2020	December 1, 2020	(pending review)	1187-20
8	Franchise Fees and Street Light Funds	McCurn	August 13, 2019		(pending review)	
9	Review of Current Tax District Change Policy	Plomin	March 13, 2018 / March 9, 2021		moved from Environ.Quality & Public Works Committee	
10	Cryptocurrencies	Bledsoe	May 4, 2021		(pending review)	
11	Downtown Projects Update	Bledsoe	August 27, 2019	June 29, 2021		0677-21
12	Local Small Business Economic Recovery Program 2021	Worley / FY21 Budget COW	June 2, 2020	June 29, 2021		0680-21
13	Local Small Business Economic Stimulus Program 2020	Worley / FY21 Budget COW	June 2, 2020	December 1, 2020	REMOVE	0870-21
14	One-time Salary Supplemental Pay for Non-ARPA Qualified Personnel	Bledsoe	September 21, 2021		October	
Annual/Periodic Updates						
15	Comprehensive Annual Financial Report (CAFR)	na	na	January 26, 2021	Annually in January	0103-21
16	Lexington Economic Outlook & Occupational Tax Forecast	Bledsoe	December 3, 2019	January 26, 2021	Annually in January	0105-21
17	Fund Balance	na	na	October 27, 2020	Annually in October	1057-20
18	Council Budget Review Process	Bledsoe	December 3, 2019	December 1, 2020	Annually in December	1085-20
19	Lexington Jobs Fund Update	Bledsoe	January 29, 2019	January 28, 2020		0134-20
20	Bluegrass Farm To Table Update	Bledsoe	February 25, 2020	February 25, 2020	November	0262-20
21	Economic Development Grant Update	Bledsoe	January 29, 2019	February 25, 2020	October	0261-20
22	Industrial Development Authority Update	Bledsoe	February 25, 2020	June 29, 2021		0679-21
23	Change Orders Report (per Resolution 620-2020)	na	December 3, 2020			

	Referral Item	Referred By	Date Referred	Last Heard	Status	File ID
24	Economic Development Partnerships Update	Bledsoe	March 16, 2021		made as annual item on August 31, 2021	0282-21
	Subcommittees					
25	Division & Program Review Process Subcommittee	Bledsoe	December 3, 2019			
26	LFUCG Property Assessment Subcommittee	Bledsoe	September 22, 2020	January 26, 2021		0104-21
	Current Meeting Agenda					
27	Monthly Financial Update (for information only)	na	na		quarterly presentations, monthly reports	0974-21
28	Attracting Remote Workers to Relocate to Lexington-Fayette County	Kloiber	August 24, 2021		September	0975-21
29	Use of Additional FY21 Economic Development Funding (\$300,000)	Bledsoe	September 21, 2021		September	0976-21
30	Use of MAP Funds for Salaries	Ellinger / FY20 Budget COW	May 28, 2019		September	0977-21
31	Zero-based Budgeting/ Budgeting Models and LFUCG Budgeting	Bledsoe	May 18, 2021	August 31, 2021	September	0978-21

Updated 2021/09/23