

BUDGET AMENDMENT UPDATES

Budget, Finance & Economic Development Committee

September 20, 2022



LEXINGTON



Overview

- Budget Amendments v. Budget Adjustments
- Why Updates are Needed
- Budget Process Work Group Recommendations
- Grant Adjustments Pilot Report
- Current Budget Amendment Ordinance
- Proposed Budget Amendment Updates



Budget Amendments v. Budget Adjustments

- Currently budget changes are processed in two different ways:
 - Budget amendments you see at Work Session and approve at Council Meetings
 - Budget adjustments which do not require Council approval
 - Movements within a division for certain personnel or operating accounts
- Budget adjustments were originally allowed in the Charter as the Mayor's Transfer Authority but the name and qualifying changes have been updated over the years



Why Updates are Needed?






- Continue to implement some changes recommended by the Budget Process Work Group
- Consolidate budget language into one ordinance
- Streamline process to better align with Council schedules
- Provide efficiencies and eliminate duplications
- Continue to provide Council with transparency



Budget Process Work Group Recommendations





Budget Process Work Group Recommendations

-  1. Revised Budget Calendar
-  2. Mayor's Proposed Budget Summary Document
-  3. A new public facing Budget in Brief
-  4. Revised budget process to include a joint planning meeting, preliminary revenue presentation and upfront sharing of budget requests with Council
-  5. Proposed minor revisions to ordinances related to Budget Amendments



Budget Process Work Group Recommendations #5 - BAs

1. Amend the 2005 Budget Ordinance to expand the qualifications for a budget adjustment.
-  2. Amend the 1979 Grant Ordinance to allow any movement within the grant budget regardless of expense category.
-  3. Budget for recurring event reimbursements as revenue when budget is adopted.



Budget Process Work Group Recommendations – Grant Adjustments



#2 Grant Adjustments Pilot – Report Out

- The Grant Adjustment pilot allows reallocation with a grant budget as long as the changes do not involve revenue accounts.

- During the FY 22 Pilot time period –
 - 47 Grant Adjustments were processed
 - 25 of those would have required Council approval prior to the pilot program



Budget Process Work Group Recommendations – Budget Amendments



Current v. Proposed

Current Budget Adjustment	Proposed Budget Adjustment
Personnel accounts for temporary, seasonal, part time, and overtime	Personnel accounts for temporary, seasonal, part time, and overtime, with the associated tax and benefit accounts
	Personnel accounts related to Council approved personnel actions
	Transfer of funds from Contingency Personnel accounts to division budgets
Account Codes budgeted by single division may be adjusted by the managing division	Utilities, Vehicle Maintenance/Fuel, General Insurance, and Grant Match may be moved across divisions by the managing division
Operating accounts within a division	Operating accounts within a division or department
	Capital accounts within the same capital account series
	Neighborhood Development for Council approved allocations



Examples of Proposed Changes

- BA List for Work Session on 9-20-2022
 - 3 of the 7 on the first page would fit the new requirements for an adjustment because they go along with an ordinance

BUDGET AMENDMENT REQUEST LIST

JOURNAL	136456-57	DIVISION	Fire and Emergency Services	Fund Name Fund Impact	General Fund 600.00 600.00CR .00
To provide funds for Conference and Training by recognizing revenue received as a partial scholarship to off-set travel expenses associated with attending the Fire Chiefs Summit.					
JOURNAL	136672	DIVISION	Office of Chief Information Officer	Fund Name Fund Impact	General Fund 55,000.00 .00CR 55,000.00
To provide funds for emergency procurement of enhanced cybersecurity software licenses.					
JOURNAL	136684	DIVISION	Office of Chief Information Officer	Fund Name Fund Impact	General Fund 155,631.87 155,631.87CR .00
To reallocate funding to professional services from vacated position of Information Security Engineer Sr in the Department of Information Technology.					
JOURNAL	136687	DIVISION	Computer Services/ Office of CIO	Fund Name Fund Impact	General Fund 136,153.06 136,153.06CR .00
To transfer the General Fund budget for three positions of GIS Analyst and one position of GIS Developer from the Division of Computer Services to the Division of Enterprise Solutions to match position transfers.					
JOURNAL	136692	DIVISION	Youth Services/ Parks and Recreation	Fund Name Fund Impact	General Fund 100,129.76 100,129.76CR .00
To transfer budget for various positions in the Division of Youth Services to the Division of Parks and Recreation to streamline the daily operational programming for the community centers.					
JOURNAL	136614	DIVISION	Finance	Fund Name Fund Impact	2023 Bond Projects 1,361.99 .00CR 1,361.99
To budget additional funds for Cost of Issuance for the GO 2022B bond issue in order to accurately record payment of issuance fees. Revenues to cover this expense are already included in the bond budget.					
JOURNAL	136678-79	DIVISION	Grants and Special Programs	Fund Name Fund Impact	US Dept of Agriculture 175,000.00 175,000.00CR .00
To establish grant budget for Child Care Food FY 2023.					



Examples of Proposed Changes

Additional Examples that would meet new requirement for an adjustment:

- Reallocating within the same capital series
- Moving Grant Match where needed
- Moving budgeted contingency funds to where actuals were charged

JOURNAL	133401	DIVISION	Facilities and Fleet	Fund Name	Sanitary Sewer Fund
				Fund Impact	42,818.44
					42,818.44 CR
					.00

To reallocate vehicle accounts to accurately reflect the types of vehicles purchased in the Sanitary Sewer Fund.

JOURNAL	135625	DIVISION	Grants and Special Programs	Fund Name	General Fund
				Fund Impact	85,794.00
					85,794.00CR
					.00

To move grant match from Planning to Environmental Services for SLX - FY 2023.

JOURNAL	134987	DIVISION	Various	Fund Name	General Fund
				Fund Impact	2,137,943.66
					2,137,943.66CR
					.00

To provide funds for sick pay, lump sum termination, and retroactive pay raises by reducing funds for General Fund Personnel Contingency for this purpose.



Fiscal Year Transition Current v. Proposed

Current Policy	Proposed Policy
A certified emergency exists. The certification shall set out the reason(s) an emergency situation exists;	A certified emergency exists. The certification shall set out the reason(s) an emergency situation exists;
The request involves personnel actions which do not affect the fund balance	
The request involves a reappropriation of funds.	The request involves a reappropriation of funds.
	The budget amendment request involves a fund in which unallocated budget funds exist

Questions?



LEXINGTON