

ORDINANCE NO. _____ - 2022

AN ORDINANCE CREATING ARTICLE V OF CHAPTER 7 OF THE CODE OF ORDINANCES, SECTIONS 7-44 TO 7-48, PERTAINING TO BUDGET AMENDMENTS, EXCEPTIONS, REPORTING, FISCAL YEAR TRANSITION, AND GRANTS; REPEALING ORDINANCE NO. 97-2021 PERTAINING TO GRANT BUDGET TRANSFERS; AND REPEALING PART 6. BUDGET, SECTION 4.601. BUDGET AMENDMENTS OF APPENDIX A – RULES AND PROCEDURES OF THE LEXINGTON-FAYETTE URBAN COUNTY COUNCIL; ALL EFFECTIVE UPON PASSAGE OF COUNCIL.

WHEREAS, it is more efficient and timely to have the option of using an approval process for certain budgeting actions that does not require an ordinance for each such action; and

WHEREAS, the Lexington-Fayette Urban County Government has previously adopted legislation in this area that should be unified in the Code of Ordinances of the Lexington-Fayette Urban County Government.

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

Section 1 – That the Code of Ordinances, Lexington-Fayette Urban County Government be and hereby is amended to add Article V to Chapter 7, with the respective sections to be numbered and to read as follows:

Chapter 7, Article V. Budget Amendments

Sec. 7-44. Ordinance Required. All budget amendments between divisions, crossing budget adoption control levels, effecting transfers, capital, revenue or fund balance require the approval of an ordinance by the Urban County Council unless otherwise specified in this chapter.

Sec. 7-45. Exceptions. The following types of amendments may be processed using a budget adjustment process administered by the Division of Budgeting:

- (a) Personnel accounts for temporary, seasonal, part time, and overtime, with the associated tax and benefit accounts and those related to Council approved personnel actions;
- (b) Transfer of funds from Contingency Personnel accounts to division budgets;
- (c) Utilities and Vehicle Maintenance/Fuel accounts within a fund may be adjusted by the Division of Facilities and Fleet Management;
- (d) General Insurance accounts within a fund may be adjusted by the Division of Budgeting;
- (e) Grant Match accounts within a fund may be adjusted by the Division of Grants and Special Programs;
- (f) Neighborhood Development for Council approved allocations to any department or division;
- (g) Capital accounts within the same capital account series; and
- (h) Operating accounts within a division or department.

Sec. 7-46. Report required. The Division of Budgeting will provide a written weekly report on all budget adjustments to the Office of the Urban County Council Office for review.

Sec. 7-47. Fiscal Year Transition. The Urban County Council shall not approve any budget amendment which reduces the budgeted fund balance in the current fiscal year before the presentation of the prior year's final audit report unless at least one of the following conditions is met:

- (a) A certification is given by the Chief Administrative Officer that an emergency exists. The certification shall set out the reason(s) an emergency situation exists;
- (b) The budget amendment request involves a fund in which unallocated budget funds exist; or
- (c) The budget amendment request involves a re-appropriation of funds.

Any budget amendment request which does not meet the criteria set out above and which will result in a reduction of the budgeted fund balance shall be presented to Council with additional justification for the request.

Sec. 7-48. Grants. The Mayor 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. 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 2 – That Ordinance No. 97-2021 pertaining to grant budget transfers be and hereby is repealed in its entirety.

Section 3 – That Part 6. Budget, Section 4.601. Budget Amendments of Appendix A – Rules and Procedures of the Lexington-Fayette Urban County Council be and hereby is repealed in its entirety.

Section 4 – That to the extent any ordinance or resolution is in conflict with the provision of this Ordinance, the provisions of this ordinance shall take precedence.

Section 5 – That if any section, subsection, sentence, clause, phrase, or portion of this Ordinance is for any reason held invalid or unlawful by a court of competent jurisdiction, such portion shall be deemed a separate, distinct and independent provision and such holding shall not affect the validity of the remaining portions hereof.

Section 6 - That this Ordinance shall become effective on the date of its passage.

PASSED URBAN COUNTY COUNCIL:

MAYOR

ATTEST:

CLERK OF URBAN COUNTY COUNCIL

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