

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)