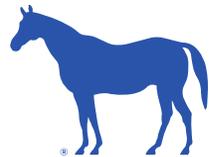


FY2026 MONTHLY FINANCIAL UPDATE

*Urban County Council
Budget, Finance and Economic Development Committee
March 24, 2026*

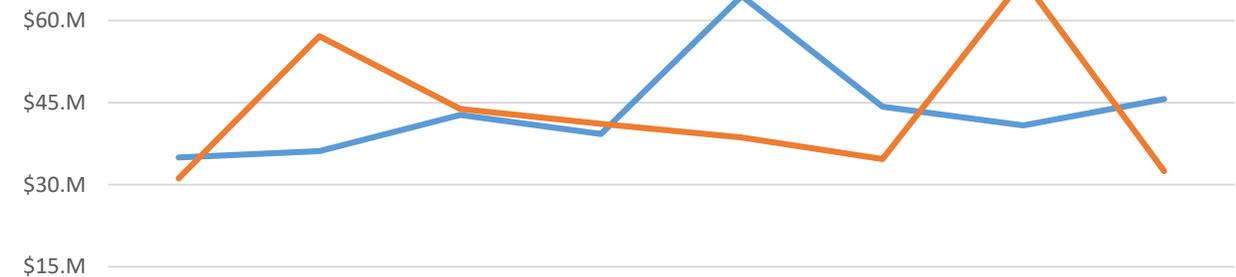


LEXINGTON

8 Month Performance Review (Actuals)

FEBRUARY FY26	
Revenues	\$348,262,449
Expenses	(\$341,966,419)
Transfers	(\$4,565,582)
One-Year Surplus/(Deficit)	\$1,730,448

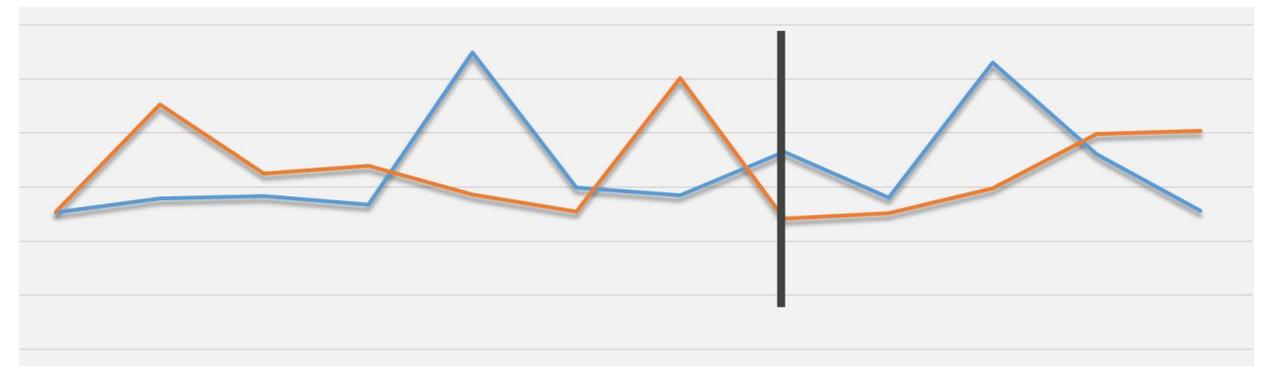
FY26 Eight Month Actual Performance



	\$.M							
	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB
Revenues	\$35.M	\$36.1M	\$42.7M	\$39.3M	\$64.5M	\$44.25M	\$40.81M	\$45.63M
Exp/Xfers	\$31.1M	\$57.2M	\$43.8M	\$41.1M	\$38.6M	\$34.67M	\$67.51M	\$32.49M

Factors to Consider

- After strong performance through the first half of the year, Payroll Withholding has fallen behind budget and is currently only outperforming FY25 by 1.8%. The budget team will continue to monitor to assess current and future year impacts.
- The Division of Revenue launched an online filing portal for Net Profit forms which should create efficiencies in filing and processing. However, process changes may also create some timing differences when comparing fiscal years.
- The Personnel variance is holding steady within 3% of budget.
- Operating variances continue to run high and have been analyzed for efficiencies in future budgets. Snow and ice expenditures have not yet been fully realized and are expected to impact current variances.
- More than \$16 million in budgeted Operating dollars are currently obligated through open POs and contracts. It is expected that much of this amount will be expended prior to the close of the year.



FY26 Adopted Budget Overview – Monthly Revenues vs Expenses



2026 Fiscal Year – Cash Flow Variance Revenue (Actual to Budget)

<i>For the eight months ended February 28, 2026</i>				
	Actuals	Budget	Variance	% Var
<u>Revenue</u>				
Payroll Withholding	191,293,613	193,500,000	(2,206,387)	-1.1%
Net Profit	29,943,690	27,500,000	2,443,690	8.9%
Insurance	36,195,222	36,750,000	(554,778)	-1.5%
Franchise Fees	20,395,696	19,250,000	1,145,696	6.0%
Other Licenses & Permits	5,579,778	5,100,111	479,667	9.4%
Property Tax Accounts	31,543,700	31,807,000	(263,300)	-0.8%
Services	19,530,066	18,812,322	717,744	3.8%
Fines and Forfeitures	167,800	87,333	80,467	92.1%
Intergovernmental Revenue	741,973	561,003	180,970	32.3%
Property Sales	210,479	100,000	110,479	110.5%
Investment Income	155,821	241,807	(85,986)	-35.6%
Other Financing Sources	9,080,313	9,080,313	(0)	-0.0%
Other Income	3,424,298	3,503,763	(79,465)	-2.3%
Total Revenues	\$348,262,449	\$346,293,653	\$1,968,796	0.6%



2026 Fiscal Year – Cash Flow Variance Revenue (CY to PY)

<i>For the eight months ended February 28, 2026</i>				
	FY 2026	FY 2025	Variance	% Var
<u>Revenue</u>				
Payroll Withholding	191,293,613	187,983,351	3,310,262	1.8%
Net Profit	29,943,690	25,645,004	4,298,686	16.8%
Insurance	36,195,222	34,511,527	1,683,695	4.9%
Franchise Fees	20,395,696	18,327,662	2,068,034	11.3%
Other Licenses & Permits	5,579,778	5,478,139	101,639	1.9%
Property Tax Accounts	31,543,700	30,110,446	1,433,254	4.8%
Services	19,530,066	17,863,498	1,666,568	9.3%
Fines and Forfeitures	167,800	42,065	125,735	298.9%
Intergovernmental Revenue	741,973	627,975	113,998	18.2%
Property Sales	210,479	215,070	(4,591)	-2.1%
Investment Income	155,821	328,943	(173,122)	-52.6%
Other Financing Sources	9,080,313	1,540,125	7,540,188	489.6%
Other Income	3,424,298	3,698,948	(274,650)	-7.4%
Total Revenues	\$348,262,449	\$326,372,753	\$21,889,696	6.7%

2026 Fiscal Year – Cash Flow Variance Expense (Actual to Budget)

<i>For the eight months ended February 28, 2026</i>				
	Actuals	Budget	Variance	% Var
<u>Expense</u>				
Personnel	215,241,340	221,692,794	6,451,454	2.9%
Operating	48,075,094	62,878,679	14,803,585	23.5%
Insurance Expense	2,562,074	2,279,675	(282,399)	-12.4%
Debt Service	44,644,338	45,718,938	1,074,600	2.4%
Partner Agencies	22,151,976	23,043,557	891,581	3.9%
Capital	9,291,597	9,187,133	(104,464)	-1.1%
Total Expenses	\$341,966,419	\$364,800,776	\$22,834,357	6.3%
Transfers	4,565,582	7,448,891	2,883,309	38.7%
Change in Fund Balance	\$1,730,448	(\$25,956,014)	\$27,686,462	

2026 Fiscal Year – Cash Flow Variance Expense (CY to PY)

<i>For the eight months ended February 28, 2026</i>				
	FY 2026	FY 2025	Variance	% Var
<u>Expense</u>				
Personnel	215,241,340	205,756,923	9,484,417	4.6%
Operating	48,075,094	45,234,891	2,840,203	6.3%
Insurance Expense	2,562,074	2,063,242	498,832	24.2%
Debt Service	44,644,338	44,293,115	351,223	0.8%
Partner Agencies	22,151,976	18,477,370	3,674,606	19.9%
Capital	9,291,597	2,986,631	6,304,966	211.1%
Total Expenses	\$341,966,419	\$318,812,172	\$23,154,247	7.3%
Transfers	4,565,582	26,612,926	(22,047,344)	-82.8%
Change in Fund Balance	\$1,730,448	(\$19,052,345)	\$20,782,793	

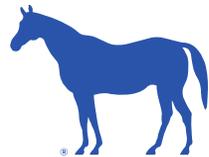
Questions?



LEXINGTON

ARPA FINANCIAL UPDATE

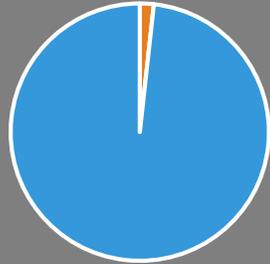
*Approved Budget and Actual Expenditures
Through February 28, 2026*



LEXINGTON

ARPA DASHBOARD

as of February 28, 2026



□ Unobligated □ Obligated □ Expended

Total ARPA Obligated
\$121.2 Million

100%

✓✓✓ December 31, 2024 Deadline ✓✓✓

Total ARPA Expended
\$119.3 Million

98%

December 31, 2026 Deadline

Projects Complete 81
Projects Underway 5

Funding Overview by ARPA Expenditure Category

Total Grant Budget

1. Public Health

\$ 1,084,388

- Eligible projects include services and programs to contain and mitigate COVID-19 spread and services to address behavioral healthcare needs exacerbated by the pandemic.

2. Negative Economic Impacts

\$ 36,404,308

- Eligible projects include those that address the negative impacts caused by the public health emergency including assistance to workers; small business support; speeding the recovery of tourism, travel, and hospitality sectors; and rebuilding public sector and non-profit capacity. This category also includes programs and projects that support long-term housing security and promote strong, healthy communities.

3. Economic Impact: Public Sector/Health Capacity

\$ 6,791,327

- Eligible projects include expenses for payroll, rehiring, enhanced service delivery, and administrative needs for public sector health, safety, or human services workers.

4. Premium Pay

\$12,954,007

- ARPA funding provides resources to local government to recognize the heroic contributions of essential workers. Eligible workers include a broad range of essential workers who must be physically present at their job.

5. Infrastructure

\$ -

- Eligible projects include necessary improvements in water, sewer, and broadband infrastructure

6. Revenue Replacement for General Government

\$ 62,614,351

- Local governments facing budget shortfalls are permitted to use funding to replace lost revenue for the purpose of providing governmental services. These services may include recreation, transportation, economic development, and other general government services.

7. Administration

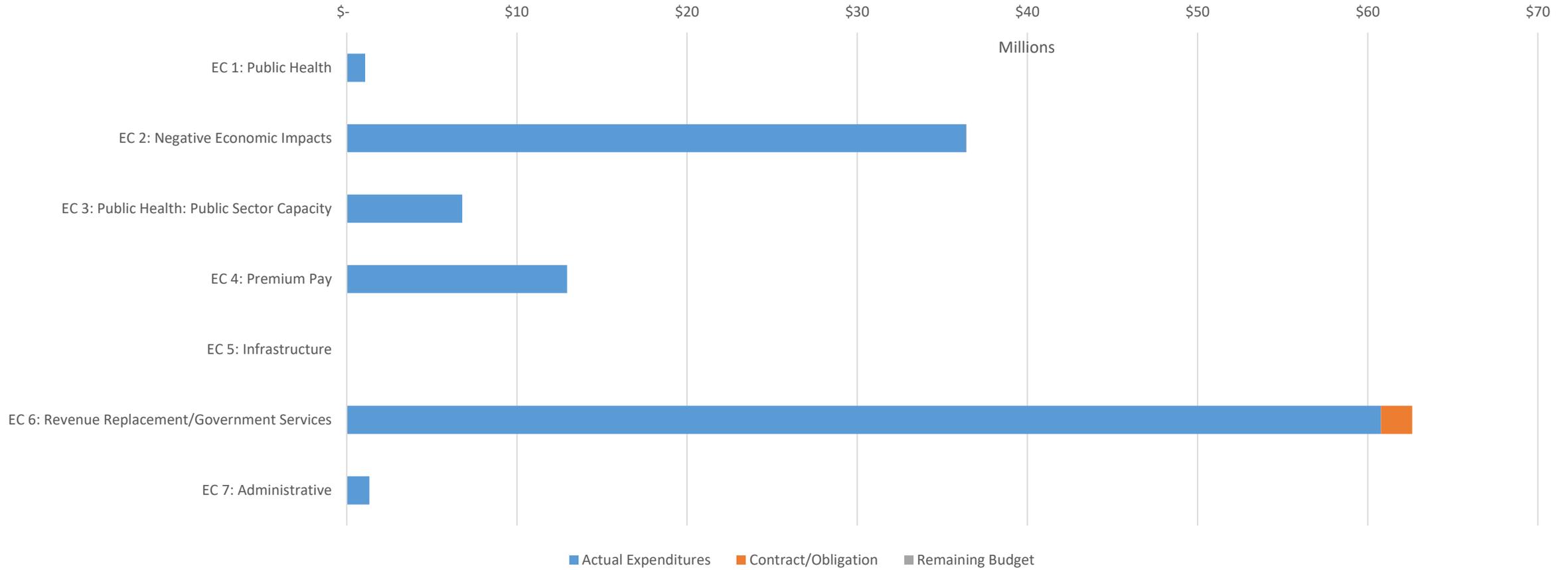
\$ 1,329,677

- Local governments are permitted to use funding for administering ARPA funds, including costs of in-house staff or consultants to support effective oversight and ensuring compliance with legal, regulatory, and other requirements. A project contingency is also held in this Expenditure Category. Less than 1.2% of all ARPA funds received were used for administration.

Please see ARPA Revenue and Expense Report for details

ARPA Budget, Expenditures, and Obligations by Category

as of February 28, 2026



TOTAL EXPENDITURES THROUGH FEBRUARY 28, 2026
\$119,332,489



ARPA State and Local Fiscal Recovery Funds Revenue and Expense Report

For the period through February 28, 2026

	Actuals	Budget	Variance
Revenue			
LFUCG Allocation	\$ 121,178,058	\$ 121,178,058	\$ -
Total Revenues	\$ 121,178,058	\$ 121,178,058	\$ -

	Actuals	Budget	Variance
Expense			
EC 1: Public Health	\$ 1,084,388.39	\$ 1,084,388.39	\$ -
1.05 Personal Protective Equipment	\$ 5,762.59	\$ 5,762.59	\$ -
1.11 Community Violence Interventions	\$ 306,558.80	\$ 306,558.80	\$ -
1.11 Community Violence Interventions	\$ 262,067.00	\$ 262,067.00	\$ -
1.12 Mental Health Services	\$ 170,000.00	\$ 170,000.00	\$ -
1.12 Mental Health Services	\$ 170,000.00	\$ 170,000.00	\$ -
1.12 Mental Health Services	\$ 170,000.00	\$ 170,000.00	\$ -

All ARPA SLFRF funds have been obligated as of December 31, 2024, as required by the program guidelines. This report will now reflect actual expenditures compared to project budgets for all ARPA projects as we move towards the December 31, 2026, expenditure deadline.



ARPA State and Local Fiscal Recovery Funds Revenue and Expense Report

Expense								
EC 2: Negative Economic Impacts			\$	36,402,490.67	\$	36,404,308.40	\$	1,817.73
2.02	Household Assistance: Rent, Mortgage, and Utility Aid	Emergency Financial Assistance for Residents (FY22)	\$	240,846.00	\$	240,846.00	\$	-
2.02	Household Assistance: Rent, Mortgage, and Utility Aid	Emergency Financial Assistance for Residents (FY23)	\$	251,776.00	\$	251,776.00	\$	-
2.02	Household Assistance: Rent, Mortgage, and Utility Aid	Emergency Financial Assistance for Residents (FY24)	\$	297,365.00	\$	297,365.00	\$	-
2.02	Household Assistance: Rent, Mortgage, and Utility Aid	Recovery Supportive Living Assistance (FY22)	\$	200,000.00	\$	200,000.00	\$	-
2.02	Household Assistance: Rent, Mortgage, and Utility Aid	Recovery Supportive Living Assistance (FY23)	\$	199,999.76	\$	199,999.76	\$	-
2.10	Assistance to Unemployed or Underemployed Workers	Summer Youth Work Readiness Program	\$	960,000.00	\$	960,000.00	\$	-
2.15	Long-Term Housing Security: Affordable Housing	Shropshire Affordable Housing Project Site Improvements	\$	750,000.00	\$	750,000.00	\$	-
2.15	Long-Term Housing Security: Affordable Housing	Affordable Housing	\$	10,000,000.00	\$	10,000,000.00	\$	-
2.15	Long-Term Housing Security: Affordable Housing	Affordable Housing - Additional Allocation	\$	3,125,000.00	\$	3,125,000.00	\$	-
2.15	Long-Term Housing Security: Affordable Housing	Affordable Housing - Additional Allocation - FY24	\$	4,001,790.00	\$	4,001,790.00	\$	-
2.16	Long-Term Housing Security: Services for Unhoused Persons	OHPI Homelessness Allocation (FY22)	\$	642,893.42	\$	642,893.42	\$	-
2.16	Long-Term Housing Security: Services for Unhoused Persons	OHPI Homelessness Allocation (FY23)	\$	822,946.27	\$	824,764.00	\$	1,817.73
2.16	Long-Term Housing Security: Services for Unhoused Persons	OHPI Homelessness Allocation (FY24)	\$	750,000.00	\$	750,000.00	\$	-
2.16	Long-Term Housing Security: Services for Unhoused Persons	Homelessness Contracts via Department of Housing and Community Dev	\$	3,717,025.18	\$	3,717,025.18	\$	-
2.16	Long-Term Housing Security: Services for Unhoused Persons	Homelessness Contracts - Non-Shelter Eligible Families/Individuals	\$	159,827.97	\$	159,827.97	\$	-
2.16	Long-Term Housing Security: Services for Unhoused Persons	COVID-19 Alternate Shelter for Winter Warming - 2022/2023	\$	1,315,761.75	\$	1,315,761.75	\$	-
2.12	Long-Term Housing Security: Services for Unhoused Persons	COVID-19 Alternate Shelter for Winter Warming - 2023/2024	\$	1,072,000.00	\$	1,072,000.00	\$	-
2.16	Long-Term Housing Security: Services for Unhoused Persons	Domestic Violence Sheltering: Greenhouse 17	\$	400,000.00	\$	400,000.00	\$	-
2.22	Strong Healthy Communities: Promote Health and Safety	Village Branch Library Construction	\$	1,000,000.00	\$	1,000,000.00	\$	-
2.22	Strong Healthy Communities: Promote Health and Safety	Black and Williams Center Improvements - Gymnasium	\$	1,848,759.32	\$	1,848,759.32	\$	-
2.22	Strong Healthy Communities: Promote Health and Safety	BCTC Dental Hygiene Clinic	\$	2,000,000.00	\$	2,000,000.00	\$	-
2.30	Technical Assistance, Counseling, or Business Planning	Minority Business Accelerator II - Reflect Lex	\$	991,000.00	\$	991,000.00	\$	-
2.34	Aid to Nonprofit Organizations	Explorium of Lexington - Children's Museum Assistance	\$	125,000.00	\$	125,000.00	\$	-
2.34	Aid to Nonprofit Organizations	LexArts Nonprofit Services Contract (FY22)	\$	325,000.00	\$	325,000.00	\$	-
2.34	Aid to Nonprofit Organizations	Lyric Theater Assistance	\$	127,500.00	\$	127,500.00	\$	-
2.34	Aid to Nonprofit Organizations	Radio Lex	\$	78,000.00	\$	78,000.00	\$	-
2.35	Aid to Tourism, Travel, or Hospitality	Visit LEX/Hospitality Industry Recovery	\$	1,000,000.00	\$	1,000,000.00	\$	-



ARPA State and Local Fiscal Recovery Funds Revenue and Expense Report

Expense								
EC 3: Public Health - Negative Economic Impact: Public Sector Capacity			\$	6,791,326.62	\$	6,791,326.62	\$	-
3.01	Public Sector Workforce	Social Services Department Personnel Expenses (FY23 and FY24)	\$	6,000,000.00	\$	6,000,000.00	\$	-
3.01	Public Sector Workforce	Social Services Department Personnel Expenses (FY25)	\$	791,326.62	\$	791,326.62	\$	-
EC 4: Premium Pay			\$	12,954,006.73	\$	12,954,006.73	\$	-
4.01	Premium Pay	Premium Pay for High Exposure LFUCG Staff	\$	12,592,083.66	\$	12,592,083.66	\$	-
4.01	Premium Pay	Premium Pay for Fayette County Sheriff's Office	\$	361,923.07	\$	361,923.07	\$	-
EC 6: Revenue Replacement/Government Services			\$	60,770,599.85	\$	62,614,350.64	\$	1,843,750.79
6.01	Provision of Government Services	Economic Development Grants to Service Partners	\$	298,744.60	\$	298,744.60	\$	-
6.01	Provision of Government Services	Nbhood Rec Imprvmnts - Berry Hill Park - Basketball Court	\$	175,000.00	\$	175,000.00	\$	-
6.01	Provision of Government Services	Nbhood Rec Imprvmnts - Buckhorn Park - Phase II Improvements	\$	44,999.15	\$	44,999.15	\$	-
6.01	Provision of Government Services	Nbhood Rec Imprvmnts - Dogwood Park - Basketball Court	\$	69,073.42	\$	69,073.42	\$	-
6.01	Provision of Government Services	Nbhood Rec Imprvmnts - Gardenside Park - Playground	\$	148,745.57	\$	148,745.57	\$	-
6.01	Provision of Government Services	Nbhood Rec Imprvmnts - Ecton Park Restrooms and Concessions	\$	457,400.00	\$	457,400.00	\$	-
6.01	Provision of Government Services	Nbhood Rec Imprvmnts - Lakeside Irrigation Replacement	\$	1,442,000.00	\$	1,442,000.00	\$	-
6.01	Provision of Government Services	Nbhood Rec Imprvmnts - Masterson Station Park - Playground	\$	147,478.33	\$	147,478.33	\$	-
6.01	Provision of Government Services	Nbhood Rec Imprvmnts - Meadowthorpe Park - Roof Repair	\$	78,585.03	\$	78,585.03	\$	-
6.01	Provision of Government Services	Nbhood Rec Imprvmnts - Raven Run Park - Prather House Roof Repair	\$	154,998.00	\$	154,998.00	\$	-
6.01	Provision of Government Services	Nbhood Rec Imprvmnts - Shilito Park - Access Imprvmnt Parking Lot Cor	\$	297,206.20	\$	297,206.20	\$	-
6.01	Provision of Government Services	Nbhood Rec Imprvmnts - Southland Park - Access Imprvmnt Parking Rep	\$	202,793.80	\$	202,793.80	\$	-
6.01	Provision of Government Services	Nbhood Rec Imprvmnts - Woodland Park - Restroom Facilities	\$	527,912.99	\$	527,912.99	\$	-



ARPA State and Local Fiscal Recovery Funds Revenue and Expense Report

Expense						
EC 6: Revenue Replacement/Government Services			\$	60,770,599.85	\$	62,614,350.64
			\$		\$	1,843,750.79
6.01	Provision of Government Services	Nbhood Rec Imprvmtns - Mary Todd Park - Basketball Court	\$	97,441.81	\$	97,441.81
6.01	Provision of Government Services	Access to Quality Green Space for Disadvantaged Pop - ADA Imprvmtns	\$	125,000.00	\$	125,000.00
6.01	Provision of Government Services	Cardinal Run North Park Development	\$	8,782,252.02	\$	10,418,886.66
6.01	Provision of Government Services	Access to Quality Green Space in QCT - Northeastern Park - Playground	\$	250,000.00	\$	250,000.00
6.01	Provision of Government Services	Access to Quality Green Space in QCT - Phoenix Park - Inclusive Use and	\$	150,000.00	\$	150,000.00
6.01	Provision of Government Services	Access to Quality Green Space in QCT - Pine Meadows Park - Playground	\$	153,404.40	\$	153,404.40
6.01	Provision of Government Services	Access to Quality Green Space in QCT - River Hill Park - Sports Courts	\$	190,876.05	\$	190,876.05
6.01	Provision of Government Services	General Neighborhood Parks and Recreation Improvements	\$	3,954,465.47	\$	3,954,465.47
6.01	Provision of Government Services	Parks Master Plan - QCT Areas	\$	4,187,569.00	\$	4,187,569.00
6.01	Provision of Government Services	Parks Master Plan - Maintenance	\$	1,104,582.26	\$	1,104,582.26
6.01	Provision of Government Services	Parks Master Plan - Aquatics	\$	6,998,217.41	\$	7,027,717.41
6.01	Provision of Government Services	ADA Transition Plan	\$	200,000.00	\$	200,000.00
6.01	Provision of Government Services	Pam Miller Downtown Arts Center Renovation	\$	2,675,000.00	\$	2,675,000.00
6.01	Provision of Government Services	Government Employee Pay Supplements	\$	4,436,928.18	\$	4,436,928.18
6.01	Provision of Government Services	Critical Government Needs - Broadband Study with Scott County	\$	19,571.25	\$	19,571.25
6.01	Provision of Government Services	Coldstream Industrial Park Campus Infrastructure	\$	2,548,210.00	\$	2,548,210.00
6.01	Provision of Government Services	Bike/Ped - Brighton	\$	81,310.00	\$	116,310.00
6.01	Provision of Government Services	Bike/Ped - Harrodsburg	\$	571,276.02	\$	713,892.17
6.01	Provision of Government Services	Bike/Ped - Town Branch Trail (Manchester)	\$	67,500.00	\$	67,500.00
6.01	Provision of Government Services	Jefferson Street Viaduct	\$	1,096,661.00	\$	1,096,661.00
6.01	Provision of Government Services	Fire SCBA	\$	3,075,869.75	\$	3,075,869.75
6.01	Provision of Government Services	Public Safety Fleet	\$	1,500,000.00	\$	1,500,000.00
6.01	Provision of Government Services	Code Enforcement Grants for Residents with Low Income (FY22)	\$	200,000.00	\$	200,000.00
6.01	Provision of Government Services	Code Enforcement Grants for Residents with Low Income (FY23)	\$	200,000.00	\$	200,000.00



ARPA State and Local Fiscal Recovery Funds Revenue and Expense Report

Expense					
EC 6: Revenue Replacement/Government Services			\$ 60,770,599.85	\$ 62,614,350.64	\$ 1,843,750.79
6.01	Provision of Government Services	Workforce Development Grants to Service Partners (FY22)	\$ 399,727.85	\$ 399,727.85	\$ -
6.01	Provision of Government Services	Workforce Development Grants to Service Partners (FY23)	\$ 400,000.00	\$ 400,000.00	\$ -
6.01	Provision of Government Services	Workforce Development (Other)	\$ 150,000.00	\$ 150,000.00	\$ -
6.01	Provision of Government Services	LexArts (FY24)	\$ 325,000.00	\$ 325,000.00	\$ -
6.01	Provision of Government Services	Non-Profit Capital Grants	\$ 6,148,295.97	\$ 6,148,295.97	\$ -
6.01	Provision of Government Services	Lexington Community Land Trust - Davis Bottom Community Center	\$ 2,000,000.00	\$ 2,000,000.00	\$ -
6.01	Provision of Government Services	Housing Stabilization - Hope Center Transitional Housing	\$ 2,000,000.00	\$ 2,000,000.00	\$ -
6.01	Provision of Government Services	Family Care Center Improvements	\$ 60,000.00	\$ 60,000.00	\$ -
6.01	Provision of Government Services	Public Safety Technology Equipment Purchase - MDC	\$ 489,999.58	\$ 489,999.58	\$ -
6.01	Provision of Government Services	Public Safety Technology Equipment Purchase - Laptop	\$ 99,820.34	\$ 99,820.34	\$ -
6.01	Provision of Government Services	Solarize Lexington Energy Efficiency Grant Program for Low Income Hom	\$ 1,986,684.40	\$ 1,986,684.40	\$ -
EC 7: Administrative			\$ 1,329,677.22	\$ 1,329,677.22	\$ -
7.01	Administrative Expenses	ARPA Administrative Services	\$ 1,329,677.22	\$ 1,329,677.22	\$ -
Total Expenses			\$ 119,332,489.48	\$ 121,178,058.00	\$ 1,845,568.52
TOTAL - ARPA SLFRF			\$ 1,845,568.52	\$ -	\$ (1,845,568.52)

Questions?

Hilary Angelucci

American Rescue Plan Act Project Manager

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LEXINGTON