

URBAN COUNTY COUNCIL
BUDGET & FINANCE COMMITTEE SUMMARY

AUGUST 28, 2007

Dr. Stevens chaired the committee meeting, calling it to order at 1:00 pm. All committee members were present.

I. General Update on FY 2008 Debriefing Topics

Commissioner Koch stated they have made the decision to move forward with implementation of the budget module in STARS. They expect it to be available early January. She stated they are going to pull information out of STARS as they move forward and bring to Council to see if the reports will work for their purpose.

Commissioner Koch informed the committee they have employed management partners to do a management audit of government. A few recommendations they will bring forward will relate to budgeting for personnel and the fund balance. Management Partners will be working with those who are appointed to the Lexington 2015 Commission.

Commissioner Koch stated they are moving ahead with the Capital Improvement Planning process.

Commissioner Koch stated they have the numbers for the retirement payments in January 2009 but she needs to do some more work before they go forward.

Commissioner Koch stated the committee has asked about the actuarial analysis of the police and fire retirement fund. She stated this is to be presented to Council on September 18th.

II. FY 2007 General Fund Capital Improvement Project Report

Mr. Jim Deaton stated one of the requests picked up during the budget process was a timely update on projects that were in the works. He stated the information contained in the packet is one of the initial cuts at getting the information back from so they can start doing quarterly reports. He stated it is not complete yet.

Mr. Deaton reviewed the information in the packet he gave the committee.

CM Gorton asked if page 11 is the accounting for the 100K Capital Improvement money that each Council Member had.

Mr. Deaton stated yes, this is the remaining balance.

CM Gorton asked when will the money be reappropriated.

Mr. Deaton stated when the accounting department completes their preliminary closing of the books then budgeting will have an estimated fund balance to bring forward information on reappropriations.

Commissioner Koch stated they hope to do their first soft close right after Labor Day. She stated they are working hard but without a Director of Accounting they are having a hard time. She stated they are hoping to have a solid figure by the middle of September. Commissioner Koch stated someone has accepted the position of Director of Accounting and will be coming on October 1st.

CM Blevins asked about the completed projects that have funds remaining.

Mr. Deaton stated that goes into the fund balance available and are reallocated.

CM Blevins asked if this has already been done.

Mr. Deaton stated that is part of the close.

CM Stinnett asked about projects that were completed over the summer and can not wait until November to be paid.

Commissioner Koch stated those vendors aren't going to wait for their money because there would be a purchase order out there.

CM Stinnett stated that capital projects do not have purchase orders.

Commissioner Koch stated that she was unaware of any unpaid invoices that are not in the cycle of being paid. She stated they can work together to get some of the projects paid for.

Dr. Stevens stated this will remain on the agenda for an update next month.

III. Discussion on Tax Relief for Private Neighborhoods Paying Property Tax and KU for the Maintenance of Street Lights

CM Stinnett there are a few issues here and they are still in the process of doing some work. He stated there is the issue of neighborhoods who have received LFUCG funds via the developer to put in private street lights. Once they are put in they are maintained by a homeowners association or people in the neighborhood. These people pay the fees to KU and LFUCG through property taxes. The question is when does this stop. CM Stinnett stated they need to find out how many neighborhoods are doing this.

CM Stinnett asked to postpone this until November.

Dr. Stevens stated he had a constituent ask whether property tax could be paid in installments.

Commissioner Koch stated the more bills you send out the lower your collection rate will be. She stated we have a very high collection rate with property tax. She stated it is something they can look into and see what is going on in other cities.

Mr. Moloney asked about the mortgage companies that are filing bankruptcy and what will happen with the money they pay at the end of the year.

Commissioner Koch stated she will ask Mr. O'Mara to look at the billing.

IV. Status on Lexington 2015 Financial Study

Commissioner Koch stated they are working on getting the appointments together. She stated it will be between 12 to 15 people.

Dr. Stevens asked if it would include Council and LFUCG employees as well as outside.

Commissioner Koch stated yes it would.

The meeting adjourned at 1:32 pm.