Budget and Finance Committee
Dr. Stevens - Chair
Jim Gray
Linda Gorton
Chuck Ellinger
Richard Moloney
Jay McCord
Ed Lane - Vice-Chair
Kevin Stinnett – Vice-Chair
George Myers
Don Blevins

AGENDA

BUDGET AND FINANCE COMMITTEE

September 25, 2007

1:00 P. M.

- **Request For Additional Funding From The County Attorney – Larry S. Roberts, Fayette County Attorney**

  - **September 16th, 2007 letter from Mr. Roberts to CM George Myers (p. 1-5)**
  -
  - **May 7th, 2007 from Mr. Roberts (p. 6-8)**
  -
  - **February 2, 2006 letter from Mr. Roberts to Mayor Jim Newberry (p. 9-13)**
  -
  - **FY 2008 Council Adopted Budget for County Attorney's Office (p.14)**

- **General Update on FY 2008 Debriefing Topics – Koch**

  - Schedule of Debriefing Topics from 7/10/07 COW Meeting (p. 15-17)

- **Discussion on When the Committee Can Expect Revenue and Expense Data for FY 2008 – Koch/Deaton**

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LARRY S. ROBERTS
FAYETTE COUNTY ATTORNEY

BRIAN E. MATTONE
FIRST ASSISTANT

WANDA G. PARKER
DIRECTOR, CHILD SUPPORT ENFORCEMENT

110 W. VINE STREET
LEXINGTON, KENTUCKY 40507
(859) 254-4941

September 16, 2007

Mr. George Myers
Urban County Council
200 East Main Street
Lexington, Kentucky 40507

Dear George:

I appreciate having the opportunity to speak to the Council last Monday. At the request of council members, I am writing to enumerate some immediate financial needs of the County Attorney's office.

1. LFUCG provides the County Attorney the annual sum of $487,382.00 for salaries of staff. I have attached a copy of those salaries. Because of benefits accompanying these salaries (Retirement, $60,622.00; FICA, $35,460.00, and Insurance, $42,833.00), we have an annual deficit of $85,555.00 that we must make up from our general funds which are generated from the collection of delinquent taxes, cold checks and Diversion.

2. We presently do not have anyone in our office who can speak Spanish. Every day we have many occasions in Child Support, Criminal Prosecution, Juvenile Court, Cold Check Collections, Truancy, Domestic Violence Victim Advocates and Diversion when we cannot communicate with a victim or witness because of the language barrier. We desperately need two secretarial/paralegals, preferably who are fluent in Spanish, who we can use in many needed functions in the office. All of our seventeen attorneys type their own pleadings. This is a major problem particularly in the area of civil litigation. These two employees would greatly facilitate our presently inadequate telephone reception services which are operated by four employees who receive over 90,000 calls a year. Just trying to maintain this service so the public may speak to a live individual becomes a major problem when our present employees have daily breaks, including lunch, or are absent because of illness. Additionally,

these two employees would be utilized to teach Spanish to our employees. My hope is that by the end of my term in 2010, I and a large number of my staff will be able to converse in Spanish on an acceptable level. Each of these positions can be filled for $25,000.00 plus benefits.

3. I am attaching a copy of our office expenses for 2006. You will see that we spent $278,250.51. For the last ten years, LFUCG has provided a line item budget amount of only $4,500.00 to pay for these expenses. As I explained to the Council, this deficit is made up by the fees we receive for the collection of delinquent property taxes and the collection of cold checks. The Commonwealth of Kentucky, through our P.A.C. budget, only provides us with $3,000.00 for expenses. This is a serious financial problem for us every year, and any modest increase would be extremely helpful.

On a lighter note, I know this office can save the Urban County Government a considerable amount of money that is currently being expended for legal fees to private law firms. With the hiring of Richard Vimont, I and my first assistant, Brian Mattone, presently have the capability of offering our city law department three very experienced trial attorneys. I believe that when an examination of the hourly cost of legal fees paid to private law firms is made, there would be a huge saving to our government if we were utilized in some of the litigation that is filed against the city or it's employees. I am more than willing to help in any way possible.

Thank you for taking the time to learn more about our office. I welcome you and Joe, and your fellow council members to come see our new office and visit with me and my staff at any time to observe our operation and learn more about our service to the community.

Sincerely,

Larry

Larry S. Roberts

STAFF SALARIES AND FRINGE BENEFITS
LFUCG COST CENTER

NAME	ANN. SAL.	INS.	FICA	RET	TOTAL
Caldwell, Noel	33,000	4,106	2,399	6,057	45,562
Cook, Wayne	37,461	3,878	2,722	-	44 061
Douglas, Katina	33,504	4,106	2,435	5,418	45,463
Grogan, Dawn	23,000	4,142	1,672	3,719	32,533
Hegeman, Beth	33,804	22	2,457	5,466	41,749
Harris, LaTanya	32,025	4,142	2,327	5,179	43,673
Lilly, Diane	44,579	3,878	3,240	7,208	58,905
Roberts, Larry	40,639	317	2,953	6,571	50,480
McKenna, Diane	57,892	4,106	4,208	9,362	75,568
Savells, Allison	20,000	3,784	1,454	3,234	28,472
Smith, Veneita 1/2	27,736	2,072	2,016	4,485	36,309
Taylor, Angela	24,260	4,106	1,763	3,923	34,052
Vimont, Richard	80,000	4,174	5,814	-	89,988
TOTALS	**487,900**	**42,833**	**35,460**	**60,622**	**626,815**

LFUCG enacted budget for FY 2007-2008 salaries is $546,260.

Our cost including salaries and all fringes (Insurances, FICA, & Retirement) is $626,815.

This concludes that we are short by <u>$80,555</u> annually for salaries, which does not include rent. See below.

Our total annual rent is $424,382. Monthly this is $35,365.16. Of this amount the Division of Child Support pays 63% which is $22,280.05 monthly or $267,360.60 annually.

LFUCG enacted budget for FY 2007-2008 rent is $178,000 minus $21,500 for the Courthouse rents leaves $156,500 for us to bill. $156,500 divided by 12 equals $13,041.67. Our current monthly rent is $13,085.11. This means we are short by $43.44 monthly or $521.28 annually.

FAYETTE COUNTY ATTORNEY'S OFFICE
SCHEDULE OF ALL REVENUES & EXPENSES - BY MONTH
ALL DEPARTMENTS EXCEPT CHILD SUPPORT
YTD THROUGH 06/30/06

	JUL	AUG	SEP	OCT	NOV	DEC
REVENUES COLLECTED						
LEX FAY URBAN CO GOVERNMENT	$44,643.81	$39,281.31	$45,248.86	$39,540.31	$39,886.38	$39,540.31
GRANTS	4,672.17	5,776.17	8,357.66	3,835.81	6,216.00	6,216.00
COLD CHECK FEES	13,285.00	17,725.01	15,735.00	13,049.50	16,399.00	12,845.00
PROSECUTORIAL ADV COUNCIL	88,259.01	88,259.01	88,259.01	88,259.01	88,259.01	88,259.01
DIVERSION PROGRAM	0.00	0.00	0.00	9,600.00	0.00	6,480.00
TAX COMMISSION - REAL ESTATE	23,526.91	16,953.62	103,739.65	9,534.30	7,017.02	32,740.06
TAX COMM - TANG PERSONAL PROP	1,147.39	560.21	0.00	684.51	228.21	505.80
MISCELLANEOUS REVENUE	440.99	0.00	0.00	20.00	1,690.60	240.00
TOTAL REVENUE COLLECTED	176,175.28	168,555.33	261,340.18	164,323.44	159,696.40	186,806.18
EXPENSES PAID						
LABOR						
SALARIES & WAGES	136,644.88	137,505.30	136,448.07	142,479.60	143,563.55	142,574.22
HEALTH INSURANCE	6,078.24	5,859.09	6,980.21	5,966.85	6,649.07	6,726.89
PAYROLL TAXES & FRINGES	7,725.45	7,921.44	7,750.22	8,169.79	8,645.71	8,498.40
CONTRACT LABOR	1,035.13	600.00	0.00	0.00	0.00	0.00
SUBTOTAL LABOR	151,483.70	151,685.83	151,178.50	156,616.24	158,858.33	157,799.51
OCCUPANCY						
RENT	15,646.59	10,284.09	15,646.59	10,284.09	10,284.09	10,284.09
JANITORIAL	1,259.77	1,472.65	1,294.83	1,410.20	1,347.74	1,330.59
REPAIRS & MAINTENANCE	2,249.20	3,014.01	2,304.00	1,837.62	2,789.25	1,748.35
TOTAL OCCUPANCY	19,155.56	14,770.75	19,245.42	13,531.91	14,421.08	13,363.03
OTHER EXPENSES						
OFFICE SUPPLIES	1,618.92	1,495.82	1,965.77	743.41	880.83	2,569.32
PROFESSIONAL FEES	6,701.69	1,110.54	1,266.97	1,500.80	2,471.36	1,469.06
TRAVEL EXPENSE	2,952.87	1,965.49	1,103.89	711.77	(1,000.00)	604.10
GENERAL INSURANCE	2,052.33	1,825.33	0.00	856.86	428.33	428.33
PARKING	2,407.25	2,818.00	2,580.00	2,690.00	2,696.00	2,690.00
DUES & PUBLICATIONS	421.21	5,076.86	0.00	161.50	599.72	1,083.85
GENERAL EXPENSES	1,268.40	1,390.76	327.46	193.09	222.30	2,838.69
CONSTABLES & FILING FEES	258.00	438.00	676.00	269.00	567.00	469.00
EQUIPMENT LEASE & PURCHASE	1,098.86	2,127.44	2,178.85	1,766.88	1,763.23	1,862.16
POSTAGE	(2,166.83)	5,655.79	(2,255.66)	(2,246.08)	2,385.84	22,801.61
TELEPHONE	1,770.02	2,076.21	2,266.38	2,160.68	2,160.44	2,180.66
PRINTING	0.00	160.00	523.55	0.00	481.77	0.00
CONTINUING EDUCATION	1,200.00	0.00	1,240.00	680.00	0.00	20.00
MINOR EQUIPMENT	1,019.56	(59.99)	49.99	219.99	0.00	164.98
CAPITAL EXPENDITURE	2,797.00	6,505.75	3,136.30	0.00	0.00	2,416.04
C/S UNBILLABLE EXPENSES	1,262.25	1,304.25	862.75	868.00	551.45	551.45
TOTAL OTHER EXPENSES	24,679.73	33,888.25	15,922.25	10,575.50	13,988.27	42,149.45
TOTAL EXPENSES	195,318.99	200,344.83	186,346.17	180,723.65	187,267.68	213,311.99

	JAN	FEB	MAR	APR	MAY	JUN	YTD
REVENUES COLLECTED							
LEX FAY URBAN CO GOVERNMENT	$44,902.81	$39,540.31	$45,248.86	$39,540.31	$15,618.75	$516.00	$433,510.00
GRANTS	6,216.00	6,216.50	6,216.50	6,216.50	6,216.50	6,216.50	72,372.31
COLD CHECK FEES	15,325.00	17,190.00	12,455.00	10,835.00	11,899.44	10,030.56	166,873.51
PROSECUTORIAL ADV COUNCIL	88,259.01	88,583.39	85,286.03	81,905.61	81,905.61	80,001.09	1,035,494.80
DIVERSION PROGRAM	0.00	10,080.00	0.00	8,726.00	5,260.00	10,800.00	50,946.00
TAX COMMISSION - REAL ESTATE	31,805.83	1,329.15	989.93	3,656.89	(729.25)	44,121.02	274,685.13
TAX COMM - TANG PERSONAL PROP	13.45	0.00	1,329.15	1,092.71	(1,329.15)	72,216.81	76,451.09
MISCELLANEOUS REVENUE	68.60	0.00	108.00	0.00	0.00	210.10	2,778.69
TOTAL REVENUE COLLECTED	186,590.90	182,939.35	151,633.47	151,973.02	118,981.90	224,116.08	2,113,111.53
EXPENSES PAID							
LABOR							
SALARIES & WAGES	143,552.24	144,777.14	141,719.94	137,341.58	136,667.66	138,989.63	1,682,263.81
HEALTH INSURANCE	6,055.25	6,310.44	6,032.88	5,830.12	6,487.64	6,141.14	74,917.82
PAYROLL TAXES & FRINGES	8,563.54	8,555.24	8,547.22	8,464.38	8,437.90	8,784.81	100,064.10
CONTRACT LABOR	150.00	0.00	0.00	0.00	0.00	0.00	1,785.13
SUBTOTAL LABOR	158,321.03	159,642.82	156,300.04	151,636.08	151,593.20	153,915.58	1,859,030.86
OCCUPANCY							
RENT	15,646.59	10,284.09	15,646.59	10,284.09	10,284.09	10,284.09	144,859.08
JANITORIAL	1,390.72	1,370.26	1,329.02	1,284.82	1,281.43	1,417.37	16,189.40
REPAIRS & MAINTENANCE	1,551.75	1,473.25	937.60	1,240.25	554.50	986.35	20,686.13
TOTAL OCCUPANCY	18,589.06	13,127.60	17,913.21	12,809.16	12,120.02	12,687.81	181,734.61
OTHER EXPENSES							
OFFICE SUPPLIES	1,401.88	2,139.62	1,489.40	1,138.08	1,963.96	1,238.83	18,443.84
PROFESSIONAL FEES	2,735.77	800.00	13,307.19	6,104.98	12,773.07	19,359.16	71,600.59
TRAVEL EXPENSE	130.43	46.90	96.00	0.00	1,743.30	1,147.24	9,501.99
GENERAL INSURANCE	0.00	1,906.49	1,315.00	(214.50)	0.00	(4,404.79)	4,193.18
PARKING	2,690.00	2,667.00	2,725.00	2,797.50	2,914.50	2,797.50	32,470.75
DUES & PUBLICATIONS	2,527.90	1,066.75	4,695.00	353.36	76.00	1,236.00	17,300.15
GENERAL EXPENSES	528.37	345.27	46.07	277.45	284.34	442.14	8,164.34
CONSTABLES & FILING FEES	429.00	649.00	318.00	380.00	487.00	347.00	5,287.00
EQUIPMENT LEASE & PURCHASE	2,456.43	4,773.45	2,221.65	1,954.76	3,010.73	1,739.15	26,951.39
POSTAGE	1,514.96	(2,431.45)	845.91	2,136.62	(2,124.67)	1,169.43	25,265.87
TELEPHONE	2,282.14	2,320.66	2,190.24	1,948.84	2,381.29	1,948.73	25,684.29
PRINTING	696.46	0.00	446.05	0.00	15.50	(15.50)	2,307.83
CONTINUING EDUCATION	120.00	90.96	10.00	915.00	0.00	1,350.00	5,625.96
MINOR EQUIPMENT	711.45	0.00	217.60	1,632.57	0.00	0.00	3,956.15
CAPITAL EXPENDITURE	0.00	0.00	0.00	0.00	0.00	0.00	14,655.09
C/S UNBILLABLE EXPENSES	0.00	221.65	270.24	107.85	151.55	490.65	6,662.09
TOTAL OTHER EXPENSES	18,224.79	14,598.30	30,193.35	21,508.51	23,676.57	28,845.54	278,250.51
TOTAL EXPENSES	195,134.86	187,368.72	204,406.60	185,953.75	187,389.79	195,448.93	2,318,915.98

PREPARED FROM BOOKS WITHOUT AUDIT OR REVIEW - HISLE & COMPANY, CPA

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FAYETTE COUNTY ATTORNEY'S OFFICE
SCHEDULE OF ALL REVENUES & EXPENSES - BY MONTH
ALL DEPARTMENTS EXCEPT CHILD SUPPORT
YTD THROUGH 06/30/06

	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	YTD
EXCESS OF REVENUES COLLECTED OVER EXPENSES PAID	($19,143.71)	($31,769.50)	$74,994.01	($16,400.21)	($27,571.28)	($26,505.81)	($8,543.98)	($24,429.37)	($52,773.13)	($33,980.73)	($68,427.89)	$28,667.15	($205,904.45)

PREPARED FROM BOOKS WITHOUT AUDIT OR REVIEW - HISLE & COMPANY, CPA

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LARRY S. ROBERTS
FAYETTE COUNTY ATTORNEY

BRIAN E. MATTONE
FIRST ASSISTANT

WANDA G. PARKER
DIRECTOR, CHILD SUPPORT ENFORCEMENT

163 WEST SHORT STREET
SUITE 700
LEXINGTON, KENTUCKY 40507
(859) 254-4941
(859) 253-2487 (FAX)

May 7, 2007

[redacted]
Urban County Council
200 E. Main Street, 5th Floor
Lexington, Ky 40507

Dear [redacted]

Since taking office on August 15, 2006, I have worked very hard learning about the financial operation of this office, and very quickly became shocked to discover there were serious problems with adequate funding from our local government. The County Attorney's office operates on three sources of government funding. Our Child Support division consists of 47-50 employees, and is totally funded by the Commonwealth of Kentucky with a budget of over $2,000,000. The Prosecutors Advisory Council (PAC), in state government, provides funding for the salaries of the majority of our prosecutors and a few support staff. Our Urban County Government provides partial funding for administrative salaries, rent, and operating expenses.

Earlier this year I had a meeting with Mayor Newberry and his staff to present our needs for the new budget which involved a requested increase of $1,200,000. Attached, hereto, is a copy of a letter I sent to the Mayor in which I explained the importance of our request. The Mayor's recommendation for our budget for 2007-2008 was only increased by $100,000. I am writing to ask you and your fellow council members to take a hard look at this budget. With Mayor Newberry's proposed budget for next year including the $100,000 increase, we are still seriously under-funded.

The County Attorney's office has three major areas of need for additional financial support from local government. First is the line item of operating expenses which has remained at $4,500.00 for the past ten years. PAC only provides us with $3,000 a year for operating expenses, which we use for postage. ~~The LFUCG budget is our only source of funding for our operating expenses.~~ Last year the operating budget, for our office, excluding the expenses of Child Support, was $278,250.51. It is my belief that LFUCG has the responsibility to provide adequate funding for the operation of our office. I have enclosed, for you, a copy of sections 10.07 and 11.04 of the Urban County Government Charter which state the duties of my office.

We are in serious need of two additional prosecutors and a civil attorney to enable us to fulfill the responsibilities of our office. This office has huge responsibilities handling over 60,000 criminal and traffic cases a year. Although I have requested additional funding from PAC for two entry level prosecutors at an entry level salary of $33,000, I have been advised that funding will not be available from the state for the 2007-2008 budget. This creates a tremendous problem.

As you may know, we have a newly created Family Court in Lexington which has four judges. This court was originally handled by Circuit Court judges, and other than Child Support collection, the County Attorney had very little responsibility for providing prosecutors. However, now with the Family Court judges having no other Circuit Court responsibilities, there has been a huge increase in non criminal cases which we must handle.

For example, Judge Joann Wise has undertaken the extremely important function of running a Truancy Court as part of her duties as a Family Court Judge. My office is in total agreement with the whole concept of doing everything possible to curb unexcused absences in our schools. This section of court is operating each Monday beginning at 12:00 Noon. Because of the huge numbers of cases, the average being 85 each Monday, it has required two prosecutors and one paralegal assigned from our staff to handle the docket. There is a minimum of 12 support staff required to assist Judge Wise with this court. Every Monday, court has lasted until 6:30 to 7:30 P.M., and last week we finished the docket at 9:30 P.M. In addition to our in court involvement, each Monday requires a minimum of 13 hours of preparation by my staff. This is a commitment which I totally buy into, but when Family Court was established, there was no increase in our staff to handle the tremendous work load we are now facing.

The County Attorney's office also prepares dockets and maintains files for three additional status court dockets in our Family Court which averages over 80 cases per week. Before the Circuit Court created Family Court we were able to handle the Dependency, Neglect and Abuse cases with one part time attorney and a paralegal. Now, that is impossible, so we are using all of our prosecutors to assist in this Court.

While we are doing everything possible to provide adequate legal services to our courts and the public, we cannot continue at this pace without some additional attorneys and support staff. Somewhere the services will begin to break down, most likely in the preparation that I am requiring of all of our attorneys. The perfect example is the eight to ten hour requirement of the attorneys in the Truancy Court each Monday. They cannot possibly prepare for the criminal dockets they have the following two days because of this time commitment. Unfortunately, the public suffers when we cannot make the necessary calls to the victims, police officers and witnesses who are the vital part of each case we handle. Two new attorneys are essential to enable this office to maintain the level of service that is expected of us.

I explained in my letter to Mayor Newberry that we needed funding for a civil attorney. This is a position that is crucial to the efficient operation of the County Attorney's office. By hiring Richard Vimont in July, 2006, we used unbudgeted funds, and we have already saved this county several hundred thousand dollars. I need a salaried position from LFUCG to continue this service to our community.

The County Attorney's office needs funding from LFUCG for rent. Our main office for the past twelve years has been primarily located in six floors of the building at 163 W. Short Street which consists of 24,254 square feet. Three of the floors are occupied exclusively by our Child Support Division, and their proportional share of the rent is paid by state government. The other three floors house all of our prosecutors, victim's advocates, and employees in our departments of Property Tax Collection, Cold Check Collection, Criminal Complaints, Diversion and Accounting. We presently have thirty seven employees on these three floors. Our annual rent for the last fical year is $311,425. Our portion of the rent is $123,409. LFUCG provides $56,000 of this expense.

Our monthly rent for the present building was going to increase to a total of $336,340. Child Support would be responsible for $201,805, and our proportionate share would have been $134,535. Effective June 1, 2007 we are physically moving our offices to 110 W. Vine Street where there is 30,000 square feet. Because of my term, I have negotiated a four year lease agreement for us to pay $14.00 a square foot for a total of $424,382 with a proportionate contribution from us being $155,680. Our state Child Support Budget will pay $268,702. Mayor Newberry's recommendation of an additional $100,000 to our present allocation of $56,000 will enable us to pay our rent, but we will still be in serious need of funds to operate.

Our office generates money through the collection of cold checks, diversion and property tax collection, which we use to supplement the payment of expenses not provided by LFUCG and PAC. Every year we are coming up short in meeting the obligations required of our office, and I believe this needs serious attention from the city council.

I do not believe that there has ever been a mayor, vice mayor, council member or budgetary administrative official since the formation of our merged government who has spent enough time to learn what all of the County Attorney's duties are, and observe what any isolated day or week in this office involves. I realize the finalization of the budget is on top of you now. I would greatly appreciate it if you would try to find time to spend from an hour up to a full day with me and my staff to enable you would to better understand what this office provides to this community.

Sincerely,

Larry

Larry S. Roberts

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BRIAN E. MATTONE
FIRST ASSISTANT

WANDA G. KINNAIRD
DIRECTOR, CHILD SUPPORT ENFORCEMENT

LARRY S. ROBERTS
FAYETTE COUNTY ATTORNEY

163 WEST SHORT STREET
SUITE 700
LEXINGTON, KENTUCKY 40507
(859) 254-4941
(859) 253-2487 (FAX)

February 2, 2006

Mayor James H. Newberry, Jr.
200 E. Main Street
Lexington, KY 40507

Dear Mayor Newberry:

I have submitted our budget request for FY 2007-2008, and you will see that it is significantly larger than in past years. There are several reasons for the increased budget. When I took office on August 15, 2006, I inherited an office that was very under-staffed and under funded. In order to meet and maintain the level of service that is demanded by the public, we must increase our staff in several departments.

In addition to funding received from the Urban County Government, we also have two other budgets from the State Government. One is from the Prosecutors Advisory Council (P.A.C.), which primarily pays for the salaries of our prosecutors. The other budget comes from Child Support, which pays for all of the salaries of our staff of forty-six employees, all of the equipment and office supplies, and approximately sixty percent of our rent.

A major responsibility of our office is to represent all the County Officials, including the Sheriff, the Coroner and the County Clerk. In the past, these officials have relied upon private counsel for legal advice and representation, which, of course, is their option. However, I have found this office has neither offered nor provided the needed assistance.

The first thing I did as County Attorney was to hire Richard E. Vimont to assist me in two important functions. First, I knew some of our prosecutors needed training and mentoring in areas of trial preparation. Richard immediately became involved in the D.U.I. charge against John Michael Montgomery, and worked extremely hard with our staff getting the case ready for trial. As you know, the case was resolved with a guilty plea, despite many legal and factual complications. In just six months, he has been a tremendous resource and had a positive impact on all of our attorneys.

The second major area of concern I encountered was the office's lack of an experienced civil trial attorney. Naturally with his knowledge and experience, Richard was the perfect choice. Not only has he provided invaluable legal advice to me in the last six months, he was responsible for a very successful lease negotiation for our new office location in the First Federal Bank building. In the aftermath of the horrific plane disaster on August 27, 2006, Richard provided daily input and guidance to the County Coroner, Gary Ginn, in dealing with the inundation of legal issues that arose.

As you know, it is my desire to establish a Civil Litigation Division in our office. We are presently involved in one civil case filed against this office which, to date, has been handled by private counsel. I was disturbed to learn that this private representation has cost us more than $60,000 in the past year, with only two discovery depositions having been taken. Because of this, I have decided to take over the legal representation of the case which will save us a tremendous amount of legal costs in the future.

In addition to this litigation, our office is presently defending two actions that were recently filed against former assistant County Attorneys, and the office of County Attorney. One of these is pending before the Fayette Circuit Court, and the other is on appeal before the Supreme Court of Kentucky. Already, in six months, I know we have saved thousands of dollars by the hiring of Richard Vimont, and I have no doubt that by July, 2007, his salary will be substantially less than the private legal costs would have been.

I have discovered that we have paid thousands of dollars to private law firms in past years defending other personnel actions. We presently have one part time attorney who primarily handles all of our tax litigation and competency related matters regarding civil commitments. I believe that eliminating this part-time position and adding two full-time civil attorneys will benefit not only our office, but will also allow us to better serve the needs of the Urban County Government's legal department, which has a history of contracting out litigation to private firms at tremendous costs.

A Civil Litigation Division aided by the trial expertise of myself and my First Assistant, Brian Mattone, would save the Urban County Government a minimum of $200,000.00 a year in legal fees.

When I came to this office, there was one lady who answered the main telephone for the entire office. She literally answered over thirty-thousand calls a year. For years, there have been continuing complaints from attorneys, the police and the public about the inaccessibility of this office. I discovered that it was a common occurrence for people who answered the phones to simply abandon their post to go to lunch or take a break from the desk. The telephone often rang twenty to thirty times before being answered.

It was a nightmare for the public to get through, so I have tried to create a more efficient system by implementing an answering machine which helps route the caller to a receptionist within the desired department. Although I had no budget, I have employed a paralegal who is scheduled to cover the phones when needed during the day. We seriously need financial help in our budget to adequately provide the public with two employees who can serve as telephone receptionists and thus provide efficient lines of communication.

We desperately need to hire several paralegals and clerical staff to support the seventeen (17) prosecutors. At this time, all of our attorneys do their own typing and are responsible for contacting all of the witnesses in their cases. We have a huge criminal case load (40,000 cases a year), and without help, it is impossible for any of our prosecutors to efficiently do their jobs in court and properly deal with the public. We are often unable to do case research or even have the necessary court preparation. As you can imagine, this is imperative to the successful disposition of our cases.

None of our three budgets provides for office supplies and operating expenses outside of the child support division. This is a line-item expense that we have managed to fund through income generated from our property tax and cold check departments. I believe this is an expense that should be provided by the Urban County Government.

Our budget includes two new victims' advocate positions. We presently have a grant which allows us to hire victims' advocates, but they are restricted by the grant guidelines from working with victims outside the domestic violence area. We must increase our staff in order to service victims of serious misdemeanor and felony crimes. Unfortunately, this office has never had funding for these positions, and while we diligently try, it is impossible for our individual prosecutors to provide adequate assistance and information to this important class of citizens.

This office presently has the responsibility of taking every misdemeanor complaint in Fayette County, and then requesting that a summons or warrant be issued from the District Court judges. This used to be a function of the Administrative Office of the Courts (A.O.C.), but the County Attorneys have been delegated the responsibility without providing the necessary funding.

Unfortunately, there has not been a budget provided by the State or the P.A.C., and when I took office I found that two former police officers were handling the entire operation. This was totally unacceptable because we were actually running the complaint process at our offices' convenience, by being available only between 8:30 a.m. and 12:00 noon, and from 1:30 to 4:30 p.m., Monday through Friday. This department operates on the 7th floor of our office building and the public is tremendously inconvenienced in just trying to find the right place to file a criminal charge.

I have hired a third person to take complaints. Presently we have funding from the Urban County Government for one position, and I have been able to get P.A.C. to fund one other position. We must increase the complaint intake staff because we currently take about twice as many complaints as we did one year ago. Since we do not have adequate personnel, we are still only able to offer these services from 8 a.m. to 4:30 p.m. daily. These services must be expanded to the evening hours since that is when a great number of criminal complaints are generated.

I plan to move this department to the District Court building where I have located available space, thus making our service more accessible to the public. At a minimum, I believe we should stay open at least until 9:00 p.m., but we must increase the complaint staff by two employees in order to cover the demand.

For the last twelve years the County Attorney's office has occupied six floors of the building located at 163 West Short Street. This office is on a four year lease which ended December 31, 2006. When I assumed the duties of the office in August, 2006, I immediately became aware of very serious existing fire safety concerns and the poor condition of our building. I also realized that we were desperately in need of additional space in the next couple of years, which is not available in our present location.

We made an extensive effort to find suitable office space in the downtown area, and after several months of lease negotiations, we have acquired new office space at 110 West Vine Street, which is the space that will be vacated by the U.S. Attorney's Office in March or April, 2007. State government, through our child support budget, will be partially assisting us financially for the moving expense, which has been estimated to be $40,000.00.

Therefore, we are requesting further assistance from the Urban County Government. Our move will take place in May, 2007. Another benefit to us in moving into this space is that we will be able to acquire, at no cost, the U.S.

Attorney's existing phone system, which is superior to our current system. We will also inherit their computer wiring and main boards, which will be at no cost to us, and we will receive twenty-one free parking spaces which will allow a considerable savings of $14,920.00 each year.

In the past, the Urban County Government has only contributed $56,000.00 a year to the rent of our office space. The only other contribution toward rent that we receive is provided by our child support budget which amounts to approximately sixty percent of the total cost. I believe the Urban County Government should pay the remaining cost of the annual rent for our offices.

Lastly, I am requesting a modest 3% increase for the salaries of my existing staff which are presently funded by the Urban County Government. We have been unable to give adequate salary increases over the years due to financial hardships.

You and your budget staff should be aware that we have some tax revenues in escrow. My predecessor, Margaret Kannensohn, wisely invested the tax collections received as a result of lump sum delinquent tax bill purchases by private groups who benefit monetarily from such purchases. However, due to the private sector's recent purchases of the tax bills, our commissions have been greatly reduced for several years. For this reason, we are using these reserves as a source of revenue to fund our programs. Since we anticipate revenues of this nature will continue to be reduced in the future, we are seeking your assistance.

I strongly believe that the request we have made is one of substantial need and one which is reasonable. My office is willing to assist the Urban County Government in any manner possible. With your assistance, I believe we will be able to accomplish the future goals we have for Lexington and its citizens.

I look forward to discussing these initiatives on February 22, 2007 at 3:30 p.m. If I can answer any questions or be of assistance prior to that date, please don't hesitate to contact me at your earliest convenience.

Sincerely,

Larry S. Roberts

Fund: 1101 General Services District Fund **Division:** 112008 County Attorney

Budget Control Levels:	FY 2006 Actual	FY 2007 Original	FY 2007 Amended	FY 2008 Request Continuation	FY 2008 Mayor's Proposed Continuation	FY 2008 Adopted Budget	Difference FY 2008 Adopted FY 2007 Amended	FY 2008 Request New & Expanded	FY 2008 Mayor's Proposed New & Expanded	FY 2008 Adopted Budget New & Expanded
Personnel	-	-	-	-	-	-	-	-	-	-
Operating	433,510	478,010	478,010	1,675,770	578,760	728,760	250,750	-	-	-
Recoveries & Transfers In/Out	-	-	-	-	-	-	-	-	-	-
Capital	-	-	-	-	-	-	-	-	-	-
Total	433,510	478,010	478,010	1,675,770	578,760	728,760	250,750	-	-	-

Budget Detail (Information Only):

Fund	DeptID	Section	Account	Account Title	FY 2006 Actual	FY 2007 Original	FY 2007 Amended	FY 2008 Request Continuation	FY 2008 Mayor's Proposed Continuation	FY 2008 Adopted Budget	Difference FY 2008 Adopted FY 2007 Amended	FY 2008 Request New & Expanded	FY 2008 Mayor's Proposed New & Expanded	FY 2008 Adopted Budget New & Expanded
Dept ID: 112008 County Attorney														
1101	112008	0001	71200	Professional and Contract Svcs	351,760	396,260	396,260	1,141,290	396,260	546,260	150,000	-	-	-
1101	112008	0001	71300	Rent or Lease Charges	77,250	77,250	77,250	220,870	154,500	178,000	100,750	-	-	-
1101	112008	0001	73100	Gen Insurance	-	-	-	23,500	23,500	-	-	-	-	-
1101	112008	0001	75100	Operating Supplies & Expenses	4,500	4,500	4,500	258,240	4,500	4,500	-	-	-	-
1101	112008	0001	75800	Equipment Less Than $5000	-	-	-	31,870	-	-	-	-	-	-
Total					433,510	478,010	478,010	1,675,770	578,760	728,760	250,750	-	-	-

Mayor's Recommended Budget:

Rent or Lease Charges - increase due to new office space

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FY 2008 BUDGET DEBRIEFING TOPICS
COW MEETING 7/10/07

Issue No.	Debriefing Topic	Issue	Council Action	Responsible	Action/Report Due
1.	Line Item Detail	The description of individual items in the budget are vague, making it difficult to analyze.	Council requested that Kyna Koch, Finance Commissioner report to the COW scheduled to meet on July 10th. The Committee is requesting recommendations that will improve detail of expenditures contained in the Mayor's Proposed Budget.	Commissioner Koch	Commissioner Koch stated that during the Council's summer break she would develop other recommendations and present in the next COW Meeting.
2.	Personnel Lapse	Council is requesting that the current method for projecting personnel lapse be revised. Costs for employee positions that will not be hired during the budget year should be addressed.	Council requested Commissioner Koch report to Council regarding the personnel lapse. CM Blevins suggested that the Council and Mayor deal with the net personnel costs and not gross personnel costs while identifying unspent or lapsed personnel costs.	Commissioner Koch	Commissioner Koch stated that she would bring further examples of how other states and agencies were dealing with the issue of personnel lapse.
3.	Contingency Fund	Council discussed using a contingency fund as a budgetary mechanism for revenue estimates.	Council agreed to work with the Finance Dept to develop a plan for addresing this question.	Commissioner Koch	Commissioner Koch stated that she would bring further examples of how other jurisdictions and develop some recommendations.
4.	Projection Data	Council observed that a multi-year revenue and expense model should be developed.	Council approved a motion to direct Finance to develop a 5-year projection of income/expense.	Commissioner Koch	Commissioner Koch stated that the timing for providing projection data would be changed and that Council would be provided with data prior to budget adoption. Dr. Stevens recommended that work session may be the more appropriate forum on an as needed basis.
5.	Spending Plan	Council observed the need to have a process by which programs can be prioritized for later funding should a surplus develop during the fiscal year. Likewise, programs could be eliminated should there be a shortfall. The goal is to have information provided to Council so that spending priorities can be determined during the budget cycle.	Council agreed to develop a surplus spending plan and to work with the administration on the specifics of such a plan.	Council/ Administration	Commissioner Koch committed to providing recommendations after the Council summer break.

FY 2008 BUDGET DEBRIEFING TOPICS
COW MEETING 7/10/07

Issue No.	Debriefing Topic	Issue	Council Action	Responsible	Action/Report Due
6.	Capital Planning	Council has identified the need for a long-term capital project planning system. Council would like to see projections of capital expenses coupled with current and projected debt service costs.	Council agreed to merge items 6 & 7 and requested the administration (Commissioners Koch, D. Kelly & J. Kelly) develop an outline of the long range capital plan. Council also recommended that periodic updates on capital projects be included in the outline.	Commissioners Koch/D. Kelly/J. Kelly	Commissioner Koch stated that research was being conducted as to how capital planning was being conducted at the state, the City of Louisville and other locations and she would be sharing this data with Council after the break.
7	Deferred Projects	Council needs an effective project status reporting system which will continuously update the council on implementation and funding of budgeted projects.	Council agreed to merge items 6 & 7 and requested the administration (Commissioners Koch, D. Kelly & J. Kelly) develop an outline of the long range capital plan. Council also recommended that periodic updates on capital projects be included in the outline.	Commissioners Koch/D. Kelly/J. Kelly	Commissioner Koch informed the Committee that she was working on a monitoring system for the projects that Council recently approved in FY 2008's budget. She indicated that her staff was also working on a status update for prior projects like Man-O-War for $250K that was approved and no update has been provided. No target date was provided as to when these items would be presented.
8.	CAFR Alignment	The budget and CAFR Report do not always align making it difficult to use the CAFR as a budgeting tool for financial data.	Council is recommending that the Finance Dept. examine ways to make the CAFR Report and Budget align more consistently.	Commissioner Koch	Commissioner Koch informed the Committee that the CAFR Report was not a budget document but a financial document that was governed by the Governmental Standards Board. Ms. Koch indicated that perhaps some budget reporting data could be incorporated into this report. It was agreed at the recommendation of CM's Lane and Stevens that wherever the STARS System could be used for reducing cost and improving the document preparation time these areas should be explored. No target date was established for this
9.	Monthly Review	Can the STARS system allow the Council to adjust the budget during the fiscal year (on a monthly basis perhaps?) to react to changes in revenue and expense, rather than waiting until year-end adjustments?	Requested Finance Dept to develop and utilize monthly revenue and expenditure data and provide results to Council.	Commissioner Koch	Commissioner Koch informed the Committee that the goal for monthly reporting was to close by the 10th of each month and report financial dataa by the 2nd work session of the month.
10.	Outside Agency: Operations	Council needs to identify methods to handle Outside Agencies which make operational changes in order to reduce their budget request. (e.g., Salvation Army, per CM McChord)	Council agreed to merge items 10, 11, & 12 and asked the Outside Agency Oversight Committee to review final recommendations to the full Council.	Outside Agency Oversight Committee	No Discussion During this COW Meeting
11.	Outside Agency: Unspent Funds	Council wishes to identify methods to better manage budgeted but unspent LFUCG funds for outside agencies. Discussion may require assistance from the Law Dept.	Council agreed to merge items 10, 11, & 12 and directed the Outside Agency Oversight Committee to review with final recommendations to the full Council.	Outside Agency Oversight Committee	No Discussion During this COW Meeting

FY 2008 BUDGET DEBRIEFING TOPICS
COW MEETING 7/10/07

Issue No.	Debriefing Topic	Issue	Council Action	Responsible	Action/Report Due
12.	Partner Agency Increases	The administration is requested to provide an indicator when a partner agency receives a funding level higher than the amount requested in the MPB. (e.g., Urban League, per CM James)	Council agreed to merge items 10, 11, & 12 and directed the Outside Agency Oversight Committee to review with final recommendations to the full Council.	Outside Agency Oversight Committee	No Discussion During this COW Meeting
13.	County Attorney Funding	Council has requested that a review of the budget allocation to the County Attorney's Office be conducted	Directed the Council Inter-Governmental Committee to examine the relationship between LFUCG and the County Attorney's Office	Inter-Governmental Standing Committee	No Discussion During this COW Meeting
14.	Infill/Redevelopment, Land Bank	Council is requesting that these two programs be reviewed and determine specifically how the programs would be administered, decisions would be made and any oversight, etc.	Council agreed that the Infill/Redevelopment issue was to be moved into the Infill/Redevelopment Committee and the Land Bank budget amendment was to be placed in the Planning Committee.	Infill/ Redevelopment Committee and Planning Committee	No Discussion During this COW Meeting
15.	FY 07 Fund Balance	Administration has projected a surplus for FY 2007 and council believes that a spending plan should be developed (realted to item #5).	Council will work with the administration to initiate a plan.	Council/ Administration	This item relates to Item 5 and Item 18 and the Vice Mayor recommended that this item be covered in the September, 2007 meeting as mentioned below.
16.	Retirement Impact	This item arose in the 6/27/07 COW Meeting. The concern is with anticipated retirement levels rising, how best to effectively deal with the budget impacts.		Council/ Administration	The Committee reuested that Ms. Koch be prepared to provide the Retirement Impact in the same meeting as the actuarial presentation
17	Department and Projects Reporting and Performance	Council observed during budget and committee meetings that consistent reporting systems and performance metrics are needed.		Council/ Administration	Melissa Hagan, Council Intern made a presentation on Performance Measurements that was well received by the Committee.
18	Police and Firefighters Pension Planning	Council requests an actuarial presentation.		Council/ Administration	Commissioner Koch agreed to schedule an actuarial presentation for the first meeting in September, 2007