

URBAN COUNTY COUNCIL
BUDGET & FINANCE COMMITTEE SUMMARY

SEPTEMBER 25, 2007

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

I. Request for additional funding from the County Attorney's Office

Mr. Roberts stated that out of 48 employees in the child support division nobody speaks Spanish. He stated this is a problem and he is addressing this with the state as well. He stated they have a lot of people that do not speak English.

A motion by CM Moloney that the County Attorney's Office be placed on the list for possible funding pursuant to LFUCG audit report in November, seconded by CM Gorton, passed unanimously.

Dr. Stevens stated the letter Mr. Roberts sent to Council shows a shortfall of about \$200K.

Mr. Roberts stated that is correct it is about \$237K.

Dr. Stevens stated that traditionally most of their money comes from fees they collect.

Mr. Roberts stated that is correct. He stated LFUCG gives them \$4,500 a year for operating expense and the state gives his office \$3,000 a year. He stated they get a total of \$7,500 to run their office so they have to use different means to generate money.

Vice Mayor asked about the sum of \$487,382.00.

Mr. Roberts states that amount is for salaries.

Vice Mayor stated the focus needs to be on the \$487,382.00 and what that represents over history.

Mr. Roberts stated he does not have the last 5 year history with him but he should be able to get that information. He stated he does know that of the \$237K for operating expenses has not changed. They have to generate this amount every year.

Vice Mayor stated the only way to evaluate the request is to be able to look at the history of funding, County Attorney's budget today, and how the budget itself has changed over time.

Mr. Roberts stated he will send the information to the committee. He stated that with the \$487K for salaries from LFUCG he still comes up \$85K short and has to generate that money.

Dr. Stevens asked about the \$728K total funding from LFUCG.

Mr. Roberts stated it is broken down to \$626K in salaries and the \$250K (this amount is for Richard Vimont's salary, \$100K for rent and the other \$30K employee).

Mr. Southers stated that the adopted budget shows his office being approved for \$728K for FY08 and for FY07 \$478K so that is a \$250K increase. He stated the difference between the total revenue collected and total expenditures is deficit of \$205K; however, these are FY06 numbers. He stated we need to reconcile between what he was given and what he needs.

Mr. Roberts stated their rent went up \$100K for LFUCG's portion when they moved, pays for Richard Vimont's salary and a new attorney.

Mr. Southers asked if what he is requesting now is the \$85K and the \$50K for two new employees for a total of \$135K plus benefits.

Mr. Roberts stated that is correct.

CM Blevins asked how many attorneys the PAC budget funds.

Mr. Roberts stated approximately 17.

CM Blevins stated how can the state get by with only funding a million dollars a year for salaries. He asked what can Council do to help improve that funding.

Mr. Roberts stated each Councilmember needs to get to know what the County Attorney's Office does for LFUCG so when the PAC budget comes up they can tell the state what the office does for the city.

CM Blevins asked who sets the salaries.

Mr. Roberts stated he does.

CM Myers stated the County Attorney needs to show Council what his office can save the city on outside counsel.

II. General Update on FY 2008 Debriefing Topics

Commissioner Koch stated they haven't made as much progress as she would have liked. She stated she is meeting with Metaformers, the consultants, who will be helping with the implementation of the budget module. She stated personnel lapse is a decision that committee is going to have to make as we get closer to the new budget process. She stated they will be running the new forms by the committee before putting those out. Commissioner Koch stated she is not for sure how much more the committee wants her to do regarding the contingency fund. She stated they will be working with the Lexington 2015 group on projection data. She stated the spending plan is like the contingency. She stated they have had people in Frankfort review the process of capital planning that her intern has been working on for a capital improvement planning process. They have been working with the management partners and are ready to finalize the forms and the instructions. Commissioner Koch stated they will be reporting capital projects to the committee on a quarterly basis. She stated the CAFR alignment that she can't make any promises regarding CAFR this year because they have been without a Director of Accounting. She does not have people on board that can do this. She stated the CAFR report will not be ready in a timely manner and she apologizes for that. She stated that regarding the monthly review they plan on closing the month by the 10th of the following month. The problem right now is they can't close July until they close June and they have not closed the end of the fiscal year yet. She stated Metaformers are here to help them. They intend to have it closed on Wednesday. She stated they have been running some trials as to the FY07 fund balance and hope to have a solid number by next week. She stated they had to take a couple million out to put into the rainy day fund that came out at the very end of June. She stated it looks very tight and doesn't think there will be a lot leftover.

CM Lane asked how many accounting positions are open at this time.

She stated none. The Director of Accounting has been hired and will start October 1st. She stated she may have to come back and ask for additional employees.

CM Lane asked how the STARS systems is coming along.

Commissioner Koch stated they are still running an interface between payroll and STARS so payroll is being ran on mainframe. She stated they have not run any STARS reports in the current fiscal year.

CM Lane asked if the closing balances have been significantly out of balance.

Commissioner Koch stated on Friday it was under a million. She stated the cash in the bank is correct the problem is what was put into the system. She stated the auditors are well aware as to what they are doing.

CM Lane asked if Council needs to provide additional funding to help through this period.

Commissioner Koch stated she has brought in two temps that have the experience.

CM Gorton asked about payroll entries.

Commissioner Koch stated they have not made any payroll entries into STARS.

CM Gorton asked about the retirement impact.

Commissioner Koch stated they have prepared a list of who is eligible for retirement and what the impact might be. She stated they need to decide on how much they are going to set aside for this issue as they move forward into the FY09 budget.

Vice Mayor asked if the ICMA module is the benchmark for LFUCG.

Mr. Kelly stated they had a discussion with the management partner group as to things they can begin to put in place.

CM Moloney asked Vice Mayor about the issue of metrics and ICMA that was tabled during committee of the whole meeting as to when will it be brought back up.

Mr. Kelly stated that let them get into the management audit and then have a discussion.

III. Discussion on when the committee can expect revenue and expense data for FY 2008

Commissioner Koch stated they should have information next week.

The meeting adjourned at 2:20 pm.