LEXINGTON
Urban County Council

Lexington-Fayette Urban County Council

Committee of the Whole (COW): FY24 Budget

April 25, 2023
1:00 PM

Council Chamber

Agenda

I.	Quarterly Financial Update (Q3) *(Hensley, Holbrook, Lueker)*	(p. 1-10)
II.	FY2024 Mayor's Proposed Budget Overview *(Hensley)*	(p. 11-22)
III.	Upcoming FY2024 Budget Meetings (*for Information Only)*	(p. 23-24)

BUDGET, FINANCE & ECONOMIC DEVELOPMENT COMMITTEE

Financial Update
April 25, 2023

Commissioner Erin Hensley

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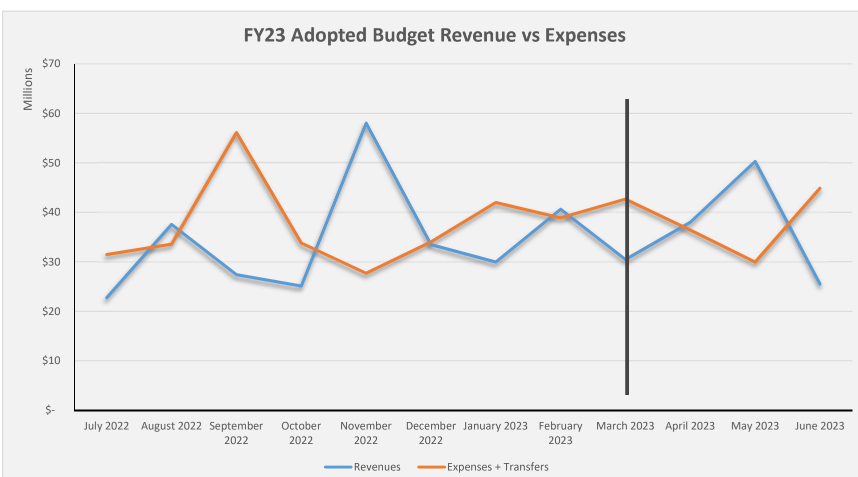
FY23 Adopted Budgeted Revenues v. Expenses



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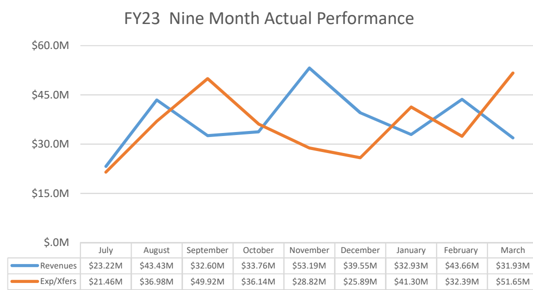
9 Month Performance Review (Actuals)

March FY23	
Revenues	334,260,593
Expenses	(311,677,278)
Transfers	(12,874,974)
Surplus/(Deficit)	9,708,341

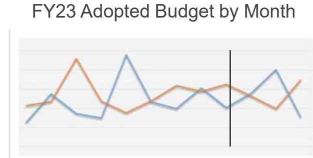


	July	August	September	October	November	December	January	February	March
Revenues	$23.22M	$43.43M	$32.60M	$33.76M	$53.19M	$39.55M	$32.93M	$43.66M	$31.93M
Exp/Xfers	$21.46M	$36.98M	$49.92M	$36.14M	$28.82M	$25.89M	$41.30M	$32.39M	$51.65M

Factors to Consider

- Top 4 Revenue collections continue to be strong, and surplus revenues are stabilizing
  - April and May represent major revenue collection months and will largely determine how we finalize revenue collections for FY23
- Expenses are under budget, but trending 17% over FY22 expenditures
  - Personnel variance is holding – we are within 4% of our budgeted personnel expenses in the General Fund
  - Professional Services and Operating Supplies continue to be the major driver of Operating variance.

FY23 Adopted Budget by Month



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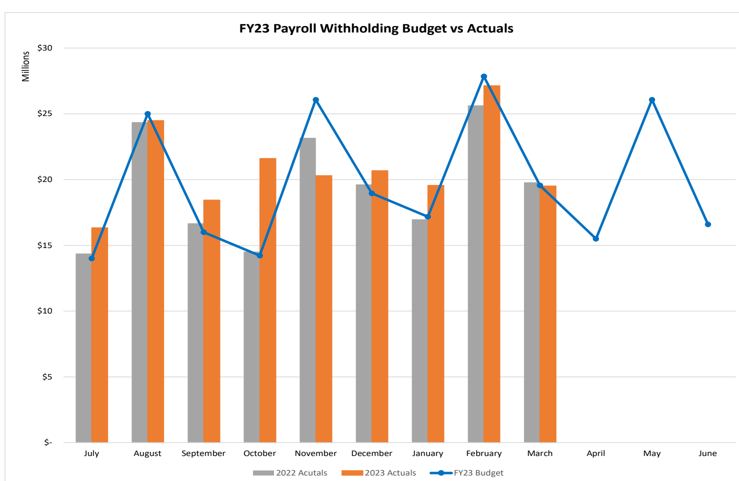
FY23 Payroll WH Actuals vs. Budget



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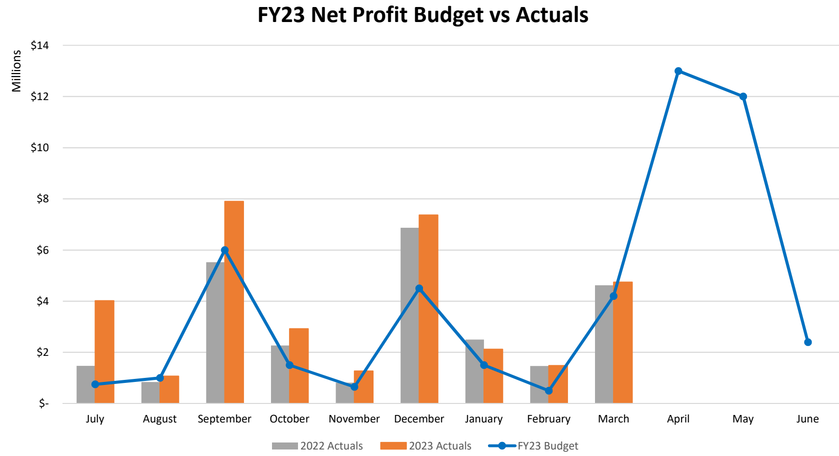
FY23 Net Profits Actuals vs. Budget



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2023 Fiscal year – Cash Flow Variance Revenue (Actual to Budget)

For the nine months ended March 31, 2023	Actuals	Budget	Variance	% Var
Revenue				
Payroll Withholding	188,083,022	178,840,000	9,243,022	5.2%
Net Profit	32,900,181	20,600,000	12,300,181	59.7%
Insurance	29,824,945	27,200,000	2,624,945	9.7%
Franchise Fees	22,517,545	19,900,000	2,617,545	13.2%
Other Licenses & Permits	6,008,158	5,411,400	596,758	11.0%
Property Tax Accounts	28,516,882	28,310,300	206,582	0.7%
Services	21,232,463	23,259,860	(2,027,397)	-8.7%
Fines and Forfeitures	183,710	144,000	39,710	27.6%
Intergovernmental Revenue	678,842	447,964	230,878	51.5%
Property Sales	288,222	199,708	88,514	44.3%
Investment Income	389,991	77,929	312,062	400.4%
Other Financing Sources	253,442	174,789	78,653	45.0%
Other Income	3,383,190	1,876,666	1,506,524	80.3%
Total Revenues	$334,260,593	$306,442,616	$27,817,977	9.1%

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2023 Fiscal Year - Cash Flow Variance Revenue (CY to PY)

For the nine months ended March 31, 2023	FY 2023	FY 2022	Variance	% Var
Revenue				
Payroll Withholding	188,083,022	175,177,558	12,905,464	7.4%
Net Profit	32,900,181	26,358,921	6,541,260	24.8%
Insurance	29,824,945	27,381,188	2,443,757	8.9%
Franchise Fees	22,517,545	20,490,166	2,027,379	9.9%
Other Licenses & Permits	6,008,158	5,949,678	58,480	1.0%
Property Tax Accounts	28,516,882	26,772,815	1,744,067	6.5%
Services	21,232,463	19,574,439	1,658,024	8.5%
Fines and Forfeitures	183,710	185,580	(1,870)	-1.0%
Intergovernmental Revenue	678,842	306,192	372,650	121.7%
Property Sales	288,222	172,404	115,818	67.2%
Investment Income	389,991	(458,678)	848,669	-185.0%
Other Financing Sources	253,442	40,000	213,442	533.6%
Other Income	3,383,190	2,544,770	838,420	32.9%
Total Revenues	$334,260,593	$304,495,033	$29,765,560	9.8%

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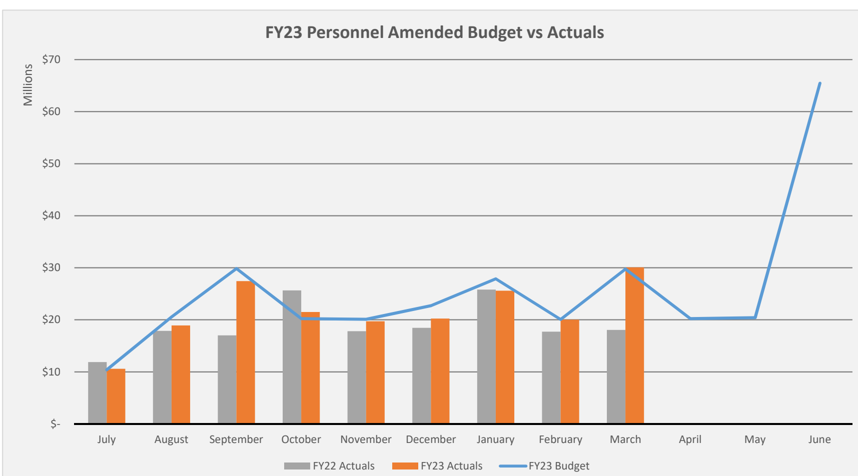
FY23 Personnel Budget v. Actuals



June FY23 personnel budget includes multi-year appropriation for Off-cycle Sworn Base Salary Adjustments - FY22 Fund Balance Assignment

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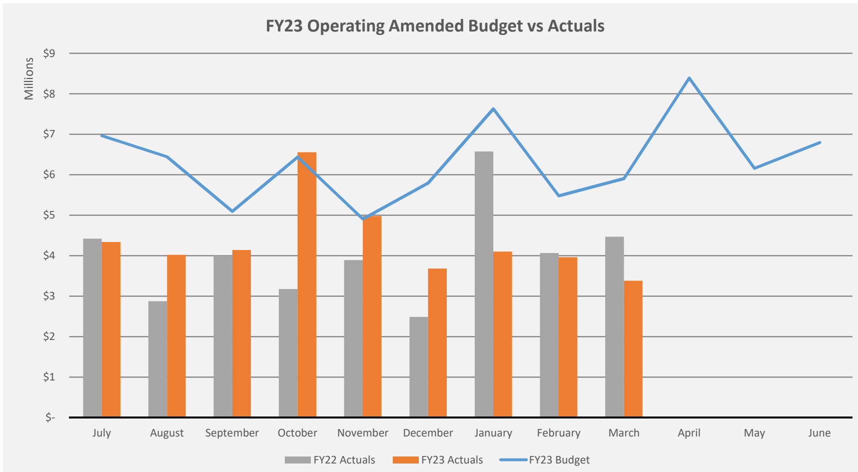
FY23 Operating Budget v. Actuals



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2023 Fiscal Year – Cash Flow Variance Expense (Actual to Budget)

For the nine months ended March 31, 2023	Actuals	Budget	Variance	% Var
Expense				
Personnel	193,963,508	201,549,917	7,586,409	3.8%
Operating	39,144,964	54,649,491	15,504,527	28.4%
Insurance Expense	8,747,281	8,232,935	(514,346)	-6.2%
Debt Service	45,528,736	45,533,137	4,401	0.0%
Partner Agencies	20,948,144	21,057,410	109,266	0.5%
Capital	3,344,645	8,570,571	5,225,926	61.0%
Total Expenses	$311,677,278	$339,593,461	$27,916,183	8.2%
Transfers	12,874,974	13,110,545	235,571	1.8%
Change in Fund Balance	$9,708,341	($46,261,390)	$55,969,731	

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2023 Fiscal Year - Cash Flow Variance Expense (CY to PY)

For the nine months ended March 31, 2023	FY 2023	FY 2022	Variance	% Var
Expense				
Personnel	193,963,508	170,148,494	23,815,014	14.0%
Operating	39,144,964	35,947,153	3,197,811	8.9%
Insurance Expense	8,747,281	1,265,324	7,481,957	591.3%
Debt Service	45,528,736	39,491,000	6,037,736	15.3%
Partner Agencies	20,948,144	17,129,558	3,818,586	22.3%
Capital	3,344,645	1,144,527	2,200,118	192.2%
Total Expenses	$311,677,278	$265,126,056	$46,551,222	17.6%
Transfers	12,874,974	8,111,157	4,763,817	58.7%
Change in Fund Balance	$9,708,341	$31,257,820	($21,549,479)	

Questions?

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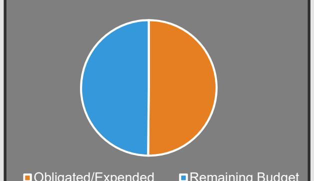
ARPA FINANCIAL UPDATE

Approved Budget and Actual Expenditures
Through March 31, 2023

LEXINGTON

ARPA DASHBOARD



Total ARPA Received
$121.2 Million

Total ARPA Expected
$121.2 Million

Total ARPA Budgeted
$121.2 Million

Total ARPA Obligated
$60.8 Million

Funding Overview by ARPA Expenditure Category

1. Public Health $ 1,325,000

- 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 $ 32,379,884

- 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 $ 6,000,000

- 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 $ 62,283,529

- 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 $ 6,235,638

- 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.

Please see ARPA Revenue and Expense Report for details

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ARPA State and Local Fiscal Recovery Funds
Revenue and Expense Report

For the period through March 31, 2023		Actuals	Budget	Variance
Revenue				
LFUCG Allocation		$ 121,178,058	$ 121,178,058	$ -
Total Revenues		**$ 121,178,058**	**$ 121,178,058**	**$ -**

For the period through March 31, 2023			Obligated	Budget	Variance
Expense					
EC 1: Public Health			$ 791,565	$ 1,325,000	$ (533,435)
1.05	Personal Protective Equipment	Personal Protective Equipment for LFUCG	$ 5,763	$ 225,000	$ (219,237)
1.11	Community Violence Interventions	Safety Net	$ 350,000	$ 350,000	$ -
1.11	Community Violence Interventions	It Takes a Village - Mentoring Program (Personnel)	$ 95,802	$ 240,000	$ (144,198)
1.12	Mental Health Services	NAMI - Mental Health Court Funding (FY22)	$ 170,000	$ 170,000	$ -
1.12	Mental Health Services	NAMI - Mental Health Court Funding (FY23)	$ 170,000	$ 170,000	$ -
1.12	Mental Health Services	NAMI - Mental Health Court Funding (FY24)	$ -	$ 170,000	$ (170,000)

Project substantially complete

LEXINGTON

ARPA State and Local Fiscal Recovery Funds
Revenue and Expense Report

For the period through March 31, 2023			Obligated	Budget	Variance
Expense (Continued)					
EC 2: Negative Economic Impacts			$ 17,642,142	$ 32,379,884	$ (14,737,742)
2.02	Household Assistance: Rent, Mortgage, and Utility Aid	Emergency Financial Assistance for Residents (FY22)	$ 240,846	$ 240,846	$ -
2.02	Household Assistance: Rent, Mortgage, and Utility Aid	Emergency Financial Assistance for Residents (FY23)	$ 251,562	$ 251,776	$ (214)
2.02	Household Assistance: Rent, Mortgage, and Utility Aid	Recovery Supportive Living Assistance (FY22)	$ 200,000	$ 200,000	$ -
2.02	Household Assistance: Rent, Mortgage, and Utility Aid	Recovery Supportive Living Assistance (FY23)	$ 134,975	$ 200,000	$ (65,025)
2.10	Assistance to Unemployed or Underemployed Workers	Summer Youth Work Readiness Program	$ 145,575	$ 960,000	$ (814,425)
2.15	Long-Term Housing Security: Affordable Housing	Shropshire Affordable Housing Project Site Improvements	$ 555,442	$ 750,000	$ (194,558)
2.15	Long-Term Housing Security: Affordable Housing	Affordable Housing	$ 2,198,974	$ 10,000,000	$ (7,801,026)
2.15	Long-Term Housing Security: Affordable Housing	Affordable Housing - Additional Allocation	$ -	$ 3,125,000	$ (3,125,000)
2.16	Long-Term Housing Security: Services for Unhoused Persons	OHPI Homelessness Allocation (FY22)	$ 667,931	$ 750,000	$ (82,069)
2.16	Long-Term Housing Security: Services for Unhoused Persons	OHPI Homelessness Allocation (FY23)	$ 692,982	$ 750,000	$ (57,018)
2.16	Long-Term Housing Security: Services for Unhoused Persons	OHPI Homelessness Allocation (FY24)	$ -	$ 750,000	$ (750,000)
2.16	Long-Term Housing Security: Services for Unhoused Persons	Homelessness Contracts via Department of Housing and Community Development RFP	$ 4,000,000	$ 4,000,000	$ -
2.16	Long-Term Housing Security: Services for Unhoused Persons	Homelessness Contracts - Non-Shelter Eligible Families/Individuals	$ 1,000,000	$ 1,000,000	$ -
2.16	Long-Term Housing Security: Services for Unhoused Persons	COVID-19 Alternate Shelter for Winter Warming	$ 1,315,762	$ 1,315,762	$ (0)
2.16	Long-Term Housing Security: Services for Unhoused Persons	Domestic Violence Sheltering: Greenhouse 17	$ 400,000	$ 400,000	$ -
2.22	Strong Healthy Communities: Promote Health and Safety	Village Branch Library Construction	$ 1,000,000	$ 1,000,000	$ -
2.22	Strong Healthy Communities: Promote Health and Safety	Black and Williams Center Improvements - Gymnasium	$ 191,594	$ 2,040,000	$ (1,848,406)
2.22	Strong Healthy Communities: Promote Health and Safety	BCTC Dental Hygiene Clinic	$ 2,000,000	$ 2,000,000	$ -
2.30	Technical Assistance, Counseling, or Business Planning	Minority Business Accelerator - Commerce Lex	$ 991,000	$ 991,000	$ -
2.34	Aid to Nonprofit Organizations	Explorium of Lexington - Children's Museum Assistance	$ 125,000	$ 125,000	$ -
2.34	Aid to Nonprofit Organizations	LexArts Nonprofit Services Contract (FY22)	$ 325,000	$ 325,000	$ -
2.34	Aid to Nonprofit Organizations	Lyric Theater Assistance	$ 127,500	$ 127,500	$ -
2.34	Aid to Nonprofit Organizations	Radio Lex	$ 78,000	$ 78,000	$ -
2.35	Aid to Tourism, Travel, or Hospitality	Visit LEX/Hospitality Industry Recovery	$ 1,000,000	$ 1,000,000	$ -

Project substantially complete

LEXINGTON

ARPA State and Local Fiscal Recovery Funds
Revenue and Expense Report

For the period through March 31, 2023

			Obligated	Budget	Variance	
Expense (Continued)						
EC 3: Public Health - Negative Economic Impact: Public Sector Capacity			$ -	$ 6,000,000	$ (6,000,000)	
3.01	Public Sector Workforce	Social Services Department Personnel Expenses	$ -	$ 6,000,000	$ (6,000,000)	
EC 4: Premium Pay			$ 12,954,007	$ 12,954,007	$ (0)	
4.01	Premium Pay	Premium Pay for High Exposure LFUCG Staff	$ 12,592,084	$ 12,592,084	$ (0)	✓
4.01	Premium Pay	Premium Pay for Fayette County Sheriff's Office	$ 361,923	$ 361,923	$ 0	✓
EC 5: Infrastructure			$ -	$ -	$ -	

✓ Project substantially complete

Public Sector Workforce expenses will be expensed to the ARPA fund at the close of FY23.

LEXINGTON

ARPA State and Local Fiscal Recovery Funds
Revenue and Expense Report

For the period through March 31, 2023

			Obligated	Budget	Variance	
Expense (Continued)						
EC 6: Revenue Replacement/Government Services			$ 28,861,407	$ 62,283,529	$ (33,422,122)	
6.01	Provision of Government Services	Economic Development Grants to Service Partners	$ 298,745	$ 298,745	$ (0)	✓
6.01	Provision of Government Services	Nbhood Rec Imprvmnts - Berry Hill Park - Basketball Court	$ 175,000	$ 175,000	$ -	
6.01	Provision of Government Services	Nbhood Rec Imprvmnts Buckhorn Park - Phase II Improvements	$ 44,999	$ 45,000	$ (1)	
6.01	Provision of Government Services	Nbhood Rec Imprvmnts - Dogwood Park - Basketball Court	$ 11,013	$ 95,000	$ (83,987)	
6.01	Provision of Government Services	Nbhood Rec Imprvmnts - Gardenside Park - Playground	$ 148,746	$ 148,746	$ (0)	✓
6.01	Provision of Government Services	Nbhood Rec Imprvmnts - Ecton Park Restrooms and Concessions	$ 457,400	$ 457,400	$ -	
6.01	Provision of Government Services	Nbhood Rec Imprvmnts - Lakeside Irrigation Replacement	$ 1,417,081	$ 1,442,000	$ (24,919)	
6.01	Provision of Government Services	Nbhood Rec Imprvmnts - Masterson Station Park - Playground	$ 147,478	$ 147,478	$ -	✓
6.01	Provision of Government Services	Nbhood Rec Imprvmnts - Meadowthorpe Park - Roof Repair	$ 78,585	$ 78,585	$ 0	✓
6.01	Provision of Government Services	Nbhood Rec Imprvmnts - Raven Run Park - Prather House Roof Repair	$ 154,998	$ 154,998	$ -	
6.01	Provision of Government Services	Nbhood Rec Imprvmnts - Shilito Park - Access Imprvmnt Parking Lot Construction	$ 43,720	$ 400,000	$ (356,280)	
6.01	Provision of Government Services	Nbhood Rec Imprvmnts - Southland Park - Access Imprvmnt Parking Repairs	$ 14,069	$ 100,000	$ (85,931)	
6.01	Provision of Government Services	Nbhood Rec Imprvmnts - Woodland Park - Restroom Facilities	$ 529,113	$ 529,259	$ (146)	
6.01	Provision of Government Services	Nbhood Rec Imprrvmtns - Mary Todd Park - Basketball Court	$ 97,442	$ 97,442	$ -	✓
6.01	Provision of Government Services	Access to Quality Green Space for Disadvantaged Pop - ADA Imprvmnts at Parks for Inclusivi	$ 60,105	$ 125,000	$ (64,895)	
6.01	Provision of Government Services	Cardinal Run North Park Development	$ 728,870	$ 10,100,000	$ (9,371,130)	
6.01	Provision of Government Services	Access to Quality Green Space in QCT - Douglass Park - Pool Imprvmnts	$ -	$ 175,000	$ (175,000)	
6.01	Provision of Government Services	Access to Quality Green Space in QCT - Northeastern Park - Playground	$ 229,090	$ 250,000	$ (20,910)	
6.01	Provision of Government Services	Access to Quality Green Space in QCT - Phoenix Park - Inclusive Use and Development Stud	$ 148,800	$ 150,000	$ (1,200)	
6.01	Provision of Government Services	Access to Quality Green Space in QCT - Phoenix Park Development	$ -	$ 1,000,000	$ (1,000,000)	
6.01	Provision of Government Services	Access to Quality Green Space in QCT - Pine Meadows Park - Playground and Park Imprvmn	$ 153,404	$ 153,404	$ -	
6.01	Provision of Government Services	Access to Quality Green Space in QCT - River Hill Park - Sports Courts	$ 9,831	$ 165,000	$ (155,169)	
6.01	Provision of Government Services	General Neighborhood Parks and Recreation Improvements	$ 971,447	$ 3,959,605	$ (2,988,157)	
6.01	Provision of Government Services	Parks Master Plan - QCT Areas	$ 749,274	$ 3,403,921	$ (2,654,647)	
6.01	Provision of Government Services	Parks Master Plan - Maintenance	$ 590,555	$ 961,779	$ (371,224)	
6.01	Provision of Government Services	Parks Master Plan - Aquatics	$ 1,013,585	$ 1,870,000	$ (856,415)	
6.01	Provision of Government Services	ADA Transition Plan	$ -	$ 200,000	$ (200,000)	
6.01	Provision of Government Services	Pam Miller Downtown Arts Center Renovation	$ 325,133	$ 2,500,000	$ (2,174,867)	

✓ Project substantially complete

LEXINGTON

ARPA State and Local Fiscal Recovery Funds
Revenue and Expense Report

For the period through March 31, 2023

			Obligated	Budget	Variance
Expense (Continued)					
EC 6: Revenue Replacement/Government Services (Continued)					
6.01	Provision of Government Services	Government Employee Pay Supplements	$ 4,436,928	$ 4,436,928	$ 0
6.01	Provision of Government Services	Critical Government Needs - Broadband Study with Scott County	$ 19,571	$ 30,000	$ (10,429)
6.01	Provision of Government Services	Coldstream Industrial Park Campus Infrastructure	$ 2,229,000	$ 9,500,000	$ (7,271,000)
6.01	Provision of Government Services	Bike/Ped - Brighton	$ 96,922	$ 132,500	$ (35,578)
6.01	Provision of Government Services	Bike/Ped - Harrodsburg	$ -	$ 1,040,000	$ (1,040,000)
6.01	Provision of Government Services	Bike/Ped - Town Branch Trail (Manchester)	$ 67,500	$ 67,500	$ -
6.01	Provision of Government Services	Jefferson Street Viaduct	$ 3,000	$ 1,000,000	$ (997,000)
6.01	Provision of Government Services	Fire SCBA	$ 3,095,983	$ 3,100,000	$ (4,017)
6.01	Provision of Government Services	Public Safety Fleet	$ 1,479,399	$ 1,500,000	$ (20,601)
6.01	Provision of Government Services	Code Enforcement Grants for Residents with Low Income (FY22)	$ 99,904	$ 200,000	$ (100,096)
6.01	Provision of Government Services	Code Enforcement Grants for Residents with Low Income (FY23)	$ -	$ 200,000	$ (200,000)
6.01	Provision of Government Services	Code Enforcement Grants for Residents with Low Income (FY24)	$ -	$ 200,000	$ (200,000)
6.01	Provision of Government Services	Workforce Development Grants to Service Partners (FY22)	$ 389,997	$ 400,000	$ (10,003)
6.01	Provision of Government Services	Workforce Development Grants to Service Partners (FY23)	$ -	$ 400,000	$ (400,000)
2.10	Assistance to Unemployed or Underemployed Workers	Workforce Development (Other)	$ -	$ 150,000	$ (150,000)
6.01	Provision of Government Services	LexArts (FY24)	$ -	$ 325,000	$ (325,000)
6.01	Provision of Government Services	Non-Profit Capital Grants	$ 6,344,719	$ 6,418,239	$ (73,520)
6.01	Provision of Government Services	Lexington Community Land Trust - Davis Bottom Community Center	$ -	$ 2,000,000	$ (2,000,000)
6.01	Provision of Government Services	Housing Stabilization - Hope Center Transitional Housing	$ 2,000,000	$ 2,000,000	$ -
EC 7: Administrative			$ 546,219	$ 6,235,638	$ (5,689,418)
7.01	Administrative Expenses	LFUCG Administration - (FY2022-FY2027)			
7.01	Administrative Expenses	ARPA Administrative Services	$ 546,219	$ 4,000,000	$ (3,453,781)
7.01	Administrative Expenses	Hold for Construction Contingency	$ -	$ 2,235,638	$ (2,235,638)
Total Expenses			**$ 60,795,340**	**$ 121,178,058**	**$ (60,382,718)**
TOTAL - ARPA SLFRF			**$ 60,382,718**	**$ (0)**	**$ 60,382,718**

Project substantially complete

Questions?

Jenifer Wuorenmaa
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LEXINGTON

FY 2024
MAYOR'S PROPOSED BUDGET (MPB)

Urban County Council
Budget Committee Of the Whole (COW)
April 25, 2023

Commissioner Erin Hensley

LEXINGTON

Mayor's Guiding Principles for FY 2024

- Continue to Invest in Public Safety
- Focus on Sustainability and Greenspaces with enhancements in Environmental Services and Parks
- Look Ahead for Government Facility Needs
- Invest in paving and traffic/pedestrian infrastructure
- Address pent-up capital needs with one-time resources
- Focus on wages to recruit and retain talented employees for LFUCG

Revenue Overview

- **FY23 Revenues**
  - Much stronger than anticipated that allowed for pre-funding of approximately $25 million in current fiscal year
- **FY24 Revenue Estimate**
  - Utilized external resources to validate internal evidence that revenues were growing – but pace may be returning to normal
    - UK Center for Business and Economic Research
    - State and other Cities
    - National Economic Forecast
- **Bond Rating Affirmation**
  - Held firm during tumultuous time

By the Numbers

Beginning Fund Balance	$ 1,000,000
Earned Revenue	$461,438,764
Expenditures	$504,808,539
Gap	$ 42,369,775
Less FY22 FB Carried Forward	
(Council Assigned for Public Safety Salaries)	$18,800,000
Remaining Variance	$23,569,775
Pre-funded in FY23	$24,611,768
*Ending Fund Balance	$ 1,041,993

*Reserved for differences in projected revenues and expenses between budget adoption and Fund Balance conversation in October – Primarily Ad Valorem adjustments in August.

General Fund Revenue Breakdown

	FY22	FY23	FY24	%
	Actual	Estimate	MPB	Change
Payroll Withholding	236,607,000	249,000,000	260,900,000	4.8%
Net Profit	61,579,175	63,000,000	64,200,000	1.9%
Insurance	38,094,555	38,500,000	39,000,000	1.3%
Franchise Fees	27,495,755	27,500,000	28,000,000	1.8%
Total - Big 4	**363,776,485**	**378,000,000**	**392,100,000**	**3.7%**
All Other Revenue	76,028,200	71,626,883	69,338,764	(3.2%)
Total General Fund Revenues	**439,804,685**	**449,626,883**	**461,438,764**	**2.6%**

All Revenue Sources Required to Balance

FY 22 GF

- Fund Balance Carryforward from Council Assigned Public Safety Salaries
  - $17,000,000 Off-cycle increases to base
  - $ 1,800,000 Remainder from original $5m recruitment and retention payments

FY 23 GF

- Pre-funding from FY2023
  - $24,611,768

FY 24 GF

- Earned Revenue
  - $461,438,764

FY24 Mayor's Proposed Budget

LEXINGTON

Bridging the Gap – Prefund in FY 2023

FY23 Reallocation Prefunding Items	$ 24,611,768
Extended Social Resource (ESR) Grants (Includes NP Capital Grants)	$ 4,316,568
Street Light Subsidy	$ 3,100,000
E-911 Subsidy	$ 2,855,332
General Government Vehicles	$ 2,500,000
Affordable Housing Transfer	$ 2,000,000
Senior and Therapeutic Center Design	$ 1,440,306
Police West Cooling Tower & Roof Repairs	$ 1,329,570
Deer Haven Park Development	$ 1,000,000
Extended School Program Subsidy	$ 897,600
Police and Fire Joint Training Facility Pre-Development	$ 750,000
Shillito Park Paving	$ 600,000
Fire PPE (Turnout Gear)	$ 594,000
Kelley Property Development – Phase I	$ 500,000
Avaya Phone Replacement Project Continuation	$ 500,000

Public Facilities Corp Subsidy	$ 482,923
Jacobson Park Paving & Entrance	$ 300,000
Police Rifle Plated Vest	$ 266,000
Whitney Young Park Playground	$ 200,000
Liberty Park Playground	$ 200,000
Corrections Facility Parking Lot Resurfacing	$ 197,000
Kenawood Parking Lot Paving	$ 195,000
Police Ballistic Vests	$ 104,400
Right of Way Subsidy	$ 89,575
Police Bomb Suits	$ 80,000
Police Emergency Response Unit Helmets	$ 52,000
Public Safety Operations Center CCTV Server Upgrade	$ 45,919
Homelessness Transfer for Non-ARPA Expenses (grant match)	$ 15,575

FY24 Mayor's Proposed Budget

LEXINGTON

Use of FY 2024 Earned Revenue

Investing in People

- Public Safety Increases from contracts, recruitment and retention efforts and off-cycle salary adjustments
- 5% salary increases for all non-sworn personnel (Valued at $6,000,000 overall, $3,700,000 in the General Fund)
- 34 New/Expanded Positions across all funds (includes 22 with General Fund impact)

Division	Position
Council Office	Information Officer
Environmental Services	Environmental Initiatives Specialist
Parks and Recreation (2 Positions)	Public Service Worker Senior*
Code Enforcement	Upgrade vacant position to Affordable Housing Specialist
Grants and Special Programs	HMIS Systems Administrator
Computer Services	Computer Analyst at Division of Community Corrections
Computer Services	Computer Analyst*
Revenue	Revenue Compliance Analyst
Revenue	Revenue Compliance Auditor
Chief Development Officer	Administrative Specialist
Social Services Administration	Grants Manager
EQPW Commissioner	Construction Manager
Planning and Preservation	Commissioner of Planning and Preservation
Planning and Preservation	Administrative Officer Senior
Planning and Preservation	Administrative Specialist Senior
Police	Open Records Civilian Supervisor
Police	Computer Information Services Civilian Supervisor
Police	Bilingual Victim Advocate
Police (2 Positions – 1 previously frozen)	Intelligence Specialist - RTIC
Fire and Emergency Services (2 Positions)	Firefighters – Dedicated to Paramedicine
Grants and Special Programs	Assistant Manager, Affordable Housing Fund
Waste Management	Public Service Supervisor
Waste Management (5 Positions)	Public Service Worker (MRF)
Waste Management (5 Positions)	Public Service Worker (Collections)
***Previously Frozen Position**	

FY24 Mayor's Proposed Budget

LEXINGTON

2024 Highlights

Investing in Essential Services

- Personnel increases over FY23 Adopted Budget
  - Full implementation of FY23 Compensation Changes for Public Safety plus contract commitments
  - 5% salary increase for non-sworn employees
- Professional Service & Other Contract increases due to inflation
  - Known and predicted accounted for in FY24 MPB
- $2 million allocation to Affordable Housing Trust Fund on top of ARPA allocations
- $4.3 million for ESR including Non-Profit Capital Grants
- New Department of Planning and Preservation
- Long Term Capital Investment Planning
  - Senior & Therapeutic Center, Police and Fire Joint Training Facility, Government Center
  - Greenspaces & Recreational Enhancements – Douglass Pool, Phoenix Park, Deer Haven Park and Kelley Property

FY24 Mayor's Proposed Budget

LEXINGTON

Use of Bond and MAP

Investing in Infrastructure

Total Paving Budget

Paving Investments	
Bond Fund	$12,000,000
MAP Fund	$2,000,000
TOTAL	**$14,000,000**

MAP Funding List

$1.5M Debt Service Transfer

Project	FY24 Funded
Paving/Maintenance/Crack Seal/Rejuvenation	$ 2,000,000
Horizontal Curve Warning Classification Project	$ 150,000
Underground Facility Protection and Service	$ 110,000
Regulatory Sign Maintenance	$ 50,000
Fiber Optic Grant Match	$ 150,000
Town Branch Trail Mid-Block Crossing	$ 50,000
Lane Allen Sidewalk Connectivity	$ 300,000
Highway Safety Improvement Program (HSIP) Projects	$ 100,000
Liberty Road Improvements	$ 120,000
Brighton Trail Connection	$ 144,000
Citation Boulevard Section III-B	$ 20,000
North Limestone Improvements	$ 125,000
UK Traffic and Pedestrian Safety	$ 100,000
Traffic Signal – New and Rebuilds	$ 400,000
Fiber Optic Network Expansion	$ 200,000
Neighborhood Traffic Management Program	$ 150,000
Multimodal Safety Improvements	$ 200,000
Engineering Project Administration	$ 200,000
TOTAL	**$ 4,569,000**

FY24 Mayor’s Proposed Budget

LEXINGTON

Bond Projects

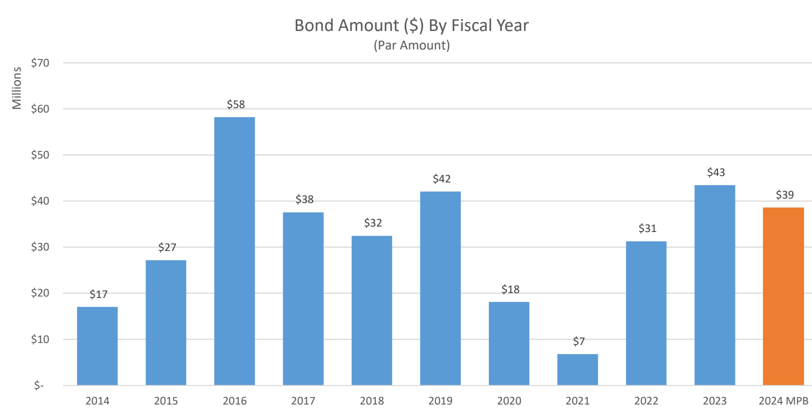
Investing in Capital Improvements

Division	Project Name	FY24 Funded
Streets and Roads	Paving / Maintenance / Crack Seal / Rejuvenation	12,000,000
Mayor's Office	City Hall Pre-Development Phase II	6,000,000
Fire and Emergency Services	Heavy Fleet	5,200,000
Fire and Emergency Services	Portable Radio Replacement	2,600,000
Police	Vehicles-Police	2,600,000
Facilities and Fleet Management	Police Headquarters HVAC	2,325,645
Parks and Recreation	Douglass Park Pool and Bath House Construction	2,100,000
Parks and Recreation	Phoenix Park Reimagined	2,000,000
Purchase of Development Rights	Agricultural Land Easement Acquisition	2,000,000
Facilities and Fleet Management	Streets and Roads Vehicles	1,720,000
	TOTAL	**38,545,645**

FY24 Mayor’s Proposed Budget

LEXINGTON

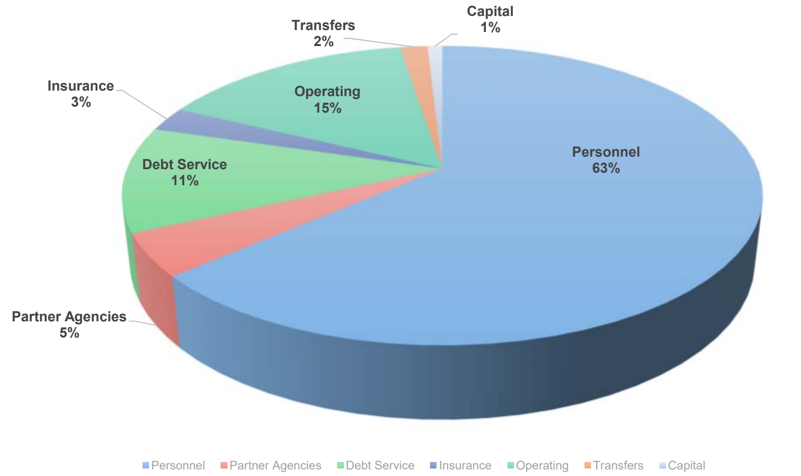
Bond History



FY24 Mayor's Proposed Budget

LEXINGTON

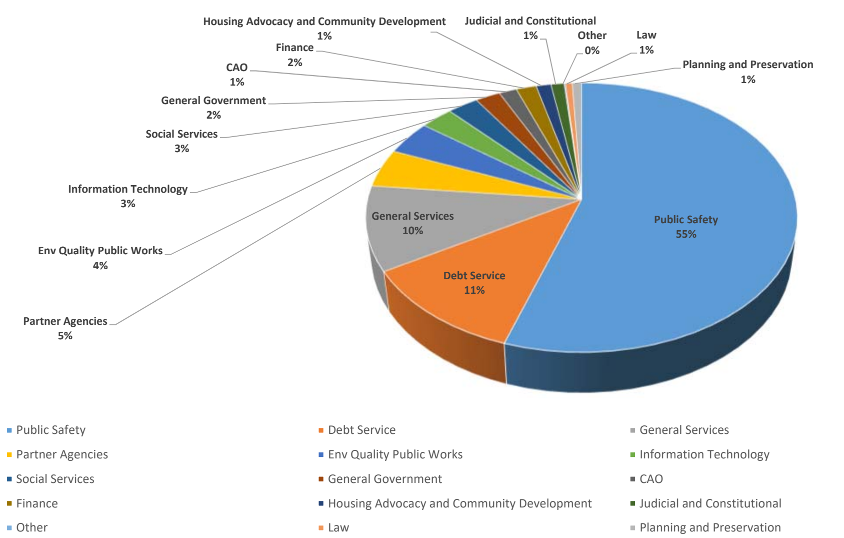
General Fund MPB By Category – FY 2024



FY24 Mayor's Proposed Budget

LEXINGTON

General Fund MPB By Department – FY 2024



Questions?

LEXINGTON

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ARPA Grant Fund

American Rescue Plan Act Funding (FY24 Operating Offsets)	
Workforce Development Grants	$ 150,000
Homelessness Allocation	$ 750,000
It Takes A Village Mentoring (One Lexington)	$ 133,713
NAMI - Mental Health Court	$ 170,000
LexArts	$ 325,000
Social Services Payroll	$ 3,000,000
Summer Youth Payroll	$ 545,201
	$5,073,914

- The full ARPA Budget has been by authorized by Council at $121,178,058, and includes FY24 assignments.
- This list represents only those projects assigned to FY24 as expenses.
- Additional ARPA projects will continue through FY24, and are reflected in the Monthly Financial Update presented at the Budget, Finance, and Economic Development Committee.

LEXINGTON

Urban Services Fund

- Highlights

Urban Services Fund	
Estimated Fund Balance (7/1/23)	$10,000,000
Revenue	$53,556,854
Operating	$53,443,379
Capital	$5,313,012

- Bailer replacement/additions to increase reliability of operations in Waste Management at the MRF
- $3.85 million for aging compactors, light trucks, street sweepers, and other fleet replacement

LEXINGTON

Municipal Aid Fund

- Highlights

Municipal Aid Program Fund	
Estimated Fund Balance (7/1/23)	$750,000
Revenue	$6,220,871
Operating	$1,519,000
Capital	$3,050,000
Transfers (Bond)	$1,465,375

- Includes $2 million for street paving

Mineral Severance Fund

- Highlights

Mineral Severance Fund	
Revenue	$300,000
Operating	$200,000

Sanitary Sewer Funds

- Highlights

Sanitary Sewer Revenue and Operating Fund	
Revenue	$99,698,060
Operating	$72,588,378
Capital	$5,270,506

- Funding for Town Branch and West Hickman Treatment Plant Capital Repairs and Maintenance
- $1.6 million for replacement of vehicles used to provide sewer services
- New Sanitary Engineer Program to provide experience for local Engineering students and help facilitate projects in the Division of Water Quality

Sanitary Sewer Construction Funds

- Highlights

Sanitary Sewer Construction Fund	
Estimated Fund Balance (7/1/23)	$35,000,000
Operating	$2,750,000
Capital	$28,190,000

- Funding for projects to comply with the EPA Consent Decree

Water Quality Fund

- Highlights

Water Quality Fund	
Revenue	$16,764,250
Operating	$12,079,425
Capital	$12,000

- New Stormwater Intern Program to provide experience for local Engineering students and help facilitate projects in the Division of Water Quality

Water Quality Construction Fund

- Highlights

Water Quality Construction Fund	
Estimated Fund Balance (7/1/23)	$10,000,000
Operating	$2,611,000
Capital	$6,875,000

- $1.6 million for Water Quality Incentive Grant Program
- Projects located at : Joyland, Lyon Drive, Hillsboro-Boiling Springs, Cooper Drive, Barnard Drive, Colony and East Third and Ohio etc.

Landfill Fund

- Highlights

Landfill Fund	
Estimated Fund Balance (7/1/23)	$250,000
Revenue	$8,061,000
Operating	$6,915,593

May 2023

April '23

S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30						

June '23

S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
30	1	2	3	4	5	6
7	8	9	10	11 6pm Council Meeting including public hearing MPB	12	13
14	15	16 Primary Election Day	17	18	19 Link/Individual Recommendations Due w/presentations and supporting information	20
21	22	23	24	25	26	27
28	29 Memorial Day LFUCG Offices Closed	30 10am Budget COW rev. late, link, CM 3pm Work Session	31	1	2	3
4	5	Notes				

Notes

May 11th Council Meeting: Public Hearing on FY2024 Mayor's Proposed Budget

May 19th: Link and Council Member Recommendations Due

May 30th Budget COW: Revenue Update, Mayor's Late Items. Link and Individual Council Member Recommendations

June 2023

May '23

S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

July '23

S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
28	29	30	31	1 10am Budget COW cont. discussion and vote	2	3
4	5	6	7	8	9	10
11	12	13 5pm Council Meeting only 1st reading FY24 budget	14	15 6pm Council Meeting incl. 2nd reading FY24 budget	16	17
18	19 Juneteenth LFUCG Offices Closed	20	21	22	23	24
25	26	27	28	29	30	1
2	3	Notes June 1st Budget COW: Continuation of Link and Individual Council Member Recommendations (if needed) June 13th Council Meeting: First Reading FY2024 Budget June 15th Council Meeting: Second Reading FY2024 Budget				