



Lexington-Fayette Urban County Government
Pam Miller, Mayor

June 29, 2000

Dear Residents of Lexington-Fayette County:

This ***Budget in Brief*** provides concise information on the budget process, sources of revenue, and expenditures of your tax dollars for the coming 2000-2001 fiscal year.

The FY 2001 budget includes major investments this community will make to improve the quality of life in Lexington—investments in public safety, parks, sanitary sewers and stormwater management, a comprehensive initiative downtown, and farm and greenspace preservation.

I hope you will find this publication a useful tool for your understanding of and participation in the Lexington-Fayette Urban County Government.

Sincerely,

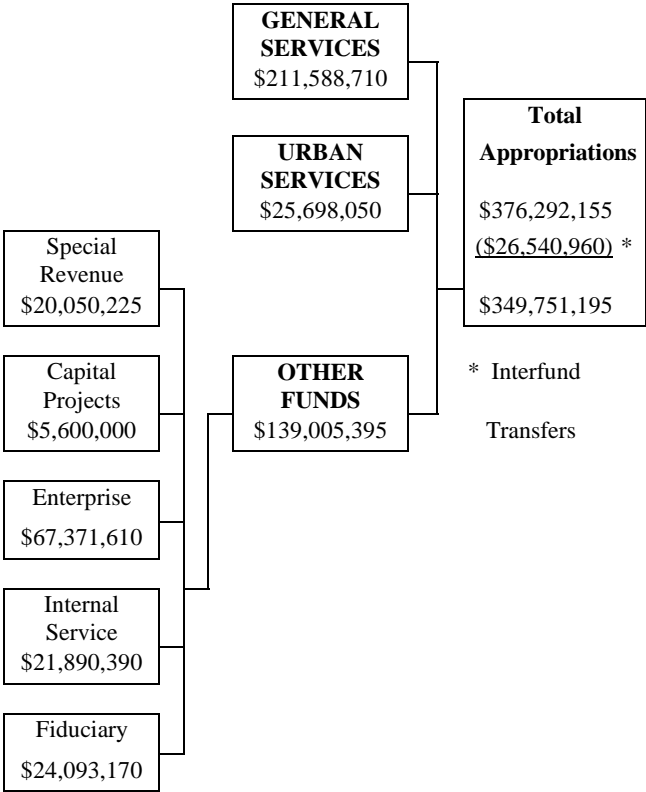
A handwritten signature in cursive script that reads "Pam Miller".

Pam Miller
Mayor

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Organization of the Total Budget
By Fund



Introduction to the Budget

The Lexington-Fayette Urban County Council voted to ratify the Mayor's Proposed Budget for 2000-2001 on June 13, 2000. The approved budget for the General Services Fund is \$211,588,710, which includes "late item" changes made on June 13th. (See page 7 for detailed listing of these changes.) The total budget for all funds combined (net of interfund transfers) is \$349,751,195.

The finances of the government are segregated into funds in order to account for specific activities in accordance with special regulations or restrictions. The total budget is organized as follows:

- Fund 111, the **General Services District Fund** supports basic services such as police, fire, planning and zoning, parks and recreation, libraries, public transit, and other community services.¹ This fund is financed primarily by employee withholdings/net profits license fees and property taxes.
- Fund 115, the **Urban Services Districts Fund** accounts for refuse collection, street lights, and street cleaning services provided by the government. These services are funded by an additional property tax paid only by the property owners in the respective service districts.

¹ Due to Medicaid reporting requirements, the *Family Care Center Health Services Fund* (112) is accounted for separately. However, it is essentially a part of the General Services Fund and is included in the General Services totals reported in this document.

Budget In Brief

- **Special Revenue Funds** account for the proceeds of specific revenue sources that are legally restricted for specified expenditures, such as *state and federal grant revenues, Municipal Aid Program, and County Aid Program* funds.
- **Capital Projects Funds** account for the receipt and disbursement of resources used in construction projects, such as the *Cultural & Entertainment Facilities Fund* and the *FY 2001 Bond Projects Fund*.
- **Enterprise Funds** are self-supporting through charges for services. LFUCG enterprise funds include *Sanitary Sewers, Landfill, Extended School Program, Enhanced 911, GIS Mapping, and Public Corporations*.
- **Internal Service Funds** account for the financing of services by one fund to other funds of the government. Included here are the government's *self-insurance funds*.
- **Fiduciary Funds** are used to account for assets held by the government in a trustee capacity. This includes the *Public Library Corporation Fund*, the *City Employees' Pension Fund*, and the *Policemen's and Firefighters' Retirement Fund*.

Budget In Brief

June 13, 2000

Late Item Changes to Mayor's Proposed Budget General Services Fund

Description	Amount
<i>Fund Balance per Mayor's Proposed Budget</i>	<i>1,508,280</i>
<i>Administration and Divisional Changes</i>	
Late Items*	-656,410
Supplemental Pay—Computer Positions	-119,420
Pay Scale Adjustment	-109,450
Revenue/Lapse/Budget Amendments	977,000
<i>Fund Balance after Admin./Divisional Changes</i>	<i>1,600,000</i>
<i>Council Changes</i>	
“Horse Capital of the World” Promotion	-100,000
Additional Paving	-100,000
Sidewalk Match Program	-100,000
Coolavin – Playground equipment	-75,000
Red Light Running Selective Enforcement	-50,000
Legislative Aide Trainee (Council Office)	-36,140
Speigle Heights Park Equipment	-25,000
Council Office Computers	-21,000
Stone Wall Preservation Program	-20,000
Johnson Community School	-17,860
State Historic Markers for:	-15,000
Coletown, Cadentown, Little Georgetown, Fort Spring, Nihizertown, Uttingertown, Mattoxtown, Bracktown and Jimtown (Black History)	
County-Wide Tire Collection/Recycling	-10,000
Council Office Copier	-10,000
Kenawood Park – Playground equipment	-10,000
Johnson Heights Park – Playground equipment	-10,000
<i>Fund Balance after Council Changes</i>	<i>1,000,000</i>

*See following page for detail.

Budget In Brief

Divisional/Administrative Late Item Changes General Services Fund

Description	Amount
CERS Pension Rate Increase	-390,720
Debt Service Adjustments	-182,750
Neighborhood Match (omitted from MPB)	-140,000
Various Personnel Reclassifications	-72,850
PVA – Replace Lost State Funding	-31,850
Parking Enforcement Equipment	-27,000
Reappropriate STEPS Contributions	-13,200
Grant Match – Bicycle Locker Program	-6,400
Create Police Officer/abolish Safety Officer	-3,500
Grant Match – Bicycling in the Bluegrass	-2,000
Grant Match – Mobility Office Road Signs	-1,500
Comm. of Public Works – Transfer Position	-860
CSEPP Grant – Recovery/Salary Adjustment	14,050
Personnel Lapse Adjustment	19,000
Healthy Tomorrows – Recovery and Match	31,200
Risk Mgmt – abolish Claims Adjuster	40,520
Move Vacuum Leaf Collection to Fund 115	111,450
Total	-656,410

Budget In Brief**FY 2001 Budget Highlights**

Sanitary Sewer 201 Plan/SSO Plan	\$12,534,390
Health Department	4,882,190
LexTran	3,488,050
General Fund Storm Water Projects	3,000,000
Road Improvements	2,640,000
Street Resurfacing	2,350,000
Purchase of Development Rights	2,000,000
Parks Projects	1,733,300
Downtown Infrastructure	1,000,000
State-Funded Parks Projects	1,000,000
Humane Society	710,140
Park Land	625,000
Staffing for Fire Station 21	603,550
Salt Storage Facility	370,000
Sidewalk Program	300,000
Sr. Citizens Ctr. Parking Lot	180,000
Downtown Beautification	100,000
Traffic Calming Program	150,000
Downtown Comprehensive Plan	100,000
“Horse Capital of the World” Promotion	100,000
Damaged Tree Program	50,000

FY 2001

General Services District Fund

General Services District Fund

Summary of Revenue and Appropriations

Lexington-Fayette Urban County Government

Budget In Brief

Category	FY 2000	FY 2001	Difference
<i>Revenue</i>			
Ad Valorem Taxes	\$13,063,500	\$14,674,000	\$1,610,500
Licenses and Permits	144,275,810	161,642,370	17,366,560
Services	10,536,390	12,167,380	1,630,990
Fines and Forfeitures	201,000	358,900	157,900
Intergovernmental	1,548,150	1,694,500	146,350
Detention Centers	2,592,350	7,415,000	4,822,650
Miscellaneous	2,373,900	2,528,400	154,500
Total Revenue	\$174,591,100	\$200,480,550	\$25,889,450
Fund Balance, July 1 (Estimated)	14,320,470	12,108,160	(2,212,310)
Total Available Funds	\$188,911,570	\$212,588,710	23,677,140
<i>Appropriations</i>			
Personnel	\$109,845,180	\$119,878,410	\$10,033,230
Agency Services	22,611,560	23,852,830	1,241,270
Debt Service	16,692,890	17,707,880	1,014,990
Insurance	4,423,180	4,340,730	(82,450)
Other Operating	25,098,930	30,060,900	4,961,970
Transfers To\From)	2,197,080	5,809,730	3,612,650
Other Funds			
Total Operating	\$180,868,820	\$201,650,480	\$20,781,660
<i>Capital</i>			
CIP Capital	\$5,378,700	\$8,010,570	\$2,631,870
Operating Capital	1,573,630	1,927,660	354,030
Total Capital	\$6,952,330	\$9,938,230	\$2,985,900
Total Appropriations	\$187,821,150	\$211,588,710	\$23,767,560
Fund Balance, June 30 (Estimated)	\$1,090,420	\$1,000,000	(\$90,420)

General Services District Fund

The Charter creating the merged Lexington-Fayette Urban County Government (LFUCG) divided the county into geographical taxing districts—the General Services District and the Urban Services Districts. The **General Services District** covers the entire county and includes most of the basic services provided to residents (police, fire, parks, housing, etc.). FY 2001 appropriations in the General Services District Fund are \$211.6 million.

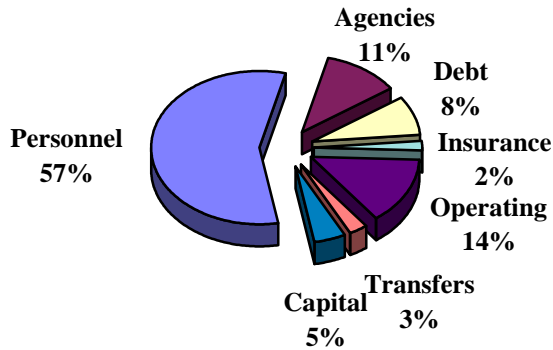
There are several ways in which one can look at how the LFUCG will spend its budget this year. In the following pages, the budget is explained by category of spending and by department, or service area.

Expenditures by Category

Personnel (\$119,878,410) accounts for 57% of the total General Services budget. This category includes *wages, overtime, and fringe benefits*. Over \$4 million is budgeted for a 4% wage adjustment for LFUCG employees. In addition to the 4% wage adjustment, an additional \$109,450 is included for a 4% *pay scale increase*. This increase will raise starting salaries in an effort to put the LFUCG in a more competitive position for recruiting. Other increases in this category are due to transferring eligible detention center employees to a hazardous duty pension system, increasing health insurance and pension costs, the full year cost of 111 positions added during FY 2000 for the new detention facility, 15 firefighters to staff Station 21, and 23 other new positions.

Budget In Brief

Expenditures by Category \$211,588,710



Expenditures by Category FY 2001 vs. FY 2000 (\$000 omitted)

Category	FY 2000	FY 2001	\$ Change	% Change
Personnel	\$109,845	\$119,878	\$10,033	9.1%
Agencies	22,612	23,853	1,241	5.5%
Debt Service	16,693	17,708	1,015	6.1%
Operating	25,099	30,061	4,962	19.8%
Transfers	2,197	5,810	3,613	164.5%
Insurance	4,423	4,340	- 83	-1.9%
Capital	6,952	9,938	2,986	43.0%
Total	\$187,821	\$211,589	\$23,767	12.7%

Outside Agencies (\$23,852,830) are non-governmental programs such as the Library, Health Department, LexTran, and various social service organizations that receive full or partial funding from the LFUCG. (See page 24 for a complete list of agencies.)

Budget In Brief

Debt Service (\$17,707,880) is payment on long- and short-term debt incurred in order to finance public projects. Debt changes are due primarily to:

- Total interest/principal payment for Picadome Golf Course.
- Interest payments for \$2 million Tates Creek Pool and \$3 million Phase 1 of EAMP Boulevard.
- Public Safety Notes for Detention Facility equipment and fire stations.

Insurance (\$4,340,730) is the General Services Fund's payment to the government's self-insurance fund for claims related to workers' compensation, general liability, property, and automobile liability and physical damage.

Other Operating (\$30,060,900) includes the day-to-day expenditures needed to run the various departments, such as office supplies, telephone expenses, fuel, and utilities. Also included are professional services for medical, legal, engineering, and other professional fees. The increase in this category is due mainly to the new detention facility.

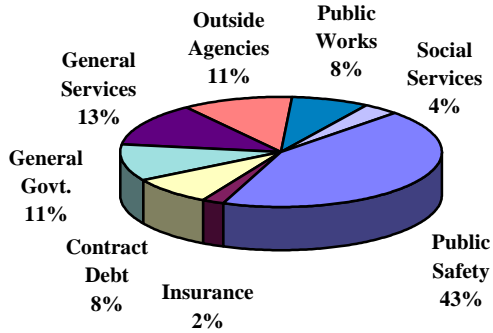
Transfers To/From Other Funds (\$5,809,730) represents the transfer of resources from one fund to another. FY 2001 transfers are \$3.6 million more than FY 2000 due mainly to increased funding for parks projects, increase from 50% to 100% for retirees' health insurance, the Art/History Museum, and the Embry's/Lowenthal's project.

Capital (\$9,938,230) includes payments for capital improvement projects such as storm drainage, the PDR program, and operating capital such as computers, copiers, and vehicles.

Expenditures by Department or Service Area

Governmental departments are unique units with specific responsibilities, generally defined in the LFUCG Charter. The budget is explained along departmental lines in the following section.

Expenditures by Department
\$211,588,710



Expenditures by Department or Service Area
(\$000 omitted)

Department	FY 2000	FY 2001	Difference
Public Safety	\$ 80,545	\$ 91,795	11,250
General Services	24,265	26,768	2,503
Outside Agencies	22,612	23,853	1,241
General Government	17,751	23,092	5,341
Contract Debt	16,693	17,708	1,015
Public Works	14,413	16,274	1,861
Social Services	7,119	7,758	639
Insurance	4,423	4,340	-83
Total:	\$187,821	\$211,589	\$23,767

Public Safety **\$91,795,420**

Budget In Brief

1,606.0 FTE

The largest department in the General Services Fund is Public Safety, accounting for 43% of the FY 2001 budget. Alcoholic Beverage Control, Building Inspection, Code Enforcement, Enhanced 911, Community Corrections, Environmental and Emergency Management (DEEM), Fire and Emergency Services, and Police are included in this department.

A funding increase of approximately \$11.2 million is included, with most of that increase earmarked for expenditures related to the new adult detention center, hazardous duty pension coverage for detention employees, police and fire retirees' health insurance², new fire station staffing, and the government-wide 4% wage increase.

Program	FY 2000	FY 2001	Change
Police	32,243,490	34,173,960	1,930,470
Fire/Emergency	29,946,240	32,025,820	2,079,580
Comm. Corrections	14,778,810	19,374,500	4,595,690
Bldg. Inspection	1,508,120	2,121,980	613,860
Commissioner	979,560	2,004,890	1,025,330
Code Enforcement	1,244,660	1,402,750	158,090
DEEM ³	464,120	677,210	213,090
ABC ⁴	13,770	14,310	540
Enhanced 911 ⁵	(633,940)	0	633,940
Department Total	80,544,830	91,795,420	11,250,590

- New Hazardous Materials Specialist in DEEM.

² Includes \$1.5 million for police and fire retirees' health insurance.

³ FY 2001 budget includes \$100,000 for Fall Haul.

⁴ The ABC (Alcoholic Beverage Control) budget includes funds for the part-time ABC Administrator position only. The remainder of the budget is included in the Division of Police.

⁵ Reflects reduction in General Fund subsidy (see page 46).

Budget In Brief

- Operating funds of \$100,000 are included in the FY 2001 budget for *Fall Haul*. This biannual event provides the public with an opportunity to dispose of household chemicals safely and easily.
- Switch to *hazardous duty pension system* for qualified Community Corrections employees effective February 1, 2001, at a cost of \$353,750.
- Full year cost of 111 positions created during FY 2000 for new detention facility.
- *Uniform allowance increases* for Police and Fire (from \$80 to \$85/month).
- *New Communications Manager/Trainer positions* for Police and Fire and Staffing for Fire Station 21.
- \$60,000 is included for design cost for a new *Police Communications Technical building*.
- \$5,000 is included to assist the *Crime Stoppers* “Not Here” program with promotional costs.
- Funds are included for two new Building Inspection programs to begin January 1, 2001: the *Contractors Registration program and the Mechanical Inspection program*.
- \$300,000 for financial assistance in the form of *forgivable sidewalk loans*.
- *Training Incentive pay increase for Division of Fire* sworn employees from 10% to 11% (year three of a five-year plan to bring Fire training incentive pay up to the same percentage paid to Police officers.)
- This budget includes \$1,529,410 for *Police and Fire Pension Fund retirees’ health insurance* – an increase of \$1,029,410 over last year’s budget, which paid for only 50% of the insurance cost.

Budget In Brief

- Capital funds totaling \$187,510 are included in the Division of Fire for *improved fire communications, emergency response, and other divisional needs*, such as:
 - a phone switch, projector, communications system, public education robot;
 - chemical ID kits, safety equipment;
 - eleven defibrillators, eleven mobile data terminals;
 - portable building, and a washer.
- Funds are included in this budget for the first of three payments on the 2000 equipment notes that were issued to purchase *replacement vehicles for Public Safety*.
 - 67 Police Vehicles
 - 2 Fire Pumper/Aerial Fire Trucks
 - 1 EMS Unit
 - 2 Police Motorcycles
 - 1 Fire Aerial Truck Restoration

General Government

\$23,092,360

342.8 FTE

General Government programs include: Council Office, Office of the Mayor, Special Projects, Administrative Services, Constitutional and Judicial Officers, Insurance, Contract Debt, Contingency, Finance, and Law.

- \$1.1 million is included to upgrade computer equipment in LFUCG offices during FY 2001.
- The “Special Projects” Program includes funding for:
 - \$1,000,000 Downtown Infrastructure
 - \$540,000 History/Art Museum
 - \$350,000 Arts Programs Challenge Grant

Budget In Brief

- Other General Government budgets include:
 - \$2,000,000 for Greenspace/PDR Program
 - \$80,000 for Youth Violence Prevention
 - \$10,000 for Minority Business Development Support
 - \$50,000 for Drought Damaged Street Trees in Neighborhood Easements
 - \$100,000 for Downtown Beautification
 - \$120,000 for Fiber Optics Network
 - \$100,000 for Corridors Program
 - \$200,000 for Vacant Lot Program
 - \$30,000 for Stone Wall Preservation Program
 - \$100,000 for Grant Match Contingency
 - \$100,000 for a “Horse Capital of the World” promotion

General Services

\$26,767,690

362.3 FTE

Funding for the Department of General Services has increased by \$2.5 million, with most of the increase in the Divisions of Parks and Recreation, Fleet Services, and Property Management.

Program	FY 2000	FY 2001	Change
Commissioner's Office	1,547,230	1,526,620	-20,610
Fleet Services	2,678,110	2,865,110	187,000
Property Management	2,821,990	2,950,880	128,890
Building Maint./Const.	3,180,540	3,112,810	-67,730
Parks & Recreation	14,037,150	16,312,270	2,275,120
Department Total	24,265,020	26,767,690	2,502,670

The *Commissioner's Office* oversees the management of the government's telephone system, utilities, parking facilities, rental facilities, pool vehicle fleet, and special events.

Budget In Brief

Fleet Services includes additional funds due to the rising cost of gasoline.

Property Management includes increased funding for contractual custodial services and mowing. Capital funds are included for a telephone system and floor buffer.

Building Maintenance includes \$100,000 for upgrading one Government Center elevator, \$836,860 for roof repairs, and other maintenance expenses.

Approximately \$16 million is budgeted for **Parks and Recreation**, which is responsible for over 3,900 acres of public parks, playgrounds, swimming pools, and public golf courses.

The following new projects are budgeted in **PFC Fund 509**, with funding of \$1,733,300 from the General Services Fund.

Location	Description	Budget	District
Castlewood	Pool (replace swan)	3,000	1
Bell House	New water service	60,000	3
Berry Hill	Pool piping	35,000	7
Cardinal Run	Phase 1: unfunded bid (finish)	370,000	12
Charles Young	Playground, safety surface, edging	55,000	1
Constitution	Park improvements	150,000	6
Coolavin	Playground	75,000	1
Douglass	Irrigation	45,000	2
Douglass	Signage	15,000	2
Dunbar	Score clocks, signage, sound system	8,000	1
Duncan	Pool & building demolition	40,000	1
Ecton	Walkway lights (KU)	20,000	5
Eddie St	Goals on hardcourt	2,000	1
Garden Springs	Fencing & dugouts at Babe Ruth	10,000	10
Gratz	Paint & repair light poles	5,000	1
Gratz	Repair brick sidewalk	10,000	1
Highlands	Playground	25,000	2
Jacobson	Camp Kearney improvements	20,700	12
Jacobson	Dogrun expansion	25,000	12
Johnson Hghts.	Playground equipment	10,000	6

Budget In Brief

Location	Description	Budget	District
Kenawood	Playground equipment	10,000	6
Kirklevington	Parking expansion & resurface exist.	90,000	4
Lakeside	Pesticide mixing pad	20,000	12
Lou Johnson	Fencing	10,000	3
Marlboro	Pool demolition	40,000	2
MLK	Lights for parking lot	9,000	2
Mary Todd	Park improvements	30,000	6
Masterson	Paint wood fence	10,000	12
Masterson	Renovate barn #4	20,000	12
Masterson	Seed & fertilizer	6,000	12
Masterson	Indoor arena surface	15,000	12
NorthBase	Ballfield fencing and grading	16,000	
NorthBase	Tie wash bay runoff to sanitary sewer	5,000	
Raven Run	Hazardous material locker	2,000	12
Shillito	Lighting - parking & Babe Ruth	20,000	9
Southland	Irrigate football field & turf improve.	18,000	10
Speigle Heights	Shelter and playground	100,000	2
Speigle Heights	ADA walks & fountain	10,000	2
Tates Creek	Pesticide mixing pad	20,000	8
Valley	Renovate community center	65,000	11
Various	Plans & specs.	4,600	
Various	ADA water fountains	24,000	
Various	Building maintenance and equipment	30,500	
Various	Bike racks, grills, tables, chairs	17,500	
Various	Bleacher replacement (3 year plan)	25,000	
Various	Safety surface, general	27,000	
Various	Seed, general	5,000	
Various	Tennis court consultant	5,000	
Various	Remove hazardous trees	25,000	
Whitney Young	Retile floor in building	3,000	2
Wolfrun	Demolish ballfield fence & dugout	20,000	11
Woodhill	Tile floor	3,000	7
Woodland	Color coat tennis courts	16,000	3
Woodland	Upgrade concessions, pool	28,000	3
Total		1,733,300	

Budget In Brief

The 2000 General Assembly of the Commonwealth of Kentucky provided \$1 million for Fayette County parks. These funds are allocated as follows:

Location	Description	Cost	District
Athens	Playground	40,000	12
Castlewood	Playground	70,000	1
Castlewood	Renovate ballfield lights (upgrade)	80,000	1
Constitution	Park improvements	170,000	6
Dogwood Trace	Park improvements	100,000	12
Duncan	Playground	50,000	1
Gainesway	Park improvements	100,000	8
Harrods Hill	Playground	40,000	10
Idle Hour	Sidewalks and signage	20,000	7
Masterson	Barn	90,000	12
Masterson	Show ring	40,000	12
Mt. Tabor	Resurface tennis courts	30,000	7
Northend	Playground	50,000	1
Pleasant Ridge	Playground	50,000	12
Various	Signage	20,000	
Woodhill	Playground	50,000	7
Total		1,000,000	

Outside Agencies **\$23,852,830**

Outside agencies account for approximately 11% of all General Services District expenditures.

- The *Lexington Public Library* receives almost one-third of that total (\$8.0 million) due to a legal requirement that mandates the government to provide a funding level of 5 cents per \$100 assessed valuation of taxable property in Fayette County.
- An increase of \$200,000 is provided for funding the *Lexington-Fayette County Health Department*.
- Property tax commissions received by the LFUCG from the state and Fayette County School Board offset the allocation to the *Sheriff*.
- \$3.5 million is allocated to LexTran for public transit.

Budget In Brief

Outside Agencies

Organization	FY 2001	Organization (Cont.)	
Airport Board	168,400	Legal Aid/Public Defender	112,870
Baby Health Service	19,000	Lexington United	100,000
Bluegrass Area Development	21,140	Library Board	8,001,740
Bluegrass Community Serv.	20,000	Manchester Center	20,760
Carnegie Literacy Center	290,610	Operation Read	32,490
Children's Museum	325,000	Rape Crisis Center	58,000
Christian Church Homes	250,000	Salvation Army	108,000
CityLife Youth Foundation	5,000	Sheriff's Office	1,813,200
Community Action Council	155,300	Tenant Services	147,420
Comprehensive Care Center	240,650	LexTran	3,488,050
Downtown Lexington Corp.	125,000	Women's Center	26,000
Environmental Commission	3,160	World Trade Center	214,000
Fayette County Conservation	28,790	YWCA- Spouse Abuse Center	68,000
Fayette County Extension	289,050	Subtotal Outside Agencies	22,338,830
First Link of the Bluegrass	31,300	Lexington Center Corporation	
God's Pantry Bldg. Fund	25,000	LFUCG Subsidy	440,000
Group Home	87,180	LCC Reserve	114,000
Health Department	4,882,190	Room Tax	960,000
Hope Center	295,800	Total Outside Agencies	23,852,830
Human Rights	175,590		
Humane Society	710,140		

Public Works

\$16,273,960

169.0 FTE

Public Works is comprised of five divisions providing public services in the areas of Engineering, Solid Waste, Streets and Roads, Traffic Engineering, and Sanitary Sewers.⁶

Program	FY 2000	FY 2001	Change
Engineering	6,224,410	7,464,240	1,239,830
Streets and Roads	4,571,030	4,298,650	-272,380
Traffic Engineering	3,150,510	3,999,700	849,190
Commissioner	467,320	511,370	44,050
Department Total	14,413,270	16,273,960	1,860,690

⁶ Sanitary sewer, street lights, street cleaning, refuse collection, and refuse disposal services are accounted for in other funds.

Budget In Brief

- The General Services Fund provides a supplement to state Municipal Aid Program revenues for major road projects of \$1,129,870. (See page 40 for the Municipal Aid Program budget.)
- Snow Removal: \$370,000 for an additional salt storage facility; \$223,970 for salt; \$30,000 for snow removal contracts; and \$32,000 for equipment.
- \$300,000 for Neighborhood Infrastructure Projects.
- Funding is included in the division of Traffic Engineering for:
 - Two positions for the Fiber Optic program.
 - \$180,000 in matching funds for the Intelligent Transportation System grant.
 - \$100,000 for a street sign replacement program.
 - \$10,000 for rural street lights. (See Urban Service Fund for Street Light budget.)
 - \$150,000 for the Neighborhood Traffic Management (Traffic Calming) program.
 - \$63,000 for matching SLX funds for two traffic signals.
 - \$80,000 traffic signal upgrades.
 - \$72,000 fiber optic cabling.
 - \$12,000 traffic monitoring cameras.
- A new Engineering Section Manager for the storm water management program.
- The General Fund budget includes \$3 million for the correction of storm drainage problems.
- Funds are also included in Debt Service for payment on a \$10 million storm water bond issue.

Budget In Brief

General Fund Storm Water Projects

Storm Water Monitoring	250,000
Floodproofing	200,000
Rain Gauge Program	80,000
Storm Drain Rehab./Reconstruction	350,000
GIS Projects	100,000
Watershed Models	500,000
Water Quality Capital Improvements	50,000
Riparian Planting Program	125,000
Greenway ID, Acquisition & Maint.	225,000
Detention/Retention Basin, Facility Maintenance	100,000
Capital Projects	1,020,000
Total	3,000,000

Social Services

\$7,757,840

187.5 FTE

The Department of Social Services consists of the Divisions of Adult Services, Family Services, and Youth Services.

Program	FY 2000	FY 2001	Change
Family Services	3,001,390	3,276,190	274,800
Youth Services	2,510,830	2,653,560	142,730
Adult Services	1,037,620	1,241,900	204,280
Commissioner	569,250	586,190	16,940
Department Total	7,119,090	7,757,840	638,750

- *Adult Services* provides assistance in crisis situations to help individuals pay rent and utilities and offers financial help with payment of landfill and sewer user fees, sewer assessments, and sidewalk repair. The division also operates the Lexington Senior Citizens' Center and collects wage-assigned child support payments through the Domestic Relations Office.

Budget In Brief

- A new part-time clerical position for the Senior Citizens Center.
- \$180,000 is included for a new parking lot at the center.
- \$10,000 is included for a new telephone system at Adult Financial Services.
- **Family Services** provides childcare, education, health and social services at the Family Care Center, a program geared to assist families in becoming self-sufficient. As a result of the new Kentucky Children's Health Insurance Plan (K-CHIP), greater numbers of children are being seen at the clinic. Reimbursement in excess of \$780,000 is expected from the state Medicaid Program to offset the cost of providing health and dental care services during FY 2001.
- **Youth Services** provides social and counseling services for children and their families. The division also oversees the application of the juvenile justice system in Fayette County.
- Federal grant funds continue to be available to provide staffing for the following social services programs:
 - ❖ Lexington Senior Citizens' Center, a centralized facility providing social services to the elderly.
 - ❖ Coleman House Emergency Shelter is for children up to age 18 who need to be removed from their homes due to neglect, abuse, status offenses, or pre-delinquency.
 - ❖ Day Treatment Center is a community-based treatment program for teenage youths.
 - ❖ Kentucky Department of Justice funding is received for the **Court Designated Worker Program**, a juvenile pre-trial service.

General Services District Fund

Budget In Brief

Expenditures by Department⁷

Departments/Divisions	FY 2001	FTE
Council Office	\$1,582,690	28.0
Citizens' Advocate	119,000	2.0
Council Clerk	485,350	5.0
Office of the Mayor⁸	2,578,920	24.9
Mayor's Training Center	1,191,010	23.0
Special Projects	2,780,410	0.0
Office of the CAO	3,239,850	8.6
Administrative Services	7,391,250	121.3
Budgeting	382,020	6.0
Public Information Office	907,980	17.9
Human Resources	2,857,650	34.0
Historic Preservation	369,540	6.0
Community Development	881,500	20.0
Planning	1,992,560	37.4
Insurance	4,340,730	0.0
Contract Debt	17,707,880	0.0
Contingency	-6,869,680	0.0
Constitutional Officers & Judicial	2,182,450	20.0
Finance	6,824,320	89.0
Commissioner's Office	582,150	6.0
Accounting	531,030	10.0
Computer Services	3,540,930	30.0
Revenue	1,755,250	35.0
Purchasing	414,960	8.0
Public Works	16,273,960	169.0
Commissioner's Office	511,370	6.0
Engineering	7,464,240	49.2
Streets & Roads	4,298,650	75.8
Traffic Engineering	3,999,700	38.0
Law	1,586,790	20.8

General Services District Fund Expenditures by Department

⁷ See pages 16-26 for comparison to prior year.

⁸ Includes \$1,237,270 for Programs for the Elderly, Economic Development Office, and Youth Programs.

Budget In Brief

Departments/Divisions	FY 2001	FTE
Public Safety	91,795,420	1,606.4
Commissioner's Office/Pension	2,004,890	3.0
DEEM	677,210	10.9
Community Corrections	19,374,500	351.5
Police ⁹	34,173,960	664.5
E-911	0	0.0
Fire ¹⁰	32,025,820	516.0
Code Enforcement	1,402,750	17.0
Building Inspection	2,121,980	43.0
Alcoholic Beverage Control	14,310	0.5
Social Services	7,757,840	187.5
Commissioner's Office	586,190	14.0
Adult Services	1,241,900	20.4
Family Services	2,182,280	75.0
Health Care Services	1,093,910	9.6
Youth Services	2,653,560	68.5
General Services	26,767,690	362.3
Commissioner's Office	1,526,620	10.0
Fleet Services	2,865,110	59.0
Property Management	2,950,880	69.0
Building Maintenance	3,112,810	52.0
Parks & Recreation	16,312,270	172.3
Outside Agencies	23,852,830	0.0
Library	8,001,740	0.0
Health Department	4,882,190	0.0
LEXTRAN	3,488,050	0.0
Sheriff	1,813,200	0.0
Other Agencies	5,667,650	0.0
Total General Services District	\$211,588,710	2,667.8

FTE = full-time equivalent positions

General Services District Revenue

⁹ 471 FTE sworn, 193.5 non-sworn

¹⁰ 475 FTE sworn, 41 non-sworn

Budget In Brief

General Services Fund revenues are estimated at \$200,480,550 for FY 2001, or 14.8% over FY 2000 budgeted revenues (see page 12).

Category	FY 2001 Budget
Licenses and Permits	\$161,642,370
Ad Valorem Taxes	14,674,000
Services	12,167,380
Fines and Forfeitures *	358,900
Intergovernmental *	1,694,500
Detention Centers Revenue *	7,415,000
Miscellaneous *	<u>2,528,400</u>
Total Revenue	\$200,480,550
July 1, 2000 Estimated Fund Balance	<u>12,108,160</u>
Total Available Funds	<u>\$212,588,710</u>

* = Other

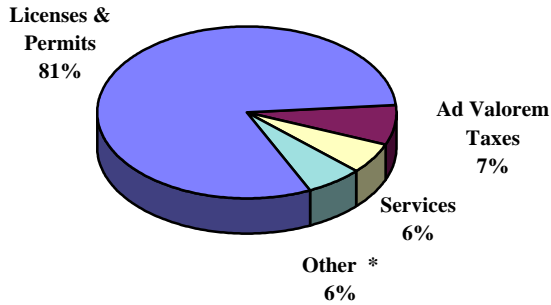
Licenses and Permits revenue is the largest single category of revenue in the General Services District Fund, accounting for 81% of all revenues. This category includes revenue from employee withholdings, franchise permits, insurance premium tax, and net profits license fee on businesses.

The second largest category of revenue in this fund (7%) comes from *Ad Valorem* taxes (property taxes). The LFUCG levies two categories of property taxes: (1) a county-wide tax (General Services District) for the support of the general operations of the government; and (2) an Urban Services Districts tax paid by residents receiving government services of refuse collection, street lights, and street cleaning (see page 37).

General Services District

Budget In Brief

Revenue by Category \$200,480,550



The FY 2001 budget maintains the General Services property tax rate on real and personal property (including motor vehicles) at **8.10 cents per \$100 assessed value**.

NOTE: The LFUCG is required by law to provide funding for the Lexington Public Library at a level based on 5 cents per \$100 assessed value of property subject to taxation in Fayette County. The FY 2001 appropriation to the Library is \$8,001,740. Total Ad Valorem revenues are forecast to be \$14,674,000.

Additional sources of General Service revenues are *services* (golf course fees, EMS fees, etc.), *finer*, *detention*, *intergovernmental*, and *miscellaneous* revenues, and an estimated \$12.1 million carry-over of funds from the prior year.

Beginning Fund Balance

Budget In Brief

Revenues for a budget year are estimated 18 months in advance of total collections; therefore, conservative estimates are essential. Current year projections are revised during the budget process when better information is available. This usually results in the recognition of additional funds that are carried over to the following budget year as a *beginning fund balance*.

The following table illustrates the computation of the July 1, 2000 estimated fund balance of \$12,108,160. In addition to revenues that exceed budget, expenditure lapses (unspent funds at year-end) are also carried forward to the following budget year as a source of available funds.

Current Fund Balance	705,424
FY 2000 Revenues over Budget	6,624,940
FY 2000 Additional Personnel Lapse	1,752,776
FY 2000 Estimated Operating Lapse	1,730,020
FY 2000 Estimated Capital Lapse	1,295,000
7/01/00 Estimated Fund Balance	12,108,160

FY 2001

Urban Services Fund

Urban Services Districts Fund

Summary of Revenue and Appropriations

Lexington-Fayette Urban County Government

Budget In Brief

Category	FY 2000	FY 2001	Difference
<i>Revenue</i>			
Ad Valorem	16,926,000	21,724,000	4,798,000
Licenses and Permits	767,530	770,000	2,470
Miscellaneous	1,013,000	1,015,000	2,000
Total Revenue	18,706,530	23,509,000	4,802,470
Fund Balance, July 1 (Estimated)	3,804,610	7,458,340	3,653,730
Total Available Funds	22,511,140	30,967,340	8,456,200
<i>Appropriations</i>			
Personnel	7,973,910	9,003,870	1,029,960
Debt Service	90,560	417,120	326,560
Insurance	582,000	654,080	72,080
Other Operating	6,678,760	8,767,240	2,088,480
Transfers To\From)	199,450	254,780	55,330
Other Funds			
Total Operating	15,524,680	19,097,090	3,572,410
<i>Capital</i>			
CIP Capital	1,185,000	1,490,000	305,000
Operating Capital	4,003,300	5,110,960	1,107,660
Total Capital	5,188,300	6,600,960	1,412,660
Total Appropriations	20,712,980	25,698,050	4,985,070
Fund Balance, June 30 (Estimated)	1,798,160	5,269,290	3,471,130

Urban Services Districts Fund

In addition to the basic services provided to all residents of Fayette County, property owners in the urban services area have one or more of the following services available to

Lexington-Fayette Urban County Government

Budget In Brief

them: *refuse collection, street lights, and street cleaning*. These services are funded by an additional ad valorem tax paid only by the property owners in the respective service districts.

Urban Services Fund Expenditures By Department or Function

Departments/Function	FY 2000	FY 2001	Difference
Insurance	\$582,000	\$654,080	72,080
Contract Debt	90,560	417,120	326,560
Indirect Cost/Contingency	1,000,110	1,115,270	115,160
LexCall	294,700	320,580	25,880
Personnel Programs	63,650	71,700	8,050
Annual Audit	0	10,000	10,000
Public Works	16,970,540	21,372,090	4,401,550
Street Cleaning	625,860	750,860	125,000
Refuse Collection	13,583,680	17,760,230	4,176,550
Street Lights	2,761,000	2,861,000	100,000
General Services	1,711,420	1,737,210	25,790
Vehicles	1,701,000	1,302,400	(398,600)
Building Maintenance	10,420	11,610	1,190
Vacuum Leaf Collection	0	423,200	423,200
Total Urban Services	\$20,712,980	\$25,698,050	\$4,985,070

- A total of 254.1 full-time equivalent positions are authorized for the Urban Services Districts Fund.

Division	FTE
LexCall	7.1
Human Resources	1.0
Street Cleaning	12.0
Refuse Collection	234.0
Total	254.1

Program costs for *LexCall* are allocated among three funds based on actual calls received. Eighty nine percent of the total cost is allocated to the Urban Services Fund.

Budget In Brief

The increase in **Insurance** is due to a reallocation of the percentage charged to this fund, based on exposure to risks.

An **indirect cost** payment is made to the General Services Fund (\$1,732,270) for administrative costs not directly charged to this fund (such as accounting, purchasing, payroll, etc.).

The \$71,700 budget for **personnel programs** provides for a literacy program and certain required medical exams for employees in the Urban Services Fund.

Refuse Collection is provided twice each week to approximately 60,000 households via roll carts called "**Herbies**." Businesses, institutions, and other non-residential waste is collected through the dumpster program. The recyclables of over 30,000 households are collected via roll carts called "**Rosies**." The FY 2001 budget includes funds to change the current recycling system to a "one-sort plus glass" system. Yard waste containers (**Lennies**) and bags are provided to residents receiving LFUCG trash collection services.

The Urban County Council voted to provide **vacuum leaf collection** in the future only to those properties within the Urban Services Districts which include refuse collection. The Division of Property Management will administer this program which will be funded through Fund 115.

Approximately 500 **street lights** are installed in Fayette County annually. This budget includes \$460,000 for installation of additional street lights. The utility expense is budgeted at \$2,400,000, a \$100,000 increase over FY 2000.

The Division of Streets and Roads provides **street cleaning** in the urban services area. FY 2001 includes funding for an additional person and street sweeping machine.

Budget In Brief

Contract debt expense has increased for FY 2001 because debt payments had previously been included in the indirect cost transfer. FY 2001 debt payments are for street sweepers and the refuse collection administration building.

Urban Services Revenue Sources

Total resources available for FY 2001 expenses in the Urban Services Fund include a projected beginning fund balance of \$7.4 million and revenues of \$23.5 million. The largest single category of revenue to the Urban Services Districts Fund is *ad valorem*, or property, taxes. Property taxes account for 93% of the total revenues and are estimated at \$21.7 million for the 2000 tax year (FY 2001).

Urban Services property taxes are determined by a separate rate established for each service available. The tax rates will be adopted in September of 2000. The current rates per \$100 of assessed value on real property are:

NOTE: Revenue raised from Urban Services Districts' property taxes cannot be used to fund the general operations of the government.

Service	Current Rate
Refuse Collection	17.50 cents
Street Lights	03.11 cents
Street Cleaning	00.94 cents
<i>Full Urban Rate</i>	21.55 cents

If **all** of the services are available, the property is located in the ***Full Urban Services District***. If one or two of the services are available, the tax rate is based on the particular service(s) available.

FY 2001

Other Funds

Budget In Brief

Special Revenue Funds

Special Revenue funds account for the proceeds of specific revenue sources that are legally restricted for specified expenditures. The government operates three special revenue funds. In addition, state and federal grants are also considered special revenue funds.

Municipal Aid Fund (MAP)	\$5,033,210
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Fayette County receives a share of the state gasoline tax revenues (allocation is based on population). Use of these funds is restricted to certain expenses related to the construction, reconstruction, or maintenance of urban streets and roads.

Summary of Revenues and Appropriations Municipal Aid Fund

	FY 2000	FY 2001	Difference
<i>Revenue</i>			
State MAP Funds	3,569,000	3,654,000	85,000
Interest Income	200,000	248,000	48,000
<i>Total Revenue</i>	<i>3,769,000</i>	<i>3,902,000</i>	<i>133,000</i>
Transfer from General Services Fund	1,283,030	1,129,870	-153,160
Fund Balance, July 1 (Estimated)	904,200	1,340	-902,860
<i>Total Available</i>	<i>5,956,230</i>	<i>5,033,210</i>	<i>-923,020</i>
<i>Expenditures</i>			
Engineering	3,173,140	2,683,210	-489,930
Streets and Roads	2,523,090	2,350,000	-173,090
Traffic Engineering	260,000	0	-260,000
<i>Total Expenditures</i>	<i>5,956,230</i>	<i>5,033,210</i>	<i>-923,020</i>
Fund Balance, June 30 (Estimated)	0	0	0

Budget In Brief

MAP projects for FY 2001 include **\$2,350,000 for resurfacing** (including \$500,000 for Man O'War) and the following road projects:

Project	MAP	Grants	Grant
Brighton Trail	60,000	456,000	SLX, TE
Coldstream Park Access Road	60,000		
Limestone/Short Street Improvements	500,000		
Mt. Tabor Rd., Richmond to Patchen	50,000		
Parkers Mill Entrance to Cardinal Run	90,000		
Red Mile Rd., Harrodsburg to Horseman's Ln.	50,000		
South Elkhorn Trail	80,000	256,000	SLX
Todds Rd., Phase II, Patchen to Palumbo	10,000		
Post Road Improvements, NDC	850,000		
Citation Blvd., Ph 2A, Alex. To Sand.	120,000		
Loudon Avenue, Oak Hill to Winchester	100,000	724,800	SLX
Richmond Road Trail	20,000	12,000	SLX
Clays Mill Road at Post Road	190,000		
Man O'War at Versailles, Pavement	150,000		
Masterson Station Trail	20,000	40,000	REC
Rosemont Garden, RR to Lafayette Pky.	50,000		
West Hickman Trail	20,000	64,000	SLX
Various Other Projects	220,000		
Total Estimated Cost	2,640,000	1,552,800	

SLX (Surface Transportation Program - Lexington), **TE** (Transportation Enhancement Projects), and **REC** (Regional Trails Program Projects) projects are included in the FY 2001 - 2004 Transportation Improvement Program for the Lexington Area Metropolitan Planning Organization. Local funds (generally 20%) are budgeted to match the federal funds.

County Road Aid	\$827,260
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Use of these state gasoline tax revenues is restricted to expenses related to county roads. Projects include resurfacing, crack sealing, culvert and bridge repairs, guardrail installation, and other road repairs.

Budget In Brief

Grant Funds	\$15,319,625
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State and federal grant funds of approximately \$12.6 million are anticipated for FY 2001. The LFUCG will provide over \$2.7 million in matching funds for these grants. A complete listing of the anticipated grants will be available in the Annual Budget document.

Capital Projects Funds

Cultural Facilities	\$600,000
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The following two items are included in the Capital Projects Funds:

- \$100,000 for the Downtown Arts Center
- \$500,000 for the Art/History Museum

FY 2001 Bond Projects	\$5,000,000
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General obligation bonds will be issued later this year for the following projects:

- \$2,000,000 to replace the pool and bathhouse at the Tates Creek Center.
- \$3,000,000 to build a boulevard in the expansion area.

Enterprise Funds

Enterprise funds are those funds in which operations are supported primarily by charges for services.

Sanitary Sewers Operating and Construction Funds	\$34,669,960 159.7 FTE
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The Sanitary Sewer Fund accounts for the expenses associated with collecting, transporting, and treating all sanitary sewage in Fayette County and the Industrial Pre-treatment Program. The fund is supported primarily by sewer user fees. Sewer user fees based on water consumption were initiated in July 1982 to replace property tax funding of the sanitary sewer system, as mandated by the Environmental Protection Agency. Since July 1, 1995, the Kentucky-American Water Company bills and collects sewer user fees for the government.

For FY 2001 Sanitary Sewer Fund revenue is projected at \$23,903,000 and will come from the following sources:

- \$20,600,000 from User Fees
- \$1,600,000 from Tap-On Fees
- \$1,550,000 in Interest Earnings
- \$153,000 in Other Revenue

This budget includes over \$12.5 million to continue the implementation of the **“201” and “SSO”** Plans. These capital improvements will be funded by Sewer Fund reserves. Capital construction, engineering, and land purchase costs from FY 1999 through FY 2006 are projected to exceed \$87 million.

Budget In Brief

The "**201 Plan**" is the state-required capital improvement plan for the LFUCG sanitary sewer system that will meet the needs of population growth in Fayette County through the year 2020. Over the next 20 years, total expenditures for the "**201 Plan**" will exceed \$176 million, with about 60% of the total associated with repairs and maintenance of the existing system.

The "**SSO Plan**" (Sanitary Sewer Overflow) is a comprehensive sanitary sewer line/watershed rehabilitation program to address major sanitary sewer overflow problems county-wide.

Sanitary Sewer Fund revenues are restricted to current year operating and capital expenditures. All funds remaining at year-end are placed into a restricted reserve for capital improvements. At the end of FY 2000 the reserve is estimated to be approximately \$11 million.

Landfill	\$12,104,570 5.4 FTE
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The Landfill Fund was established in 1995, and a solid waste disposal fee was established to fund the increased cost of capping and closing the government's landfills and for the expense of contracting with a private firm for solid waste disposal.

A reserve has been established by ordinance to pay closure costs at the landfills. The FY 2001 capital budget includes \$980,000 for the corrective action plan for the closed *Raven Run* landfill and \$2,595,000 for *Old Frankfort Pike* landfill capping. Also included is \$2,800,000 for closure of the *Haley Pike* landfill per state regulations passed in 1990. Closure of the *Haley Pike* landfill will be in yearly increments, with the final increment planned for FY 2006.

Budget In Brief

The current estimated cost to close the Old Frankfort Pike site is \$2.7 million. The estimated cost to close the Haley Pike site is approximately \$14 million.

The landfill closure reserve consists of the fund balance as of June 30, 1997, and will be increased annually based on excess revenues over expenses. The reserve can only be used to pay the costs of landfill closure or extraordinary operating expenses that exceed available revenues. At the end of FY 1999 the reserve was \$12,069,190.

Extended School Program	\$1,136,330 5.0 FTE
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The Extended School Program Fund was created in FY 1994 to account for the revenues and expenditures of an after-school program administered by the Division of Parks and Recreation in the Fayette County Public Schools.

Fees are projected to provide approximately \$1,166,160 in FY 2001 for the operation of the program. The FY 2001 budget includes the cost of reallocating four positions from seasonal to full-time and a full-time secretarial position. Also included is \$38,000 to provide playground equipment at Dixie and Millcreek.

Participating schools include: *Stonewall Elementary, Deep Springs Elementary, Dixie Elementary, Meadowthorpe Elementary, Julia R. Ewan Elementary, Yates Elementary, Arlington Elementary, Jessie Clark Middle School, Northern Elementary, Millcreek Elementary, Linlee Elementary, and Veterans Park Elementary.*

Budget In Brief

GIS Mapping	\$426,780 5.0 FTE
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The GIS (Geographic Information System) Mapping Program provides services for retrieving, analyzing, and mapping geographic related information in Fayette County for all divisions of government.

The FY 2001 budget includes funds for an additional computer analyst position and to produce an atlas of Lexington-Fayette County.

FY 2001 revenue for the GIS Mapping Fund is projected to be \$426,780, with \$70,000 from map and atlas sales and \$356,780 transferred from the General Services District Fund.

Enhanced 911	\$2,199,000 3.0 FTE
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On January 1, 1996, a monthly fee of **95 cents per phone line** was applied to Fayette County residents' phone bills in order to provide funding for an **Enhanced 911 (E-911) system**. This system saves time and communicates information even when a victim cannot - by providing a resident's name, telephone number, and address. A major improvement to the system last year was the linking of **E-911** to the GIS system. When an **E-911** call is received, the calltaker will automatically see a map, pinpointing the location of the caller.

This fund pays for 40 percent of the personnel costs for 911 emergency calltakers and dispatchers in the police and fire departments (the balance of the personnel cost is paid by the General Services District Fund). The FY 2001 Police and Fire budgets each include a new Communications Manager/Trainer position.

Budget In Brief

The General Fund has provided annual subsidies (based on projected expenditures) to this fund since its inception. Because the subsidies exceeded actual need, the FY 2000 adopted budget included returning the overage to the General Fund. General Fund used the funds for expenditures associated with the delivery of emergency services in the Division of Fire. The FY 2001 budget includes no subsidy from the General Fund.

Total fund resources are \$2,199,000, with \$2,130,000 projected to come from **E-911** fees (including \$300,000 for wireless calls), \$33,000 from interest income, and an estimated ending FY 2000 fund balance of \$36,000.

Public Corporations	\$13,134,530
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Due to prior state constitutional restrictions, the government did not issue general obligation bonds until FY 2000. Instead, mortgage revenue bonds were issued through various public corporations in order to finance public projects. "Lease payments" from the General Services District and Urban Services Districts Funds are combined with revenues generated by the operation of the projects in order to make debt service payments on these prior bond issues.

The **Public Facilities Corporation** (\$10,638,900) financed various projects through bank and mortgage notes and the issuance of revenue bonds. Projects include government buildings, parks, swimming pools, fire stations, other public buildings, and an equipment purchase program.

The short-term (three years) equipment notes included (1) the government's vehicle replacement program (police cars, fire trucks, street sweepers, and other vehicles); and (2) the purchase of other equipment. The General Services and Urban Services Funds pay for these obligations. (Cash purchases are made for sanitary sewer system equipment.)

Budget In Brief

A five-year note package (\$2.8 million) was authorized in FY 1999 for purchase of communications equipment for the Division of Fire and Emergency Services, a satellite receiver for the Division of Police, construction of a fire station on Harrodsburg Road, and purchase of additional land for Shillito Park.

The **Public Parking Corporation** (\$1,445,980) has issued bonds to finance the construction of a downtown transit center, parking garage, and the Martin Luther King Boulevard construction project; and for the construction of the Victorian Square parking structure. Obligations are paid from operations of the public parking facilities and from General Fund appropriations.

The **Fayette County Detention Center Corporation Funds** (\$1,049,650) account for the revenues and expenses associated with the financing and construction of the existing adult and juvenile detention facilities for the LFUCG. Also included is the note issued to finance the land purchase for the new detention facility. Construction of the new adult detention facility is financed through General Obligation Bonds and will not be included in the Public Facilities Fund.

Parks Projects	\$3,700,440
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The **Parks Projects Fund** was created to account for the acquisition of park land and parks development and improvements. Park land acquisition is funded by a dedicated building permit fee that will generate approximately \$625,000 in FY 2001. Park development and improvements are funded by a transfer of \$1,733,300 from the General Services Fund and \$1,000,000 from the Commonwealth of Kentucky. In addition, the FY 2001 budget includes \$342,140 for projects that were not completed in FY 2000 and have been re-budgeted. (See pages 21-23 for listings of the projects.)

Internal Service Funds

Internal Service funds account for the financing of goods or services provided by one department or agency to other departments or agencies of the government, on a cost reimbursement basis. The LFUCG operates two internal service funds.

Health, Dental, Vision	\$15,944,190
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The government offers health, dental, and vision care insurance options to LFUCG employees under a self-insurance plan administered by a third party. The FY 2001 budget of \$15.9 million is funded through premiums paid by the government for single coverage for all full-time employees; premiums paid by employees with family coverage; and premiums paid by certain non-employee groups that are allowed to participate in this plan. This includes City Employees' Pension Fund retirees, Policemen's and Firefighters' Retirement Fund retirees, and employees of other affiliated agencies.

Workers' Compensation/Liability	\$ 5,946,200 21.0 FTE
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The government's Division of Risk Management administers the workers' compensation, property and casualty, and general liability insurance programs. The government reduces financial risks by purchasing reinsurance. Administration of these programs is combined with a risk management program designed to identify potential exposures to loss and reduce or eliminate risk or losses. The FY 2001 budget of approximately \$6 million is funded through premiums paid from the General Services Fund, Urban Services Fund, and Sanitary Sewer System Fund in proportion to risk exposure associated with the personnel and physical assets of each fund.

Budget In Brief

Fiduciary Funds

Fiduciary funds account for assets held by a governmental unit in a trustee capacity. The LFUCG operates three fiduciary funds.

City Employees' Pension	\$ 2,258,200
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The City Employees' Pension Fund was the retirement system of the City of Lexington covering Civil Service Employees prior to merger with Fayette County. The plan was organized in 1939 and closed to new members in 1973. Members of the City Employees' Pension Fund completed the process for transferring to the County Employees Retirement System in November of 1992. The City Employees' Pension Fund is administered by a self-governing Board of Trustees and funded by Government and employee contributions of 17.5% and 8.5% of salary respectively. Only two current employees remain with the CEPF.

Included for FY 2001 is the cost for 100% of the premium for single health care coverage for eligible retirees (\$119,500). The FY 2000 budget provided for only 50% of the cost and the expenditure was not accounted for in this fund. The Government also pays certain other administrative costs.

Policemen's and Firefighters' Retirement	\$19,502,920
	1.0 FTE

The Policemen's and Firefighters' Retirement Fund is a defined benefit pension plan covering all sworn personnel of the Urban County Government's police and fire divisions. The fund is administered by a self-governing board of trustees and funded by government and employee contributions of 20% and 11% of salary, respectively.

Budget In Brief

Included for FY 2001 is the cost for 100% of the premium for single health care coverage for eligible retirees (\$1,529,410). The FY 2000 budget provided for only 50% of the cost and the expenditure was not accounted for in this fund. The Government also pays certain other administrative costs.

Public Library Corporation	\$ 2,332,050
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The Public Library Corporation was formed in 1985 to manage funds provided to the Lexington Public Library from the government as a result of an increased assessment (the government is required by law to provide a funding level of 5 cents per \$100 assessed valuation of taxable property). The Library Corporation's long-range financial plan includes retirement of bonds issued to finance construction of the Central Library, expansion of library materials, and construction of additional branches.

Public Library Notes were issued in 1996 to finance the construction of a new Beaumont Branch Library. FY 2001 includes the first payment on bonds issued to finance the construction of a replacement for the Tates Creek Library branch.

Budget In Brief

FY 2000 - 2001 Budget Formulation Calendar

November	December	January
<ul style="list-style-type: none"> Forms Mailed to Outside Agencies 	<ul style="list-style-type: none"> Forms Distributed to Departments 	<ul style="list-style-type: none"> Revenue Estimates Gathered Outside Agencies Submit Budget Requests
February	March	April
<ul style="list-style-type: none"> Departments Submit Budget Requests Budgeting Reviews All Budget Submissions Budgeting Prepares Revenue Estimates 	<ul style="list-style-type: none"> Mayor's Budget Hearings 	<ul style="list-style-type: none"> Proposed Budget Finalized
May	June	July
<ul style="list-style-type: none"> Mayor's Budget Address Council Budget Hearings 	<ul style="list-style-type: none"> Public Hearing Budget Ratification 1st and 2nd Readings of Budget Ordinance 	<ul style="list-style-type: none"> Start of the New Fiscal Year New Budget Implemented

Profile of Lexington-Fayette County

Location

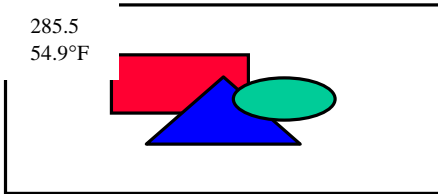
Lexington, located in the heart of central Kentucky's Bluegrass region, is the state's second largest metropolitan area. The urbanized central city is surrounded by its scenic countryside of world-famous horse farms. Its central location and excellent transportation system have been major factors in the city's growth and development. Lexington's location at the intersection of two major interstate highways (interstates 64 and 75) places it within a day's drive of 70 percent of the U.S. markets.

KENTUCKY



FAYETTE COUNTY

Square Miles 285.5
Average Temperature 54.9°F



Clip Art ©1995 SoftKey International Inc.

Population

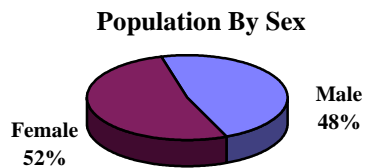
Lexington-Fayette Urban County Government

Budget In Brief

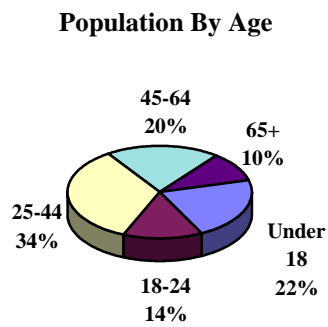
Population Lexington-Fayette County					
1970	174,323		1998	241,749	
1980	204,165	**	2000	243,785	
1990	225,366	**	2010	257,621	
1995	235,701	**	2020	261,936	

** Projections

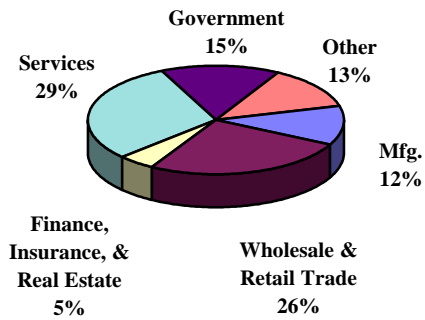
Population by Sex (2000 Estimate)	
Male	116,638
Female	127,147
Total	243,785



Population by Age (2000 Estimate)	
Under 18	53,143
18-24	33,708
25-44	83,437
45-64	48,349
65+	25,148
Total	243,785



Employment by Industry



Average Annual Employment by Industry Lexington-Fayette County – 1999 Estimated	
All Industries	161,883
Manufacturing	18,928
Wholesale & Retail Trade	41,638
Finance, Insurance, & Real Estate	7,746
Services	48,501
Government	24,251
Other	20,819

Source: Kentucky Workforce Development Cabinet, "Average Monthly Employment by Industrial Division and by County".

The **service and trade sectors** are the primary sources of employment and income in Fayette County. The **service sector**, which is dominated by jobs in the professional services such as legal and medical services, accounts for 29% of Fayette County jobs. The **trade sector** is the second largest source of jobs, accounting for 26%.

Budget In Brief

The Fayette County area is the retail center for the Lexington-Fayette Metropolitan Statistical Area (MSA). Also, the convergence of two major highways, Interstate 75 and 64, makes it ideally suited for the location of wholesale trade facilities.

A stabilizing characteristic of the Lexington economy is its share of employment in the **government sector** (15%), of which the University of Kentucky is the largest component.

Local Government

Lexington and Fayette County merged into a single ***urban county government*** on January 1, 1974. The merger was a culmination of an effort to develop a more efficient use of resources for joint programs in planning, parks and public safety. A Mayor and 15-member legislative body administer the ***Lexington-Fayette Urban County Government***.