



FY 2010-2011 Mayor's Proposed Budget Summary Information

Jim Newberry, Mayor

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Budget Summary

Introduction to the Budget

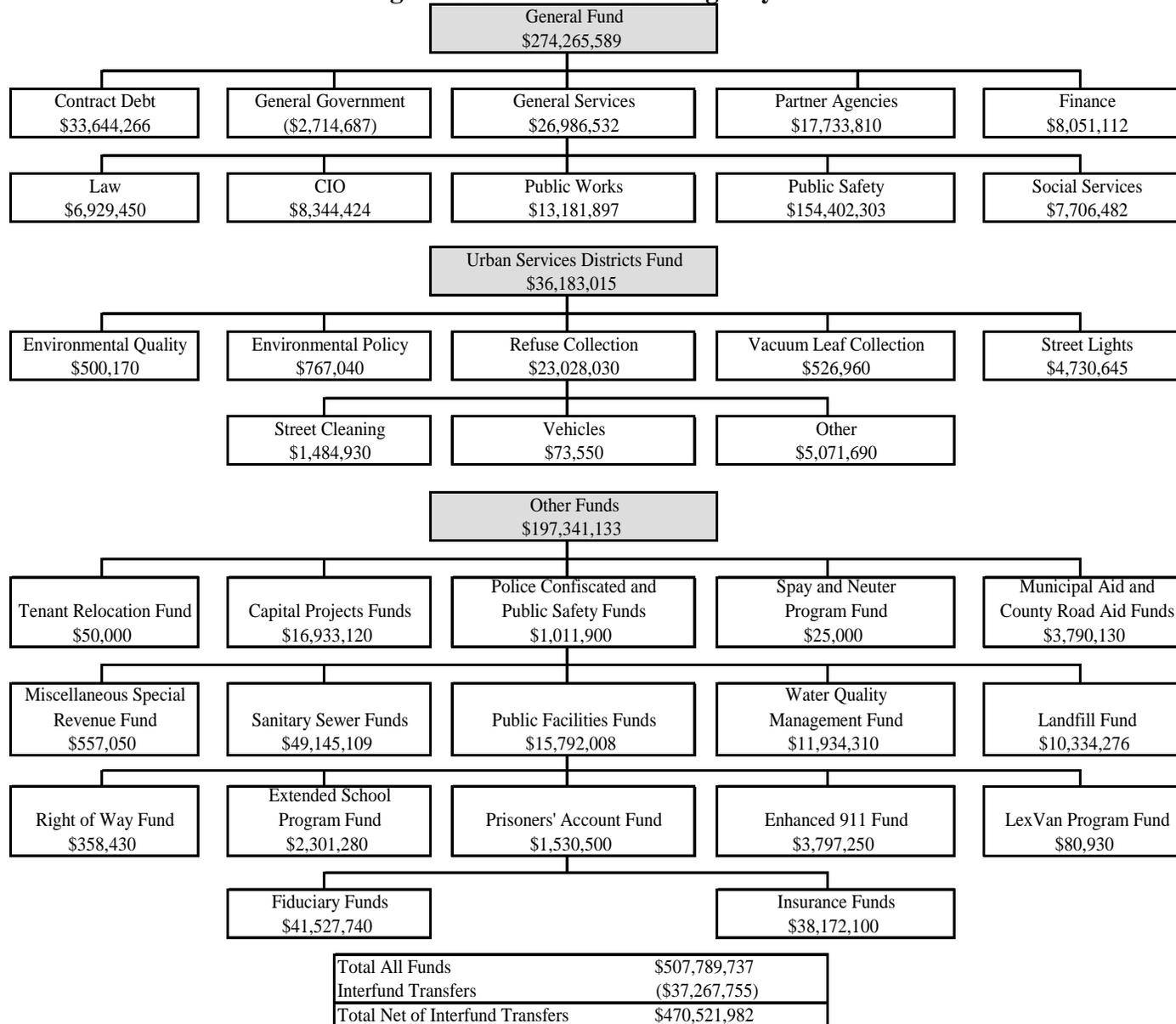
As shown on the following page, the total budget for all funds combined, net of interfund transfers, is \$470,521,982. This is \$31,859,948 less than the FY 2010 adopted budget.

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 1101, the **General Services District Fund**, supports basic services such as police, fire, planning and zoning, parks and recreation, libraries, and other community services. This fund is financed primarily by employee withholdings/net profits license fees and property taxes.
- Fund 1104, the **Tenant Relocation Fund**, provides relocation assistance to eligible low-income tenants displaced by the rezoning, redevelopment, or change in use of property.
- Fund 1115, 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.
- **Special Revenue Funds** account for the proceeds of specific revenue sources that are legally restricted for specified expenditures, such as *state and federal grants, Municipal Aid Program, County Aid Program, Mineral Severance, Coal Severance, Spay and Neuter, Prisoners Account, and Public Safety* funds.
- **Capital Projects Funds** account for the receipt and disbursement of resources used in major capital and construction projects.
- **Enterprise Funds** are self-supporting through charges for services. LFUCG enterprise funds include *Sanitary Sewers, Water Quality, Landfill, Right of Way, Extended School Program, Enhanced 911, LexVan, and Public Corporations*.
- **Internal Service Funds** account for the financing of services by one fund to another fund or funds of the government. Included here are the government's *self-insurance funds*.
- **Fiduciary Funds** account for assets held by the government in a trustee capacity. Included are the *Public Library Corporation Fund, the City Employees' Pension Fund, and the Policemen's and Firefighters' Retirement Fund*.

Budget Summary

Organization of the Total Budget by Fund



Budget Summary

FY 2011 Mayor's Proposed Budget Preparation

The preparation cycle for the FY 2011 budget started with departmental “brainstorming” sessions with Mayor Jim Newberry, division directors, and their commissioners meeting to discuss the tight economic times being faced. Those preparing requests were instructed to enter into PeopleSoft EPM an operating account (excluding personnel) budget that was equal to the budget plan developed in December of 2009 where \$12 million was reduced from the FY 2010 available funds.

After the PeopleSoft EPM submissions, sessions were held by the budgeting staff with individual divisions to further review and develop their budgets. These sessions were geared to ensure that Division Directors and their Commissioners understood what was included in the proposed budget.

Economic Contingency Designation Release Calculation

On March 23, 2007, the Urban County Council adopted Ordinance 78-2007 making changes to the Economic Contingency Designated Account (ECA) within the General Services District fund balance that now allows structured deposits, emergency uses, and withdrawals to stabilize the flow of the major revenue sources within the General Fund. This new ordinance has established that the ECA has characteristics of both revenue stabilization and an emergency reserve account. The ordinance requires, under the revenue stabilization concept, that the potential withdrawal allowed amount be tested during each budget preparation cycle. If a withdrawal is adopted with the budget, then the required monthly deposit of \$50,000 will not be required.

The goal of the ordinance is to accumulate up to 10 percent of the prior years' total General Fund revenue in the account. To help this designated fund balance account reach the goal, the ordinance further calls for a deposit of 25 percent of the net available fund balance into the account each year following the presentation of the audit report.

Interest income and deposits have brought the balance up to \$14,470,569.45 as of June 30, 2009. Ten percent of the FY 2010 General Fund estimated revenues are \$27,594,261, which means that LFUCG is at 52 percent of the goal established by this ordinance.

Budget Summary

The calculation does not support the proposed withdrawal included to balance the FY 2011 Mayor's Proposed Budget. The calculation of release is as follows:

Fiscal Year Ending June 30, 2011			
<u>Account</u>	FY 2007 Actual Revenues	FY 2008 Actual Revenues	FY 2009 Actual Revenues
40100 Licenses - Insurances	\$ 20,773,103	\$ 23,542,069	\$ 20,468,353
40010 Licenses - Employee Withholding	143,474,476	148,475,744	148,968,942
40040 Licenses - Business Returns (Net Profits)	30,436,951	31,131,789	30,456,095
	\$ 194,684,531	\$ 203,149,602	\$ 199,893,390
Average % Change between 3 Complete Fiscal Years (Calculated Percentage)			<u>1.34%</u>

<u>Account</u>	FY 2010 Estimated Collections 6/30/10	FY 2011 Proposed Revenues
40100 Licenses - Insurances	\$ 20,500,000	\$ 20,500,000
40010 Licenses - Employee Withholding	148,000,000	148,740,000
40040 Licenses - Business Returns	27,400,000	27,948,000
	\$ 195,900,000	\$ 197,188,000
% Change between Estimated and Proposed Revenues (Proposed Percentage)		<u>0.66%</u>

If the Proposed Percentage is LESS THAN the Calculated Percentage, a withdrawal may be proposed (Ordinance 78-2006, Section 3,(4)).

	Difference	Maximum Withdrawal (1/2)
Difference between Estimated and Proposed Amounts	\$ 1,288,000	\$ 644,000
Amount Proposed for Inclusion in FY 2011 Mayor Proposed Budget		\$ 5,870,000

Budget Summary

General Services District Fund

Summary of Revenue and Appropriations

	FY 2009 Actual	FY 2010 Adopted	FY 2011 Proposed	Change	% Change
Revenue					
Ad Valorem Taxes	\$ 20,737,242	\$ 20,871,110	\$ 20,244,000	\$ (627,110)	-3.0%
Licenses and Permits	221,612,008	231,693,500	219,874,280	(11,819,220)	-5.1%
Services	21,965,618	19,577,270	20,669,050	1,091,780	5.6%
Fines and Forfeitures	270,598	192,000	203,000	11,000	5.7%
Intergovernmental	587,911	457,000	1,654,689	1,197,689	262.1%
Premiums	-	-	-	-	-
Property Sales	646,007	179,550	4,236,300	4,056,750	2259.4%
Investments	242,786	300,000	27,000	(273,000)	-91.0%
Investment Income	-	-	-	-	-
Casualty Loss Recoveries	-	-	-	-	-
Other Financing Sources	9,324,350	4,989,000	440,390	(4,548,610)	-91.2%
Pension Revenue	-	-	-	-	-
Other Income	556,090	1,362,000	2,183,200	821,200	60.3%
Total Revenue	\$ 275,942,610	\$ 279,621,430	\$ 269,531,909	\$(10,089,521)	-3.6%
Fund Balance, July 1	3,613,323	560,000	4,775,400	4,215,400	752.8%
Total Funds Available	\$ 279,555,934	\$ 280,181,430	\$ 274,307,309	\$ (5,874,121)	-2.1%
Appropriations					
Operating Expenditures					
Personnel	\$ 187,697,091	\$ 191,047,160	\$ 188,129,370	\$ (2,917,790)	-1.5%
Partner Agencies	24,885,616	18,398,110	17,733,810	(664,300)	-3.6%
Debt Service	19,398,943	29,848,170	34,580,868	4,732,698	15.9%
Insurance	6,510,478	6,071,580	4,874,000	(1,197,580)	-19.7%
Operating	34,216,397	34,316,490	35,881,042	1,564,552	4.6%
Transfers To/(From) Other Funds	3,459,863	185,790	(8,148,501)	(8,334,291)	-4485.9%
Total Operating	\$ 276,168,388	\$ 279,867,300	\$ 273,050,589	\$ (6,816,711)	-2.4%
Capital Expenditures					
CIP Capital	\$ 405,021	\$ 166,200	\$ 1,200,000	\$ 1,033,800	622.0%
Operating Capital	130,419	26,050	15,000	(11,050)	-42.4%
Total Capital	\$ 535,440	\$ 192,250	\$ 1,215,000	\$ 1,022,750	532.0%
Total Appropriations	\$ 276,703,828	\$ 280,059,550	\$ 274,265,589	\$ (5,793,961)	-2.1%
Fund Balance, June 30	\$ 2,852,106	\$ 121,880	\$ 41,720	\$ (80,160)	-65.8%

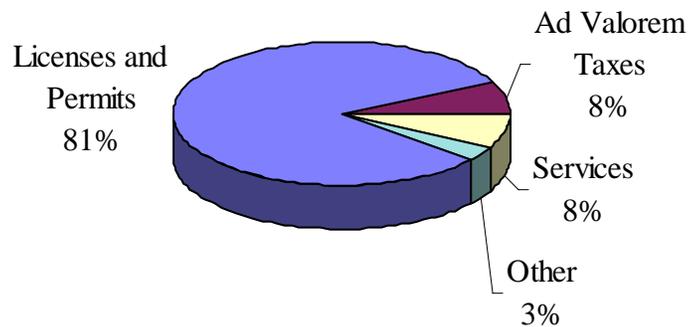
Budget Summary

General Service District Revenues

FY 2011 Mayor’s Proposed General Services Fund revenues are projected at \$269.5 million. This is \$10.1 million less than the FY 2010 adopted budget, as detailed in the following tables. Revenue estimates for most accounts are gathered in February from the corresponding division (i.e. Building Inspection provides building permit estimates). Estimates for the major revenue sources (property taxes, employee withholdings, net profits, and insurance license fees) are generated by the Divisions of Budgeting and Revenue using historical data and economic projections. Those projections were then review by two economists from the University of Kentucky.

The decrease in FY 2011 revenue reflects a decrease in Ad Valorem taxes (property taxes) as well as Licenses and Permits.

**General Fund Revenue by Category
FY 2011**



Category	FY 2009 Actual	FY 2010 Adopted	FY 2011 Proposed
Licenses and Permits	\$ 221,612,008	\$ 231,693,500	\$ 219,874,280
Ad Valorem Taxes	20,737,242	20,871,110	20,244,000
Services	21,965,618	19,577,270	20,669,050
Other	11,627,742	7,479,550	8,744,579
Total Revenue	\$ 275,942,610	\$ 279,621,430	\$ 269,531,909

Budget Summary

Licenses and Permits

The *Licenses and Permits* category accounts for 81.6 percent of all General Fund revenues. The two largest revenue sources in that category, *Employee Withholdings* and *Business Returns (Net Profits)*, account for 65.9 percent of all General Fund revenues. The projection for Employee Withholdings and Business Returns reflects a projected slow recovery of the economy in the Lexington area. The FY 2011 budget for Licenses and Permits is projected to decline by 5.1 percent over FY 2010's original budget.

Category	FY 2009 Actual	FY 2010 Adopted	FY 2011 Proposed	Difference
Employee Withholdings	\$148,968,942	\$156,500,000	\$149,240,000	\$ (7,260,000)
Business Returns	30,456,095	31,500,000	28,448,000	(3,052,000)
Insurance	20,468,353	21,800,000	20,500,000	(1,300,000)
Franchise Permits	17,461,094	17,552,000	17,600,000	48,000
Other	4,257,524	4,341,500	4,086,280	(255,220)
Total Licenses/Permits	\$221,612,008	\$231,693,500	\$219,874,280	\$(11,819,220)

Employee Withholdings Collections

Fiscal Year	Collections	% Change
FY 2001	109,322,956	
FY 2002	112,920,413	3.3%
FY 2003	116,374,038	3.1%
FY 2004	121,562,291	4.5%
FY 2005	126,052,353	3.7%
FY 2006	133,109,925	5.6%
FY 2007	143,474,476	7.8%
FY 2008	148,475,743	11.5%
FY 2009	148,968,942	3.8%
FY 2010 Original	156,500,000	5.1%
FY 2010 Projected	148,000,000	(0.7)%
FY 2011 Budget	149,240,000	0.8%



Budget Summary

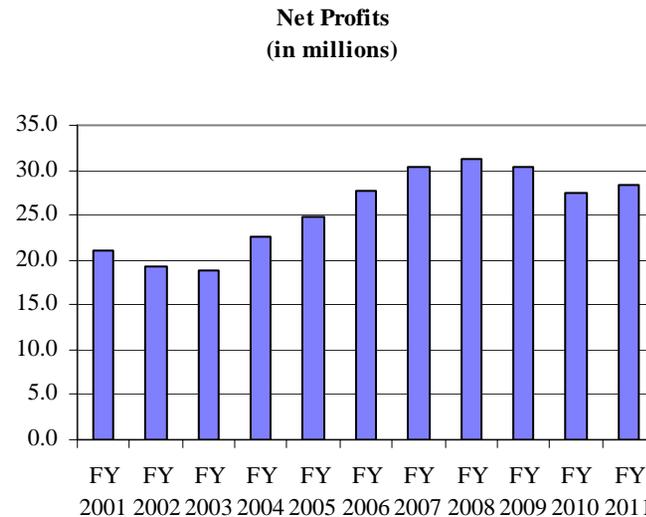
A license fee is levied on all salaries, wages, commissions, or other forms of compensation received for work performed, or services rendered, in Fayette County. These fees, known as *employee withholdings* or payroll tax, account for 67.9 percent of the total Licenses and Permits category and 55.4 percent of all General Services District revenues for FY 2011.

This revenue source is responsive to the ups and downs of the local economy. The projection in Employee Withholdings reflects an economy that will be slow to recover in line with the national economy. The FY 2011 proposed budget includes a projected decline of 4.6 percent from FY 2010's original budget. Estimates for this revenue source are derived from historical trends and regression analysis.

Net Profits Collections

The *net profits license fee* is an occupational license fee levied on the net profits of all businesses, professions, or occupations from activities conducted in Fayette County. This revenue source accounts for 10.6 percent of total General Services District revenues and 12.9 percent of all revenues in the Licenses and Permits category.

Fiscal Year	Collections	% Change
FY 2001	20,950,513	
FY 2002	19,281,744	(8.0)%
FY 2003	18,876,276	(2.1)%
FY 2004	22,578,000	19.6%
FY 2005	24,900,288	10.3%
FY 2006	27,589,252	10.8%
FY 2007	30,436,951	10.3%
FY 2008	31,131,789	12.8%
FY 2009	30,456,095	0.1%
FY 2010 Original	31,500,000	3.4%
FY 2010 Projected	27,400,000	(10.0)%
FY 2011 Budget	28,448,000	3.8%



This revenue source is responsive to the ups and downs of the local economy. The budget for FY 2011 shows a reduction compared to FY 2010 due to the current economic climate.

The FY 2004 collections for Net Profits included over \$2.8 million in payments for back and current taxes. The FY 2011 collections for Net Profits are projected to decrease 9.7 percent from FY 2010 projected.

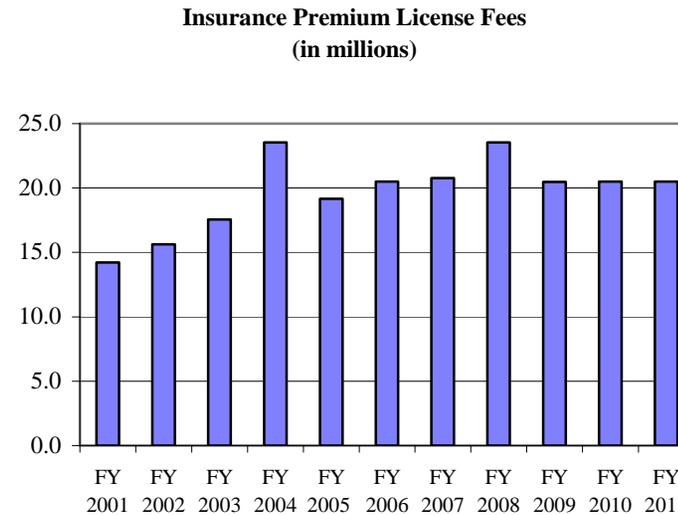
Budget Summary

Insurance Premium License Fees

Insurance premium license fees are the third largest detail in the Licenses and Permits category, accounting for 7.6 percent of all General Services District revenues and 9.3 percent of all revenues in the Licenses and Permits category. License fees are imposed on insurance companies for those premiums (not subject to exemption) that are received on risks located in Fayette County. Life insurance is subject to a five percent fee on premiums actually collected for the first year only. All other insurance premiums (fire, health, casualty, automobile, etc.) are subject to five percent of actual annual collections.

Insurance premium fees are subject to year-to-year fluctuations, and are therefore somewhat difficult to predict. The growth experienced in the past few years has been larger than estimated. The negative growth swings that this category experiences have historically only lasted for one fiscal year. The FY 2011 proposed budget assumes no growth from the FY 2010 projection.

Fiscal Year	Collections	% Change
FY 2001	14,223,768	
FY 2002	15,637,777	9.9%
FY 2003	17,562,751	12.3%
FY 2004	23,542,069	34.0%
FY 2005	19,151,852	(18.6)%
FY 2006	20,496,690	7.0%
FY 2007	20,773,103	1.3%
FY 2008	23,542,069	14.9%
FY 2009	20,468,353	(1.5)%
FY 2010 Original	21,800,000	6.5%
FY 2010 Projected	20,500,000	0.2%
FY 2011 Budget	20,500,000	

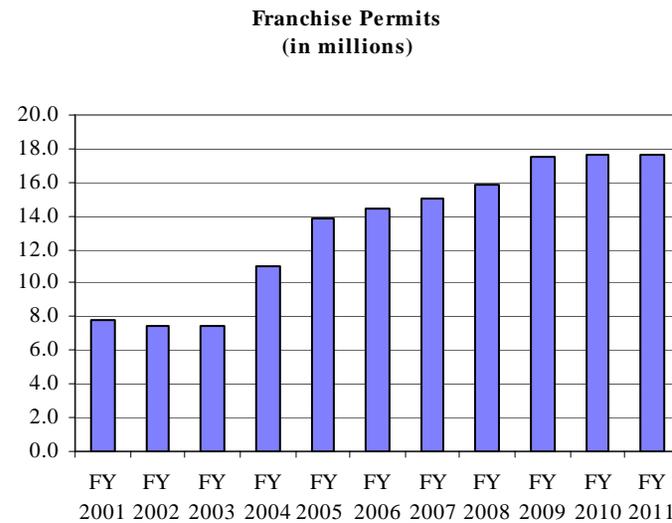


Budget Summary

Franchise Permits

The Kentucky Legislature enacted House Bill 272 to collect all communication type franchise fees at the state level effective July 1, 2007. The bill was to hold local governments harmless from revenue loss and to provide a growth rate equal to the prior three years average growth for each local government. The Commonwealth of Kentucky did not fund the program at a proper level, which resulted in all local governments losing revenue in addition to any potential growth.

Fiscal Year	Collections	% Change
FY 2001	7,752,251	
FY 2002	7,469,631	(3.6)%
FY 2003	7,499,560	0.4%
FY 2004	11,012,181	46.8%
FY 2005	13,794,992	25.3%
FY 2006	14,431,559	4.6%
FY 2007	15,007,419	4.0%
FY 2008	15,824,273	9.7%
FY 2009	17,461,094	16.3%
FY 2010 Original	17,552,000	0.5%
FY 2010 Projected	17,600,000	0.8%
FY 2011 Budget	17,600,000	



Public service companies operating in Fayette County pay franchise fees for the use of rights-of-way for placement of transmission facilities. Revenue estimates are provided for the following utilities: electric, water, and gas. *Franchise permits* are 6.5 percent of total FY 2011 General Services District Fund revenues and 8.0 percent of all Licenses and Permits revenues.

Budget Summary

Charges for Services

Charges for Services is the second largest category of revenue in the General Services District Fund which, at \$20,669,050, accounts for 7.7 percent of total FY 2011 revenues. The largest sources of revenue in the Services category are golf course collections, emergency medical services collections, and detention fees. The decrease in several categories represents the overall slowing of the economy.

Category	FY 2009 Actual	FY 2010 Adopted	FY 2011 Proposed	Difference	Percent Change
Golf Course Collections	\$ 3,413,016	\$ 3,825,300	\$ 3,775,000	\$ (50,300)	(1.3)%
EMS Collections	5,872,864	5,400,000	5,600,000	200,000	3.7%
Excess Fees	2,640,179	2,150,000	2,500,000	350,000	16.3%
Detention Revenue	5,384,366	4,762,000	5,347,850	585,850	12.3%
Building Permits	788,877	1,000,000	800,000	(200,000)	(20.0)%
Parks Programs	1,124,946	1,423,500	1,660,460	236,960	16.6%
Other Fees	2,741,371	1,016,470	985,740	(30,730)	(3.0)%
Total Services Revenue	\$ 21,965,618	\$ 19,577,270	\$ 20,669,050	\$ 1,091,780	5.6%

The Services category historically included revenues from six municipally operated golf courses: Kearney Hills, Tates Creek, Meadowbrook, Lakeside, Avon (Bluegrass Station), and Picadome. The FY 2011 budget includes the closing of Avon (Bluegrass Station). *Golf course collections* for FY 2011 are projected to decrease by 1.3 percent and include a rate increase.

Building Permits are projected to decrease which reflects the economic downturn.

Excess fees are a percentage (25 percent) of the payments and fees remitted to the state from collections made by the Fayette County Clerk and the Fayette County Sheriff (property tax commissions). Fees remaining in the Clerk and Sheriff's accounts at end-of-term are sent to the local government (usually every four years). School commissions generated by the Sheriff were determined to not be excess fees; therefore, the Sheriff is entitled to keep 100 percent of those funds beginning in FY 2007. The FY 2011 budget estimates that these fees will be slightly more than the FY 2010 level.

Detention Center revenues are projected to increase in FY 2011 by \$585,850 or 12.3 percent. During FY 2007, the state opened a new state-operated facility for housing juveniles. At that time, other counties that had been housing juvenile detainees in Fayette County housed their juveniles at the state facility, and the per diem fees they were paying to Fayette County went to the state. LFUCG continues to see additional adult inmates from other counties housed in our facility, and that helps account for the increases seen. Other detention fees include work release fees, DUI service fees, and fees paid by the Commonwealth of Kentucky to provide for state prisoners housed at the Fayette County Detention Center (including reimbursement of medical expenses).

Budget Summary

Ad Valorem Taxes

The third largest category of revenue in the General Fund (7.5 percent) comes from *ad valorem*, or 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.

Category	FY 2009 Actual	FY 2010 Adopted	FY 2011 Proposed	Difference	Percent Change
Realty	\$ 17,413,797	\$ 18,176,000	\$ 17,476,000	\$ (700,000)	(3.9)%
Personalty	1,591,301	1,563,000	1,588,000	25,000	1.6%
Motor Vehicle	1,601,548	1,550,000	1,528,000	(22,000)	(1.4)%
Public Service Co. Taxes	1,060,264	691,000	710,000	19,000	2.7%
Other Ad Valorem (Commissions)	(929,668)	(1,108,890)	(1,058,000)	50,890	(4.6)%
Total Ad Valorem Taxes	\$ 20,737,242	\$ 20,871,110	\$ 20,244,000	\$ (627,110)	(3.0)%

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 2011 appropriation to the Library is \$13,074,810.

The LFUCG's ability to generate revenues from property taxes is limited by state legislation (House Bill 44), which effectively limits revenue growth on real property to four percent (exclusive of revenue from new property). Each year the State Department for Local Government certifies allowable tax rates.

The FY 2011 projections assume no change in the General Services District property tax rate on real and personal property or assessment values.

Property assessments have increased significantly in recent years. As illustrated in the table to the right, assessments increased only 3.8 percent in FY 1995. While they have averaged almost seven percent from FY 1996 – FY 2009, the FY 2010 assessment growth of 1.51 percent is a reflection of current economic downturn.

Fiscal Year	Assessment	Percent Change
FY 1995	8,717,728,424	3.80%
FY 1996	9,233,927,546	5.92%
FY 1997	9,735,822,009	5.44%
FY 1998	10,272,647,822	5.51%
FY 1999	10,854,342,606	5.66%
FY 2000	11,827,077,920	8.96%
FY 2001	12,946,740,857	9.47%
FY 2002	14,127,794,019	9.12%
FY 2003	15,044,439,927	6.49%
FY 2004	15,963,514,190	6.11%
FY 2005	17,000,517,411	6.50%
FY 2006	18,252,192,637	7.36%
FY 2007	19,484,350,964	6.75%
FY 2008	21,002,142,402	7.79%
FY 2009	21,737,177,900	3.50%
FY 2010	22,065,201,700	1.51%

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Budget Summary

Other Revenues

The *other revenues* category accounts for 3.2 percent of the total FY 2011 General Services revenues. These are fines, intergovernmental revenue, property sales, investments, other financing sources, and other income.

Category	FY 2009 Actual	FY 2010 Adopted	FY 2011 Proposed	Difference	Percent Change
Fines and Forfeitures	\$ 270,598	\$ 192,000	\$ 203,000	\$ 11,000	5.7%
Intergovernmental	587,911	457,000	1,654,689	1,197,689	262.1%
Property Sales	646,007	179,550	4,236,300	4,056,750	2259.4%
Investments	242,786	300,000	27,000	(273,000)	(91.0)%
Other Financing Sources	9,324,350	4,989,000	440,390	(4,548,610)	(91.2)%
Other Income	556,090	1,362,000	2,183,200	821,200	60.3%
Total Other	\$ 11,627,742	\$ 7,479,550	\$ 8,744,579	\$ 1,265,029	16.9%

Fines are from parking, Alcohol Beverage Control (ABC), security alarm, and criminal littering. Beginning in FY 1999, the LFUCG (instead of the state) began to collect ABC fines. The minimum fine was increased from \$3.00 to \$15.00 in April of 2000.

Intergovernmental revenue (including local contributions) for FY 2011 is budgeted at \$1,654,689 which is \$1,197,689 (262.1 percent) more than the FY 2010 budget. This is primarily due to a reimbursement from the federal government of \$1,140,689.00 for interest paid on Build America Bonds.

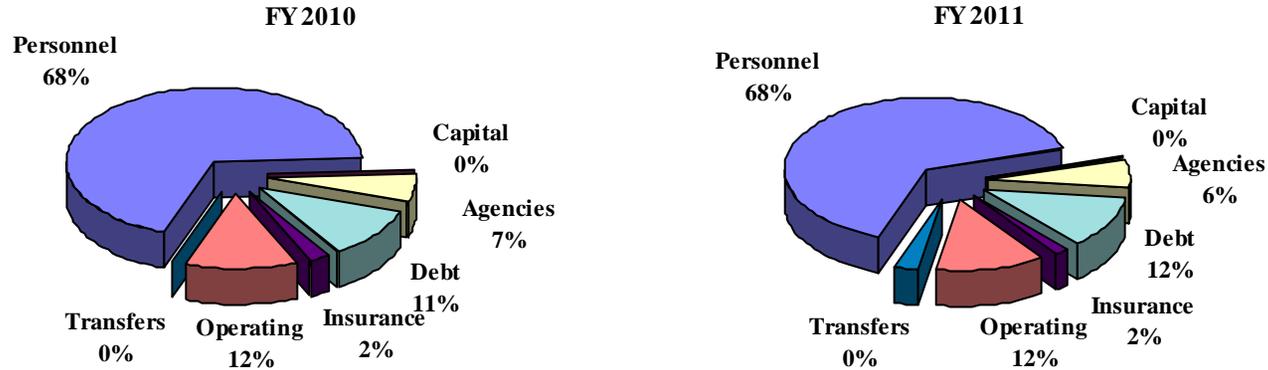
Other financing sources and *other income* revenue include several categories that are small in amount, infrequent, or do not fit into any of the other major categories. For FY 2010 this category included transfers from the Urban Services and the Sewers Funds for self-insurance administrative costs, and one-time transfers from Coal Severance, Mineral Severance, Landfill, Prisoners Account, and Tenant Relocation Funds. Not all of these transfers are budgeted to occur in FY 2011, accounting for the 91.2 percent decrease.

Budget Summary

General Services District Fund Expenditures

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.

**Comparison of FY 2010 Adopted Budget to the FY 2011 Proposed Budget
By Major Category**



Personnel (\$188,129,370) accounts for 68 percent of the total General Services Fund budget. This category includes *wages, overtime, and fringe benefits*. The change in this category over last year is due mainly to:

- Continuation of the step pay system for sworn personnel in Police, Fire, and Community Corrections, and inclusion of other items negotiated by the collective bargaining groups. In addition to step increases, the Police and Fire pay per position will increase by three percent.
- The net reduction of 96.3 full and part-time positions.

Budget Summary

Partner Agencies (\$17,733,810) are non-governmental programs such as the Library and various economic, legal, and social service organizations that receive full or partial funding from LFUCG. (See pages 36-39 for a complete list of partner agencies.) The total amount of funding to partner agencies is reduced by \$664,300, due mainly to the decrease in funding to the Library. This decline is a direct result in the decrease in the budgeted Ad Valorem taxes.

Debt Service (\$34,580,868) is for payment on long-term and short-term debt incurred to finance public projects.

Insurance (\$4,874,000) 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. Insurance funding is decreased by \$1,197,580 from FY 2010 due to a change in the projected reserves needed to fund claims which have occurred but have not yet been reported.

Operating (\$35,881,042) includes the day-to-day expenditures needed to run the various departments, such as office supplies, telephone, fuel, and utilities. Also included are professional services for medical, legal, engineering, etc. The increase of \$1,564,552 reflects increases in expenditures for vehicle maintenance, road salt, and the new water quality fee.

Transfers To/From Other Funds (\$8,148,501) represents the transfer of resources from one fund to another. FY 2011 transfers are \$8,334,291 less than FY 2010, as detailed to the right.

Capital (\$1,215,000) includes funds for building repairs, copier lease payments, and corridor improvements.

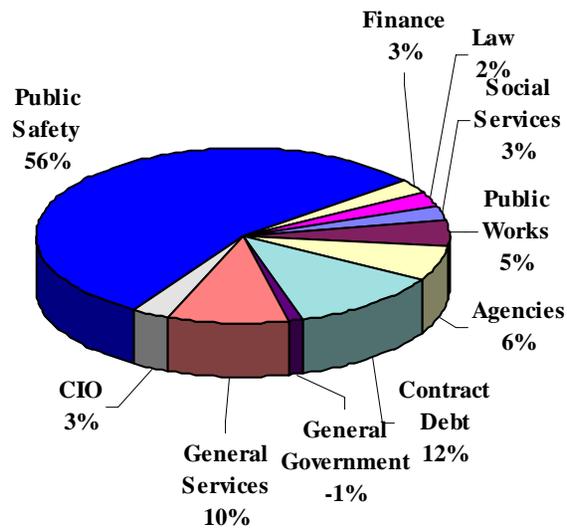
Transfers To or (From)	FY2009	FY2010	FY2011	Difference
CEP - Insurance and Administrative	\$79,326	\$80,800	\$80,800	\$-
Computer Services	-	(108,490)	-	108,490
Computer Services	(52,440)	-	-	-
Council Projects	2,125	-	-	-
Economic Contingency	1,250,949	-	(5,870,000)	(5,870,000)
ERP - Stars	500,300	394,840	-	(394,840)
Fleet Services Recoveries	-	(1,000,000)	(3,083,961)	(2,083,961)
Grants	-	-	-	-
Bond Fund Closing Transfers	25,766	-	-	-
Grants	(849)	-	-	-
Indirect Cost	(216,341)	(175,170)	(175,170)	-
LexCall Recovery	(31,250)	(26,540)	(30,840)	(4,300)
P & F Pension	2,634,977	2,832,040	2,700,000	(132,040)
Park Impact Fees and Golf Improvements	94,958	501,600	395,000	(106,600)
Relocation	230,622	50,000	50,000	-
Public Safety Fund Transfer	(550,000)	(363,290)	-	363,290
Road Projects	-	(1,207,720)	(1,401,720)	(194,000)
Storm Water	371,720	-	-	-
Streets, Roads, and Forestry Salaries	(880,000)	(792,280)	(812,610)	(20,330)
Total Transfers	\$3,459,863	\$185,790	\$(8,148,501)	\$(8,334,291)

Budget Summary

Expenditures by Department or Service Area \$274,265,589

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.

Comparison of the FY 2010 Adopted Budget to the FY 2011 Proposed Budget By Department or Service Area



Department	Actual Expenditures FY 2009	Adopted Budget FY 2010	Mayor Proposed FY 2011	Difference	Percent Change
Public Safety	\$ 148,100,811	\$ 150,691,930	\$ 154,402,303	\$ 3,710,373	2.5%
General Services	27,888,591	31,227,590	26,986,532	(4,241,058)	(13.6)%
Partner Agencies	24,885,616	18,398,110	17,733,810	(664,300)	(3.6)%
Contract Debt	18,847,175	28,912,540	33,644,266	4,731,726	16.4%
Public Works and Development	16,557,514	13,861,200	13,181,897	(679,303)	(4.9)%
Law	9,151,919	8,382,120	6,929,450	(1,452,670)	(17.3)%
Finance and Administration	8,805,597	8,742,150	8,051,112	(691,038)	(7.9)%
Social Services	7,981,135	8,098,940	7,706,482	(392,458)	(4.8)%
CIO	7,838,836	7,907,100	8,344,424	437,324	5.5%
General Government	6,282,277	3,837,870	(2,714,687)	(6,552,557)	(170.7)%
Environmental Quality	364,356	-	-	-	--
Total	\$ 276,703,828	\$ 280,059,550	\$ 274,265,589	\$ (5,793,961)	(2.1)%

Budget Summary

Public Safety

\$154,402,303 1,685.3 FTE

The largest department in the General Services Fund is Public Safety, accounting for 56 percent of the FY 2011 budget. Code Enforcement, Community Corrections, Emergency Management/Enhanced 911, Fire and Emergency Services, and Police are included in this department.

Budget By Division	Actual	Adopted Budget Mayor Proposed		Dollar Change	Percent Change
	Expenditures	FY 2010	FY 2011		
	FY 2009				
Public Safety Administration	\$ 4,148,812	\$ 3,350,390	\$ 3,199,110	\$ (151,280)	-4.5%
DEEM\Enhanced 911	3,681,414	3,895,650	3,527,350	(368,300)	-9.5%
Community Corrections	28,989,945	30,786,380	31,496,918	710,538	2.3%
Police	54,819,481	56,530,560	59,566,470	3,035,910	5.4%
Fire and Emergency Services	54,866,319	54,379,270	54,941,705	562,435	1.0%
Code Enforcement	1,594,839	1,749,680	1,670,750	(78,930)	-4.5%
Total	\$ 148,100,811	\$ 150,691,930	\$ 154,402,303	\$ 3,710,373	2.5%

Budget Summary

Commissioner of Public Safety

The Commissioner of Public Safety provides administrative support to the divisions within the Department of Public Safety.

Expenditure by Category	Actual Expenditures FY 2009	Adopted Budget FY 2010	Mayor's Proposed FY 2011	Change FY 2010-2011	% Change FY 2010-2011
Personnel Expenditures	\$ 336,501	\$ 344,770	\$ 349,060	\$ 4,290	1.2%
Operating Expenditures	1,177,334	173,580	150,050	(23,530)	(13.6)%
Transfers	2,634,977	2,832,040	2,700,000	(132,040)	(4.7)%
Capital Expenditures	-	-	-	-	0.0%
Total Expenditures	\$ 4,148,812	\$ 3,350,390	\$ 3,199,110	\$ (151,280)	(4.5)%
Total Staffing	3.5	3.5	3.5	0.0	0.0%
Budget by Program					
Public Safety Administration	\$ 480,859	\$ 502,540	\$ 483,300	\$ (19,240)	(3.8)%
Animal Control	1,017,020	-	-	-	0.0%
Police And Fire Pension Admin	2,634,977	2,832,040	2,700,000	(132,040)	(4.7)%
ABC Administration	15,956	15,810	15,810	-	0.0%

Budget Highlights

- Overall, operating accounts are reduced from FY 2010 adopted amounts.
- The current level of staffing is maintained for FY 2011.
- The Animal Control contract is reduced by \$143,000.

Budget Summary

Division of Emergency Management/Enhanced 911

Emergency Management ensures the readiness of public entities, private agencies, and the general population to mitigate for, prepare for, respond to, and recover from the effects of a disaster or emergency.

Enhanced 911 represents the expenditures allocable to the General Fund. The General Fund pays for 63 percent of the cost of Telecommunicator positions. The Enhanced 911 Fund pays for the other of 37 percent of the cost. The Enhanced 911 Fund's part is accounted for as a personnel recovery to the General Fund.

Expenditure by Category	Actual Expenditures FY 2009	Adopted Budget FY 2010	Mayor's Proposed FY 2011	Change FY 2010-2011	% Change FY 2010-2011
Personnel Expenditures	\$ 3,288,226	\$ 3,712,620	\$ 3,219,970	\$ (492,650)	(13.3)%
Operating Expenditures	393,089	183,030	307,380	124,350	67.9%
Transfers	-	-	-	-	0.0%
Capital Expenditures	99	-	-	-	0.0%
Total Expenditures	\$ 3,681,414	\$ 3,895,650	\$ 3,527,350	\$ (368,300)	(9.5)%
Total Staffing	86.5	85.5	82.7	(2.8)	(3.3)%
Budget by Program					
DEEM Administration	\$ 192,801	\$ 252,800	\$ 228,850	\$ (23,950)	(9.5)%
Environmental Services	81,928	71,750	36,010	(35,740)	(49.8)%
Emergency Management	403,045	208,720	263,390	54,670	26.2%
Metropolitan Medical Response	(5,652)	-	-	-	0.0%
E-911 Administration	106,728	22,290	235,220	212,930	955.3%
Public Safety Answering Point	2,902,564	3,340,090	2,757,130	(582,960)	(17.5)%
Addressing	-	-	6,750	6,750	--

Budget Highlights

- Continues funding for all Emergency Management positions.
- Funding is provided for all authorized Enhanced 911 positions.

Budget Summary

Community Corrections

The Division of Community Corrections provides for the incarceration of adult offenders in a manner that provides for the protection of public safety, the protection of institutional safety (staff, offenders, and visitors), the delivery of a constitutional level of services (medical, mental health, and protective custody), and programs intended to reduce the likelihood of re-incarceration.

Expenditure by Category	Actual Expenditures FY 2009	Adopted Budget FY 2010	Mayor's Proposed FY 2011	Change FY 2010-2011	% Change FY 2010-2011
Personnel Expenditures	\$ 21,602,545	\$ 23,064,920	\$ 22,740,290	\$ (324,630)	(1.4)%
Operating Expenditures	7,387,400	7,721,460	8,756,628	1,035,168	13.4%
Transfers	-	-	-	-	0.0%
Capital Expenditures	-	-	-	-	0.0%
Total Expenditures	\$ 28,989,945	\$ 30,786,380	\$ 31,496,918	\$ 710,538	2.3%
Total Staffing	375.0	357.0	353.0	(4.0)	(1.1)%
Budget by Program					
Administrative Services	\$ 23,204,485	\$ 24,687,530	\$ 24,699,210	\$ 11,680	0.0%
Adult Detention	5,441,536	5,722,780	6,455,911	733,131	12.8%
Programs and Community Service	343,924	376,070	341,797	(34,273)	(9.1)%

Budget Highlights

- The personnel budget includes funds required by collective bargaining agreements.
- Sworn staffing is maintained at FY 2010 levels.
- Funds are provided for contractual services relating to foods service, medical care and mental health services.
- The following are proposed to be paid for through bond proceeds:

Replacement mattresses	\$105,600
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Budget Summary

Police

The Division of Police consists of the Chief's Office and five bureaus, organized to enhance the delivery of quality police service to the residents of Fayette County.

- 1) The ***Chief's Office*** oversees division operation, and also includes the Fiscal Office, Grants Management, and Internal Affairs.
- 2) The Bureau of ***Administration*** has one section. **Administration** consists of central records, personnel, vehicle liaison, technical services, and computer information systems.
- 3) The Bureau of ***Patrol*** is comprised of three sectors. **Patrol** is responsible for three sector offices – **Central Sector**, **East Sector**, and **West Sector**.
- 4) The Bureau of ***Special Operations*** contains three sections. **Community Services** is responsible for crime prevention, Drug Abuse Resistance Education (D.A.R.E.), Safety City, the Police Athletic League (P.A.L.), the Citizen Police Academy, the Junior Citizen Police Academy, Crime-Free Multi-Housing, the Explorer Scout program, and the School Liaison Unit. **Operational Support** includes Air Support, Mounted and Canine units, Community Law Enforcement Action Response (CLEAR), and the Emergency Response Unit. The **Traffic** section includes Selective Enforcement, Collision Reconstruction, Hit and Run, and Safety Officers.
- 5) The Bureau of ***Professional Standards*** is comprised of two sections. **Planning and Analysis** includes accreditation; crime, traffic, and uniform crime report analysis; and graphic arts/printing. **Training** includes recruitment, basic and in-service training, and the police firing range.
- 6) The Bureau of ***Investigation*** includes property crimes, personal crimes, special victims, special investigations, narcotics enforcement, alcohol beverage control and vice unit, and investigative support.

Budget Summary

Expenditure by Category	Actual Expenditures FY 2009	Adopted Budget FY 2010	Mayor's Proposed FY 2011	Change FY 2010-2011	% Change FY 2010-2011
Personnel Expenditures	\$ 51,217,777	\$ 52,375,990	\$ 54,644,520	\$ 2,268,530	4.3%
Operating Expenditures	4,117,381	4,517,860	4,921,950	404,090	8.9%
Transfers	(550,000)	(363,290)	-	363,290	(100.0)%
Capital Expenditures	34,324	-	-	-	0.0%
Total Expenditures	\$ 54,819,481	\$ 56,530,560	\$ 59,566,470	\$ 3,035,910	5.4%
Total Staffing	687.5	664.5	664.5	0.0	0.0%
Budget by Program					
Chief's Office	\$ 1,153,723	\$ 1,528,750	\$ 1,911,670	\$ 382,920	25.0%
Community Services and Admin	7,946,433	7,952,900	7,810,170	(142,730)	(1.8)%
Operations	23,068,081	23,698,660	24,386,380	687,720	2.9%
Special Operations	10,170,170	10,996,300	11,976,550	980,250	8.9%
Investigations	10,188,295	10,331,700	10,549,910	218,210	2.1%
Professional Standards	2,292,780	2,022,250	2,931,790	909,540	45.0%

Budget Highlights

- The personnel budget includes funds required by collective bargaining agreements.
- Funds are provided to maintain sworn staffing at FY 2010 levels and include a projected recruit class in January 2011.
- Overtime is reduced by \$600,000 compared to the adopted FY 2010 amount.
- The following are proposed to be paid for through bond proceeds:

Replacement body armor	\$250,000
Replacement mobile data computers	\$200,000

Budget Summary

Fire

Fire and Emergency Services is divided into six programs, each focusing on a different aspect of fire safety:

- 1) **Fire Administration** is responsible for all personnel and maintains an aggressive grant research and development program. Within Fire Administration is Safety and Health. This section monitors the development of safety standard operating procedures and policies and the personal health and welfare of the employees.
- 2) **Operations** oversees the daily operations of all fire stations, as well as staffing 23 engine companies, six ladder companies, two recovery boats, four hazardous material response units, one mobile air truck, one special response unit, five district major units, and one shift commander vehicle. Within Operations is Emergency Medical Services (EMS). The EMS section delivers emergency medical care to the community through nine emergency care units and nine paramedic companies, as well as supplying and maintaining medical equipment assigned to all apparatus. Another section of Operations is Apparatus Maintenance. This section is responsible for maintaining the apparatus and vehicles in the division's fleet. The Technical Rescue and Hazardous Materials teams are also sections with operations. The Hazardous Materials team is trained in response and decontamination of hazardous chemicals. The Technical Rescue unit is trained to make specialized rescues, such as trench, swift water, and confined space.
- 3) **Fire Training** is responsible for training new personnel in basic firefighter and emergency medical service skills, as well as providing continuing education for all fire personnel. It also develops training and continuing education curriculum for all fire and EMS personnel.
- 4) **Fire Prevention** is the first line of defense for the residents of Fayette County. Fire Prevention conducts plan reviews and subsequent inspections for new construction, conducts life safety inspections on existing construction, performs fire investigations, and is directly involved with the planning for water distribution and delivery in the construction of new and existing buildings. Within Fire Prevention is Fire Facilities Maintenance. This section is responsible for the maintenance on all stations and properties/buildings operated by the Division of Fire.
- 5) **Planning and Analysis** is responsible for the 800 MHz public safety radio communications system, information technology distribution, and maintenance of all electronic equipment for the division for over 500 users located at more than 40 locations.
- 6) **Community Services** performs public information officer/media relations functions. This bureau provides basic safety presentations to residents through the Citizens' Fire Academy, churches, civic groups, businesses, and other organization. Community Services also provides customer service/victim assistance at fires or other emergency scenes. Fire and Emergency Services is divided into six programs, each focusing on a different aspect of fire safety:

Budget Summary

Expenditure by Category	Actual Expenditures FY 2009	Adopted Budget FY 2010	Mayor's Proposed FY 2011	Change FY 2010-2011	% Change FY 2010-2011
Personnel Expenditures	\$ 49,700,471	\$ 48,538,970	\$ 49,331,300	\$ 792,330	1.6%
Operating Expenditures	5,165,847	5,840,300	5,610,405	(229,895)	(3.9)%
Transfers	-	-	-	-	0.0%
Capital Expenditures	-	-	-	-	0.0%
Total Expenditures	\$ 54,866,319	\$ 54,379,270	\$ 54,941,705	\$ 562,435	1.0%
Total Staffing	546.0	561.0	557.6	(3.4)	(0.6)%
Budget by Program					
Fire Administration	\$ 52,843,027	\$ 52,239,990	\$ 52,820,110	\$ 580,120	1.1%
Operations	1,599,184	1,622,370	1,631,675	9,305	0.6%
Fire Training	13,616	17,780	12,770	(5,010)	(28.2)%
Fire Prevention	142,054	184,850	163,320	(21,530)	(11.6)%
Planning & Analysis	260,754	306,150	302,320	(3,830)	(1.3)%
Community Services	7,684	8,130	11,510	3,380	41.6%

Budget Highlights

- The personnel budget includes funds required by collective bargaining agreements.
- Funds are provided to maintain sworn staffing at FY 2010 levels and include projected recruit classes in September 2010 and January 2011.
- Overtime is reduced by \$1,301,000 compared to the adopted FY 2010 amount.
- The following are proposed to be paid for through bond proceeds:
 - Replacement personal protective gear - \$100,000
 - Replacement radios - \$100,000
 - Training tower - \$940,000¹
 - Station 6 repairs - \$100,000²

¹ Includes amounts previously approved but not bonded.

² Includes amounts previously approved but not bonded.

Budget Summary

Code Enforcement

Code Enforcement is responsible for enforcement of the Building Officials and Code Administrators International Property Maintenance Code. This is accomplished by three methods: 1) Inspectors investigate complaints received concerning any Fayette County property; 2) Inspectors select the worst properties in their areas and designate them for comprehensive inspections within the year; and 3) The comprehensive component inspects all properties within a specific geographical area and cites code violations.

Expenditure by Category	Actual Expenditures FY 2009	Adopted Budget FY 2010	Mayor's Proposed FY 2011	Change FY 2010-2011	% Change FY 2010-2011
Personnel Expenditures	\$ 1,326,445	\$ 1,419,910	\$ 1,426,950	\$ 7,040	0.5%
Operating Expenditures	262,395	329,770	243,800	(85,970)	(26.1)%
Transfers	-	-	-	-	0.0%
Capital Expenditures	6,000	-	-	-	0.0%
Total Expenditures	\$ 1,594,839	\$ 1,749,680	\$ 1,670,750	\$ (78,930)	(4.5)%
Total Staffing	24.0	24.0	24.0	0.0	0.0%
Budget by Program					
Code Enforcement Administration	\$ 1,413,870	\$ 1,498,210	\$ 1,497,400	\$ (810)	(0.1)%
Nuisance	89,051	107,250	87,000	(20,250)	(18.9)%
Sidewalks	76,706	67,500	30,000	(37,500)	(55.6)%
Demolition	15,212	76,720	56,350	(20,370)	(26.6)%

Budget Highlights

- The current level of staffing is maintained for FY 2011.
- Funding for abatement accounts and the sidewalk assistance program are reduced from the FY 2010 adopted levels.

Budget Summary

General Services

\$26,986,532 330.9 FTE

General Services is the second largest department comprising 10 percent of the FY 2011 General Fund budget.

Budget By Division	Actual Expenditures FY 2009	Adopted Budget FY 2010	Mayor Proposed FY 2011	Dollar Change	Percent Change
Parks and Recreation	\$ 17,371,985	\$ 18,841,310	\$ 17,257,886	\$ (1,583,424)	-8.4%
Facilities & Fleet Management	8,432,964	10,515,790	7,972,545	(2,543,245)	-24.2%
Commissioner of General Services	2,083,642	1,870,490	1,756,101	(114,389)	-6.1%
Total	\$ 27,888,591	\$ 31,227,590	\$ 26,986,532	\$ (4,241,058)	-13.6%

Budget Summary

Commissioner of General Services

The Commissioner of General Services oversees the divisions of Facilities and Fleet Management and Parks and Recreation, as well as the mailroom, parking garages, utilities, and pool vehicle fleet.

Expenditure by Category	Actual Expenditures FY 2009	Adopted Budget FY 2010	Mayor's Proposed FY 2011	Change FY 2010-2011	% Change FY 2010-2011
Personnel Expenditures	\$ 822,723	\$ 775,020	\$ 672,400	\$ (102,620)	(13.2)%
Operating Expenditures	1,252,420	1,095,470	1,083,701	(11,769)	(1.1)%
Transfers	-	-	-	-	0.0%
Capital Expenditures	8,500	-	-	-	0.0%
Total Expenditures	\$ 2,083,642	\$ 1,870,490	\$ 1,756,101	\$ (114,389)	(6.1)%
Total Staffing	10.0	9.0	8.2	(0.8)	(8.5)%
Budget by Program					
General Services Comm Office	\$ 921,577	\$ 985,520	\$ 821,941	\$ (163,579)	(16.6)%
Governmental Programs	1,162,066	884,970	934,160	49,190	5.6%

Budget Highlights

- The General Services Commissioner’s office is absorbing a significant decrease, primarily in the areas of personnel and professional services.
- LFUCG is projecting utility increases in the areas of electric, water, and the new storm water fee.
- Despite the limited budget, participation in ICMA is included to provide tools and information to improve operating efficiencies using best practice information. Establishing/monitoring of internal benchmarks, as well as identifying other external “peer” operational performance targets, will provide the department the ability to gauge the effectiveness of its operational/efficiency enhancement initiatives.

Budget Summary

Facilities and Fleet Management

The Divisions of Building Maintenance and Fleet Services were combined into the new Division of Facilities and Fleet Management effective with FY 2009 based on recommendations from the Management Partners audit. The new division also includes security, custodial, and parking garage functions. The division oversees building and facility maintenance on most government buildings, provides asbestos and lead abatement services for the government (and, through contracts, for related partner agencies), provides security and custodial services, and coordinates building construction and design projects. In addition, it is responsible for the acquisition, repair, and maintenance of LFUCG vehicles and equipment.

Expenditure by Category	Actual Expenditures FY 2009	Adopted Budget FY 2010	Mayor's Proposed FY 2011	Change FY 2010-2011	% Change FY 2010-2011
Personnel Expenditures	\$ 7,803,588	\$ 8,960,610	\$ 7,946,240	\$ (1,014,370)	(11.3)%
Operating Expenditures	627,086	2,555,180	1,960,266	(594,914)	(23.3)%
Transfers	-	(1,000,000)	(3,083,961)	(2,083,961)	208.4%
Capital Expenditures	2,291	-	1,150,000	1,150,000	--
Total Expenditures	\$ 8,432,964	\$ 10,515,790	\$ 7,972,545	\$ (2,543,245)	(24.2)%
Total Staffing	157.7	150.6	128.4	(22.2)	(14.7)%
Budget by Program					
Security	\$ 833,006	\$ 1,222,060	\$ 705,480	\$ (516,580)	(42.3)%
Parking Garages	26,530	63,300	83,900	20,600	32.5%
Parking Garages	15,566	540,170	286,570	(253,600)	(46.9)%
Fleet Services Operations	1,920,472	2,247,040	-	(2,247,040)	(100.0)%
Building Maintenance	5,637,390	6,443,220	6,896,595	453,375	7.0%

Budget Highlights

- The primary/immediate impact of the proposed FY 2011 budget will be the reduction in staffing/personnel, as well as operational funds. The key challenge will be to sustain the current level and quality of services while facing ever-growing demand due to the magnitude of the

Budget Summary

deferred maintenance projects, as well as age of facilities. In anticipation of such challenges, the division has continued conducting internal discussions with managers and supervisors in order to identify areas of operational efficiency improvements by fully leveraging resources, both financial and personnel.

- The proposed \$1.1 million maintenance pool will enable the division to move forward with implementation of improvements identified as level one priority based on two primary criteria: life/safety and operational efficiency improvements.
- The implementation cost for real estate management (software) is included in the CIO's budget. This will allow us to continue to make major improvements in the management of LFUCG's real estate investments. The personnel component has been partially funded for FY 2011.
- The area of Fleet Management has allocated the entire cost of their operation using a full loaded labor rate. This results in the actual cost of operating our fleet to be reflected in the operation budgets of the divisions that use our fleet service, resulting in more management oversight of the fleet program.

Budget Summary

Parks and Recreation

Parks and Recreation has six sections that develop, equip, and operate more than 4,500 acres of parks, playgrounds, swimming pools, and golf courses.

Expenditure by Category	Actual Expenditures FY 2009	Adopted Budget FY 2010	Mayor's Proposed FY 2011	Change FY 2010-2011	% Change FY 2010-2011
Personnel Expenditures	\$ 11,136,877	\$ 11,727,460	\$ 10,648,700	\$ (1,078,760)	(9.2)%
Operating Expenditures	5,960,404	6,592,250	6,214,186	(378,064)	(5.7)%
Transfers	94,958	501,600	395,000	(106,600)	(21.3)%
Capital Expenditures	179,745	20,000	-	(20,000)	(100.0)%
Total Expenditures	\$ 17,371,985	\$ 18,841,310	\$ 17,257,886	\$ (1,583,424)	(8.4)%
Total Staffing	215.6	212.7	194.3	(18.4)	(8.7)%
Budget by Program					
Park Administration	\$ 1,135,448	\$ 1,809,730	\$ 1,560,270	\$ (249,460)	(13.8)%
Parks Planning and Design	346,575	354,860	294,850	(60,010)	(16.9)%
Parks Maintenance	7,155,005	6,965,330	6,567,398	(397,932)	(5.7)%
Recreation Programs	2,032,545	2,286,250	2,014,260	(271,990)	(11.9)%
Special Programs	1,168,981	1,093,540	962,370	(131,170)	(12.0)%
Enterprise Programs	5,533,431	6,331,600	5,858,738	(472,862)	(7.5)%

Budget Summary

Budget Highlights

- LFUCG is committed to operating golf courses on a break-even basis each year, seeing to it that revenue covers personnel and operating expenses. The closing of the golf course at Avon is proposed for next year. The Avon course had 7,700 rounds played in FY 2009, which is only 6 percent of the total 122,000 rounds played at the six courses. This nine-hole course will be re-programmed with new recreation options in conjunction with the state and federal government agencies that have an interest in the property.
- In addition, Parks is recommending raising weekend greens fee rates, cart rental fees, and the charge for range balls, which will add \$100,000 in revenue for FY 2011.
- Parks is also recommending raising pool admission by \$1 per patron to better cover the cost of the aquatics program, which is estimated to increase pool revenue by about \$150,000. Parks further recommends closing the under-utilized pools at Berry Hill and Constitution parks. Together, these pools attracted only 7,900 visits last year, which is less than 5 percent of the total visits to the city's nine pools.
- The budget recommends changing the funding and staffing of the community center at Winburn to make the program more focused and academically challenging. The changes will be positive, providing improved programming for the community that it is designed to serve.
- The significantly reduced operating and personnel budgets will have an impact on general maintenance items, such as reducing the frequency of grass mowing for city parks, rights of way, and medians, and reducing trash pickup at parks.
- A dedicated building permit fee was passed in 1983, and the ordinance imposing this fee was clarified in 1995 to restrict its use to park land acquisition. The transfer to the PFC Parks Projects Fund is as follows:

	FY 2010	FY 2011
Park maintenance and development (building permit fees)	\$400,000	\$300,000
Golf course improvements	101,600	95,000
Total	\$501,600	\$395,000

Budget Summary

Partner Agencies

\$ 17,733,810

Partner agencies account for approximately six percent of all General Services District expenditures. Funding for partner agencies has decreased by \$664,300. This is the result of decreases to many agencies, including a \$631,840 decline in funding to the library.

The animal control contract with the Lexington Humane Society was reassigned to the partner agency section from the Commissioner of Public Safety's budget for FY 2010. This continues for FY 2011.

The *Lexington Public Library* receives 74 percent of the total partner agency funding (\$13 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. The initial budget is based on estimates of 2010 (FY 2011) property value certifications. The decrease in funding reflects a projected decrease in the valuation of taxable property.

Component Partner Agencies

Component agencies are discretely presented entities. Discretely presented agencies have governing bodies appointed by the LFUCG, and the agencies are fiscally dependent on the LFUCG. Blended agencies are, in substance, the same as the government, despite being legally separate.

Partner Agency	Actual Expenditures FY 2009	Adopted Budget FY 2010	Mayor's Proposed FY 2011	Change FY 2010-2011	% Change FY 2010-2011
<i><u>Finance and Administration Agencies</u></i>					
Explorium of Lexington	\$ 213,750	\$ 203,060	\$ 187,830	\$ (15,230)	(7.5)%
<i><u>Economic Development Agencies</u></i>					
Downtown Development Authority	257,140	244,280	234,700	(9,580)	(3.9)%
Lexington Center Corporation	-	-	-	-	0.0%
Lexington Convention & Visitor	-	-	-	-	0.0%
Lexington Public Library	13,065,900	13,706,650	13,074,810	(631,840)	(4.6)%
Total Component Partner Agencies	\$ 13,536,790	\$ 14,153,990	\$ 13,497,340	\$ (656,651)	(4.6)%

Budget Summary

Explorium of Lexington

The Explorium of Lexington provides interactive learning for children of all ages through changing exhibits and galleries. These exhibits offer a variety of opportunities for performances, programs, and education by volunteers and teachers. Beginning in FY 2010, the Explorium is offering several new and expanded services, such as a new art gallery for children and an equestrian exhibit to educate children and families so they know the importance of the World Equestrian Games, which are coming to Lexington in FY 2010. The LFUCG funding supports two areas of the museum, salaries, and general operations.

Lexington Downtown Development Authority

The Downtown Development Authority (DDA) assists in facilitating development and redevelopment in the downtown area; acquiring, constructing, maintaining, and improving any “public project”; developing and coordinating implementation of LFUCG’s downtown, neighborhood, area-wide, and corridor plans and policies; establishing design and related standards for development and redevelopment; and coordinating activities of other Urban County Government supported departments, offices, and public corporations involved in development and redevelopment related activities.

Lexington Center Corporation

A portion of the hotel/motel room tax revenues are dedicated to the Lexington Center Corporation (LCC). The revenue generated is used by LCC to assist in interest and principal payments for bonds, plus the cost of operating and insuring the facility.

Lexington Convention and Visitors Bureau

A portion of the hotel/motel room tax revenues are dedicated to the Lexington Convention and Visitors Bureau (LCVB). The revenue is used by the LCVB to positively impact the economic well-being of Lexington-Fayette County by marketing the Bluegrass Region as an outstanding destination for business and leisure travel, and by providing quality service to these visitors.

Lexington Public Library

The Lexington Public Library provides information, education, culture, and recreation through the organization and circulation of books, maps, magazines, government documents, films, music, videos, and various other materials. The library operates the main library and four full-service branches within the county. The LFUCG is mandated to fund the Lexington Public Library at a rate equal to five cents per \$100 assessed valuation of taxable property in Fayette County.

Budget Summary

Other Partner Agencies

Other partner agencies are totally separate from the government and receive only a portion of their funding from the LFUCG. Funding is usually given to provide a specific service to the community.

Agency	Actual Expenditures FY 2009	Adopted Budget FY 2010	Mayor's Proposed FY 2011	Change FY 2010-2011	% Change FY 2010-2011
<u>Economic Development Agencies</u>					
Commerce Lexington	\$ 549,650	\$ 522,170	\$ 508,010	\$ (14,160)	(2.7)%
Downtown Arts Center	115,450	109,680	101,450	(8,230)	(7.5)%
Downtown Lexington Corporation	54,000	51,300	47,450	(3,850)	(7.5)%
Kentucky World Trade Center	115,000	109,250	101,050	(8,200)	(7.5)%
SCORE	7,000	6,650	6,150	(500)	(7.5)%
Lyric	-	-	150,000	150,000	--
Bluegrass Community Foundation	-	-	95,000	95,000	--
Eastern State Hospital	8,025,440	-	-	-	0.0%
<u>Finance and Administration Agencies</u>					
Carnegie Literacy Center	30,123	36,000	33,300	(2,700)	(7.5)%
<u>Community Development Agencies</u>					
Urban League	70,000	66,500	61,510	(4,990)	(7.5)%
Sunflower Kids	25,000	25,000	23,130	(1,870)	(7.5)%
Human Rights Commission	190,000	180,500	166,960	(13,540)	(7.5)%
Road to Homeownership, Inc.	33,750	32,060	29,660	(2,400)	(7.5)%
<u>Public Works and Development Agencies</u>					
Environmental Commission	2,410	2,290	2,120	(170)	(7.4)%
<u>Public Safety Agencies</u>					
Animal Control	-	1,035,000	904,000	(131,000)	(12.7)%
<u>Social Service Agencies</u>					
Baby Health Service	19,500	18,000	16,650	(1,350)	(7.5)%
Bluegrass Area Dev District	85,230	83,680	83,460	(220)	(0.3)%
Bluegrass Community Action Agency	32,500	30,000	27,750	(2,250)	(7.5)%

Budget Summary

Other Partner Agencies (Continued)

Partner Agency	Actual Expenditures FY 2009	Adopted Budget FY 2010	Mayor's Proposed FY 2011	Change FY 2010-2011	% Change FY 2010-2011
Bluegrass Domestic Violence	\$ 75,000	\$ 75,000	\$ 75,000	\$ -	0.0%
Bluegrass Technology Center	3,000	3,000	2,780	(220)	(7.3)%
Cntr for Women Children & Families	50,000	50,000	46,250	(3,750)	(7.5)%
Chrysalis House	43,333	40,000	37,000	(3,000)	(7.5)%
Community Action Council	195,000	180,000	166,500	(13,500)	(7.5)%
Big Brothers Big Sisters	10,290	10,290	9,520	(770)	(7.5)%
Comprehensive Care Center	247,646	314,750	291,140	(23,610)	(7.5)%
EMMAUS	(13,495)	-	-	-	0.0%
Hope Center for Men	740,000	740,000	740,000	-	0.0%
Metro Group Homes	171,333	158,000	158,000	-	0.0%
Moveable Feast Lexington, Inc.	46,667	40,000	37,000	(3,000)	(7.5)%
Nursing Home Ombudsman Program	50,000	50,000	46,250	(3,750)	(7.5)%
Rape Crisis Center	75,000	75,000	69,380	(5,620)	(7.5)%
Salvation Army	200,000	200,000	200,000	-	0.0%
YMCA of Central Kentucky	100,000	-	-	-	0.0%
Total Other Partner Agencies	\$ 11,348,826	\$ 4,244,120	\$ 4,236,470	\$ (7,650)	(0.2)%

Animal Control - Lexington Humane Society

The Lexington Humane Society provides a variety of animal-related services to the Lexington-Fayette county area, including adoption, educating the community on responsible lifelong pet ownership, emergency rescue, and wild animal control. The LFUCG funds the Humane Society's Animal Control program, which includes animal licensing and capturing of loose animals. This funding is in the Commissioner of Public Safety's budget as a transfer to component units for FY 2011.

Baby Health Service

Baby Health Service has been providing free pediatric health care for over eighty years. Area physicians donate their services by providing routine immunizations and prescriptions, as well as x-rays and laboratory tests. This past year, Baby Health Service added the services of the

Budget Summary

UK/Ronald McDonald House Dental Van on-site each Monday. It is a fully functioning mobile dental van, with state-of-the-art equipment. Each Monday the dentist and hygienists care for Baby Health patients, providing cleanings, fillings, education, and other dental care. Studies show that children who receive proper medical and dental care are healthier throughout their lifetimes than those who do not. Baby Health is committed to provide medical and dental care for the portion of the community that cannot afford medical and dental insurance, yet do not qualify for a medical card. LFUCG funding supports the overall agency.

Big Brothers Big Sisters of the Bluegrass

Big Brothers Big Sisters of the Bluegrass is a non-profit agency that helps children and youth primarily from single parent families by providing regular, personal contact on a one-to-one basis between the child and a thoroughly trained volunteer mentor. The mentoring relationship provides some of the key ingredients necessary for healthy child development, such as self esteem, respect for others, goal achievement, and responsibility. LFUCG funding supports the Fayette County school-based mentoring programs that include a total of six Fayette County schools. This program helps children develop positive outcomes such as improved behavior and performance at school, a sense of hope for a successful future, and caring relationships with family, peers, and other adults. It also helps at-risk children avoid negative outcomes like early parenting, substance abuse, and juvenile delinquency.

Bluegrass Area Development District

As one of fifteen agencies created by state legislation, the Bluegrass Area Development District (ADD) strives to protect the natural resources within the district (seventeen counties in the Central Kentucky area), while providing for community development. The Bluegrass ADD assists communities with transportation, tourism, planning, aging services, and grants. LFUCG funds go toward the daily operation costs not covered by state or federal grants. In addition, LFUCG provides funding for the Homecare program. This program provides services to persons over sixty years of age who are at risk for nursing home placement, helping them to remain in their homes as long as possible.

Bluegrass Comprehensive Care Center

This community-based program provides mental health and mental retardation services for the residents of Fayette County. Comprehensive Care receives LFUCG funding for the overall agency, the Domestic Violence program, and the Graham B. Dimmick Child Guidance program. The Domestic Violence program deals with both the victim and the offender; it provides an educational and therapeutic course for offenders, a support group for the graduates of that course, and a support group for victims. Beginning in FY 2007, the center began participation with four other agencies in a new youth substance abuse treatment program for teen's ages 11 to 17 in Fayette County.

Bluegrass Community Action Agency

Budget Summary

Funds provided by LFUCG are used as grant match for the Elder Nutrition Program grant, and do not go toward the general costs of the organization. The matching funds help cover the costs of meals and transportation for persons age 60 or older and their spouses five days a week.

Bluegrass Community Foundation

Funds are provided for Bluegrass Community Foundation to oversee the implementation of the Destination 2040 community visioning project. Destination 2040 is an effort to identify a common vision for Lexington and execute tangible action items in order to move in the direction of the collective vision of the community. During the Destination 2040 project in 2008-09, over 3,000 citizens were engaged and a diverse and inclusive citizen-led steering committee helped craft the report. The Legacy Center at the Bluegrass Community Foundation is poised to assist in the coordination and implementation of the action steps identified by the report. From the beginning of the project, it was envisioned that a third-party administrator would be charged with overseeing the execution of the ideas brought forward by the community, helping individuals and organizations identify what they can do to help achieve the City's vision. Support for this Destination 2040 will also be sought from the private sector.

Bluegrass Domestic Violence Program, Inc.

The Bluegrass Domestic Violence Program is a private, non-profit agency established to provide comprehensive shelter and support services to victims of domestic violence and their children residing in the Bluegrass Area Development District. LFUCG funding will pay the salaries of two full-time Family Advocates that provide emergency financial assistance, individual counseling, legal advocacy services, transportation advocacy services, participant follow up, and answering of crisis related calls. They also provide referrals and service coordination for a range of local resources such as educational and employment assistance, substance abuse treatment, mental health providers, and other necessary services.

Bluegrass Rape Crisis Center

The Rape Crisis Center provides services to rape and sexual assault victims, their families, and friends, as well as public awareness and prevention programs. The center runs a 24-hour crisis line staffed by trained volunteer counselors and supports the victim during police, hospital, and court proceedings. The Rape Crisis Center also offers counseling to recent victims and adult survivors of childhood assault. LFUCG funds are used to match federal grant funds for Fayette County services.

Bluegrass Technology Center, Inc.

Budget Summary

The Bluegrass Technology Center helps persons with disabilities access technology and increases their understanding of how technology can enhance their abilities to participate more fully in the community. LFUCG funding is used to help people with disabilities gain employment.

Carnegie Center for Literacy and Learning

The Carnegie Center promotes literacy within the community for all age groups and reading levels. Programs are offered to the public on a variety of topics including reading, writing, speaking, and technology skills. In 2009, the Carnegie Center began offering a greater variety of workshops designed to help our community members who need support in acquiring new workplace skills or preparation to apply for new jobs. LFUCG leases Carnegie Center's building from the library, provides funding towards the center's utilities, and provides non-monetary support in the form of facility maintenance.

Center for Women, Children and Families

The Center for Women, Children and Families is dedicated to combating the complex problem of child abuse and neglect in our community. The Center known as "the Nest" provides a safe, accessible and healing environment that seeks to heal the child by healing the family. To accomplish this, programs such as parenting education, counseling, and support are offered that focus on the stabilization of the family as a unit. The parenting programs provide self-help services that change attitudes and build knowledge and skills that can be put to use in family interaction. For examples, classes teach inappropriate expectations of children and understanding children's needs. The counseling programs help parents work on their parenting skills, address issues of child abuse, neglect and victimization, and generally provide help and support to women and their children. The Crisis Case Management program works to address the needs of women and children in crisis by linking them to resources available to help them through temporary crisis. Beginning in FY 2007, the center began participation with four other agencies in a youth substance abuse treatment program for teens' ages 11 to 17 in Fayette County. Funds provided by the LFUCG help to offset costs of the overall agency.

Chrysalis House

Chrysalis House is Kentucky's oldest and largest licensed substance abuse treatment program for women. While addressing the care of the women, Chrysalis House also provides services to the children, many of whom have been subjected to abuse or neglect during the active stage of their mother's addiction. These children are in a high risk group for a triad of related behaviors: juvenile delinquency, early sexual activity, and substance abuse. In 2007, Chrysalis House implemented a new youth substance abuse treatment program to expand and enhance its services to adolescents ages 11 to 17 in Fayette County, who have been affected by the aftermath of chemical dependence. The other participating agencies are the Comprehensive Care Center, Family Counseling Service, Center for Women, Children and Families, and the LFUCG Division of Youth Services.

Budget Summary

Commerce Lexington, Inc.

Commerce Lexington, Inc. was created by the merger of the Greater Lexington Chamber of Commerce, Lexington United, and Lexington Partnership for Workforce Development. It is greater Lexington's main business organization whose goal is to promote economic development, job creation, and overall growth in Lexington and its neighboring communities.

Community Action Council

The Community Action Council, established by the state of Kentucky, serves Fayette, Nicholas, Harrison, and Bourbon Counties. The agency strives to encourage private sector participation in the community due to decreased government resources and to promote economic development, which will assist the low-income public. The council provides services such as Head Start and WinterCare. LFUCG funding provides grant match and general support for the council's administrative and support functions, Fayette County senior transportation services, and the Retired and Senior Volunteer Program (RSVP).

Downtown Arts Center

The Downtown Arts Center opened March 1, 2002. LFUCG funding is for a management contract with the Lexington Arts and Cultural Council for this facility. The arts center encourages diverse, high-quality cultural activities and events. It features a 250-seat contemporary theater, a second performance space for 50-80, a café, a 1,500-square foot rehearsal hall, gallery space, and reception and meeting rooms.

Downtown Lexington Corporation

The Downtown Lexington Corporation (DLC) promotes downtown Lexington as an excellent place to live, work, and be entertained. The DLC promotes activities in the downtown area such as Thursday Night Live and Noontime Diversions. Also, the DLC attempts to solve the problems facing downtown, such as parking and housing. LFUCG funding provides general support for DLC.

Emmaus Road Village

Budget Summary

Emmaus Road Village seeks to break the cycle of crime by helping ex-offenders transition back into the community and becoming self-sufficient. LFUCG funding was for the Employment Support Center, which selected 120 nonviolent ex-offenders to participate in an 80-hour manufacturing certification program. No funding is provided for FY 2010.

Environmental Commission

The Environmental Commission provides guidance for good environmental standards, thereby protecting the environment for future generations. The commission promotes the public awareness of environmental issues, as well as researches and drafts environmental policies for use in the community. The funding provided by the LFUCG supports the operations of the commission, including the salary of the Coordinator.

Fayette County Legal Aid

Fayette County Legal Aid provides legal representation for indigent persons within Fayette County. The agency's services include offering legal assistance in juvenile court and criminal cases. The majority of funding for Fayette County Legal Aid is received from the state's Department of Public Advocacy. The LFUCG funds supported the general operations of Fayette County Legal Aid. No funding is provided for FY 2010.

Hope Center

The Hope Center provides life-sustaining/life-rebuilding services to Lexington's homeless and at-risk persons through shelter, employment

Human Rights Commission

The Human Rights Commission is under contract with the Equal Employment Opportunity Commission and the U. S. Department of Housing and Urban Development to conduct investigations regarding employment and housing discrimination in Fayette County. Through investigation, mediation, and negotiation, the commission strives to resolve charges. LFUCG funding supports the overall agency.

Kentucky World Trade Center

The Kentucky World Trade Center (KWTC) is a non-profit organization that plays a vital role in local economic development by serving as a one-stop-shop for trade assistance to the business community. Programs and services are designed to keep local firms globally competitive. The agency has locations in Lexington and Louisville. In preparation for the 2010 World Equestrian Games, the KWTC is also working closely with the key organizations involved to provide cross-cultural trainings, language translation, and programs on the world equine industry.

Budget Summary

Lyric Theater

In 2009, the Council authorized funding for the renovation and construction of the Lyric Theatre and Cultural Arts Center, a long awaited project for Lexington's East End and community-at-large. The Lyric is an important cultural icon, serving as a prominent theatre for the African-American community until 1963. Numerous members of the community and the Lyric Theatre Task Force worked for years to make the Lyric's rebirth a reality. The Mission of the Lyric Theatre and Cultural Arts Center is to preserve, promote, present and celebrate diverse cultures with special emphasis on African-American cultural heritage through artistic presentations of the highest quality, educational programming and outreach, film, and opportunities for community inclusion. A board of director for the Lyric has been appointed by the Mayor and confirmed by the Council. The Board is charged with overseeing the operations and management of this new arts and cultural center.

M.A.S.H. Services of the Bluegrass (Metro Group Homes)

M.A.S.H. Services of the Bluegrass (Metro Group Homes) operates three facilities housing two major residential programs. M.A.S.H. Drop Inn, a 24-hour emergency shelter, serves youth 11 to 17 years old for up to 30 days. Transitional and Independent Living serves youth 17 to 21 years old for up to 18 months. Additional programs include Safe Place services, aftercare services, and peer education. LFUCG funding supports the overall agency.

Moveable Feast Lexington, Inc.

Moveable Feast prepares and delivers a hot, nutritious meal five days a week to people in Fayette County with HIV/AIDS or people receiving Hospice Care, their caregiver, and any dependant children in the home. The agency has four employees and relies on about 200 volunteer hours per week to deliver the meals. They currently deliver between 105 and 115 meals per day at a cost of \$1.70 for food and packaging per meal and \$5.02 overall program cost per meal.

Nursing Home Ombudsman

The Nursing Home Ombudsman Agency of the Bluegrass, Inc. (NHOA) provides advocacy services to frail, vulnerable elders in Fayette County. The core service is a trained, certified, supported advocate who responds to the needs of residents. These needs are identified by the resident, by observation on the part of the Ombudsman, and through complaints expressed by family and friends. Ombudsmen are recruited from the neighborhoods of each nursing home to visit with residents and to monitor the quality of care.

Operation Read

Budget Summary

Operation Read helped Lexingtonians improve their reading and writing abilities through community volunteers and small group tutoring sessions. It ceased to exist on June 30, 2008; however, the Bluegrass Community and Technical College agreed to provide the services that Operation Read had previously provided the community. The Carnegie Center provides an office, utilities, and cleaning services, as well as access to classrooms and meeting spaces as an in-kind contribution to the Bluegrass Community and Technical College. No LFUCG funding is provided for FY 2010.

Road to Home Ownership

The Road to Home Ownership is a non-profit educational program that allows individuals to learn and attain the necessary financial requirements and benefits of owning their own homes. The ultimate goal, upon successful completion of the program, is that the participant will begin down the path of building wealth by realizing the dream of homeownership, in buying and keeping a home.

Salvation Army

The Salvation Army offers several programs to improve the lives of the people it serves. A social worker assesses the needs of clients and may offer them lodging, food, monetary assistance, and counseling or referrals. LFUCG funding supports the Emergency Shelter for Families and Women, which serves low and no income families and women and children who have hit rock bottom with few resources and no place to go. The Salvation Army also opens its doors to the entire community regardless of income level when emergency situations such as disasters or fire hit our area.

Service Corps of Retired Executives (SCORE)

SCORE is an all volunteer non-profit organization that provides technical and managerial guidance to small business owners, profit and non-profit organizations, and prospective business owners in order to contribute to their growth and success. Both working and retired executives and business owners provide free and confidential advice, face-to-face mentoring, training seminars, and online advice to promote and expand small businesses within the region.

Sunflower Kids

Sunflower Kids is a non-profit, supervised visitation center located in Lexington that provides a safe and comfortable environment for children to visit with parents who do not live with them due to domestic violence, child abuse or neglect, substance abuse, mental health issues or estrangement. Sunflower Kids also provides education and training to the general public and human service and legal professionals to increase awareness of issues related to supervised visitation and to promote opportunities for children and parents to have safe, conflict-free interaction. The agency works closely with community partners, such as Fayette Family Court, the Friend of the Court Office, the Department of Community

Budget Summary

Based Services, and the Bluegrass Domestic Violence Program. LFUCG funding supports a full-time Visitation Coordinator who provides visitation and exchanged services to 50 Fayette County families.

Urban League

The Urban League's mission is to enable African Americans and disadvantaged citizens in the achievement of social and economic equality. The mission is achieved by conducting programs in education, employment, housing and community development, and advocacy

YMCA of Central Kentucky

LFUCG funding was toward the building of a new facility in the Hamburg area, with the stipulation that an agreement be reached to provide equitable membership costs for LFUCG employees.

Budget Summary

General Government \$(2,714,687) 93.1 FTE

General Government programs include: Council Office, Office of the Mayor, Special Projects, Internal Audit, Office of the Senior Advisor, Office of Policy and Budget, Constitutional and Judicial Officers, and Contingency and Indirect Cost. These programs account for a negative one percent of the General Fund budget.

Budget By Division	Actual Expenditures FY 2009	Adopted Budget FY 2010	Mayor Proposed FY 2011	Dollar Change	Percent Change
Council Office	\$ 2,361,948	\$ 2,380,230	\$ 2,166,050	\$ (214,180)	-9.0%
Citizens' Advocate	176,550	182,150	82,730	(99,420)	-54.6%
Council Clerk's Office	728,793	768,190	646,205	(121,985)	-15.9%
Internal Audit Office	439,246	820,640	738,793	(81,847)	-10.0%
Mayor's Office	1,716,544	1,546,340	1,391,174	(155,166)	-10.0%
Special Projects	874,536	945,120	831,033	(114,087)	-12.1%
Chief Administrative Officer	(4,757)	-	-	-	--
Senior Advisor	144,902	153,650	154,016	366	0.2%
Policy and Budget	504,610	499,900	513,700	13,800	2.8%
Contingency\Indirect Cost	(3,499,980)	(6,570,970)	(12,864,260)	(6,293,290)	95.8%
Constitutional and Judicial	2,719,254	3,036,670	3,491,302	454,632	15.0%
Total	\$ 6,282,277	\$ 3,837,870	\$ (2,714,687)	(\$6,552,557)	-170.7%

Budget Summary

Circuit Judges

The Circuit Court is the court of general jurisdiction and hears all civil matters involving more than \$4,000. It has jurisdiction over capital offenses, felonies, divorces, adoptions, termination of parental rights, land title problems, and contested probate of will cases. The Circuit Court also has power to issue injunctions, writs of prohibition, and writs of mandamus, and hears appeals from District Court and administrative agencies. The Circuit Court's Friend of the Court (FOC) program serves Fayette Family Court by assisting pro se litigants in filing motions and drafting orders. FOC also employs a team of social workers who provide evaluative services in custody and timesharing disputes. Supervised timesharing services are also provided.

Expenditure by Category	Actual Expenditures FY 2009	Adopted Budget FY 2010	Mayor's Proposed FY 2011	Change FY 2010-2011	% Change FY 2010-2011
Personnel Expenditures	\$ 297,920	\$ 314,550	\$ 316,300	\$ 1,750	0.6%
Operating Expenditures	7,950	8,500	8,500	-	0.0%
Transfers	-	-	-	-	0.0%
Capital Expenditures	-	-	-	-	0.0%
Total Expenditures	\$ 305,870	\$ 323,050	\$ 324,800	\$ 1,750	0.5%
Total Staffing	5.0	5.0	5.0	0.0	0.0%
Budget by Program					
Circuit Judges	\$ 305,870	\$ 323,050	\$ 324,800	\$ 1,750	0.5%

Budget Summary

County Clerk

The County Clerk budget provides funds for the County Board of Real Estate Assessment Appeals, the permanent binders and acid-free paper for the permanent storage of land records, and the operating costs of micrographic devices to view the permanent land record documents. This is a minor portion of the overall funding of the County Clerk's office, which is supported primarily by fees authorized by state statutes.

The County Clerk also has an Elections program that provides funds for storage, maintenance, and repair of all voting machines, as well as the set up of each election ballot, advertisement, and pickup and delivery to the precincts.

Expenditure by Category	Actual Expenditures FY 2009	Adopted Budget FY 2010	Mayor's Proposed FY 2011	Change FY 2010-2011	% Change FY 2010-2011
Personnel Expenditures	\$ -	\$ -	\$ -	\$ -	0.0%
Operating Expenditures	205,990	261,630	338,690	77,060	29.5%
Transfers	-	-	-	-	0.0%
Capital Expenditures	-	-	-	-	0.0%
Total Expenditures	\$ 205,990	\$ 261,630	\$ 338,690	\$ 77,060	29.5%
Total Staffing	0.0	0.0	0.0	0.0	0.0%
Budget by Program					
County Clerk	\$ 91,431	\$ 132,480	\$ 119,290	\$ (13,190)	(10.0)%
Elections - County Court Clerk	114,559	129,150	219,400	90,250	69.9%

Budget Highlights

- FY 2011 includes funding for two elections. FY 2010 included only one.

Board of Elections

The Board of Elections is responsible for protecting the integrity of the electoral process and monitoring elections in Fayette County. This program also oversees the division of the county into precincts that conform to Kentucky statute requirements, as well as the division of all political jurisdictions.

Budget Summary

Expenditure by Category	Actual Expenditures FY 2009	Adopted Budget FY 2010	Mayor's Proposed FY 2011	Change FY 2010-2011	% Change FY 2010-2011
Personnel Expenditures	\$ 348,426	\$ 441,180	\$ 770,970	\$ 329,790	74.8%
Operating Expenditures	38,906	44,250	84,530	40,280	91.0%
Transfers	-	-	-	-	0.0%
Capital Expenditures	-	-	-	-	0.0%
Total Expenditures	\$ 387,332	\$ 485,430	\$ 855,500	\$ 370,070	76.2%
Total Staffing	2.0	2.0	2.0	0.0	0.0%
Budget by Program					
Elections - Board Of Elections	\$ 387,332	\$ 485,430	\$ 855,500	\$ 370,070	76.2%

Budget Highlights

- FY 2011 includes funding for two elections. FY 2010 included only one.

Budget Summary

Commonwealth Attorney

The primary responsibility of the Commonwealth Attorney's office is to prosecute in Circuit Court all felony violations of Kentucky's criminal law that occur in Fayette County. A felony is the most serious violation of Kentucky's criminal law, punishable by imprisonment of one year or more. The innocent victims of crime possess certain basic rights in Kentucky. The victim of a violent crime is entitled to receive information and assistance from the Commonwealth Attorney once the case is referred to the Fayette County Grand Jury. Victim services provided by this office are referral for financial assistance and counseling; case information and notification; accompanying victims and family members to court; explanation of the judicial system; and assistance in filing the Victim Impact Statement and in applying for financial aid through the Crime Victim Compensation Board.

Expenditure by Category	Actual Expenditures FY 2009	Adopted Budget FY 2010	Mayor's Proposed FY 2011	Change FY 2010-2011	% Change FY 2010-2011
Personnel Expenditures	\$ -	\$ -	\$ -	\$ -	0.0%
Operating Expenditures	56,885	81,960	72,610	(9,350)	(11.4)%
Transfers	-	-	-	-	0.0%
Capital Expenditures	-	-	-	-	0.0%
Total Expenditures	\$ 56,885	\$ 81,960	\$ 72,610	\$ (9,350)	(11.4)%
Total Staffing	0.0	0.0	0.0	0.0	0.0%
Budget by Program					
Commonwealth Attorney	\$ 56,885	\$ 81,960	\$ 72,610	\$ (9,350)	(11.4)%

Budget Summary

County Judge/Executive

The County Judge/Executive is the head of the Fiscal Court, which handles the County Road Fund budget. The County Judge/Executive is also responsible for appointments to the Board of Assessment Appeals, appointment of persons to fill vacancies in county offices, and various other functions.

Expenditure by Category	Actual Expenditures FY 2009	Adopted Budget FY 2010	Mayor's Proposed FY 2011	Change FY 2010-2011	% Change FY 2010-2011
Personnel Expenditures	\$ 28,384	\$ 18,250	\$ 35,500	\$ 17,250	94.5%
Operating Expenditures	-	850	850	-	0.0%
Transfers	-	-	-	-	0.0%
Capital Expenditures	-	-	-	-	0.0%
Total Expenditures	\$ 28,384	\$ 19,100	\$ 36,350	\$ 17,250	90.3%
Total Staffing	4.0	4.0	4.0	0.0	0.0%
Budget by Program					
County Judge Executive	\$ 28,384	\$ 19,100	\$ 36,350	\$ 17,250	90.3%

Budget Highlights

- Staffing includes the County Judge Executive and three Fiscal Court Commissioners.
- The personnel budget includes pay for the County Judge Executive.
- The operating budget includes pay for the Fiscal Court Commissioners, as well as funds for telephone service, dues, and subscriptions.

Budget Summary

County Attorney

The Fayette County Attorney prosecutes all misdemeanor, traffic, domestic violence, and juvenile cases in Fayette District Court. This office provides legal representation for elected county officials, and provides legal assistance for Fayette County residents in establishing and collecting child support. This office also collects unpaid taxes.

Expenditure by Category	Actual Expenditures FY 2009	Adopted Budget FY 2010	Mayor's Proposed FY 2011	Change FY 2010-2011	% Change FY 2010-2011
Personnel Expenditures	\$ -	\$ -	\$ -	\$ -	0.0%
Operating Expenditures	769,038	774,400	789,622	15,222	2.0%
Transfers	-	-	-	-	0.0%
Capital Expenditures	-	-	-	-	0.0%
Total Expenditures	\$ 769,038	\$ 774,400	\$ 789,622	\$ 15,222	2.0%
Total Staffing	0.0	0.0	0.0	0.0	0.0%
Budget by Program					
County Attorney	\$ 769,038	\$ 774,400	\$ 789,622	\$ 15,222	2.0%

Budget Summary

Coroner

The Coroner's office oversees and manages operations of the Lexington-Fayette County Forensic Center, including investigating Fayette County deaths by determining the cause and manner. The Coroner's office makes official notification of deaths to nearest relatives; certifies death certificates; processes reports with the local registrar and the State Department of Vital Statistics; authorizes autopsies with the State Medical Examiner; and takes possession of evidence, valuables, and medical specimens in determining death. The office also authorizes cremations, releases decedents to funeral homes chosen by families, and orders and presides over Coroner's Inquests.

Expenditure by Category	Actual Expenditures FY 2009	Adopted Budget FY 2010	Mayor's Proposed FY 2011	Change FY 2010-2011	% Change FY 2010-2011
Personnel Expenditures	\$ 490,876	\$ 576,770	\$ 581,280	\$ 4,510	0.8%
Operating Expenditures	109,880	149,330	157,050	7,720	5.2%
Transfers	-	-	-	-	0.0%
Capital Expenditures	-	-	-	-	0.0%
Total Expenditures	\$ 600,756	\$ 726,100	\$ 738,330	\$ 12,230	1.7%
Total Staffing	10.0	10.0	10.0	0.0	0.0%
Budget by Program					
Coroner	\$ 600,756	\$ 726,100	\$ 738,330	\$ 12,230	1.7%

Budget Summary

Property Valuation Administrator

The Kentucky Constitution requires the Property Valuation Administrator (PVA) to assess all property at fair cash value unless specifically exempted. Some of the other duties include listing and assessing all intangible and tangible property and maintaining tax maps, property records, and tax rolls. Funding from the Urban County Government is approximately 25 percent of the PVA's total budget, including salaries.

Expenditure by Category	Actual Expenditures FY 2009	Adopted Budget FY 2010	Mayor's Proposed FY 2011	Change FY 2010-2011	% Change FY 2010-2011
Personnel Expenditures	\$ -	\$ -	\$ -	\$ -	0.0%
Operating Expenditures	365,000	365,000	335,400	(29,600)	(8.1)%
Transfers	-	-	-	-	0.0%
Capital Expenditures	-	-	-	-	0.0%
Total Expenditures	\$ 365,000	\$ 365,000	\$ 335,400	\$ (29,600)	(8.1)%
Total Staffing	0.0	0.0	0.0	0.0	0.0%
Budget by Program					
Property Valuation Admin	\$ 365,000	\$ 365,000	\$ 335,400	\$ (29,600)	(8.1)%

Budget Highlights

- A statutory contribution of \$200,000 is required for the PVA's office for FY 2011. Funding of \$135,400 is provided in addition to the statutory requirement.

Budget Summary

Council Office

The Urban County Council is the legislative branch of the government with powers of legislating through ordinance or resolution, setting the policy direction of the government, and appropriating funds for the operation of the various divisions of the government. The Council office staff provides financial, analytical, research, and support services to the fifteen-member Council. The staff assists Councilmembers in the development of program concepts, analysis of policy, provision of constituent services, and conducting management audits. The staff also provides support services for the Council's sessions.

Expenditure by Category	Actual Expenditures FY 2009	Adopted Budget FY 2010	Mayor's Proposed FY 2011	Change FY 2010-2011	% Change FY 2010-2011
Personnel Expenditures	\$ 1,989,548	\$ 2,066,230	\$ 2,087,300	\$ 21,070	1.0%
Operating Expenditures	315,844	299,000	63,750	(235,250)	(78.7)%
Transfers	2,125	-	-	-	0.0%
Capital Expenditures	54,431	15,000	15,000	-	0.0%
Total Expenditures	\$ 2,361,948	\$ 2,380,230	\$ 2,166,050	\$ (214,180)	(9.0)%
Total Staffing	35.0	35.0	35.0	0.0	0.0%
Budget by Program					
Council Office Administration	\$ 2,108,216	\$ 2,134,180	\$ 1,942,925	\$ (191,255)	(9.0)%
Council Districts	253,732	246,050	223,125	(22,925)	(9.3)%

Budget Summary

Citizens Advocate

The Citizens Advocate office is an independent agency (or ombudsman) through which residents of Lexington-Fayette County can seek redress of their grievances. The Citizens Advocate listens to and investigates complaints by citizens about the LFUCG, its officers, agents, or employees, and recommends such policies and procedures as may be required to reduce or eliminate the problems of public access to the departments, divisions, agencies, and officers of the LFUCG.

Expenditure by Category	Actual Expenditures FY 2009	Adopted Budget FY 2010	Mayor's Proposed FY 2011	Change FY 2010-2011	% Change FY 2010-2011
Personnel Expenditures	\$ 169,308	\$ 166,370	\$ 76,040	\$ (90,330)	(54.3)%
Operating Expenditures	7,243	15,780	6,690	(9,090)	(57.6)%
Transfers	-	-	-	-	0.0%
Capital Expenditures	-	-	-	-	0.0%
Total Expenditures	\$ 176,550	\$ 182,150	\$ 82,730	\$ (99,420)	(54.6)%
Total Staffing	2.0	2.0	1.1	(0.9)	(45.3)%
Budget by Program					
Citizens' Advocate Administration	\$ 176,550	\$ 182,150	\$ 82,730	\$ (99,420)	(54.6)%

Budget Highlights

- The Citizens' Advocate position is funded for only a portion of the year.

Budget Summary

Council Clerk

The Council Clerk's office is responsible for the official records of the Urban County Government, including ordinances, resolutions, deeds, contracts, and minutes of Council, Ethics Commission, and City Employees' Pension Fund (CEPF) meetings. The office provides staff for both the Ethics Commission and City Employees Pension Fund (CEPF) Board. The Council Clerk's office is responsible for the preparation of meeting notices, minutes, and packets/dockets for the Ethics Commission, CEPF, and official Council meetings, as well as maintenance of Financial Interests statements for the Ethics Commission. The office maintains, updates, and distributes the Code of Ordinances book within the government, to the public, and on the government's website. The office also provides customer service and handles research and open records requests to departments, divisions, the media, and the public. Further, the office now manages and maintains the Records Center and Archives, which includes 12,500 records boxes from throughout the LFUCG's divisions and departments, and administers a Records Management program for the transmittal, retention, and/or destruction of the documents.

Expenditure by Category	Actual Expenditures FY 2009	Adopted Budget FY 2010	Mayor's Proposed FY 2011	Change FY 2010-2011	% Change FY 2010-2011
Personnel Expenditures	\$ 435,491	\$ 445,160	\$ 395,430	\$ (49,730)	(11.2)%
Operating Expenditures	213,976	242,230	169,975	(72,255)	(29.8)%
Transfers	79,326	80,800	80,800	-	0.0%
Capital Expenditures	-	-	-	-	0.0%
Total Expenditures	\$ 728,793	\$ 768,190	\$ 646,205	\$ (121,985)	(15.9)%
Total Staffing	7.5	7.0	6.0	(1.0)	(14.3)%
Budget by Program					
Council Clerk Administration	\$ 728,793	\$ 768,190	\$ 646,205	\$ (121,985)	(15.9)%

Budget Highlights

- The operating budget includes a planned reduction in the cost of advertising as a result of a change in Council requirements for Administrative Review items.

Budget Summary

Office of the Mayor

The Office of the Mayor is responsible for all executive and administrative power of the merged government and such other departments, boards, commissions, offices, and agencies as are created or authorized by the Charter.

Expenditure by Category	Actual Expenditures FY 2009	Adopted Budget FY 2010	Mayor's Proposed FY 2011	Change FY 2010-2011	% Change FY 2010-2011
Personnel Expenditures	\$ 1,410,689	\$ 1,358,500	\$ 1,250,990	\$ (107,510)	(7.9)%
Operating Expenditures	280,088	187,840	140,184	(47,656)	(25.4)%
Transfers	25,766	-	-	-	0.0%
Capital Expenditures	-	-	-	-	0.0%
Total Expenditures	\$ 1,716,544	\$ 1,546,340	\$ 1,391,174	\$ (155,166)	(10.0)%
Total Staffing	17.7	16.0	15.0	(1.0)	(6.3)%
Budget by Program					
Mayor's Office Administration	\$ 1,716,544	\$ 1,546,340	\$ 1,391,174	\$ (155,166)	(10.0)%

Budget Highlights

- The Office of the Mayor reflects a 10 percent reduction from the FY 2010 adopted budget.
- The professional services account is reduced significantly, by 25 percent, leaving funding for the Employee Holiday Reception and contract government affairs representation in Washington and Frankfort. Limited funding, if any, will remain for unforeseen needs or projects.
- There are no raises included for any employees or for the Mayor.
- Two positions that were funded in FY 2010 have not been funded for FY 2011.
- Dues for the Kentucky League of Cities are not included.

Budget Summary

Special Projects\Events

The Special Projects program includes funding for the following for FY 2011:

Program	Actual Expenditures FY 2009	Adopted Budget FY 2010	Mayor Proposed FY 2011	Difference
Arts Program	\$ 454,956	\$ 450,000	\$ 450,000	\$ -
Bluegrass State Games	22,500	52,500	52,500	-
Corridor Program	65,368	90,000	50,000	(40,000)
Lexington Area Sports Auth.	15,000	13,500	-	(13,500)
Martin Luther King Celebration	11,119	9,000	9,000	-
Neighborhood Match	65,860	63,000	63,000	-
Lex. Comm. On Race Relations	20,000	18,000	10,000	(8,000)
Roots & Heritage Festival	43,720	39,350	39,350	-
Sister Cities	45,965	44,000	44,000	-
Special Projects - Other	-	10,000	-	(10,000)
SummerFest	-	-	10,000	10,000
Total Special Projects	744,488	789,350	727,850	(61,500)
Special Events Administration	35	8,070	\$ 12,390	4,320
Uniformed Services Events	9,678	8,100	2,000	(6,100)
Holiday Events	2,998	5,550	4,500	(1,050)
Kentucky Christmas Chorus	32,897	30,550	-	(30,550)
Downtown Improvements	49,517	61,800	55,100	(6,700)
Sweet Sixteen Hospitality	16,010	16,200	17,200	1,000
Diversity Festival	1,414	3,000	2,000	(1,000)
4th of July Festival	17,500	22,500	9,993	(12,507)
Total Special Events	\$ 130,048	\$ 155,770	\$ 103,183	\$ (52,587)

Special Projects

- The allocation for the LexArts Fund for the Arts remains at its FY 2010 level. LexArts distributes this funding to numerous arts and cultural organizations throughout Lexington, significantly contributing to Lexington's quality of life.
- The allocations for Bluegrass State Games and the Bluegrass Sports Commission (reflected in the FY 2010 budget as Lexington Area Sports Authority) have been combined, reducing the allocation by \$13,500.
- All other Special Project allocations remain the same as for FY 2010, except for the Corridor Program and the Commission on Race Relations.

Special Events

- Special Events funding has been reduced by \$52,587—a 34 percent cut.
- The Christmas Chorus funding has been eliminated.

Budget Summary

Contract Debt

The Contract Debt program encompasses those expenditures incurred for long-term and short-term debt of the Urban County Government. The government has issued both general obligation bonds and mortgage revenue bonds. General obligation bonds are backed by the full faith and credit of the government. Mortgage revenue bonds are issued by various public corporations and are secured by leases with the LFUCG. Both debt payments on general obligation bonds and lease payments for mortgage revenue bonds are budgeted in this program.

Expenditure by Category	Actual Expenditures FY 2009	Adopted Budget FY 2010	Mayor's Proposed FY 2011	Change FY 2010-2011	% Change FY 2010-2011
Personnel Expenditures	\$ -	\$ -	\$ -	\$ -	0.0%
Operating Expenditures	18,847,175	28,912,540	33,644,266	4,731,726	16.4%
Transfers	-	-	-	-	0.0%
Capital Expenditures	-	-	-	-	0.0%
Total Expenditures	\$ 18,847,175	\$ 28,912,540	\$ 33,644,266	\$ 4,731,726	16.4%
Total Staffing	0.0	0.0	0.0	0.0	0.0%
Budget by Program					
Contract Debt	\$ 18,847,175	\$ 28,912,540	\$ 33,644,266	\$ 4,731,726	16.4%

Budget Highlights

- Anticipated debt service includes \$2,930,000 funding for pension bond debt service and \$820,000 related to a general CIP issue.
- The following table illustrates General Services District Fund debt payments. It includes \$936,602 in debt service on bonds issued to fund the purchase of development rights (PDR), for total contract debt of \$34,580,868.

Budget Summary

General Services Fund Debt Service Schedule – Mayor’s Proposed Budget FY 2011

Debt Issue	Actual Expenditures FY 2009	Adopted Budget FY 2010	Mayor Proposed FY 2011	Difference
PFC Lease	\$ 506,000	\$ 506,000	\$ 506,000	\$ -
PPC Lease	520,750	-	-	-
GO 2003B-Fire Notes	245,471	226,600	-	(226,600)
GO 2004A-Equipment Notes	215,000	-	-	-
GO 2004B-Fire Equipment Notes	380,900	384,000	384,800	800
GO 2005B-Fire Truck Notes	458,944	456,790	458,825	2,035
GO KLC 2000-Webasto	4,727	50,210	53,456	3,246
GO Anticipated Debt Issues	-	7,862,900	3,750,000	(4,112,900)
GO 1999A-Detention Facility	2,498,288	-	-	-
GO 2000A-Picadome Golf Course	706,334	706,910	-	(706,910)
GO 2000D-Stormwater	1,342,125	1,341,380	1,337,625	(3,755)
GO 2000E-Phnx&Pool	693,283	736,520	-	(736,520)
GO 2002B-Gov't Center HVAC	79,888	280,890	281,200	310
GO 2002C -EAMP & Stormwater	425,373	425,450	424,562	(888)
GO 2003A-Refunding Bonds	1,649,610	1,050,490	1,081,266	30,776
GO 2004C-Day Treatment, Blvd,	726,571	718,810	714,850	(3,960)
GO 2005C-Garage, Phoenix, PDR	399,021	173,680	174,125	445
GO 2006A-Equip, STARS, Park Im	4,025,800	1,941,600	1,944,800	3,200
GO 2006B-Station,BG Asp, Storm	1,202,948	949,350	949,547	197
GO 2006C-	36,670	-	-	-
GO2006D-Det Ctr & PFC Refund	2,729,475	5,231,880	5,228,475	(3,405)
GO2008A (07 & 08 3&5 yr proj	-	3,619,720	3,620,050	330
GO2009A (07 & 08 10&20 yr proj	-	2,249,360	2,245,838	(3,522)
GO2009B-Pension Obligation	-	-	5,847,662	5,847,662
GO 2010A	-	-	3,258,911	3,258,911
GO 2010B-Refinance 1999B&2000A	-	-	706,435	706,435
GO 2010C-Refinance 2000E	-	-	675,839	675,839
Total Contract Dept Dept Id	18,847,175	28,912,540	33,644,266	4,731,726
GO 2001B-PDR	438,786	566,540	564,128	(2,412)
GO 2005C-PDR	-	222,060	223,159	1,099
GO 2006C-PDR	112,983	147,030	149,315	2,285
Total PDR Debt	551,768	935,630	936,602	972
Total General Services Debt	19,398,943	29,848,170	34,580,868	4,732,698

Budget Summary

Contingency\Indirect Cost

Included in Contingency are budgets that cannot be associated with any particular division or budget line item at the beginning of the year (i.e., personnel vacancy credit, termination pay, twenty-seventh pay period reserve). These budgets are periodically distributed government-wide, based on actual expenditures, with the balance in each program generally reading zero at year-end.

The Indirect Cost Allocation program was established to charge indirect costs to grant programs and to evaluate accurately the total cost of operating the Urban Services Districts Fund and certain enterprise funds by recording administrative costs not directly charged to those funds.

Expenditure by Category	Actual Expenditures FY 2009	Adopted Budget FY 2010	Mayor's Proposed FY 2011	Change FY 2010-2011	% Change FY 2010-2011
Personnel Expenditures	\$ 822,890	\$ 597,110	\$ 86,800	\$ (510,310)	(85.5)%
Operating Expenditures	(5,357,477)	(6,992,910)	(6,905,890)	87,020	(1.2)%
Transfers	1,034,608	(175,170)	(6,045,170)	(5,870,000)	3351.0%
Capital Expenditures	-	-	-	-	0.0%
Total Expenditures	\$ (3,499,980)	\$ (6,570,970)	\$ (12,864,260)	\$ (6,293,290)	95.8%
Total Staffing	0.0	0.0	0.0	0.0	0.0%
Budget by Program					
Contingency	\$ 2,073,839	\$ 597,110	\$ (5,783,200)	\$ (6,380,310)	(1068.5)%
Indirect Cost Allocation	(5,573,819)	(7,168,080)	(7,081,060)	87,020	(1.2)%

Budget Highlights

- A transfer from the Economic Contingency Reserve of \$5,870,000 is included in the Contingency budget.
- Lump sum termination pay of \$1,255,800 is budgeted for FY 2011, which is equal to the FY 2010 budget.
- The 27th pay period allocation is \$807,000.

Budget Summary

- A planned personnel vacancy credit of (\$3,200,000) is budgeted for FY 2011. This represents the projected savings to be realized from employee turnover.
- The indirect cost recovery is computed by applying the appropriate indirect cost rate for each fund to the total personnel budget of that fund (discounted for anticipated personnel vacancies). In addition to indirect costs, certain direct costs of administrative personnel (\$175,170) are recovered here.

The following table shows the indirect cost budget for FY 2011 and the relative indirect cost rates:

Fund	FY 2011 Indirect Cost	FY 2011 Indirect Cost Rate
Urban Services Districts	3,930,000	25.00%
Sanitary Sewers	1,937,870	16.65%
Landfill	207,670	25.00%
Water Quality	263,570	16.65%
Extended School Program	566,780	15.78%
Grant Awards	0	9.06%
Total	\$6,473,340	

Budget Summary

Office of Policy and Budget

The Office of Policy and Budget deals with the broad issues of policy, especially when expressed in the adoption of the budget. The Division of Budgeting is responsible for establishing and maintaining a comprehensive budget system and providing information to assist the Mayor, Senior Advisor, and Council in making sound financial decisions. The office provides assistance to the government divisions and various partner agencies in budget preparation, monitoring, and implementation. Responsibilities include long-range forecasting; developing property tax rates; monitoring and reporting budgeted fund balances; periodic reporting of budgeted versus actual revenues and expenditures; developing annual personnel cost budgets for all divisions of government; reviewing and processing budget amendments; formulating studies and reports, and providing budget analysis as needed.

Expenditure by Category	Actual Expenditures FY 2009	Adopted Budget FY 2010	Mayor's Proposed FY 2011	Change FY 2010-2011	% Change FY 2010-2011
Personnel Expenditures	\$ 474,760	\$ 462,650	\$ 476,450	\$ 13,800	3.0%
Operating Expenditures	29,850	37,250	37,250	-	0.0%
Transfers	-	-	-	-	0.0%
Capital Expenditures	-	-	-	-	0.0%
Total Expenditures	\$ 504,610	\$ 499,900	\$ 513,700	\$ 13,800	2.8%
Total Staffing	6.0	6.0	6.0	0.0	0.0%
Budget by Program					
Budgeting	\$ 504,610	\$ 499,900	\$ 513,700	\$ 13,800	2.8%

Budget Highlights

- The Senior Advisor for Policy and Budget position was abolished during FY 2010.

Budget Summary

Internal Audit

The Office of Internal Audit evaluates whether the Urban County Government's procedures of risk management, internal control, and governance, as designed and represented by management, are adequate and functioning in a manner to ensure:

- Risks are appropriately identified and managed;
- Significant financial, managerial, and operating information is accurate, reliable, and timely;
- Employees' actions are in compliance with policies, standards, procedures, and applicable laws and regulations;
- Resources are acquired economically, used efficiently, and adequately protected;
- Programs, plans, and objectives are achieved; and
- Quality and continuous improvements are fostered in the Urban County Government's control process.

Expenditure by Category	Actual Expenditures FY 2009	Adopted Budget FY 2010	Mayor's Proposed FY 2011	Change FY 2010-2011	% Change FY 2010-2011
Personnel Expenditures	\$ 368,170	\$ 595,900	\$ 619,500	\$ 23,600	4.0%
Operating Expenditures	71,076	224,740	119,293	(105,447)	(46.9)%
Transfers	-	-	-	-	0.0%
Capital Expenditures	-	-	-	-	0.0%
Total Expenditures	\$ 439,246	\$ 820,640	\$ 738,793	\$ (81,847)	(10.0)%
Total Staffing	4.0	7.0	7.0	0.0	0.0%
Budget by Program					
Internal Audit Administration	\$ 439,246	\$ 820,640	\$ 738,793	\$ (81,847)	(10.0)%

Budget Highlights

- The FY 2010 budget included funding for an audit of the PeopleSoft financial system. The FY 2011 budget does not include this funding. The reduction in operating costs reflects this change.

Budget Summary

Senior Advisor

The Office of the Senior Advisor has the responsibility of providing supervision, direction, and management of the Urban County Government. The Senior Advisor executes the policies established by the Mayor, Council, and Charter; develops programs to meet current and future organizational and community needs; and works through department commissioners and division directors to implement services. The Office of Economic Development is housed within the Office of the Senior Advisor.

Expenditure by Category	Actual Expenditures FY 2009	Adopted Budget FY 2010	Mayor's Proposed FY 2011	Change FY 2010-2011	% Change FY 2010-2011
Personnel Expenditures	\$ 121,585	\$ 123,220	\$ 123,940	\$ 720	0.6%
Operating Expenditures	23,316	30,430	30,076	(354)	(1.2)%
Transfers	-	-	-	-	0.0%
Capital Expenditures	-	-	-	-	0.0%
Total Expenditures	\$ 144,902	\$ 153,650	\$ 154,016	\$ 366	0.2%
Total Staffing	1.0	1.0	1.0	0.0	0.0%
Budget by Program					
Senior Advisor Administration	\$ 144,902	\$ 153,650	\$ 154,016	\$ 366	0.2%

Budget Highlights

- No raise is budgeted for the one staff member and limited professional services funding has been included to assist.
- Support upcoming economic development initiatives or other projects the Office is asked to support by the Council or Administration.

Budget Summary

Office of Economic Development

The Mayor's Office of Economic Development was initiated to assist existing businesses and entrepreneurs in Lexington-Fayette County. Additional services include:

- Oversight of special development projects for the local area.
- Guide for doing business in Fayette County.
- Advocacy for business within the government.

Expenditure by Category	Actual Expenditures FY 2009	Adopted Budget FY 2010	Mayor's Proposed FY 2011	Change FY 2010-2011	% Change FY 2010-2011
Personnel Expenditures	\$ 105,793	\$ 101,280	\$ 101,860	\$ 580	0.6%
Operating Expenditures	14,840	83,160	32,710	(50,450)	(60.7)%
Transfers	-	(108,490)	-	108,490	(100.0)%
Capital Expenditures	-	-	-	-	0.0%
Total Expenditures	\$ 120,632	\$ 75,950	\$ 134,570	\$ 58,620	77.2%
Total Staffing	1.0	1.0	1.0	0.0	0.0%
Budget by Program					
Office of Economic Development	\$ 120,632	\$ 75,950	\$ 134,570	\$ 58,620	77.2%

Budget Highlights

- No raise is budgeted for the one staff member and limited professional services funding has been included to assist.
- Support upcoming economic development initiatives or other projects the Office is asked to support by the Council or Administration.

Budget Summary

Office of the Chief Information Officer

\$8,344,424 80.1 FTE

The *Office of the Chief Information Officer* includes the budgets for the CIO Office, Enterprise Solutions, Computer Services, and Government Communications. This area comprises about three percent of the General Fund budget.

Budget By Division	Actual Expenditures FY 2009	Adopted Budget FY 2010	Mayor Proposed FY 2011	Dollar Change	Percent Change
CIO	\$ 1,025,350	\$ 867,080	\$ 570,014	\$ (297,066)	-34.3%
Division of Enterprise Solutions	-	-	895,170	895,170	--
Computer Services	5,243,269	5,522,420	5,435,940	(86,480)	-1.6%
Government Communications	1,570,217	1,517,600	1,443,300	(74,300)	-4.9%
Total	\$ 7,838,836	\$ 7,907,100	\$ 8,344,424	\$ 437,324	5.5%

Budget Summary

Office of the Chief Information Officer

The Office of the Chief Information Officer directs, coordinates, and exercises functional authority for planning, organizing, controlling, integrating, designating, implementing, and enhancing information systems and services of LFUCG's Divisions of Computer Services and Government Communications. Responsibilities include reviewing the general operation of the divisions to determine efficiency, providing direction on major projects or problem areas, and developing and implementing policies and procedures applicable to the administrative functions, as well as providing overall policy guidance in the areas of technology and communications.

Expenditure by Category	Actual Expenditures FY 2009	Adopted Budget FY 2010	Mayor's Proposed FY 2011	Change FY 2010-2011	% Change FY 2010-2011
Personnel Expenditures	\$ 143,820	\$ 146,740	\$ 147,590	\$ 850	0.6%
Operating Expenditures	381,230	325,500	422,424	96,924	29.8%
Transfers	500,300	394,840	-	(394,840)	(100.0)%
Capital Expenditures	-	-	-	-	0.0%
Total Expenditures	\$ 1,025,350	\$ 867,080	\$ 570,014	\$ (297,066)	(34.3)%
Total Staffing	1.0	1.0	1.0	0.0	0.0%
Budget by Program					
CIO	\$ 1,025,350	\$ 867,080	\$ 570,014	\$ (297,066)	(34.3)%
CIO Programs	-	-	-	-	0.0%

Budget Highlights

- In FY 2011, the office of CIO will be focusing on several initiatives such as e Government, Strategic planning and implementation, improving operational efficiency for divisions and consolidation of IT.
- The focus on Management practices and Security will be given priority along with establishment of project management office in IT.
- Implementing a 5 year plan for Division of Enterprise Solutions to be successful will also be an area of focus.

Budget Summary

Government Communications

The Public Information office and LexCall merged to create Government Communications effective in FY 2003. Government Communications serves as a resource center for citizens, the news media, and LFUCG employees. The office gathers and distributes information about LFUCG services, programs, projects, and special events; produces and distributes brochures, newsletters, weekly meeting schedules, news releases, and public service announcements; and arranges and coordinates news conferences and special events. Government Communications also provides photography and graphic arts services for other divisions and manages Government TV 3 (GTV3), Channel 3 on the local cable system. LexCall is a centralized call center for the Urban County Government.

Expenditure by Category	Actual Expenditures FY 2009	Adopted Budget FY 2010	Mayor's Proposed FY 2011	Change FY 2010-2011	% Change FY 2010-2011
Personnel Expenditures	\$ 1,509,574	\$ 1,474,400	\$ 1,422,900	\$ (51,500)	(3.5)%
Operating Expenditures	80,615	69,740	51,240	(18,500)	(26.5)%
Transfers	(31,250)	(26,540)	(30,840)	(4,300)	16.2%
Capital Expenditures	11,279	-	-	-	0.0%
Total Expenditures	\$ 1,570,217	\$ 1,517,600	\$ 1,443,300	\$ (74,300)	(4.9)%
Total Staffing	35.2	32.0	31.1	(0.9)	(2.9)%
Budget by Program					
Communications	\$ 1,452,984	\$ 1,380,980	\$ 1,320,280	\$ (60,700)	(4.4)%
Lex Call	117,213	136,620	117,020	(19,600)	(14.3)%
Lexington Store	20	-	-	-	0.0%
GRAPHIC	-	-	6,000	6,000	--

Budget Highlights

- Implementation of the LexCall module is expected to begin during FY2011. This will automate workflow and provide an online interface.
- PIO and GTV are working on implementing a strategic plan to improve output of news items.
- Program costs for LexCall are allocated among four funds based on actual calls received. For FY 2011, 76 percent is allocated to the Urban Services Fund, 17 percent to the General Services Fund, 5 percent to the Sanitary Sewers Fund, and 2 percent to the Water Quality Management Fund.

Budget Summary

Computer Services

Computer Services provides microcomputer, mainframe, and application software support for all divisions of the government. Computer Services also provides PeopleSoft financial software support. The budget includes any funds for microcomputer replacement purchases and software maintenance for all divisions.

Expenditure by Category	Actual Expenditures FY 2009	Adopted Budget FY 2010	Mayor's Proposed FY 2011	Change FY 2010-2011	% Change FY 2010-2011
Personnel Expenditures	\$ 3,789,142	\$ 3,803,910	\$ 3,164,130	\$ (639,780)	(16.8)%
Operating Expenditures	1,506,567	1,718,510	2,271,810	553,300	32.2%
Transfers	(52,440)	-	-	-	0.0%
Capital Expenditures	-	-	-	-	0.0%
Total Expenditures	\$ 5,243,269	\$ 5,522,420	\$ 5,435,940	\$ (86,480)	(1.6)%
Total Staffing	47.0	47.0	42.0	(5.0)	(10.6)%
Budget by Program					
Mainframe	\$ 950,255	\$ 1,143,920	\$ 831,430	\$ (312,490)	(27.3)%
Info Tech	1,280,623	1,575,340	1,027,850	(547,490)	(34.8)%
Applications/GIS	1,856,936	1,706,720	1,582,470	(124,250)	(7.3)%
CS Admin	1,155,455	1,096,440	1,338,190	241,750	22.0%

Budget Highlights

- In FY 20 11 Division of Computer Services is scheduled to be renamed Division of Innovation and Technology (IT). IT will also be restructured internally into Project Management Office, Infrastructure, Applications and Network Security. This will create better process flow internally and will result in more efficiency.
- Software Maintenance has increased due to PeopleSoft License cost by \$171,000.
- Hardware Maintenance cost has increased but we have consolidated services in Police and fire to receive a 10% discount.
- Network and Infrastructure upgrades are scheduled along with supporting implementations for Department of Environmental Quality and PeopleSoft.

Budget Summary

Enterprise Solutions

Responsible for creating and managing the strategic direction and day-to-day tactical operations of the PeopleSoft solution. This includes all the back office support for Financials, Human Capital Management (HCM) as well as Enterprise Performance Management (EPM).

Expenditure by Category	Actual Expenditures FY 2009	Adopted Budget FY 2010	Mayor's Proposed FY 2011	Change FY 2010-2011	% Change FY 2010-2011
Personnel Expenditures	\$ -	\$ -	\$ 574,670	\$ 574,670	--
Operating Expenditures	-	-	320,500	320,500	--
Transfers	-	-	-	-	0.0%
Capital Expenditures	-	-	-	-	0.0%
Total Expenditures	\$ -	\$ -	\$ 895,170	\$ 895,170	--
Total Staffing	0.0	0.0	6.0	6.0	--
Budget by Program					
Enterprise Solutions	\$ -	\$ -	\$ 895,170	\$ 895,170	--

Budget Highlights

- The division is in its infancy and will be working on a strategic and implementation plan of the PeopleSoft Lifecycle for different modules.
- Two new implementations, Position Budgeting and Real Estate Management are scheduled during FY 2011.
- Managing open enrollment and making other operational efficiencies are also part of this upcoming fiscal year.

Budget Summary

Finance and Administration

\$8,051,112 101.3 FTE

The *Department of Finance and Administration* includes the budgets for Revenue, Accounting, Purchasing, Human Resources, Community Development, Finance Administration, and Risk Management. Finance and Administration comprises about three percent of the General Fund budget.

Budget By Division	Actual Expenditures FY 2009	Adopted Budget FY 2010	Mayor Proposed FY 2011	Dollar Change	Percent Change
Finance Administration	\$ 643,412	\$ 395,140	\$ 444,840	\$ 49,700	12.6%
Accounting	1,306,381	1,350,300	1,284,230	(66,070)	-4.9%
Revenue	2,437,430	2,608,300	2,511,702	(96,598)	-3.7%
Purchasing	511,970	551,300	578,540	27,240	4.9%
Community Development	846,170	778,840	635,790	(143,050)	-18.4%
Human Resources	2,616,213	2,598,640	2,422,850	(175,790)	-6.8%
Risk Management	444,022	459,630	173,160	(286,470)	-62.3%
Total	\$ 8,805,597	\$ 8,742,150	\$ 8,051,112	\$ (691,038)	-7.9%

Budget Summary

Commissioner of Finance and Administration

The Commissioner of Finance and Administration oversees the divisions within the Department of Finance and Administration. In addition, the office is responsible for debt management, preparation of financial reports, and conducting financial analysis of special projects.

Expenditure by Category	Actual Expenditures FY 2009	Adopted Budget FY 2010	Mayor's Proposed FY 2011	Change FY 2010-2011	% Change FY 2010-2011
Personnel Expenditures	\$ 343,832	\$ 293,550	\$ 328,680	\$ 35,130	12.0%
Operating Expenditures	299,579	101,590	116,160	14,570	14.3%
Transfers	-	-	-	-	0.0%
Capital Expenditures	-	-	-	-	0.0%
Total Expenditures	\$ 643,412	\$ 395,140	\$ 444,840	\$ 49,700	12.6%
Total Staffing	3.0	3.0	3.0	0.0	0.0%
Budget by Program					
Finance Commissioners Office	\$ 643,412	\$ 395,140	\$ 444,840	\$ 49,700	12.6%

Budget Highlights

- After managing through our expenditure reduction initiative in FY 2010 by delaying replacement hiring, the Finance team will be full force in FY 2011. This will allow us to continue work on strategic planning and risk management initiatives, including capital/debt management planning, bond analysis, exaction credits, and pension analysis.
- The Commissioner's office budget includes funding for the General Fund's portion of the annual financial and property tax audits. Total professional services increased by \$14,000 to \$84,000 for these audits.
- Training funding is unchanged from FY 2010 at \$8,000 to ensure access to industry and risk management updates and best practices.

Budget Summary

Accounting

Accounting is responsible for maintaining a centralized accounting system in accordance with generally accepted accounting principles (GAAP). In addition to providing general accounting services, the division is responsible preparation of financial reports and processing the payment of all invoices.

Expenditure by Category	Actual Expenditures FY 2009	Adopted Budget FY 2010	Mayor's Proposed FY 2011	Change FY 2010-2011	% Change FY 2010-2011
Personnel Expenditures	\$ 1,272,326	\$ 1,304,930	\$ 1,249,670	\$ (55,260)	(4.2)%
Operating Expenditures	34,055	45,370	34,560	(10,810)	(23.8)%
Transfers	-	-	-	-	0.0%
Capital Expenditures	-	-	-	-	0.0%
Total Expenditures	\$ 1,306,381	\$ 1,350,300	\$ 1,284,230	\$ (66,070)	(4.9)%
Total Staffing	19.0	19.0	17.9	(1.1)	(5.7)%
Budget by Program					
Accounting Administration	\$ 1,306,381	\$ 1,350,300	\$ 1,284,230	\$ (66,070)	(4.9)%

Budget Highlights

- All positions in the division will be fully funded and staffed in FY 2011.
- With the PeopleSoft HCM module fully implemented, focus will be on finding greater efficiencies in workflow and broader applications of the tool by staff.
- The division will continue to work with Community Development to implement the PeopleSoft PCG (grants) module to gain efficiencies in grant accounting and administration.
- Focus for the team will be on overall workflow enhancements/efficiencies and broadening of staff knowledge via cross-training with a continued focus on risk and control measures.

Budget Summary

Revenue

The Division of Revenue is responsible for the collection, audit, evaluation, and examination of all income due the Urban County Government. The major sources of these revenues are license fees, property taxes, assessments, fines, franchise fees, and charges for services. The office also oversees and collects revenue generated from the county's parking meters.

Expenditure by Category	Actual Expenditures FY 2009	Adopted Budget FY 2010	Mayor's Proposed FY 2011	Change FY 2010-2011	% Change FY 2010-2011
Personnel Expenditures	\$ 1,930,710	\$ 2,149,540	\$ 2,015,220	\$ (134,320)	(6.2)%
Operating Expenditures	506,720	458,760	496,482	37,722	8.2%
Transfers	-	-	-	-	0.0%
Capital Expenditures	-	-	-	-	0.0%
Total Expenditures	\$ 2,437,430	\$ 2,608,300	\$ 2,511,702	\$ (96,598)	(3.7)%
Total Staffing	37.0	37.0	33.5	(3.5)	(9.5)%
Budget by Program					
Revenue Administration	\$ 2,437,430	\$ 2,608,300	\$ 2,511,702	\$ (96,598)	(3.7)%

Budget Highlights

- Multiple programs will be implemented to step up collection of occupational taxes, both identifying and collecting from non-filers and collecting from delinquent taxpayers.
- Two clerical positions and one compliance position will remain unfilled in FY 2011. Efficiency programs and external compliance programs will continue to be evaluated.
- Operating expenditures will remain flat to the FY 2010 adopted budget.

Budget Summary

Purchasing

Purchasing is responsible for all procurement functions. Our desire is to facilitate all divisions' ability to provide service in a transparent manner. Purchasing also manages surplus property for the government. This ensures that surplus property is disposed of appropriately after it has reached the end of its useful life.

Expenditure by Category	Actual Expenditures FY 2009	Adopted Budget FY 2010	Mayor's Proposed FY 2011	Change FY 2010-2011	% Change FY 2010-2011
Personnel Expenditures	\$ 497,595	\$ 535,500	\$ 562,740	\$ 27,240	5.1%
Operating Expenditures	14,375	15,800	15,800	-	0.0%
Transfers	-	-	-	-	0.0%
Capital Expenditures	-	-	-	-	0.0%
Total Expenditures	\$ 511,970	\$ 551,300	\$ 578,540	\$ 27,240	4.9%
Total Staffing	7.0	8.0	8.0	0.0	0.0%
Budget by Program					
Purchasing Administration	\$ 511,970	\$ 551,300	\$ 578,540	\$ 27,240	4.9%

Budget Highlights

- The FY 2011 budget assumes no vacancies with a full compliment of Buyers.
- Focus will be on expansion of Minority Purchasing programs led by the Minority Purchasing Coordinator hired in the fourth quarter of FY 2010.
- The division will continue to focus on request for proposal and purchasing process/policy refinements with the goal of enhanced transparency.

Budget Summary

Community Development

Community Development has four prime functions:

- 1) Planning and administration of all state and federal grants received by the Urban County Government;
- 2) Implementation of the Community Development Block Grant (CDBG), HOME, Emergency Shelter, and other Housing and Urban Development (HUD) programs;
- 3) Operation of the government's Housing Rehabilitation Loan program;
- 4) Planning, development, administration, and implementation of neighborhood-related and housing-related programs, activities, and studies.

Expenditure by Category	Actual Expenditures FY 2009	Adopted Budget FY 2010	Mayor's Proposed FY 2011	Change FY 2010-2011	% Change FY 2010-2011
Personnel Expenditures	\$ 601,389	\$ 538,360	\$ 382,490	\$ (155,870)	(29.0)%
Operating Expenditures	244,781	240,480	253,300	12,820	5.3%
Transfers	-	-	-	-	0.0%
Capital Expenditures	-	-	-	-	0.0%
Total Expenditures	\$ 846,170	\$ 778,840	\$ 635,790	\$ (143,050)	(18.4)%
Total Staffing	16.0	16.0	14.1	(1.9)	(11.7)%
Budget by Program					
Community Development	\$ 846,170	\$ 778,840	\$ 635,790	\$ (143,050)	(18.4)%

Budget Highlights

- FY 2011 includes full staffing of grant administration and inspection positions. One vacant clerical position will be eliminated due to anticipated efficiencies from the PeopleSoft PCG (grants) module implementation.
- Payroll recovery from grants is anticipated at approximately \$509,000.
- Analysis of workflow and structural efficiencies is ongoing.

Budget Summary

Human Resources

This division operates in much the same manner as the human resources division of any large company or organization. It administers hiring, benefits, insurance, awards to employees, the classification and compensation system, employee training, uniform disciplinary codes, payroll, and pertinent records. One difference is that the division also administers many civil service programs established by the UCG Charter.

Expenditure by Category	Actual Expenditures FY 2009	Adopted Budget FY 2010	Mayor's Proposed FY 2011	Change FY 2010-2011	% Change FY 2010-2011
Personnel Expenditures	\$ 1,974,593	\$ 2,052,520	\$ 1,740,290	\$ (312,230)	(15.2)%
Operating Expenditures	641,620	546,120	682,560	136,440	25.0%
Transfers	-	-	-	-	0.0%
Capital Expenditures	-	-	-	-	0.0%
Total Expenditures	\$ 2,616,213	\$ 2,598,640	\$ 2,422,850	\$ (175,790)	(6.8)%
Total Staffing	29.5	28.5	22.8	(5.7)	(20.1)%
Budget by Program					
Human Resources Administration	\$ 2,007,891	\$ 2,114,600	\$ 1,788,360	\$ (326,240)	(15.4)%
Gov't Wide Personnel Program	160,799	137,830	234,440	96,610	70.1%
Training	126,481	92,530	55,720	(36,810)	(39.8)%
Employee Insurance Programs	318,989	253,680	344,330	90,650	35.7%
Employee Insurance Programs	2,053	-	-	-	0.0%

Budget Highlights

- The FY 2011 budget assumes a structural reorganization as a result of efficiencies gained from the PeopleSoft HCM implementation and to improve division performance in the areas of response time, client service, consistency, and transparency. The reorganization will result in seven positions being eliminated (six filled/one vacant).
- The reorganization builds on the FY 2010 formation of the payroll/compensation team to administer payroll and focus on enhancements of compensation structure for LFUCG. A payroll/compensation manager was hired in FY 2010.
- Funding for adoption assistance continues in FY 2011 at \$10,000.
- The budget recommends elimination of the YMCA membership benefits for a savings of \$151,000.
- Public safety recruiting is increased by \$94,000 to facilitate the recruitment of three planned recruit classes (two for Fire/one for Police).

Budget Summary

Risk Management

The Division of Risk Management administers risk programs. Risk Management conducts safety and loss prevention surveys for the identification of potential hazards to employees and the public. The office submits recommendations to aid management and employees in loss control efforts, and provides safety orientations to all new employees of the Urban County Government.

Expenditure by Category	Actual Expenditures FY 2009	Adopted Budget FY 2010	Mayor's Proposed FY 2011	Change FY 2010-2011	% Change FY 2010-2011
Personnel Expenditures	\$ 404,126	\$ 399,620	\$ 159,660	\$ (239,960)	(60.0)%
Operating Expenditures	39,895	60,010	13,500	(46,510)	(77.5)%
Transfers	-	-	-	-	0.0%
Capital Expenditures	-	-	-	-	0.0%
Total Expenditures	\$ 444,022	\$ 459,630	\$ 173,160	\$ (286,470)	(62.3)%
Total Staffing	9.0	7.0	2.0	(5.0)	(71.4)%
Budget by Program					
Risk Management Administration	\$ 218,479	\$ 268,870	\$ 79,240	\$ (189,630)	(70.5)%
Safety Health & Env Comp	225,543	190,760	93,920	(96,840)	(50.8)%

Budget Highlights

- The Risk Management budget is included in the General Fund. The portion of the budget allocable to the Urban Services Districts Fund (8 percent) and Sanitary Sewer Fund (6 percent) is based on their respective exposure to risk, as determined by the Division of Accounting. .
- The FY 2011 budget assumes a structural reorganization to align the risk management functions within all departments of government. This will allow LFUCG to benefit from the efficiencies realized in risk management reporting, claims analysis, and processing. Four full-time positions will be eliminated.
- Day-to-day risk management duties and oversight will reside with the functional departments (General Services, Public Works and Development, Public Safety, and Environmental Quality). Training and oversight for the balance of LFUCG departments will reside in Human Resources.
- Online employee training tools will be utilized.
- OSHA and other required compliance reporting will reside in the Law Department.

Budget Summary

Law
\$6,929,450 24.7 FTE

The *Department of Law* prepares all legal instruments for the government, provides advice to its employees and agencies, represents LFUCG in all civil cases filed in state and federal court and in all claims before administrative boards, processes all claims, and purchases excess insurance coverage. Law comprises three percent of the General Fund Budget.

Budget By Division	Actual Expenditures FY 2009	Adopted Budget FY 2010	Mayor Proposed FY 2011	Dollar Change	Percent Change
Law	\$ 9,151,919	\$ 8,382,120	\$ 6,929,450	(1,452,670)	-17.3%
Total	\$ 9,151,919	\$ 8,382,120	\$ 6,929,450	\$ (1,452,670)	-17.3%

Budget Summary

Law

The Department of Law is organized into two divisions – Corporate Counsel and Litigation. The Corporate Counsel division prepares all legal instruments for the government and provides advice to its employees and agencies. Activities include managing the preparation of legal opinions, ordinances, resolutions, contracts, and other legal documents. The Litigation division represents LFUCG in all civil cases filed in state and federal court and all claims before administrative boards. Litigation also comprises a claims section that is responsible for processing all claims, including workers’ compensation claims, and is responsible for purchasing excess insurance coverage. Law Administration manages the Self-Insured Retention Fund.

Expenditure by Category	Actual Expenditures FY 2009	Adopted Budget FY 2010	Mayor's Proposed FY 2011	Change FY 2010-2011	% Change FY 2010-2011
Personnel Expenditures	\$ 2,357,117	\$ 2,077,570	\$ 1,879,250	\$ (198,320)	(9.5)%
Operating Expenditures	6,794,802	6,293,500	5,050,200	(1,243,300)	(19.8)%
Transfers	-	-	-	-	0.0%
Capital Expenditures	-	11,050	-	(11,050)	(100.0)%
Total Expenditures	\$ 9,151,919	\$ 8,382,120	\$ 6,929,450	\$ (1,452,670)	(17.3)%
Total Staffing	26.9	25.7	24.7	(1.0)	(3.9)%
Budget by Program					
Law Administration	\$ 2,588,496	\$ 2,340,640	\$ 2,085,050	\$ (255,590)	(10.9)%
Insurance	1,412,509	1,315,400	1,275,400	(40,000)	(3.0)%
Claims Administration	77,107	-	-	-	0.0%
Claims Fund	5,073,807	4,726,080	3,569,000	(1,157,080)	(24.5)%

Budget Highlights

- The overall budget is reduced by about 19 percent in addition to a 25 percent overall operating account reduction in FY 2010.
- The Director of Corporate Counsel position, formerly the Deputy Commissioner of Law, is not funded for FY 2011. This position has been vacant since January 2009. An Attorney Senior position is also not funded. This position has been vacant since July 2009.

Budget Summary

- Excess insurance policies were written in FY 2010 to expire collectively at the end of the fiscal year, resulting in one-time savings due to some policies being written for less than 12 months. Due to LFUCG's stable loss experience during the past several years and the flat insurance market, no increase is estimated to be required for FY 2011 for the General Fund excess insurance account (160902-73101). This provides a reduction of 3 percent over the FY 2010 original budget instead of an expected increase.
- The FY 2011 requested contribution to the Self-Insured Retention Fund is reduced by 37 percent from FY 2010 due to the following:
 - 1) The FY 2008 claim year was funded at the 75 percent confidence level provided by actuarial analysis for ALL coverages. Prior years had routinely been funded at 50 percent (or present value) or less. The follow-up actuarial report issued in late 2009 indicated an over-funding for claim year 2008 due to reduced losses and budgeting at the 75 percent confidence level. This has provided a surplus of \$1.5 million, which will be transferred from claim year 2008 to claim year 2011.
 - 2) In 2008, the Department of Workers Claims (DWC) requested that LFUCG increase workers claims (WC), reserving to the actuarial 75 percent confidence level. For 2009 and 2010, DWC reserved WC at 75 percent. In late 2009, Law began investigating the appropriateness of DWC's requirement. The research and negotiations with DWC confirmed that LFUCG may return to reserving at 50 percent (present value). This provides a further reduction in the FY 2011 funding request in the amount of \$920,200.

Budget Summary

Public Works and Development \$13,181,897 187.2 FTE

The *Department of Public Works and Development* is comprised of eight General Fund divisions that provide public services in the areas of Engineering, Traffic Engineering, Streets, Roads, and Forestry, Building Inspection, Historic Preservation, Planning, Purchase of Development Rights, and the Commissioner's Office.

Budget By Division	Actual Expenditures FY 2009	Adopted Budget FY 2010	Mayor Proposed FY 2011	Dollar Change	Percent Change
Traffic Engineering	\$ 4,150,628	\$ 3,778,410	\$ 3,102,895	\$ (675,515)	-17.9%
Streets, Roads, and Forestry	4,044,118	3,198,410	3,683,060	484,650	15.2%
Engineering	2,388,066	426,020	416,300	(9,720)	-2.3%
Building Inspection	2,615,480	2,650,170	2,545,100	(105,070)	-4.0%
Historic Preservation	362,921	359,290	362,790	3,500	1.0%
Planning	1,938,384	1,917,330	1,690,910	(226,420)	-11.8%
Purchase of Development Rights	731,274	1,106,350	1,075,667	(30,683)	-2.8%
Public Works and Development Administration	326,642	425,220	305,175	(120,045)	-28.2%
Total	\$ 16,557,514	\$ 13,861,200	\$ 13,181,897	\$ (679,303)	-4.9%

Budget Summary

Commissioner of Public Works and Development

The Commissioner of Public Works and Development provides administrative support to the divisions within the Department of Public Works and Development. The office also operates the Valley View Ferry in conjunction with two other counties.

Expenditure by Category	Actual Expenditures FY 2009	Adopted Budget FY 2010	Mayor's Proposed FY 2011	Change FY 2010-2011	% Change FY 2010-2011
Personnel Expenditures	\$ 252,060	\$ 293,920	\$ 231,540	\$ (62,380)	(21.2)%
Operating Expenditures	74,582	131,300	73,635	(57,665)	(43.9)%
Transfers	-	-	-	-	0.0%
Capital Expenditures	-	-	-	-	0.0%
Total Expenditures	\$ 326,642	\$ 425,220	\$ 305,175	\$ (120,045)	(28.2)%
Total Staffing	3.0	3.0	3.0	0.0	0.0%
Budget by Program					
Public Works Comm Office	\$ 326,642	\$ 425,220	\$ 305,175	\$ (120,045)	(28.2)%

Budget Highlights

- The FY 2011 operating accounts that are requested by the Commissioner of Public Works and Development have been reduced by 16 percent below the total of these same accounts in the FY 2010 budget.
- The budget does not include funding for the dead animal program.
- A major component of the operating budget for the Commissioner of Public Works and Development are the activity accounts for seminars, training, and business travel. These budget accounts are used by all the Public Works and Development divisions to fund their travel and training. These budget items have been reduced by 46 percent. This reduction will eliminate any training and seminar attendance other than certifications required for an employee to perform their assigned work.
- The budget includes a modest increase for funding to operate the Valley View Ferry.

Budget Summary

Engineering

The Division of Engineering is responsible for reviewing plans for subdivisions, commercial buildings, development sites, and Urban County Government public works projects. The division provides engineering support services in such areas as surveying, drafting, and on-site inspection of storm sewers, streets, bridges, sidewalks, subdivisions, commercial developments, drainage, detention basins, retention basins, and other construction projects. Engineering is also responsible for the administration and preparation of contractual services, performance bonds, and letters of credit, and for receiving and investigating a variety of residents' requests.

Expenditure by Category	Actual Expenditures FY 2009	Adopted Budget FY 2010	Mayor's Proposed FY 2011	Change FY 2010-2011	% Change FY 2010-2011
Personnel Expenditures	\$ 2,099,126	\$ 1,505,130	\$ 1,387,890	\$ (117,240)	(7.8)%
Operating Expenditures	286,956	128,610	430,130	301,520	234.4%
Transfers	-	(1,207,720)	(1,401,720)	(194,000)	16.1%
Capital Expenditures	1,984	-	-	-	0.0%
Total Expenditures	\$ 2,388,066	\$ 426,020	\$ 416,300	\$ (9,720)	(2.3)%
Total Staffing	32.0	32.0	29.0	(3.0)	(9.4)%
Budget by Program					
Engineering Administration	\$ 2,188,936	\$ 403,870	\$ (1,063,040)	\$ (1,466,910)	(363.2)%
Design and Engineering Service	199,881	22,150	1,106,880	1,084,730	4897.2%
New Development	(750)	-	372,460	372,460	--

Budget Highlights

- For FY 2011, in addition to the General Fund, personnel budgets are allocated among Sanitary Sewer, Municipal Aid, and Right-of-Way Funds based on the project time spent on each function.
- Two positions that were vacant as of January 2010 are not funded in the FY 2011 budget.
- The Professional Services activity has been cut by 90 percent in this budget.
- FY 2011 capital expenditures will be from grants and programs such as KIA, MAP, and SLX and not from the General Fund.

Budget Summary

Streets, Roads, and Forestry

The Division of Streets, Roads, and Forestry is responsible for pothole and asphalt repairs, snow removal, tree maintenance in medians, and limb removal from storms that block roadways. Storm Sewer Construction and Maintenance is responsible for the installation, cleaning, and repair of catch basins, manholes, pipes, ditches, culverts, curbs, gutters, erosion control efforts, and handicap ramps, as well as other concrete repairs.

Expenditure by Category	Actual Expenditures FY 2009	Adopted Budget FY 2010	Mayor's Proposed FY 2011	Change FY 2010-2011	% Change FY 2010-2011
Personnel Expenditures	\$ 3,328,299	\$ 2,748,560	\$ 2,587,600	\$ (160,960)	(5.9)%
Operating Expenditures	1,595,819	1,242,130	1,908,070	665,940	53.6%
Transfers	(880,000)	(792,280)	(812,610)	(20,330)	2.6%
Capital Expenditures	-	-	-	-	0.0%
Total Expenditures	\$ 4,044,118	\$ 3,198,410	\$ 3,683,060	\$ 484,650	15.2%
Total Staffing	68.0	48.0	50.2	2.2	4.6%
Budget by Program					
Street Maintenance & Construction	\$ 2,885,873	\$ 3,054,370	\$ 3,481,200	\$ 426,830	14.0%
Storm Sewer Construct & Maintenance	1,061,430	97,330	155,150	57,820	59.4%
Street Cleaning	-	-	-	-	0.0%
Forestry	96,815	46,710	46,710	-	0.0%

Budget Highlights

- The Storm Sewer Maintenance and Construction costs for labor and materials have been moved to the Storm Water Fund for FY 2011.
- Positions vacant in January 2010 will remain unfilled or brought on late in FY 2011.
- The FY 2011 budget includes \$1,000,000 dollars for de-icing salt an increase of 100 percent over the FY 2010 budget.
- The FY 2011 budget does not include capital funds for small projects.

Budget Summary

Traffic Engineering

Traffic Engineering is responsible for the design, installation, and maintenance of roadway signs, pavement markings, traffic signal systems, fiber optic communication cable, and the Neighborhood Traffic Management program. The division oversees the design and installation of street lights, and reviews all subdivision, commercial development, and roadway plans. The division also coordinates the Crosstown Traffic Program in cooperation with the Government TV 3 (GTV3). The Operations program is responsible for the installation and maintenance of pavement markings, as well as traffic signs and signals. Traffic Engineering's budget includes the utility expenditure for the lighting of major thoroughfares and rural intersections outside the Urban Services boundary, as well as any underground street lighting costs within the Urban Services boundary.

Expenditure by Category	Actual Expenditures FY 2009	Adopted Budget FY 2010	Mayor's Proposed FY 2011	Change FY 2010-2011	% Change FY 2010-2011
Personnel Expenditures	\$ 2,674,989	\$ 2,572,850	\$ 1,958,670	\$ (614,180)	(23.9)%
Operating Expenditures	1,276,219	1,149,360	1,144,225	(5,135)	(0.4)%
Transfers	-	-	-	-	0.0%
Capital Expenditures	199,420	56,200	-	(56,200)	(100.0)%
Total Expenditures	\$ 4,150,628	\$ 3,778,410	\$ 3,102,895	\$ (675,515)	(17.9)%
Total Staffing	41.0	38.0	32.0	(6.0)	(15.8)%
Budget by Program					
Traffic Engineering Administration	\$ 1,944,914	\$ 1,814,450	\$ 1,510,450	\$ (304,000)	(16.8)%
Traffic Engineering Operations	1,785,314	1,523,960	1,365,820	(158,140)	(10.4)%
Street Lights	420,400	440,000	226,625	(213,375)	(48.5)%
Yard Waste Collections	-	-	-	-	0.0%

Budget Highlights

- One traffic signal technician position vacant in January of 2010 will not be funded in the FY2011 budget.
- Some positions in Traffic Engineering will receive an increase Grant and SLX funding. This increase will reduce the Grant and SLX funds available for Traffic Engineering Projects.
- No capital projects or operating capital is funded in the FY 2011 Budget.
- An update of the allocation if street lights on arterials verses street light district streets has resulted in a reduction in street light rental.
- Traffic Engineering's budget will allow for operation and maintenance in their core area of responsibility. Traffic Engineering programs will be very limited during FY 2011.

Budget Summary

Historic Preservation

The Division of Historic Preservation is responsible for administering and implementing the historic preservation program for the LFUCG. This includes a wide range of programs and efforts, many of which are outlined in Article 13 of the zoning ordinance. These include administering the H-1 design review process, serving as staff to the Board of Architectural Review and the Historic Preservation Commission, reviewing projects of historic structures that involve federal funds, reviewing all demolition permit applications, and other functions. As a "Certified Local Government" with the National Park Service, LFUCG is eligible for state and federal grants to further the cause of historic preservation within the community.

Expenditure by Category	Actual Expenditures FY 2009	Adopted Budget FY 2010	Mayor's Proposed FY 2011	Change FY 2010-2011	% Change FY 2010-2011
Personnel Expenditures	\$ 338,911	\$ 332,720	\$ 336,860	\$ 4,140	1.2%
Operating Expenditures	24,010	26,570	25,930	(640)	(2.4)%
Transfers	-	-	-	-	0.0%
Capital Expenditures	-	-	-	-	0.0%
Total Expenditures	\$ 362,921	\$ 359,290	\$ 362,790	\$ 3,500	1.0%
Total Staffing	5.0	5.0	5.0	0.0	0.0%
Budget by Program					
Historic Preservation	\$ 362,921	\$ 359,290	\$ 362,790	\$ 3,500	1.0%

Budget Highlights

- The Historic Preservation budget remains flat for FY2011
- The budget will not provide funds for Historic Preservation Week programs and the Historic Preservation Awards Ceremony.
- The budget includes funding for the required BOAR training.
- The FY2011 budget will allow Historic Preservation to continue to provide core services. No new or expanded services are included in the FY 2011 budget.

Budget Summary

Planning

Planning provides the overall management framework to guide and shape the community's growth and development. The division has five primary functions.

- **Planning Administration** develops, oversees, and coordinates the work program activities of all sections of the Division of Planning as well as representing and advocating for quality planning and planning principles with elected and appointed officials, citizen groups, business interests, and others.
- **Long-Range Planning** is responsible for the Comprehensive Plan and related activities.
- **Planning Services** is the plan implementation staff for the Planning Commission and Board of Adjustment.
- **Transportation Planning** is charged with all aspects of highway and transit planning as part of the Metropolitan Planning Organization.
- **Strategic Planning** bridges the gap between long-range planning and day-to-day development regulation, with activities such as the Capital Improvements Plan (CIP), Greenspace program, Infill and Redevelopment initiatives, Newtown Pike Extension Corridor Plan, and Southend Park Neighborhood Redevelopment Plan. (Note: Due to staff vacancies and the hiring freeze over the past two years, the Strategic Planning section was temporarily suspended as of January 2009, and its duties were re-assigned to the extent possible.)

Expenditure by Category	Actual Expenditures FY 2009	Adopted Budget FY 2010	Mayor's Proposed FY 2011	Change FY 2010-2011	% Change FY 2010-2011
Personnel Expenditures	\$ 1,615,701	\$ 1,637,100	\$ 1,548,420	\$ (88,680)	(5.4)%
Operating Expenditures	322,683	280,230	142,490	(137,740)	(49.2)%
Transfers	-	-	-	-	0.0%
Capital Expenditures	-	-	-	-	0.0%
Total Expenditures	\$ 1,938,384	\$ 1,917,330	\$ 1,690,910	\$ (226,420)	(11.8)%
Total Staffing	30.0	29.0	28.0	(1.0)	(3.4)%
Budget by Program					
Planning Administration	\$ 1,938,384	\$ 1,917,330	\$ 1,609,850	\$ (307,480)	(16.0)%
Planning Services	-	-	-	-	0.0%
Strategic Planning	-	-	-	-	0.0%
Transportation Planning	-	-	81,060	81,060	--

Budget Summary

Budget Highlights

- Positions not filled in January 2010 are not funded in the FY 2011 budget
- There are no Professional Services dollars included in the FY 2011 budget.
- At the proposed funding level, the division will be able to continue core services.

Budget Summary

Purchase of Development Rights

Fayette County's Purchase of Development Rights (PDR) program is the first agricultural conservation easement program by a local government in the Commonwealth of Kentucky. Protecting this world-famous landscape from urban sprawl has been a community goal for decades. Three major actions are accomplishing this, as follows:

- In 1958, Lexington-Fayette County initiated an Urban Service Boundary as a tool to limit development to urban areas served by sanitary sewers.
- In 1999, the minimum lot size in the Rural Service Area of Fayette County was increased from ten to 40 acres.
- In 2000, an ordinance was passed by the Urban County Council creating the Purchase of Development Rights program and the Fayette County Rural Land Management Board, Inc.

PDR is at 22,589 acres, 45 percent of the ordinance goal of 50,000 acres, and is on track to meet the goal within the ordinance time frame of 2020. Since the program began, the LFUCG conservation easement acquisition savings from state and federal match grants amount to \$29,435,980. Conservation easement acquisition savings from donated conservation easements total \$4,025,000. The total LFUCG conservation easement acquisition funding to date equals \$24,072,719. The total net LFUCG conservation easement acquisition savings/return on the taxpayer investment to date is \$9,388,261.00 or 39 percent.

Expenditure by Category	Actual Expenditures FY 2009	Adopted Budget FY 2010	Mayor's Proposed FY 2011	Change FY 2010-2011	% Change FY 2010-2011
Personnel Expenditures	\$ 90,509	\$ 101,070	\$ 101,600	\$ 530	0.5%
Operating Expenditures	640,766	1,005,280	974,067	(31,213)	(3.1)%
Transfers	-	-	-	-	0.0%
Capital Expenditures	-	-	-	-	0.0%
Total Expenditures	\$ 731,274	\$ 1,106,350	\$ 1,075,667	\$ (30,683)	(2.8)%
Total Staffing	1.0	1.0	1.0	0.0	0.0%
Budget by Program					
Purchase of Development Rights	\$ 731,274	\$ 1,106,350	\$ 1,075,667	\$ (30,683)	(2.8)%

Budget Summary

Budget Highlights

- The operating account activities for the PDR program budget have been reduced by 19% under the FY 2010 budget.
- The large reduction in this program was possible for FY 2011 without impacting the program due to the size of the individual tracts of land applying for the program. Fewer appraisals and closing will be required to manage the program in FY 2011 allowing for a large reduction in the Professional Services activities.

Budget Summary

Building Inspection

The Division of Building Inspection ensures public safety to the extent that buildings, construction, and land use affect the community. This responsibility is provided by plan review, issuance of building permits, field inspections, contractor registration, and issuance of certificates of occupancy in accordance with regulations set out in the Kentucky Building Code and the zoning ordinances.

Expenditure by Category	Actual Expenditures FY 2009	Adopted Budget FY 2010	Mayor's Proposed FY 2011	Change FY 2010-2011	% Change FY 2010-2011
Personnel Expenditures	\$ 2,520,083	\$ 2,550,660	\$ 2,453,790	\$ (96,870)	(3.8)%
Operating Expenditures	95,397	99,510	91,310	(8,200)	(8.2)%
Transfers	-	-	-	-	0.0%
Capital Expenditures	-	-	-	-	0.0%
Total Expenditures	\$ 2,615,480	\$ 2,650,170	\$ 2,545,100	\$ (105,070)	(4.0)%
Total Staffing	41.0	40.0	39.0	(1.0)	(2.5)%
Budget by Program					
Building Inspection Administration	\$ 2,615,480	\$ 2,646,450	\$ 2,545,100	\$ (101,350)	(3.8)%
Commercial	-	1,240	-	(1,240)	(100.0)%
New Residential	-	1,240	-	(1,240)	(100.0)%
Existing Residential	-	1,240	-	(1,240)	(100.0)%

Budget Highlights

- Positions that are currently vacant are not budgeted to be filled in FY 2011.
- The FY 2011 budget will be sufficient to maintain core Building Inspections services during regular working hours. No requests for capital or expanded services are included in this budget.

Budget Summary

Environmental Quality

\$0 0.0 FTE

The FY 2009 budget included the transfer to the Urban Services Fund. This is eliminated for FY 2010 and FY 2011.

Budget By Division	Actual Expenditures FY 2009	Adopted Budget FY 2010	Mayor Proposed FY 2011	Dollar Change	Percent Change
Environmental Quality Administration	\$ -	\$ -	\$ -	\$ -	--
Division of Environmental Policy	20,000	-	-	-	--
Water Quality	344,356	-	-	-	--
Total	\$ 364,356	\$ -	\$ -	\$ -	--

Social Services

\$7,706,482 132.6 FTE

The *Department of Social Services* consists of the Divisions of Adult and Tenant Services, Family Services, and Youth Services, as well as the Office of Independent Living and Aging Services, the Domestic Violence Prevention Board, Multicultural Affairs, LexLinc, and Partners for Youth. Social Services comprise three percent of the General Fund budget.

Budget By Division	Actual Expenditures FY 2009	Adopted Budget FY 2010	Mayor Proposed FY 2011	Dollar Change	Percent Change
Family Services	\$ 3,028,893	\$ 3,133,240	\$ 2,903,710	\$ (229,530)	-7.3%
Youth Services	2,638,440	2,639,130	2,517,232	(121,898)	-4.6%
Adult and Tenant Services	1,338,605	1,199,980	1,131,980	(68,000)	-5.7%
Commissioner of Social Services	975,197	1,126,590	1,153,560	26,970	2.4%
Total	\$ 7,981,135	\$ 8,098,940	\$ 7,706,482	\$ (392,458)	-4.8%

Budget Summary

Commissioner of Social Services

The Commissioner of Social Services directs and provides administrative support and is responsible for program development and activities related to the delivery, coordination, and collaboration of community human services. The department partners with 20 social service agencies that receive LFUCG funding.

Expenditure by Category	Actual Expenditures FY 2009	Adopted Budget FY 2010	Mayor's Proposed FY 2011	Change FY 2010-2011	% Change FY 2010-2011
Personnel Expenditures	\$ 533,694	\$ 742,150	\$ 776,710	\$ 34,560	4.7%
Operating Expenditures	442,352	384,440	376,850	(7,590)	(2.0)%
Transfers	(849)	-	-	-	0.0%
Capital Expenditures	-	-	-	-	0.0%
Total Expenditures	\$ 975,197	\$ 1,126,590	\$ 1,153,560	\$ 26,970	2.4%
Total Staffing	16.3	14.3	14.3	(0.0)	(0.2)%
Budget by Program					
Social Services Comm Office	\$ 640,690	\$ 772,130	\$ 731,420	\$ (40,710)	(5.3)%
Youth Programs	133,207	133,510	115,270	(18,240)	(13.7)%
Aging Services	201,181	220,350	306,470	86,120	39.1%
Multicultural Services	120	600	400	(200)	(33.3)%

Budget Highlights

- Aging Services and Independent Living information, programs and services for persons with disabilities and seniors are enhanced and expanded.
- The Senior Center has an additional social worker to help meet the needs of its participants.
- Aging Services and Independent Living continue to support and participate in educational/informational conferences and the Senior Intern Program
- The Department will complete a comprehensive review of all programs, services, policies and position descriptions to ensure maximum operational efficiency and mission focus.
- Several functions will be streamlined and/or centralized/enhanced to support our work and annual goals/performance outcomes.
- Partner agencies will receive stronger technical assistance, support and oversight.

Budget Summary

Adult and Tenant Services

Adult and Tenant Services provides limited financial and housing assistance, as well as crisis intervention and case management services, for residents of Fayette County age 18 and older. Financial assistance services include: rental assistance, utility assistance (electric, gas, and water), indigent burial assistance, and relocation assistance. Staff are located at the Central Kentucky Job Center, The Black and Williams Neighborhood Center, Cardinal Valley Center, and Carver Community Center.

Expenditure by Category	Actual Expenditures FY 2009	Adopted Budget FY 2010	Mayor's Proposed FY 2011	Change FY 2010-2011	% Change FY 2010-2011
Personnel Expenditures	\$ 707,474	\$ 795,900	\$ 730,530	\$ (65,370)	(8.2)%
Operating Expenditures	400,509	354,080	351,450	(2,630)	(0.7)%
Transfers	230,622	50,000	50,000	-	0.0%
Capital Expenditures	-	-	-	-	0.0%
Total Expenditures	\$ 1,338,605	\$ 1,199,980	\$ 1,131,980	\$ (68,000)	(5.7)%
Total Staffing	18.0	17.5	15.5	(2.0)	(11.4)%
Budget by Program					
Adult & Tenant Services Administration	\$ 1,295,803	\$ 1,163,150	\$ 1,099,700	\$ (63,450)	(5.5)%
Black and Williams Center	41,007	33,620	32,280	(1,340)	(4.0)%
Cardinal Valley Center	1,794	3,210	-	(3,210)	(100.0)%

Budget Highlights

- Financial Literacy Programs will be added and the Representative Payee Program will be expanded.
- Funding is provided for all mission critical positions.
- Relocation assistance, burial/cremations and emergency financial assistance funds remain unchanged from FY 10 levels.
- Homelessness prevention and rapid re-housing will continue to be a high priority.

Budget Summary

Family Services

Family Services Administration coordinates the delivery of case management, childcare, health services, intensive home visitation, and adult education to young parents and their preschool children. The Parent Resource Center provides a comprehensive educational program to young parents (up to age 22) who receive KTAP (Kentucky Transitional Assistance Program) funds, lack a high school diploma or GED, and have not developed marketable skills. Services are provided through collaboration with the Kentucky Cabinet for Health and Family Services, Fayette County Public Schools, Vocational Rehabilitation, Bluegrass Community Technical College, Carnegie Center, and other local programs. Early Childcare provides developmentally appropriate childcare and education for children ages six weeks through four years. In addition to parenting classes, all parents are enrolled in education or training programs to help them become self-sufficient.

Expenditure by Category	Actual Expenditures FY 2009	Adopted Budget FY 2010	Mayor's Proposed FY 2011	Change FY 2010-2011	% Change FY 2010-2011
Personnel Expenditures	\$ 2,328,688	\$ 2,680,560	\$ 2,599,420	\$ (81,140)	(3.0)%
Operating Expenditures	687,310	452,680	304,290	(148,390)	(32.8)%
Transfers	-	-	-	-	0.0%
Capital Expenditures	12,896	-	-	-	0.0%
Total Expenditures	\$ 3,028,893	\$ 3,133,240	\$ 2,903,710	\$ (229,530)	(7.3)%
Total Staffing	74.6	73.4	65.2	(8.2)	(11.2)%
Budget by Program					
Family Services Administration	\$ 1,181,011	\$ 1,283,250	\$ 1,142,740	\$ (140,510)	(10.9)%
Parent Resource Center	123,185	143,910	176,410	32,500	22.6%
Early Child Care	1,724,697	1,706,080	1,584,560	(121,520)	(7.1)%

Budget Highlights

- The Fayette County Public Schools will assume responsibility to provide the required meal service for youth and children enrolled in the Day Treatment Center and the programs of the Division of Family Services at the Family Care Center as of July 1, 2010.
- Funding for all mission critical positions remains in place
- Three positions vacant throughout FY 10 and used to meet budget reductions are left unfilled.
- Custodial functions for Family Care Center, Family Care Center Annex, Senior Center, and Black & Williams are returned to General Services-Facilities Management.

Budget Summary

Youth Services

The Division of Youth Services includes the following major program areas:

1. **Administration** is responsible for planning, organizing, and supervising the operations of the Division of Youth Services.
2. The **Day Treatment** program provides community-based treatment through education, counseling, and social work services for youth between the ages of 13 and 17.
3. The **Social Services** program provides social services to eligible families in Fayette County who are experiencing disruptions with their children. Services are designed to support and strengthen family life and to prevent family crisis or breakdown.
4. The **Probation/Court Services** program works closely with Juvenile Court to carry out District Court Judges' orders regarding probation sentences and provides supervision of probationers.
5. The **Court Appointed Special Advocate (CASA)** was established to ensure that the best interests of abused and neglected children are served. To meet this goal, the CASA manager recruits and trains volunteers to serve as advocates for these special children.

Expenditure by Category	Actual Expenditures FY 2009	Adopted Budget FY 2010	Mayor's Proposed FY 2011	Change FY 2010-2011	% Change FY 2010-2011
Personnel Expenditures	\$ 2,092,560	\$ 2,121,220	\$ 1,879,770	\$ (241,450)	(11.4)%
Operating Expenditures	545,881	517,910	637,462	119,552	23.1%
Transfers	-	-	-	-	0.0%
Capital Expenditures	-	-	-	-	0.0%
Total Expenditures	\$ 2,638,440	\$ 2,639,130	\$ 2,517,232	\$ (121,898)	(4.6)%
Total Staffing	38.2	42.2	37.6	(4.6)	(10.9)%
Budget by Program					
Youth Services Administration	\$ 549,406	\$ 486,260	\$ 533,800	\$ 47,540	9.8%
Social Services	656,817	724,860	704,522	(20,338)	(2.8)%
Day Treatment Program	814,008	837,830	635,120	(202,710)	(24.2)%
Probation & Court Services	607,370	576,810	628,650	51,840	9.0%
Gainesway Community Empowerment	10,839	13,370	15,140	1,770	13.2%

Budget Highlights

- A four week summer youth program for 150 youth ages 14-17 will be offered beginning in July
- Enhanced and expanded programs and services for youth will be developed and implemented throughout the community.

Budget Summary

General Services District Fund - Expenditures by Department

Departments/Divisions	FY 2009 Actual	FY 2010 Budget	FY 2011 Mayor Proposed	Difference	FTE FY 2010	FTE FY 2011	Difference
Constitutional & Judicial Officers	\$ 2,719,254	\$ 3,036,670	\$ 3,491,302	\$ 454,632	21.0	21.0	
Circuit Judges	305,870	323,050	324,800	1,750	5.0	5.0	
County Clerk	205,990	261,630	338,690	77,060	-	-	
Board of Elections	387,332	485,430	855,500	370,070	2.0	2.0	
Commonwealth Attorney	56,885	81,960	72,610	(9,350)	-	-	
County Judge Executive	28,384	19,100	36,350	17,250	4.0	4.0	
County Attorney	769,038	774,400	789,622	15,222	-	-	
Coroner	600,756	726,100	738,330	12,230	10.0	10.0	
Property Valuation Administrator	365,000	365,000	335,400	(29,600)	-	-	
Council Office	2,361,948	2,380,230	2,166,050	(214,180)	35.0	35.0	
Citizens' Advocate	176,550	182,150	82,730	(99,420)	2.0	1.1	(0.9)
Council Clerk	728,793	768,190	646,205	(121,985)	7.0	6.0	(1.0)
Office of the Mayor	1,716,544	1,546,340	1,391,174	(155,166)	16.0	15.0	(1.0)
Special Events	130,048	155,770	103,183	(52,587)	-	-	
Special Projects	744,488	789,350	727,850	(61,500)	-	-	
Contract Debt	18,847,175	28,912,540	33,644,266	4,731,726	-	-	
Contingency\Indirect Cost Allocation	(3,499,980)	(6,570,970)	(12,864,260)	(6,293,290)	-	-	
Office of the CAO	(4,757)	-	-	-	-	-	
Office of Policy and Budget	504,610	499,900	513,700	13,800	6.0	6.0	
Internal Audit	439,246	820,640	738,793	(81,847)	7.0	7.0	
Office of the Chief Information Officer	7,838,836	7,907,100	8,344,424	437,324	80.0	80.1	0.1
Office of the Chief Information Officer	1,025,350	867,080	570,014	(297,066)	1.0	1.0	
Enterprise Solutions	-	-	895,170	895,170	-	6.0	6.0
Government Communications	1,570,217	1,517,600	1,443,300	(74,300)	32.0	31.1	(0.9)
Computer Services	5,243,269	5,522,420	5,435,940	(86,480)	47.0	42.0	(5.0)
Office of the Senior Advisor	265,534	229,600	288,586	58,986	2.0	2.0	
Office of the Senior Advisor	144,902	153,650	154,016	366	1.0	1.0	
Office of Economic Development	120,632	75,950	134,570	58,620	1.0	1.0	
Law	9,151,919	8,382,120	6,929,450	(1,452,670)	25.7	24.7	(1.0)
Finance and Administration	8,805,597	8,742,150	8,051,112	(691,038)	118.5	101.3	(17.2)
Commissioner's Office	643,412	395,140	444,840	49,700	3.0	3.0	
Accounting	1,306,381	1,350,300	1,284,230	(66,070)	19.0	17.9	(1.1)
Revenue	2,437,430	2,608,300	2,511,702	(96,598)	37.0	33.5	(3.5)
Purchasing	511,970	551,300	578,540	27,240	8.0	8.0	
Community Development	846,170	778,840	635,790	(143,050)	16.0	14.1	(1.9)
Human Resources	2,616,213	2,598,640	2,422,850	(175,790)	28.5	22.8	(5.7)
Risk Management	444,022	459,630	173,160	(286,470)	7.0	2.0	(5.0)

Budget Summary

General Services District Fund - Expenditures by Department

Departments/Divisions	FY 2009 Actual	FY 2010 Budget	FY 2011 Mayor Proposed	Difference	FTE FY 2010	FTE FY 2011	Difference
Public Works and Development	\$ 16,557,514	\$ 13,861,200	\$ 13,181,897	\$ (679,303)	196.0	187.2	(8.8)
Commissioner's Office	326,642	425,220	305,175	(120,045)	3.0	3.0	
Engineering	2,388,066	426,020	416,300	(9,720)	32.0	29.0	(3.0)
Streets, Roads, and Forestry	4,044,118	3,198,410	3,683,060	484,650	48.0	50.2	2.2
Traffic Engineering	4,150,628	3,778,410	3,102,895	(675,515)	38.0	32.0	(6.0)
Historic Preservation	362,921	359,290	362,790	3,500	5.0	5.0	
Planning	1,938,384	1,917,330	1,690,910	(226,420)	29.0	28.0	(1.0)
Purchase of Development Rights	731,274	1,106,350	1,075,667	(30,683)	1.0	1.0	
Building Inspection	2,615,480	2,650,170	2,545,100	(105,070)	40.0	39.0	(1.0)
Environmental Quality	364,356	-	-	-	-	-	-
Commissioner's Office	-	-	-	-	-	-	
Environmental Policy	20,000	-	-	-	-	-	
Water and Air Quality	344,356	-	-	-	-	-	
Public Safety	147,083,791	150,691,930	154,402,303	3,710,373	1,695.5	1,685.3	(10.2)
Commissioner's Office/Pension	3,131,792	3,350,390	3,199,110	(151,280)	3.5	3.5	
DEEM\Enhanced 911	3,681,414	3,895,650	3,527,350	(368,300)	85.5	82.7	(2.8)
Detention Centers	28,989,945	30,786,380	31,496,918	710,538	357.0	353.0	(4.0)
Police	54,819,481	56,530,560	59,566,470	3,035,910	664.5	664.5	
Fire	54,866,319	54,379,270	54,941,705	562,435	561.0	557.6	(3.4)
Code Enforcement	1,594,839	1,749,680	1,670,750	(78,930)	24.0	24.0	
Social Services	7,981,135	8,098,940	7,706,482	(392,458)	147.4	132.6	(14.8)
Commissioner's Office	975,197	1,126,590	1,153,560	26,970	14.3	14.3	(0.0)
Adult Services	1,338,605	1,199,980	1,131,980	(68,000)	17.5	15.5	(2.0)
Family Services	3,028,893	3,133,240	2,903,710	(229,530)	73.4	65.2	(8.2)
Youth Services	2,638,440	2,639,130	2,517,232	(121,898)	42.2	37.6	(4.6)
General Services	27,888,591	31,227,590	26,986,532	(4,241,058)	372.3	330.9	(41.4)
Commissioner's Office	2,083,642	1,870,490	1,756,101	(114,389)	9.0	8.2	(0.8)
Facilities and Fleet Management	8,432,964	10,515,790	7,972,545	(2,543,245)	150.6	128.4	(22.2)
Parks & Recreation	17,371,985	18,841,310	17,257,886	(1,583,424)	212.7	194.3	(18.4)
Partner Agencies	25,902,636	18,398,110	17,733,810	(664,300)	-	-	-
Library	13,065,900	13,706,650	13,074,810	(631,840)	-	-	
Other Agencies	12,836,736	4,691,460	4,659,000	(32,460)	-	-	
Total General Services District	\$ 276,703,828	\$ 280,059,550	\$ 274,265,589	\$ (5,793,961)	2,731.4	2,635.1	(96.3)

Budget Summary

Tenant Relocation Fund (#1104)

\$50,000

Created in FY 2009, this fund provides relocation assistance to eligible low-income tenants displaced by the rezoning, redevelopment, or change in use of property.

Summary of Revenue and Appropriations

	FY 2009	FY 2010	FY 2011		
	Actual	Adopted	Proposed	Change	% Change
Revenue					
Other Financing Sources	\$ 50,000	\$ 50,000	\$ 50,000	\$ -	-
Investments	4	-	-	\$ -	-
Total Revenue	\$ 50,004	\$ 50,000	\$ 50,000	\$ -	-
Fund Balance, July 1	-	-	-	-	-
Total Funds Available	\$ 50,004	\$ 50,000	\$ 50,000	\$ -	-
Appropriations					
Operating Expenditures					
Operating	\$ -	\$ 50,000	\$ 50,000	\$ -	-
Total Appropriations	\$ -	\$ 50,000	\$ 50,000	\$ -	-

Budget Summary

Urban Services Districts Fund (#1115)

\$36,183,015 287.5 FTE

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 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.

Summary of Revenue and Appropriations

	FY 2009 Actual	FY 2010 Adopted	FY 2011 Proposed	Change	% Change
Revenue					
Ad Valorem Taxes	\$ 33,564,507	\$ 34,430,000	\$ 30,597,000	\$ (3,833,000)	-11.1%
Licenses and Permits	1,229,919	1,270,000	1,200,000	(70,000)	-5.5%
Services	1,558,906	-	2,600,000	2,600,000	
Fines and Forfeitures	-	-	25,000	25,000	
Property Sales	148,614	1,334,000	1,087,400	(246,600)	-18.5%
Investments	223,141	-	27,000	27,000	
Other Income	5,584	730,000	20,000	(710,000)	-97.3%
Total Revenue	\$ 36,730,671	\$ 37,764,000	\$ 35,556,400	\$ (2,207,600)	-5.8%
Fund Balance, July 1	31,935,168	19,448,270	9,621,100	(9,827,170)	-50.5%
Total Funds Available	\$ 68,665,839	\$ 57,212,270	\$ 45,177,500	\$ (12,034,770)	-21.0%
Appropriations					
Operating Expenditures					
Personnel	\$ 13,438,483	\$ 17,068,070	\$ 15,718,570	\$ (1,349,500)	-7.9%
Debt Service	165,459	117,830	-	(117,830)	-100.0%
Insurance	1,530,623	656,400	332,000	(324,400)	-49.4%
Operating	16,568,693	17,981,200	19,849,515	1,868,315	10.4%
Transfers To/(From) Other Funds	317,226	229,200	282,930	53,730	23.4%
Total Operating	\$ 32,020,485	\$ 36,052,700	\$ 36,183,015	\$ 130,315	0.4%
Capital Expenditures					
CIP Capital	\$ 3,154,628	\$ 2,450,000	\$ -	\$ (2,450,000)	-100.0%
Operating Capital	5,252,975	11,141,500	-	(11,141,500)	-100.0%
Total Capital	\$ 8,407,603	\$ 13,591,500	\$ -	\$ (13,591,500)	-100.0%
Total Appropriations	\$ 40,428,088	\$ 49,644,200	\$ 36,183,015	\$ (13,461,185)	-27.1%
Fund Balance, June 30	\$ 28,237,751	\$ 7,568,070	\$ 8,994,485	\$ 1,426,415	18.8%

Budget Summary

Urban Services Fund Expenditures By Department or Function

Department/Function	FY 2009 Actual	FY 2010 Adopted	FY 2011 Proposed	Difference
Insurance	\$ 59,260	\$ 55,490	\$ 14,850	\$ (40,640)
Law	1,542,895	692,410	483,200	(209,210)
Contract Debt	165,459	117,830	-	(117,830)
Indirect Cost/Contingency	3,612,168	4,560,440	3,896,510	(663,930)
Government Communications	590,156	570,690	570,690	-
Personnel Programs	13,550	14,000	14,000	-
Annual Audit	9,475	9,000	9,000	-
Revenue	23,328	-	-	-
CIO/PeopleSoft	141,570	51,580	-	(51,580)
Computer Services	-	90,750	83,440	(7,310)
Grant Match	434,133	-	-	-
Public Works and Development	\$ 5,458,250	\$ 5,884,090	\$ 6,215,575	\$ 331,485
Administration	4,941	23,500	72,100	48,600
Street Cleaning	1,122,660	1,197,940	1,412,830	214,890
Street Lights	4,330,649	4,662,650	4,730,645	67,995
Environmental Quality	\$ 26,351,301	\$ 29,586,200	\$ 24,295,240	\$ (5,290,960)
Administration	594,263	725,080	500,170	(224,910)
Environmental Policy	537,158	1,345,260	767,040	(578,220)
Refuse Collection	25,219,880	27,515,860	23,028,030	(4,487,830)
General Services	\$ 2,026,544	\$ 8,011,720	\$ 600,510	\$ (7,411,210)
Facilities and Fleet Management	1,629,539	7,472,200	73,550	(7,398,650)
Vacuum Leaf Collection	397,005	539,520	526,960	(12,560)
Total Urban Services	\$ 40,428,088	\$ 49,644,200	\$ 36,183,015	\$ (13,461,185)

The decrease in **Law** is due to a decrease in the insurance allocation to the Urban Services Fund for FY 2011.

Contract debt provided debt payments for the sanitation building. The FY 2010 budget included the final payment for this bond.

An **indirect cost** payment is made to the General Services Fund (\$3,930,000) for administrative costs not directly charged to this fund (such as accounting, budgeting, purchasing, payroll, etc.).

Budget Summary

Contingency includes the budgets for termination pay (\$229,340 for unused sick and vacation hours), the 27th pay period contingency (\$27,000), and planned personnel lapse (\$442,530).

Government Communications includes the budgets for LexCall and Public Information. Program costs for LexCall are allocated among three funds based on actual calls received. Seventy-six percent of the total cost is allocated to the Urban Services Fund. Public Information provides public education services for the refuse collection, street light, and street cleaning programs.

The \$14,000 budget for **personnel programs** provides for alcohol and drug testing, commercial driver license costs, and occupational wellness programs.

Computer Services includes funds for employees providing support to the Urban Services Fund.

The **CIO/PeopleSoft** budget provided a transfer to the PeopleSoft program and Computer Services for ongoing costs for the financial software system.

Refuse collection is provided once each week to approximately 85,000 households. Business, institutional, and other non-residential waste is collected through the dumpster program. The recyclables of over 59,000 households are collected once each week. Yard waste containers and bags are provided for once per week collection to residents receiving LFUCG trash collection services. There are over 49,000 yard waste containers currently in use.

- The FY 2011 Bond Project Fund budget includes \$1 million for the site evaluation and development plan for a new material recovery facility.
- Funds are also included in the FY 2011 Bond Project Fund for the following:
 - \$5,750,000 for new refuse collection trucks
 - \$150,000 for modifications to the existing material recycling facility's layout to accommodate new equipment
 - \$80,000 for modifications to the e-waste facility to deal with OSHA compliance issues (old Furrow's building)
 - \$1,000,000 for a new water line, drainage system, and concrete pad for the LFUCG composting facility

Environmental Quality was a new department for FY 2008. It was initiated by Mayor Jim Newberry and approved by the Urban Country Council in order to provide a more streamlined, efficient approach to environmental functions. Several divisions that dealt with environmental projects were realigned under one umbrella in order to focus on common environmental goals and challenges and better address community concerns. Included here are the **Office of the Commissioner** and the **Division of Environmental Policy**.

Budget Summary

The Division of Parks and Recreation administers the *vacuum leaf collection* program. This service is provided only to those properties within the Urban Services Districts that have LFUCG refuse collection service.

Street light utility cost is budgeted at \$4,568,275, a \$368,275 increase over FY 2010. The increase reflects the cost for additional street lights in the street light districts.

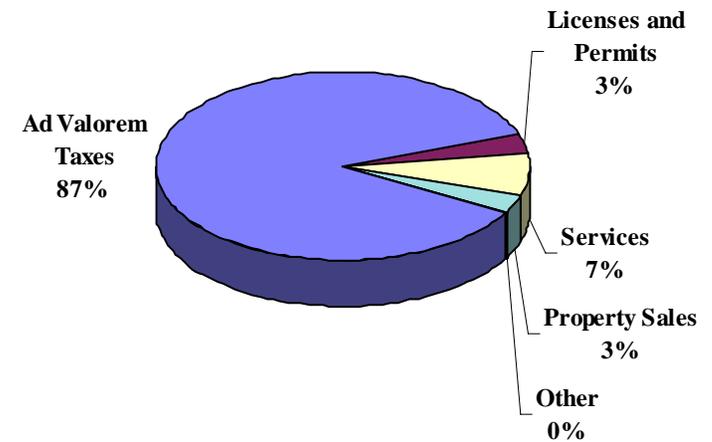
The Division of Streets, Roads, and Forestry provides *street cleaning* in the urban services area.

Urban Services Revenue Sources

Total resources available for FY 2011 expenditures in the Urban Services Fund include a projected beginning fund balance of \$9.6 million and revenues of \$35.5 million. The largest single category of revenue to the Urban Services Districts Fund is *ad valorem*, or property, taxes. Property taxes account for 86 percent of the total revenues, and are estimated at \$30.6 million for the 2010 tax year (FY 2011).

Urban Services Districts Fund Revenues
\$35,556,400

Category	FY 2009 Actual	FY 2010 Adopted	FY 2011 Proposed	Dollar Change	Percent Change
Ad Valorem Taxes	\$ 33,564,507	\$ 34,430,000	\$ 30,597,000	\$ (3,833,000)	-11.1%
Licenses and Permits	1,229,919	1,270,000	1,200,000	(70,000)	-5.5%
Services	1,558,906	-	2,600,000	2,600,000	
Property Sales	148,614	1,334,000	1,087,400	(246,600)	-18.5%
Investments	223,141	-	27,000	27,000	
Fines and Forfeitures	-	-	25,000	25,000	
Other Income	5,584	730,000	20,000	(710,000)	-97.3%
Total Revenue	\$ 36,730,671	\$ 37,764,000	\$ 35,556,400	\$ (2,207,600)	-5.8%



Budget Summary

Ad Valorem Taxes

Urban Services property taxes are determined by a separate rate established for each service available. The tax rates will be adopted in August of 2010 after adoption of this budget. The current rates per \$100 of assessed value on real property are:

Service	Current Rate
Refuse Collection	14.31 cents
Street Lights	02.10 cents
Street Cleaning	00.94 cents
<i>Full Urban Rate</i>	17.35 cents

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

The Urban Services property tax on realty is paid only by those residents receiving one or more of the government services of refuse collection, street lights, and street cleaning. The taxes levied are determined by a separate rate established for each service. If all of the services are available, the property is located in the *Full Urban Services District*. The property is located in a *Partial Urban Services District* if less than the full complement of services is available. During FY 2010 the refuse collection rate was reduced from 15.9 to 14.31 cents. The proposed budget for FY 2011 maintains this reduced taxing level.

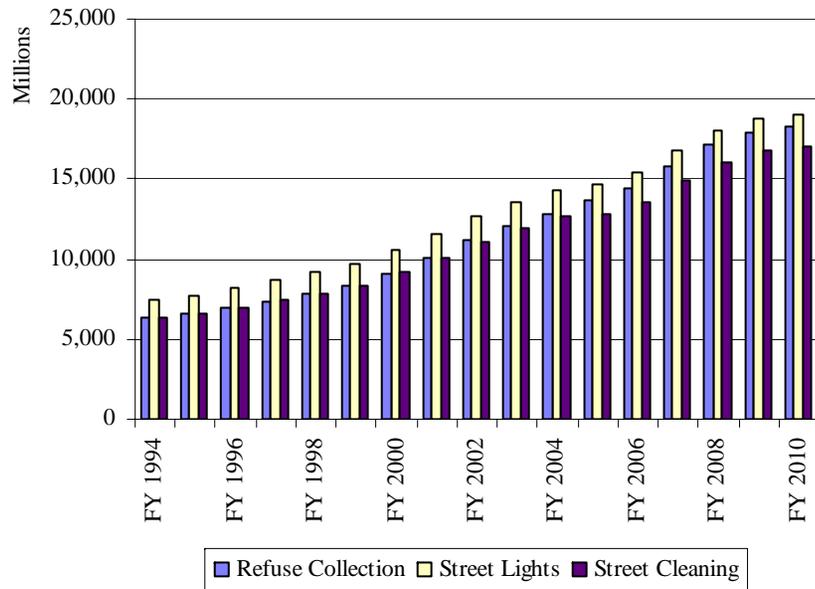
As stated in the discussion on General Services District property taxes, the LFUCG's ability to generate revenues from property taxes is limited by state legislation (House Bill 44), which effectively limits revenue growth to four percent (exclusive of revenue from new property). These same limits apply to the Urban Services Districts property taxes.

Property assessments have increased significantly in recent years. As illustrated in the table on the next page, assessments increased 8.79 to 9.71 percent in FY 2007. FY 2010 assessments reflect the current state of the economy with an increase of only 1.45 – 1.63 percent

Before FY 2001, vacuum leaf collection was provided twice per year to certain properties in the general services tax district (generally based on the age of the street trees in the easement). The Urban County Council voted to expand the refuse collection service to include vacuum leaf collection (once per year) effective in the fall of 2000. In order to continue this service, neighborhoods that used to receive vacuum leaf collection but did not receive LFUCG's refuse collection service petitioned to begin receiving refuse collection service. This contributed to the increase in assessments in FY 2001 and FY 2002 reflected in the following chart.

Budget Summary

Urban Services Property Assessments



Fiscal Year	Refuse Collection	Percent Change	Street Lights	Percent Change	Street Cleaning	Percent Change
FY 1994	6,284,625,670		7,430,379,670		6,287,546,930	
FY 1995	6,602,241,161	5.05%	7,738,241,861	4.14%	6,632,456,761	5.49%
FY 1996	6,972,766,200	5.61%	8,192,871,261	5.88%	7,008,812,161	5.67%
FY 1997	7,394,442,940	6.05%	8,656,857,751	5.66%	7,430,656,451	6.02%
FY 1998	7,821,971,292	5.78%	9,145,259,503	5.64%	7,865,688,953	5.85%
FY 1999	8,327,404,637	6.46%	9,677,837,137	5.82%	8,370,325,937	6.42%
FY 2000	9,109,472,500	9.39%	10,551,742,800	9.03%	9,153,578,500	9.36%
FY 2001	10,058,730,028	10.42%	11,576,906,328	9.72%	10,100,216,698	10.34%
FY 2002	11,167,268,430	11.02%	12,694,535,630	9.65%	11,063,222,530	9.53%
FY 2003	12,040,928,098	7.82%	13,530,052,518	6.58%	11,914,529,018	7.69%
FY 2004	12,812,885,679	6.41%	14,341,410,169	6.00%	12,648,294,679	6.16%
FY 2005	13,678,384,300	6.75%	14,619,092,100	1.94%	12,859,839,700	1.67%
FY 2006	14,446,778,602	5.62%	15,418,333,453	5.47%	13,590,889,000	5.68%
FY 2007	15,849,244,300	9.71%	16,772,856,500	8.79%	14,904,260,300	9.66%
FY 2008	17,136,318,600	8.12%	17,975,413,800	7.17%	16,023,589,300	7.51%
FY 2009	17,951,270,200	4.76%	18,791,507,400	4.54%	16,798,056,700	4.83%
FY 2010	18,244,338,400	1.63%	19,064,005,600	1.45%	17,069,588,700	1.62%

License Fees

Bank franchise fees account for 3.4 percent of Urban Services Fund revenue, and are estimated at \$1,200,000 for FY 2011. Prior to FY 1996, financial institutions paid an ad valorem tax based on the taxable cash value of bank shares. The state legislature enacted a bill during the 1996 session that replaced the ad valorem tax with a license fee. The Urban County Government is allowed to assess a five percent fee on the deposits of financial institutions. Per ordinance number 244-96, half of this revenue is allocated to the General Services District Fund and the other half to the Urban Services Districts Fund.

Services

Budget Summary

For FY 2011, *Services* accounts for 7.3 percent of the Urban Services Fund revenue. The only account included in the services category for FY 2011 is *Commodities*. *Commodities* (revenue received from the sale of recyclables since converting to the “one-sort plus glass” system at the Bluegrass Regional Recycling Center) were previously included in the Miscellaneous category, but were moved to Services during FY 2009. *Commodities* are projected at \$2,600,000 for FY 2011. This is an increase of \$900,000 and reflects the implementation of new sorting equipment that will increase the amount of materials the facility can process.

Miscellaneous

Miscellaneous revenue accounts for .2 percent of the Urban Services Fund revenue for FY 2011.

- *Interest* income on investments is estimated at \$27,000.
- *Penalties and interest* (on delinquent taxes) is estimated at \$20,000.
- *Fines and Forfeitures* are estimated at \$25,000.

Budget Summary

Special Revenue Funds

Special Revenue funds account for the proceeds of specific revenue sources that are legally restricted for specified expenditures. The proposed budget includes information on nine special revenue funds. The County Road Aid Fund will be included as a late item. In addition, state and federal grants are also considered special revenue funds. These will be included in the final budget information.

Police Confiscated – Federal (#1131)

\$750,000

Accounts for Fayette County’s share of confiscated assets distributed based upon LFUCG’s participation in federal cases.

Category	FY 2009 Actual	FY 2010 Adopted	FY 2011 Proposed	Difference	% Change
Revenue					
Fines and Forfeitures	\$ 32,607	\$ -	\$ 10,000	\$ 10,000	
Intergovernmental	1,210,334	650,000	470,000	(180,000)	-27.7%
Property Sales	8,761	-	-	-	
Investments	1,929	-	-	-	
Total Revenue	\$ 1,253,630	\$ 650,000	\$ 480,000	\$ (170,000)	-26.2%
Fund Balance, July 1	782,490	311,000	1,178,300	867,300	278.9%
Total Funds Available	\$ 2,036,121	\$ 961,000	\$ 1,658,300	\$ 697,300	72.6%
Appropriations					
Operating Expenditures					
Operating	\$ 291,263	\$ 376,000	\$ 630,000	\$ 254,000	67.6%
Total Operating	\$ 291,263	\$ 376,000	\$ 630,000	\$ 254,000	67.6%
Capital Expenditures					
CIP Capital	\$ 46,449	\$ 125,000	\$ 120,000	\$ (5,000)	-4.0%
Operating Capital	209,038	460,000	-	(460,000)	-100.0%
Total Capital	\$ 255,487	\$ 585,000	\$ 120,000	\$ (465,000)	-79.5%
Total Appropriations	\$ 546,750	\$ 961,000	\$ 750,000	\$ (211,000)	-22.0%
Fund Balance, June 30	\$ 1,489,371	\$ -	\$ 908,300	\$ 908,300	

Budget Summary

Police Confiscated – State (#1132)

\$175,000

Accounts for Fayette County’s share of confiscated assets distributed based upon LFUCG’s participation in state cases.

Category	FY 2009 Actual	FY 2010 Adopted	FY 2011 Proposed	Difference	% Change
Revenue					
Intergovernmental	\$ 345,139	\$ 300,000	\$ 300,000	\$ -	
Investments	858	-	-	-	
Total Revenue	\$ 345,997	\$ 300,000	\$ 300,000	\$ -	
Fund Balance, July 1	383,600	-	879,500	879,500	
Total Funds Available	\$ 729,597	\$ 300,000	\$ 1,179,500	\$ 879,500	293.2%
Appropriations					
Operating Expenditures					
Operating	\$ -	\$ 150,000	\$ 175,000	\$ 25,000	16.7%
Total Appropriations	\$ -	\$ 150,000	\$ 175,000	\$ 25,000	16.7%
Fund Balance, June 30	\$ 729,597	\$ 150,000	\$ 1,004,500	\$ 854,500	569.7%

Budget Summary

Public Safety (#1133)

\$86,900

Kentucky House Bill 413 authorized the collection of a fee on each court case for the purpose of providing money for “public safety related items.” This budget is the estimation of the accumulated money from this fee for FY 2011. The transfer is to the General Fund for use by police to purchase needed equipment for officers.

Category	FY 2009 Actual	FY 2010 Adopted	FY 2011 Proposed	Difference	% Change
Revenue					
Intergovernmental	\$ 350,989	\$ 363,290	\$ 280,000	\$ (83,290)	-22.9%
Investments	251	-	-	-	
Total Revenue	\$ 351,241	\$ 363,290	\$ 280,000	\$ (83,290)	-22.9%
Fund Balance, July 1	5,794	-	(193,100)	(193,100)	
Total Funds Available	\$ 357,035	\$ 363,290	\$ 86,900	\$ (276,390)	-76.1%
Appropriations					
Operating Expenditures					
Transfers To\ (From) Other Funds	\$ 550,000	\$ 363,290	\$ 86,900	\$ (276,390)	-76.1%
Total Appropriations	\$ 550,000	\$ 363,290	\$ 86,900	\$ (276,390)	-76.1%
Fund Balance, June 30	\$ (192,965)	\$ -	\$ -	\$ -	

Budget Summary

Spay and Neuter (#1134)

\$25,000

The Spay and Neuter Fund was established to account for revenue and expenditures per updated animal ordinances that require all Lexington-Fayette County dogs and cats to be licensed annually. Also, the fund accounts for grants that allow qualified no- or low-income Lexington-Fayette County residents to have access to pet spay and neuter services. Requiring that all dogs and cats in Lexington-Fayette County be licensed assures citizens that animals are properly vaccinated for rabies. It also provides incentives to spay and neuter in order to reduce the number of homeless, unwanted, and abandoned animals in the county.

Category	FY 2009 Actual	FY 2010 Adopted	FY 2011 Proposed	Difference	% Change
Revenue					
Services	\$ 33,100	\$ 32,400	\$ 25,000	\$ (7,400)	-22.8%
Investments	2	-	-	-	
Total Revenue	\$ 33,102	\$ 32,400	\$ 25,000	\$ (7,400)	-22.8%
Fund Balance, July 1	(17,698)	-	14,300	14,300	
Total Funds Available	\$ 15,404	\$ 32,400	\$ 39,300	\$ 6,900	21.3%
Appropriations					
Operating Expenditures					
Partner Agencies	\$ -	\$ 12,000	\$ 25,000	\$ 13,000	108.3%
Operating	13,453	-	-	-	
Total Appropriations	\$ 13,453	\$ 12,000	\$ 25,000	\$ 13,000	108.3%
Fund Balance, June 30	\$ 1,951	\$ 20,400	\$ 14,300	\$ (6,100)	-29.9%

Budget Summary

Industrial Revenue Bond (#1135)

\$0

This fund accounts for revenue and expenditures associated with the Industrial Revenue Bond program. This program is administered by the Office of Economic Development. Revenues come from issuance fees charged by the Lexington-Fayette Urban County Government. The FY 2010 budget included a transfer to the General Services District Fund to offset the program's administrative costs. No transfer is included for FY 2011.

Summary of Revenue and Appropriations

Category	FY 2009 Actual	FY 2010 Adopted	FY 2011 Proposed	Difference	% Change
Revenue					
Services	\$ 62,813	\$ -	\$ -	\$ -	
Investments	214	-	-	-	
Total Revenue	\$ 63,027	\$ -	\$ -	\$ -	
Fund Balance, July 1	98,493	108,490	20,000	(88,490)	-81.6%
Total Funds Available	\$ 161,519	\$ 108,490	\$ 20,000	\$ (88,490)	-81.6%
Appropriations					
Operating Expenditures					
Transfers To\ (From) Other Funds	\$ -	\$ 108,490	\$ -	\$ (108,490)	-100.0%
Total Appropriations	\$ -	\$ 108,490	\$ -	\$ (108,490)	-100.0%
Fund Balance, June 30	\$ 161,519	\$ -	\$ 20,000	\$ 20,000	

Municipal Aid Fund (MAP) (#1136)

\$3,790,130

Fayette County receives a share of state gasoline tax revenues (allocation is based on population). Use of these funds is restricted to certain expenditures related to the construction, reconstruction, or maintenance of urban streets and roads.

Summary of Revenue and Appropriations

	FY 2009 Actual	FY 2010 Adopted	FY 2011 Proposed	Difference	% Change
Revenue					
Intergovernmental	\$ 4,816,777	\$ 4,304,000	\$ 4,939,350	\$ 635,350	14.8%
Investments	32,552	-	3,400	3,400	
Other Income	249,652	-	-	-	
Total Revenue	\$ 5,098,981	\$ 4,304,000	\$ 4,942,750	\$ 638,750	14.8%
Fund Balance, July 1	2,848,744	1,526,800	3,285,200	1,758,400	115.2%
Total Funds Available	\$ 7,947,725	\$ 5,830,800	\$ 8,227,950	\$ 2,397,150	41.1%
Appropriations					
Operating Expenditures					
Personnel	\$ 12,988	\$ 19,300	\$ 19,300	\$ -	
Operating	402,380	6,500	6,500	-	
Transfers To (From) Other Fund	880,000	2,000,000	2,214,330	214,330	10.7%
Total Operating	\$ 1,295,368	\$ 2,025,800	\$ 2,240,130	\$ 214,330	10.6%
Capital Expenditures					
CIP Capital	\$ 1,856,885	\$ 3,805,000	\$ 1,550,000	\$ (2,255,000)	-59.3%
Total Capital	\$ 1,856,885	\$ 3,805,000	\$ 1,550,000	\$ (2,255,000)	-59.3%
Total Appropriations	\$ 3,152,253	\$ 5,830,800	\$ 3,790,130	\$ (2,040,670)	-35.0%
Fund Balance, June 30	\$ 4,795,472	\$ -	\$ 4,437,820	\$ 4,437,820	

The FY 2010 budget included a transfer of \$1,207,720 for eligible personnel costs in the Division of Engineering and \$792,280 for eligible personnel costs in the Division of Streets, Roads, and Forestry. The FY 2011 budget includes \$1,401,720 and \$812,610, respectively, for the same purpose.

The MAP Fund for FY 2011 includes \$1,550,000 for the following road projects.

Municipal Aid Program Summary of Projects

Project	FY 2011		State and	Total Local	Stage
	Grant	Local Funds	Federal Grant Funds	and Grant Funds	
Bridge Repair/Reconstruction		\$ 100,000	\$ -	\$ 100,000	c
Capital Construction Project Testing		25,000		25,000	c
Clays Mill Road, New Circle Road to Keithshire, Section 2C	Yes	500,000	4,100,000	4,600,000	c
CMAQ and Grant Match	Yes	300,000	1,500,000	1,800,000	d, c
Fontaine Road Turn Lane @ High Street		125,000		125,000	c
Mt. Tabor Road Improvements		250,000		250,000	u
Sidewalk Ramp Program		100,000		100,000	c
Small Projects - Bike/Pedestrian		50,000		50,000	c
Small Projects - Roadway		100,000		100,000	c
Total		\$1,550,000	\$5,600,000	\$7,150,000	

County Road Aid Fund (#1137)

\$0.00

This fund will be added as a late item for consideration by the Urban County Council prior to adoption because the information is not received until the first week in June.

Mineral Severance (#1138)

\$0

This fund accounts for receipts and disbursements of the Mineral Severance Tax received from the Commonwealth of Kentucky. The FY 2010 budget included a transfer to the General Services Fund to offset program costs. No transfer is included for FY 2011.

Summary of Revenue and Appropriations

Category	FY 2009 Actual	FY 2010 Adopted	FY 2011 Proposed	Difference	% Change
Revenue					
Intergovernmental	\$ 338,375	\$ -	\$ -	\$ -	
Investments	2,000	-	-	-	
Total Revenue	\$ 340,375	\$ -	\$ -	\$ -	
Fund Balance, July 1	753,688	1,025,000	69,000	(956,000)	-93.3%
Total Funds Available	\$ 1,094,064	\$ 1,025,000	\$ 69,000	\$ (956,000)	-93.3%
Appropriations					
Operating Expenditures					
Transfers To\ (From) Other Funds	\$ -	\$ 1,025,000	\$ -	\$ (1,025,000)	-100.0%
Total Appropriations	\$ -	\$ 1,025,000	\$ -	\$ (1,025,000)	-100.0%
Fund Balance, June 30	\$ 1,094,064	\$ -	\$ 69,000	\$ 69,000	

Coal Severance (#1139)

\$0

This fund accounts for receipts and disbursements of the Coal Severance Tax received from the Commonwealth of Kentucky. The FY 2010 budget included a transfer to the General Services Fund to offset transportation costs. No transfer is included for FY 2011.

Summary of Revenue and Appropriations

Category	FY 2009 Actual	FY 2010 Adopted	FY 2011 Proposed	Difference	% Change
Revenue					
Intergovernmental	\$ 191,191	\$ -	\$ -	\$ -	
Investments	226	-	-	-	
Total Revenue	\$ 191,416	\$ -	\$ -	\$ -	
Fund Balance, July 1	75,198	185,000	81,500	(103,500)	-55.9%
Total Funds Available	\$ 266,614	\$ 185,000	\$ 81,500	\$ (103,500)	-55.9%
Appropriations					
Operating Expenditures					
Transfers To\From Other Funds	\$ -	\$ 185,000	\$ -	\$ (185,000)	-100.0%
Total Appropriations	\$ -	\$ 185,000	\$ -	\$ (185,000)	-100.0%
Fund Balance, June 30	\$ 266,614	\$ -	\$ 81,500	\$ 81,500	

Miscellaneous Special Revenue (#1141)

\$557,050 4.0 FTE

This is a restricted special revenue fund established to account for revenues received for a specific purpose which are not considered a grant. Included here are funds from the state for traffic signals (\$300,000) and for personnel costs related to the Bluegrass-Aspendale Revitalization Project - Hope VI (\$257,050).

Summary of Revenue and Appropriations

Category	FY 2009 Actual	FY 2010 Adopted	FY 2011 Proposed	Difference	% Change
Revenue					
Intergovernmental	\$ 492,454	\$ 563,090	\$ 557,050	\$ (6,040)	-1.1%
Investments	34	-	-	-	
Other Financing Sources	180,622	-	-	-	
Other Income	151,000	-	-	-	
Total Revenue	\$ 824,110	\$ 563,090	\$ 557,050	\$ (6,040)	-1.1%
Fund Balance, July 1	-	-	-	-	
Total Funds Available	\$ 824,110	\$ 563,090	\$ 557,050	\$ (6,040)	-1.1%
Appropriations					
Operating Expenditures					
Personnel	\$ 173,580	\$ 263,090	\$ 257,050	\$ (6,040)	-2.3%
Operating	268,996	285,000	285,000	-	
CIP Capital	36,369	-	-	-	
Operating Capital	7,158	15,000	15,000	-	
Total Appropriations	\$ 486,103	\$ 563,090	\$ 557,050	\$ (6,040)	-1.1%
Fund Balance, June 30	\$ 338,006	\$ -	\$ -	\$ -	

Capital Projects Funds

Bond Projects (#2601)

\$16,933,120

General obligation bonds will be issued for the following capital projects and equipment totaling \$16,933,120.

<u>Division</u>	<u>Item</u>	<u>Amount</u>	<u>Division</u>	<u>Item</u>	<u>Amount</u>
<i>Budgeting</i>			<i>Community Corrections</i>		
	Software	357,000		Equipment	105,600
<i>Purchase of Development Rights</i>			<i>Police</i>		
	Easements	1,000,000		Desktops and Laptops	200,000
<i>Computer Services</i>				Personal Protective Equipment	250,000
	Software	874,020	<i>Fire</i>		
	Desktops and Laptops	300,000		Personal Protective Equipment	100,000
	Printers and Plotters	75,000		Construction-Building Non-Residential	600,000
	Network Components	175,000		Remodeling	20,000
	Servers	350,000		Radio Equipment	100,000
<i>Public Works Administration</i>			<i>Facilities and Fleet Management</i>		
	Construction-Sidewalk/Driveway	4,000,000		Truck-Refuse Collection	5,750,000
<i>Waste Management</i>			<i>Parks and Recreation</i>		
	Computer Equipment	50,000		Golf Carts	440,000
	Software	80,000		<u>Total Bond Projects</u>	<u>\$ 16,933,120</u>
	Refuse Carts	285,000			
	Refuse Carts	61,000			
	Refuse Carts	10,500			
	Refuse Carts	20,000			
	Refuse Carts	250,000			
	Remodeling	150,000			
	Remodeling	80,000			
	Landfill Improvements	150,000			
	Concrete Pad	350,000			
	Construction-Storm Drainage	500,000			
	Refuse Carts	250,000			

Enterprise Funds

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

Sanitary Sewers Operating and Construction Funds (#4002 and #4003)

\$49,145,109 167.0 FTE

The Division of Water Quality's 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 United States Environmental Protection Agency (EPA). Since July 1, 1995, the Kentucky-American Water Company has billed and collected sewer user fees for the government.

Sanitary sewer user fees provide the funding for any non-bond funded sewer projects. The fees pay for the staff, maintenance, and operations of the two wastewater treatment plants and other facilities and services required to support the LFUCG sanitary sewer system, and pay for the debt service on bonds used to capitalize larger sanitary sewer construction projects.

During FY 2008, LFUCG negotiated a Consent Decree (CD) with the EPA in response to a lawsuit filed in November 2006 by the EPA and the Kentucky Environmental and Public Protection Cabinet for multiple violations of the Clean Water Act from the sanitary and storm sewer systems in Lexington. The CD obligates LFUCG to address certain immediate violations; requires development of a system-wide sanitary sewer assessment to identify other problems—including a self-assessment of all the division's operations, staff, and equipment; and requires development of a work plan to eliminate those problems. EPA in the CD also requires LFUCG to assess sewer capacity and develop a capacity assurance program to ensure adequate capacity exists before new connections are made to the system.

EPA established deadlines during the first four years for requirements outlined in the CD. Failure to meet those deadlines could result in additional fines and in stipulated penalties. In August 2009, after the CD was lodged with the U.S. District Court, the judge rejected the LFUCG/USEPA settlement, ordering the parties to renegotiate. The USEPA is appealing that decision. LFUCG has proceeded to implement the CD and comply with all the deadlines.

Obligations under the CD will continue for several years. LFUCG will have 11 to 13 years to complete the necessary improvements to the sanitary sewer system. The 11 - 13 year time frame includes the four years to complete the assessment of the entire sewer system and make immediate repairs. LFUCG's success in correcting existing problems will be monitored by the reduction of overflows at manholes and pump stations in accordance with the standards set forth in the CD. LFUCG will also be obligated to thoroughly investigate problems identified by required monitoring. These investments in our community will improve our local environment and protect our streams and rivers.

Sanitary Sewer Fund revenues are restricted to current year operating and capital expenses. All funds remaining at year-end are placed into a restricted reserve for capital improvements.

Summary of Revenue and Appropriations

	FY 2009 Actual	FY 2010 Adopted	FY 2011 Proposed	Difference	% Change
Revenue					
Services	\$36,262,140	\$40,236,920	\$41,175,000	\$ 938,080	2.3%
Property Sales	93,891	40,000	4,300	(35,700)	-89.3%
Intergovernmental	-	-	583,967	583,967	
Investments	484,366	-	44,000	44,000	
Other Financing Sources	453,974	14,148,290	17,547,800	3,399,510	24.0%
Other Income	93,293	91,600	-	(91,600)	-100.0%
Total Revenues	\$37,387,663	\$54,516,810	\$59,355,067	\$ 4,838,257	8.9%
July 1 Estimated Reserves	36,929,912	17,765,210	3,932,500	\$ (13,832,710)	-77.9%
Total Available	\$74,317,575	\$72,282,020	\$63,287,567	\$ (8,994,453)	-12.4%
Appropriations					
Operating Expenses					
Personnel	\$ 5,942,577	\$11,491,430	\$11,638,840	\$ 147,410	1.3%
Debt Service	1,967,679	9,276,830	7,237,696	(2,039,134)	-22.0%
Insurance	1,601,637	1,181,520	249,000	(932,520)	-78.9%
Operating	10,374,970	19,472,590	15,996,983	(3,475,607)	-17.8%
Transfers To\ (From) Other Funds	42,807,189	71,930	97,090	25,160	35.0%
Total Operating	\$62,694,053	\$41,494,300	\$35,219,609	\$ (6,274,691)	-15.1%
Capital Expenses					
CIP Capital	\$ 5,933,392	\$33,643,000	\$13,428,500	\$ (20,214,500)	-60.1%
Operating Capital	1,897,519	1,072,500	497,000	(575,500)	-53.7%
Total Capital	\$ 7,830,911	\$34,715,500	\$13,925,500	\$ (20,790,000)	-59.9%
Total Operating and Capital	\$70,524,964	\$76,209,800	\$49,145,109	\$ (27,064,691)	-35.5%
June 30 Estimated Capital					
Improvement Reserves	3,792,611	(3,927,780)	14,142,458	18,070,238	-460.1%
Total Appropriations and Reserves	\$74,317,575	\$72,282,020	\$63,287,567	\$ (8,994,453)	-12.4%

Budget Highlights

- Funds of \$400,000 are included for continuance of the sump pump redirection program. Until the early 1990s, sump pumps that collect groundwater in the basements of residential homes were allowed to discharge clean groundwater into the sanitary sewer system. These sump pumps rob the sanitary sewer system of capacity and contribute to overflows that led to the lawsuit filed by the EPA. This program pays to have residential sump pumps redirected away from the sanitary sewer system, avoiding the higher costs of transporting and treating water that does not require treatment.
- An emergency preparedness plan for the wastewater treatment plants (tornado, ice storm, and other catastrophic events) is funded at \$10,000.
- Funds of \$6,800,000 are included for the \$10,500,000 replacement of Wolf Run pump station. The current pump station was built in 1962 and is listed in the Consent Decree as a priority overflow abatement location.
- Funds of \$3.5 million are included for contract maintenance programs. One program, earmarked at \$1 million, is for replacement of leaky/defective sanitary sewer infrastructure. Another \$1.5 million is for repair of leaks and defects considered too isolated to merit full replacement. Another program, also at \$1 million, is for preventative maintenance of pipelines that can become clogged with grease or tree roots, resulting in unnecessary overflows of the system.
- Funds of \$750,000 are included for the \$1.6 million Asset Management software system. LFUCG is required by the Consent Decree to have an information management system suitable for the operation and maintenance of both the sanitary and storm water systems.

Water Quality Management (#4051)

\$11,934,310 35.0 FTE

The Water Quality Management Fund accounts for the receipts and expenses associated with the new storm water fee.

Summary of Revenue and Appropriations

	FY 2009	FY 2010	FY 2011	Difference	% Change
	Actual	Adopted	Proposed		
Revenue					
Services	\$ -	\$ 5,725,100	\$ 11,500,000	\$ 5,774,900	100.9%
Other Financing Sources	2,371,720	-	-	-	
Investments	51	-	-	-	
Other Income	68,268	-	-	-	
Total Revenue	\$ 2,440,038	\$ 5,725,100	\$ 11,500,000	\$ 5,774,900	100.9%
Fund Balance, July 1	-	-	572,500	572,500	
Total Funds Available	\$ 2,440,038	\$ 5,725,100	\$ 12,072,500	\$ 6,347,400	110.9%
Appropriations					
Operating Expenses					
Personnel	\$ 1,005,750	\$ 2,227,200	\$ 3,404,070	\$ 1,176,870	52.8%
Operating	836,225	3,022,900	7,129,500	4,106,600	135.8%
Transfers To/(From) Other	-	-	740	740	
Total Operating	\$ 1,841,975	\$ 5,250,100	\$ 10,534,310	\$ 5,284,210	100.6%
Capital Expenses					
CIP Capital	\$ -	\$ 475,000	\$ 1,400,000	\$ 925,000	194.7%
Total Capital	\$ -	\$ 475,000	\$ 1,400,000	\$ 925,000	194.7%
Total Appropriations	\$ 1,841,975	\$ 5,725,100	\$ 11,934,310	\$ 6,209,210	108.5%
Fund Balance, June 30	\$ 598,063	\$ -	\$ 138,190	\$ 138,190	

Budget Highlights

- FY 2011 includes \$1.15 million for master planning, mapping, and hydraulic modeling of the storm sewer system. This is part of a multi-year project. Lexington currently has no reliable map of the storm sewer system and does not possess a long-term strategy for correcting current flooding problems or preventing new problems.
- Funds of \$250,000 are included for maintenance of greenways, storm water controls, and properties purchased as part of past flood mitigation projects.

- Funds of \$500,000 are included for the Wickland/Anniston flood mitigation project.
- The water quality management fee incentives program is funded at \$1.5 million.

Landfill (#4121)
\$10,334,276 5.6 FTE

The Landfill Fund was established in 1995 to account for the revenues and expenses associated with the capping and closure of the landfills in Fayette County and the on-going costs of refuse disposal. State and federal regulations have mandated significant changes in the requirements for designing, constructing, operating, managing, maintaining, and closing landfills. The revised requirements have imposed extraordinary expenses on the government. A solid waste disposal fee was established to fund the increased cost of capping and closing the government’s landfill and for the expense of a solid waste disposal contract. FY 2011 total Landfill Fund revenues are projected at approximately \$6 million.

Summary of Revenue and Appropriations

	FY 2009 Actual	FY 2010 Adopted	FY 2011 Proposed	Difference	%
Revenue					
Services	\$ 8,480,158	\$ 7,949,400	\$ 6,018,900	\$ (1,930,500)	-24.3%
Investments	145,562	180,000	8,000	(172,000)	-95.6%
Other Income	18,981	1,013,000	27,000	(986,000)	-97.3%
Total Revenue	\$ 8,644,701	\$ 9,142,400	\$ 6,053,900	\$ (3,088,500)	-33.8%
Fund Balance, July 1 (Reserve)	21,420,318	-	23,041,100	\$ 23,041,100	
Total Funds Available	\$ 30,065,020	\$ 9,142,400	\$ 29,095,000	\$ 19,952,600	218.2%
Appropriations					
Operating Expenses					
Personnel	\$ 211,890	\$ 301,630	\$ 830,660	\$ 529,030	175.4%
Debt Service	(798)	-	-	-	
Operating	4,685,180	6,044,460	7,219,876	1,175,416	19.4%
Transfers To\ (From) Other Funds	2,004,949	1,003,740	3,740	(1,000,000)	-99.6%
Total Operating	\$ 6,901,221	\$ 7,349,830	\$ 8,054,276	\$ 704,446	9.6%
Capital Expenses					
CIP Capital	\$ 296,378	\$ 1,785,340	\$ 2,280,000	\$ 494,660	27.7%
Total Capital	\$ 296,378	\$ 1,785,340	\$ 2,280,000	\$ 494,660	27.7%
Total Appropriations	\$ 7,197,599	\$ 9,135,170	\$ 10,334,276	\$ 1,199,106	13.1%
Fund Balance, June 30 (Reserve)	\$ 22,867,421	\$ 7,230	\$ 18,760,724	\$ 18,753,494	259384.4%

The landfill closure reserve consists of the fund balance as of June 30, 1997, and is increased annually based on excess revenues over expenses. The reserve was \$22.8 million at the end of FY 2009, and can only be used to pay the costs of landfill closure or extraordinary operating expenses that exceed available revenues.

Right of Way Program (#4201)

\$363,550 5.0 FTE

The Right of Way Program Fund was established in FY 2004 to account for the revenues and expenses associated with the adoption of the Right of Way ordinance. Fees are projected to provide approximately \$409,250 in FY 2011 for the operation of the program.

Summary of Revenue and Appropriations

	FY 2009	FY 2010	FY 2011		
	Actual	Adopted	Proposed	Difference	% Change
Revenue					
Licenses and Permits	\$ 403,771	\$ 328,000	\$ 409,250	\$ 81,250	24.8%
Investments	296	-	-	-	
Total Revenue	\$ 404,067	\$ 328,000	\$ 409,250	\$ 81,250	24.8%
Fund Balance, July 1	169,680	35,550	250,400	214,850	604.4%
Total Funds Available	\$ 573,747	\$ 363,550	\$ 659,650	\$ 296,100	81.4%
Appropriations					
Operating Expenses					
Personnel	\$ 285,098	\$ 333,350	\$ 330,230	\$ (3,120)	-0.9%
Operating	2,630	30,200	25,200	(5,000)	-16.6%
Total Operating	\$ 287,728	\$ 363,550	\$ 355,430	\$ (8,120)	-2.2%
Capital Expenses					
Operating Capital	\$ (0)	\$ -	\$ 3,000	\$ 3,000	
Total Capital	\$ (0)	\$ -	\$ 3,000	\$ 3,000	
Total Appropriations	\$ 287,728	\$ 363,550	\$ 358,430	\$ (5,120)	-1.4%
Fund Balance, June 30	\$ 286,019	\$ -	\$ 301,220	\$ 301,220	

Extended School Program (#4202)

\$2,301,280 51.1 FTE

The Extended School Program Fund was created in FY 1994 to account for the revenues and expenses of an after-school program administered by the Division of Parks and Recreation in various Fayette County Public Schools.

Summary of Revenue and Appropriations

Category	FY 2009 Actual	FY 2010 Adopted	FY 2011 Proposed	Difference	% Change
Revenue					
Services	\$ 1,808,121	\$ 2,215,200	\$ 2,315,000	\$ 99,800	4.5%
Investments	1,250	-	-	-	
Total Revenue	\$ 1,809,371	\$ 2,215,200	\$ 2,315,000	\$ 99,800	4.5%
Fund Balance, July 1	944,613	368,630	15,200	(353,430)	-95.9%
Total Funds Available	\$ 2,753,984	\$ 2,583,830	\$ 2,330,200	\$ (253,630)	-9.8%
Appropriations					
Operating Expenses					
Personnel	\$ 1,676,916	\$ 1,926,200	\$ 1,670,270	\$ (255,930)	-13.3%
Operating	625,427	653,630	627,010	(26,620)	-4.1%
Insurance	3,200	4,000	4,000	-	
Total Appropriations	\$ 2,305,543	\$ 2,583,830	\$ 2,301,280	\$ (282,550)	-10.9%
Fund Balance, June 30	\$ 448,441	\$ -	\$ 28,920	\$ 28,920	

Fees are projected to provide approximately \$2.3 million in FY 2011 for the operation of the program.

Participating schools include: Stonewall Elementary, Deep Springs Elementary, Dixie Elementary, Meadowthorpe Elementary, Liberty Elementary, William Wells Brown Elementary, Yates Elementary, Athens Chilesburg Elementary, Jessie Clark Middle, Julius Marks Elementary, Northern Elementary, Edythe J. Hayes Middle, Breckinridge Elementary, Booker T. Washington Elementary, and Maxwell Elementary.

Prisoners Account (#4203)

\$1,530,500

The Prisoners Account Fund was transferred to the government in 1994 and accounts for the operations of the commissary, phone, and CAP program at the Fayette County Detention Center. The FY 2011 budget includes operating costs for the programs and a transfer to the General Fund for Computer Services. The FY 2010 budget inadvertently omitted the operating budget, which was added later by budget amendment.

Summary of Revenue and Appropriations

Category	FY 2009 Actual	FY 2010 Adopted	FY 2011 Proposed	Difference	% Change
Revenue					
Services	\$ 854,206	\$ -	\$ 900,000	\$ 900,000	
Investments	10,372	-	-	-	
Other Income	1,172,222	-	590,000	590,000	
Total Revenue	\$ 2,036,801	\$ -	\$ 1,490,000	\$ 1,490,000	
Fund Balance, July 1	1,827,496	1,915,000	40,500	(1,874,500)	-97.9%
Total Funds Available	\$ 3,864,298	\$ 1,915,000	\$ 1,530,500	\$ (384,500)	-20.1%
Appropriations					
Operating Expenses					
Operating	\$ 1,788,780	-	\$ 1,355,500	\$ 1,355,500	
Transfers To\ (From) Other Funds	644,800	1,915,000	175,000	(1,740,000)	-90.9%
Operating Capital	3,341	-	-	-	
Total Appropriations	\$ 2,436,921	\$ 1,915,000	\$ 1,530,500	\$ (384,500)	-20.1%
Fund Balance, June 30	\$ 1,427,376	\$ -	\$ -	\$ -	

Enhanced 911 (#4204)
\$3,797,250 6.0 FTE

Summary of Revenue and Appropriations

Category	FY 2009 Actual	FY 2010 Adopted	FY 2011 Proposed	Difference	% Change
Revenue					
Services	\$ 3,367,710	\$ 3,400,000	\$ 3,500,000	\$ 100,000	2.9%
Investments	301	25,300	-	(25,300)	-100.0%
Other Income	85,599	-	1,000	1,000	
Total Revenue	\$ 3,453,610	\$ 3,425,300	\$ 3,501,000	\$ 75,700	2.2%
Fund Balance, July 1	(126,292)	333,260	299,600	(33,660)	-10.1%
Total Funds Available	\$ 3,327,318	\$ 3,758,560	\$ 3,800,600	\$ 42,040	1.1%
Appropriations					
Personnel	\$ 1,679,469	\$ 2,109,330	\$ 2,086,960	\$ (22,370)	-1.1%
Operating	1,112,113	1,353,580	1,563,990	210,410	15.5%
Total Operating	\$ 2,791,582	\$ 3,462,910	\$ 3,650,950	\$ 188,040	5.4%
Capital Expenses					
Operating Capital	\$ 31,945	\$ 146,300	\$ 146,300	\$ -	
Total Capital	\$ 31,945	\$ 146,300	\$ 146,300	\$ -	
Total Appropriations	\$ 2,823,528	\$ 3,609,210	\$ 3,797,250	\$ 188,040	5.2%
Fund Balance, June 30	\$ 503,791	\$ 149,350	\$ 3,350	\$ (146,000)	-97.8%

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**. The fee was increased for the first time during FY 2005 to \$1.31. During FY 2009 an ordinance was passed increasing the rate to \$2.10. Also included was an automatic annual increase of 4.5 percent to be added each year thereafter to keep up with the increasing costs of providing 911 service.

This system saves time and communicates information even when a caller cannot – by providing a resident's name, telephone number, and address. A major improvement to the system was the linking of **E-911** to the GIS system. When an **E-911** call is received, the calltaker automatically sees a map, pinpointing the location of the caller.

This fund pays for 37 percent of the personnel costs for 911 emergency calltakers and dispatchers. The balance of the personnel cost is paid by the General Services District Fund. Total fund resources are \$3,800,600 with \$3,501,000 projected to come from **E-911** fees, \$1,000 from interest income, and \$299,600 in prior year fund balance.

LexVan (#4205)

\$80,930

The LexVan Fund was established to account for revenues and expenses of the Lexington Bluegrass Mobility Office. This office manages a commuter vanpool program that aims to reduce air pollution, traffic congestion, and gasoline consumption. Vans are leased to groups of people who vanpool to work. Operating (fuel and insurance) and replacement vehicle costs are funded by the monthly fare paid by riders.

Category	FY 2009 Actual	FY 2010 Adopted	FY 2011 Proposed	Difference	% Change
Revenue					
Services	\$ 84,045	\$ 66,000	\$ 75,000	\$ 9,000	13.6%
Investments	599	1,000	-	(1,000)	-100.0%
Total Revenue	\$ 84,644	\$ 67,000	\$ 75,000	\$ 8,000	11.9%
Fund Balance, July 1	116,566	-	135,600	135,600	
Total Funds Available	\$ 201,209	\$ 67,000	\$ 210,600	\$ 143,600	214.3%
Appropriations					
Operating Expenses					
Operating	\$ 67,009	\$ 65,500	\$ 80,930	\$ 15,430	23.6%
Total Appropriations	\$ 67,009	\$ 65,500	\$ 80,930	\$ 15,430	23.6%
Fund Balance, June 30	\$ 134,200	\$ 1,500	\$ 129,670	\$ 128,170	8544.7%

Public Corporations

Due to prior state constitutional restrictions, the government could not issue general obligation bonds before July 15, 1996. 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.

Public Facilities Corporation (#4022)

\$14,809,638

The Public Facilities Corporation financed various projects through bank and mortgage notes and the issuance of revenue bonds. Projects included government buildings, parks, swimming pools, fire stations, and other public buildings.

	FY 2009 Actual	FY 2010 Adopted	FY 2011 Proposed	Change	% Change
Revenue					
Services	\$ 6,841,253	\$ 7,194,660	\$ 5,836,270	\$ (1,358,390)	-18.9%
Intergovernmental	-	-	8,084,440	8,084,440	
Total Revenue	\$ 6,841,252	\$ 7,194,660	\$ 13,920,710	\$ 6,726,050	93.5%
Fund Balance, July 1	(826,149)	-	1,251,500	1,251,500	
Total Funds Available	\$ 6,015,104	\$ 7,194,660	\$ 15,172,210	\$ 7,977,550	110.9%
Appropriations					
Operating Expenses					
Partner Agencies	\$ 672,073	\$ -	\$ -	\$ -	
Debt Service	2,118,102	4,491,060	12,573,233	8,082,173	180.0%
Operating	1,875,033	2,037,660	2,236,405	198,745	9.8%
Transfers To\ (From) Other Funds	4,224	-	-	-	
Total Operating	\$ 4,669,432	\$ 6,528,720	\$ 14,809,638	\$ 8,280,918	126.8%
Fund Balance, June 30	\$ 1,345,671	\$ 665,940	\$ 362,572	\$ (303,368)	-45.6%

The FY 2011 budget includes funds for the debt service and operating funds for the courthouses and a note payment for the Eastern State Hospital project. Both of these receive revenue from the state. The budget for the Kentucky Theater is also accounted for in this fund. It was inadvertently omitted and will be included as a late item to the budget prior to adoption.

Parks Projects Fund (#4024)
\$395,000

The Parks Projects Fund accounts for the use of dedicated fees for acquisition of park land and golf course improvements.

A dedicated building permit fee was passed in 1983, and in 1995 the ordinance imposing this fee was clarified to restrict its use to park land acquisition. For FY 2011 this revenue source is estimated to provide \$300,000 for this purpose. In addition, dedicated revenues from golf fees are estimated at \$95,000 for FY 2011. These revenues are restricted to golf course improvements.

	FY 2009 Actual	FY 2010 Adopted	FY 2011 Proposed	Change	% Change
Revenue					
Investments	\$ 2,557	\$ -	\$ -	\$ -	
Other Financing Sources	94,958	501,600	395,000	(106,600)	-21.3%
Other Income	17	-	-	-	
Total Revenue	\$ 97,532	\$ 501,600	\$ 395,000	\$ (106,600)	-21.3%
Fund Balance, July 1	80,807	(96,000)	-	96,000	-100.0%
Total Funds Available	\$ 178,339	\$ 405,600	\$ 395,000	\$ (10,600)	-2.6%
Appropriations					
Capital Expenses					
CIP Capital	\$ 334,364	\$ 501,600	\$ 395,000	\$ (106,600)	-21.3%
Operating Capital	107,820	-	-	-	
Total Capital	\$ 442,184	\$ 501,600	\$ 395,000	\$ (106,600)	-21.3%
Total Appropriations	\$ 442,184	\$ 501,600	\$ 395,000	\$ (106,600)	-21.3%
Fund Balance, June 30	\$ (263,845)	\$ (96,000)	\$ -	\$ 96,000	-100.0%

Public Parking Corporation (#4161)

\$587,370

The Public Parking Corporation 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.

	FY 2009	FY 2010	FY 2011		
	Actual	Adopted	Proposed	Change	% Change
Revenue					
Services	\$ 1,373,037	\$ 646,700	\$ 912,890	\$ 266,190	41.2%
Investments	9,598	2,000	-	(2,000)	-100.0%
Total Revenue	\$ 1,382,635	\$ 648,700	\$ 912,890	\$ 264,190	40.7%
Fund Balance, July 1	280,715	1,054,600	-	(1,054,600)	-100.0%
Total Funds Available	\$ 1,663,351	\$ 1,703,300	\$ 912,890	\$ (790,410)	-46.4%
Appropriations					
Operating Expenses					
Debt Service	\$ (542,951)	\$ 786,000	\$ -	\$ (786,000)	-100.0%
Operating	552,836	607,030	587,370	(19,660)	-3.2%
Transfers To\ (From) Other Funds	(4,920)	-	-	-	
Total Operating	\$ 4,965	\$ 1,393,030	\$ 587,370	\$ (805,660)	-57.8%
Total Appropriations	\$ 4,965	\$ 1,393,030	\$ 587,370	\$ (805,660)	-57.8%
Fund Balance, June 30	\$ 1,658,386	\$ 310,270	\$ 325,520	\$ 15,250	4.9%

The FY 2011 budget includes funds for the parking garage operations. FY 2010 was the final year of payment on the bonds.

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 (#5002)

\$1,973,700

Category	FY 2009 Actual	FY 2010 Adopted	FY 2011 Proposed	Difference	% Change
Revenue					
Investments	\$ (559,774)	\$ 1,063,400	\$ 1,893,600	\$ 830,200	78.1%
Other Financing Sources	79,326	80,800	72,200	(8,600)	-10.6%
Pension Revenue	12,112	3,850	7,900	4,050	105.2%
Total Revenue	\$ (468,336)	\$ 1,148,050	\$ 1,973,700	\$ 825,650	71.9%
Fund Balance, July 1	27,299,997	28,768,410	24,000,600	(4,767,810)	-16.6%
Total Funds Available	\$ 26,831,660	\$ 29,916,460	\$ 25,974,300	\$(3,942,160)	-13.2%
Appropriations					
Personnel	\$ 1,872,931	\$ 1,887,220	\$ 1,848,000	\$ (39,220)	-2.1%
Operating	93,162	125,700	125,700	-	
Total Appropriations	\$ 1,966,093	\$ 2,012,920	\$ 1,973,700	\$ (39,220)	-1.9%
Fund Balance, June 30	\$ 24,865,567	\$ 27,903,540	\$ 24,000,600	\$(3,902,940)	-14.0%

The City Employees' Pension Fund (CEPF) 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 CEPF completed the process for transferring to the County Employees Retirement System in November 1992. The fund is administered by a self-governing board of trustees and funded by government and employee contributions of 17.5 percent and 8.5 percent of salary, respectively. There are no current employees with the CEPF.

The FY 2011 budget includes the cost for 100 percent of the premium for single health care coverage for eligible retirees (\$72,200). The government also pays certain other administrative costs.

Policemen's and Firefighters' Retirement (#5003)

\$39,261,980 1.0 FTE

Category	FY 2009 Actual	FY 2010 Adopted	FY 2011 Proposed	Difference	% Change
Revenue					
Investments	\$ (84,199,884)	\$ 32,000,000	\$ 17,380,180	\$ (14,619,820)	-45.7%
Other Financing Sources	2,634,977	2,550,000	2,700,000	150,000	5.9%
Pension Revenue	89,122,221	18,804,800	19,112,500	307,700	1.6%
Other Income	125,709	50,000	69,300	19,300	38.6%
Total Revenue	\$ 7,683,022	\$ 53,404,800	\$ 39,261,980	\$ (14,142,820)	-26.5%
Fund Balance, July 1	398,527,961	510,121,530	384,843,000	(125,278,530)	-24.6%
Total Funds Available	\$ 406,210,983	\$ 563,526,330	\$ 424,104,980	\$ (139,421,350)	-24.7%
Appropriations					
Personnel	\$ 35,392,962	\$ 34,934,090	\$ 37,033,080	\$ 2,098,990	6.0%
Operating	2,215,851	-	2,228,050	2,228,050	
Insurance	852	-	850	850	
Total Appropriations	\$ 37,609,666	\$ 34,934,090	\$ 39,261,980	\$ 4,327,890	12.4%
Fund Balance, June 30	\$ 368,601,318	\$ 528,592,240	\$ 384,843,000	\$ (143,749,240)	-27.2%

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. The required government contribution rate for the fund is 17 percent of salary.

During FY 2009 \$70 million in bonds were issued to begin addressing the unfunded liability of the pension system. The debt payments for these bonds are included in the General Fund. Another issue of \$35 million is proposed for FY 2010.

The FY 2011 budget includes the cost for 100 percent of the premium for single health care coverage for eligible retirees (\$2,700,000). The government also pays certain other administrative costs.

Public Library Corporation (#1181)

\$292,060

Category	FY 2009 Actual	FY 2010 Adopted	FY 2011 Proposed	Difference	% Change
Revenue					
Investments	\$ 6,002	\$ -	\$ -	\$ -	
Other Income	315,435	290,560	261,300	(29,260)	-10.1%
Total Revenue	\$ 321,437	\$ 290,560	\$ 261,300	\$ (29,260)	-10.1%
Fund Balance, July 1	447,198	-	479,700	479,700	
Total Funds Available	\$ 768,635	\$ 290,560	\$ 741,000	\$ 450,440	155.0%
Appropriations					
Debt Service	\$ 288,526	\$ 290,560	\$ 292,060	\$ 1,500	0.5%
Operating	296	-	-	-	
Total Appropriations	\$ 288,822	\$ 290,560	\$ 292,060	\$ 1,500	0.5%
Fund Balance, June 30	\$ 479,813	\$ -	\$ 448,940	\$ 448,940	

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.

The FY 2011 budget provides for payment on the bonds issued to finance the construction of a replacement of the Tates Creek Library branch.

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 (#6002)

\$34,022,100

	FY 2009 Actual	FY 2010 Adopted	FY 2011 Proposed	Difference	%
Revenue					
Premiums	\$ 31,113,507	\$ 27,140,150	\$ 34,022,100	\$ 6,881,950	25.4%
Other Financing Sources	-	647,670	-	(647,670)	-100.0%
Total Revenue	\$ 31,113,507	\$ 27,787,820	\$ 34,022,100	\$ 6,234,280	22.4%
Fund Balance, July 1	(4,067)	-	-	-	
Total Funds Available	\$ 31,109,440	\$ 27,787,820	\$ 34,022,100	\$ 6,234,280	22.4%
Appropriations					
Operating Expenditures					
Personnel	\$ 31,109,440	\$ 27,787,820	\$ 34,022,100	\$ 6,234,280	22.4%
Total Appropriations	\$ 31,109,440	\$ 27,787,820	\$ 34,022,100	\$ 6,234,280	22.4%
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ -	

The government offers health insurance options to LFUCG employees under self-insurance plans administered by various third parties. The FY 2011 budget of \$34 million is funded through premiums paid by the government 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 and Policemen's and Firefighters' Retirement Fund retirees.

Workers' Compensation/Liability (#6021)

\$4,150,000

	FY 2009 Actual	FY 2010 Adopted	FY 2011 Proposed	Difference	% Change
Revenue					
Premiums	\$ 7,526,517	\$ 6,564,000	\$ 4,150,000	\$ (2,414,000)	-36.8%
Casualty Loss Recoveries	3,091,794	-	-	-	
Investments	22,257	-	-	-	
Other Income	5,113	-	-	-	
Total Revenues	\$ 10,645,681	\$ 6,564,000	\$ 4,150,000	\$ (2,414,000)	-36.8%
July 1 Estimated Reserves	-	-	-	\$ -	
Total Available	\$ 10,645,681	\$ 6,564,000	\$ 4,150,000	\$ (2,414,000)	-36.8%
Appropriations					
Operating Expenditures					
Insurance	\$ 10,345,680	\$ 6,564,000	\$ 4,150,000	\$ (2,414,000)	-36.8%
Total Appropriations	\$ 10,345,680	\$ 6,564,000	\$ 4,150,000	\$ (2,414,000)	-36.8%
Fund Balance, June 30	\$ 300,000	\$ -	\$ -	\$ -	

The government's Department of Law administers the workers' compensation, property and casualty, and general liability insurance programs. The government reduces financial risks by purchasing reinsurance when feasible. Administration of these programs is combined with a risk management program designed to identify potential exposures to loss and reduce or eliminate risk and losses. The FY 2011 budget of \$4.1 million is funded through premiums paid from the General Services Fund, Urban Services Fund, and Sanitary Sewer Fund.

	Premiums
General Fund	\$3,569,000
Urban Services Fund	332,000
Sanitary Sewer Fund	249,000
Total	\$4,150,000

In 2008, the Department of Workers Claims (DWC) requested that LFUCG increase workers claims (WC), reserving to the actuarial 75 percent confidence level. For 2009 and 2010, DWC reserved WC at 75 percent. In late 2009, Law began investigating the appropriateness of DWC's requirement. The research and negotiations with DWC confirmed that LFUCG may return to reserving at 50 percent (present value). This is reflected in the budget reductions shown in FY 2010 and FY 2011.

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