



Louisville Metro Government

Legislation Text

File #: R-071-19, Version: 1

RESOLUTION NO. _____, SERIES 2019
A RESOLUTION AMENDING LOUISVILLE METRO COUNCIL POLICES AND PROCEDURES RELATING TO THE TRANSFERRING OF NEIGHBORHOOD DEVELOPMENT FUNDS AND OFFICE COST CENTER FUNDS.
SPONSORED BY: COUNCIL PRESIDENT JAMES

WHEREAS, Metro Council understands the importance of each Metro Council District's budget and finds that the policies and procedures should be amended to provide greater flexibility to determine each individual Council District's budgetary and fiscal priorities; and

WHEREAS, Metro Council hereby amends its Policies and Procedures to provide for the transfer of funds from District NDF to the District office cost center fund without monetary restrictions.

NOW, THEREFORE, BE IT RESOLVED BY THE LEGISLATIVE COUNCIL OF THE LOUISVILLE/JEFFERSON COUNTY METRO GOVERNMENT (THE "COUNCIL") AS FOLLOWS:

SECTION I: Metro Council hereby amends its Policies and Procedures, Section 3.1.A.

Guidelines to Expend Funds from NDF, as follows:

The Council member may request expending NDF in the following ways:

- capital and operating grants to eligible non-profits defined under the Internal

Revenue Code Sections:

- o 501(c)3 Organizations
- o 501(c)4 Organizations (Civic Leagues, Social Welfare and Neighborhood Associations only)
- o Homeowner Associations not recognized tax exempt under section 501(c), but who consistently file Form 1120-H, U. S. Income Tax Return for Homeowners Associations;

- o Section 501(c)6 Organizations (Business Leagues only)
- o Section 501(c)19 Organizations (Veterans)
- Operating projects/programs of Metro government departments/agencies
- Capital or operating projects/programs of other governmental entities

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- Transfer to council member's operating cost center accounts, ~~limited to \$25,000 per fiscal year~~. The ordinance transferring the NDF to cost center accounts must contain detail of the amounts being added to each budget line, ie. personal, printing, mailing, etc.
- Transfer to council member's capital infrastructure fund
- Council originated NDF

Council member's operating cost center funds cannot be transferred to a NDF or CIF account.

Effective July 1, 2016: In the event a new Council member takes office via election, the Metro Council President will consult with the Metro Council Business Office for an accounting of the residual amount of unappropriated funds on hand in the new Council member's NDF account. The pro-rated allocated share is determined by dividing by twelve the total amount of money allocated by Louisville Metro Government to the district for the most recent fiscal year then multiplying the figure by the number of months remaining in said fiscal year. If the total residual amount of unappropriated funds in the district's NDF account of the Council member is less than the pro-rated allocated share for the most recent fiscal year and in the event of an emergency or unforeseen natural disaster, the Metro Council President with approval of a majority of the Committee on Committees, shall transfer funds, not to exceed \$20,000.00, if available, from the Metro Council's General Account to the new Council member's NDF account to cover the expenses to handle such emergency or unforeseen natural disaster.

The Council may expend NDF grants to organizations which provide services, programs or projects

the Council member determines meets critical human needs, improves the quality of life for Louisville Metro citizens or is in the best interest of the district or community. Each request for the use of funds shall explicitly state their purpose and use. Expenditures may only be used to serve Louisville/Jefferson County.

A short form council originated NDF may be used to fund items such as sponsoring luncheons. Council originated NDFs are approved by the Appropriations, CIF and NDF Committee.

SECTION II: Metro Council hereby amends its Policies and Procedures, Section 6. **Council Cost Centers**, as follows

The Metro Council has divided a portion of its Fiscal Year Budget into individual cost centers for each council member. During each fiscal year a member of the Metro Council shall be permitted to expend the sum budgeted for a council member's cost center for expenses associated with the member's district and/or council member's duties. Expenses authorized under the following designated object codes are permitted:

- | | |
|--------|------------------------------------|
| 521101 | Dues & Subscriptions |
| 521106 | Postage/Postal & Shipping Services |
| 523853 | Travel, Out of Town |
| 521109 | Training/Educational Programs |
| 521352 | Public Relations |
| 521353 | Public Meeting Expenses |
| 522403 | Telephone Services |
| 523852 | Airfare |
| 521301 | Professional Services/Studies |
| 531201 | Office Supplies |
| 531202 | Office Equipment |

521105	Printing & Reproduction Supplies
544102	Computer Hardware
560117	Copy/Postal Charges-In House

Funds appropriated for each council member's cost center are for a fiscal year and will lapse if not expended during the fiscal year. No council member shall be entitled to use funds appropriated to the cost center of another council member even with the consent of the other council member.

A budget will be prepared for each cost center designating the funds among the object codes listed above in any manner determined by that council member. A council member who finds it necessary to transfer monies during the fiscal year between object codes shall make his or her request in writing to the Council Business Office. Council members are requested to review the monthly Operating Detail Appropriation Report on cost center expenditures to monitor their balances and to make any necessary adjustments in the division of appropriated funds among the major categories on a quarterly basis.

A council member may not use Cost Center funds for neighborhood projects or to fund outside agencies. Only expenses associated with the administration of his or her district and/or council duties or personnel are authorized. However, expenses intended "for and generally associated with maintaining the good will of the government with a community association or civic organization" (e.g., purchase of no more than two banquet tickets at a community or civic function) are permitted.

Further, all expenditure requests must satisfy a public purpose as defined by the Jefferson County Attorney. Individual council members may transfer funds not used in the Administrative Council budget cost center for personnel costs in their cost center or other allowable cost center expense.

Council members may transfer NDF funds to their operating cost center account ~~limited to \$25,000~~ per fiscal year. The ordinance transferring the NDF to cost center accounts must contain detail of the

amounts being added to each budget line, ie. personnel, printing, mailing, etc. Transferred funds remaining at the close of the fiscal year will be returned to the unappropriated NDF account.

Operating cost center funds cannot be transferred to an NDF account.

Effective July 1, 2016: In the event a new Council member takes office via election, the Metro Council President will consult with the Metro Council Business Office for an accounting of the residual amount of unappropriated funds on hand in the new Council member's Cost Center account. If the total residual amount of unappropriated funds in the district's Cost Center account of the Council member when he or she is sworn into office is \$5,000.00 or less, the Metro Council President shall transfer funds, if available, from the Metro Council's General Account to the new Council member's Cost Center account so that the new balance equals up to \$7,500.

Postage expenditures for mailings of more than 200 pieces must be submitted to contracted legal counsel of the council member, or the Jefferson County Attorney's Office for review and certification of public purpose. Other expenditures about which a council member has reasonable cause to believe significant questions may be raised should be submitted to legal counsel for review and certification as to public purpose.

SECTION III: This Resolution shall be effective upon its passage and approval.

H. Stephen Ott
Metro Council Clerk

David James
President of the Council

Approved: _____
Date

APPROVED AS TO FORM AND LEGALITY:

Michael J. O'Connell

Jefferson County Attorney

By: _____

R-071-19 - MC Policies and Procedures Amendment to Sections 3(1)(A) and 6 re NDF and Cost Ctr Transfers sd 061819.docx