4th Year in Office

Setting Salaries & Term-Ending Restrictions on Spending
Setting Salaries for the New Term

What does KRS 64.530 require the fiscal court to do?
Required per KRS 64.530

• By fiscal court order:

By May 5, 2014, set the monthly compensation of elected officers (whose salaries are not subject to HB 810) to be paid through the budget for new term (i.e., Coroner, Magistrate, Constable)
Required per KRS 64.530

By May 5, 2014, set the monthly compensation of elected officials’ deputies and assistants to be paid through the budget for new term (i.e., Deputy Coroner, Deputy Judge/Executive, Finance Officer)
Term-End Restrictions On Spending

- KRS 68.310
- Complying with the 65% limitation restrictions on expenditures for the first half of Fiscal Year 2014-15
KRS 68.310 Limit of Expenditures for First Half of Each Fourth Year

Except in case of an emergency concerning which the county judge/executive, the fiscal court and the State Local Finance Officer unanimously agree in writing, and, except for encumbrances or expenditures from the county road fund, no county shall, beginning with the fiscal year 1998-1999, encumber or expend more than sixty-five percent (65%) in any fund budgeted for that fiscal year, not counting as current funds any budgetary allotments for or payments of principle and interest of bonded indebtedness...
KRS 68.310  Limit of Expenditures for First Half of Each Fourth Year

...Prior to encumbering or expending any funds from the road fund during the first half of any fourth fiscal year which exceed sixty-five percent (65%) of the amount budgeted the fiscal court shall assure there are sufficient funds remaining in the general fund to provide for the excess encumbrance or expenditure from the road fund on a dollar for dollar basis. Those excess funds shall remain in the general fund until on or after January 1 of that fiscal year.
CALCULATION BY FUND
GENERAL FUND

Budgeted Appropriation

plus amendments 1,000,000

Less Budgeted Debt Service (100,000)

Available per KRS 68.310 900,000

Actual Claims Allowed 12/31/14 535,500

Less Actual Debt Service Pd. (75,000)

Encumbrances 12/31/14 87,250

Total Claims and Encumbrances 547,750

% expended 547,750/900,000 60.9%
ROAD FUND

Budgeted Appropriation

plus amendments 629,870

Less Budgeted Debt Service (29,000)

Available per KRS 68.310 600,870

Actual Claims Allowed 12/31/14 409,008

Less Actual Debt Service Pd. (15,000)

Encumbrances 12/31/14 87,250

Total Claims and Encumbrances 481,258

% expended 481,258/600,870 80.1%
Term-End Restrictions On Spending

GENERAL FUND

Available appropriation
$900,000

$900,000 \times 65\% = $585,000

Total allowable expenditures
$585,000

Total claims/encumbrances
$547,750

Amount under 65\%
$37,250
Term-End Restrictions On Spending

ROAD FUND

Available appropriation
$600,870

Total allowable expenditures
$390,565

Total claims/encumbrances
$481,258

Amount in excess of 65%
$90,693
## Term-End Restrictions On Spending

### GENERAL FUND

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total allowable expenditures</td>
<td>$585,000</td>
</tr>
<tr>
<td>Total claims/encumbrances</td>
<td>$547,750</td>
</tr>
<tr>
<td>Total <strong>under</strong> 65%</td>
<td>$37,250</td>
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</table>

### ROAD FUND

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total allowable expenditures</td>
<td>$360,565</td>
</tr>
<tr>
<td>Total claims/encumbrances</td>
<td>$481,258</td>
</tr>
<tr>
<td>Total <strong>over</strong> 65%</td>
<td>$90,693</td>
</tr>
</tbody>
</table>

**BOTH FUNDS NON-COMPLIANT**
**JAIL FUND**

Budgeted Appropriation  
plus amendments  \[\text{\$350,000}\]

Available per KRS 68.310  \[\text{\$350,000}\]

*Actual* Claims Allowed 12/31/14  \[\text{\$178,090}\]

Encumbrances 12/31/14  \[\text{\$19,700}\]

Total Claims and Encumbrances  \[\text{\$197,790}\]

% expended  \[\frac{197,790}{350,000} \text{ \(\approx\) 56.5\%}\]
LGEA FUND

Budgeted Appropriation
plus amendments $1,500,000
Available per KRS 68.310 $1,500,000

Actual Claims Allowed 12/31/14 $654,123
Encumbrances 12/31/14 $61,937
Total Claims and Encumbrances $716,060

% expended 716,060/1,500,000 47.7%
What encumbrances and expenditures does KRS 68.310 restrict?

All encumbrances and expenditures except:
  Debt Payments

Other exceptions must be approved in writing and may include:
  CDBG Projects
  State Budget Line Item Projects
  Homeland Security Grants
KRS 68.990(6)

Any county or state officer who knowingly violates any of the provisions of KRS 68.310 shall...be guilty of a misdemeanor and, upon conviction thereof, shall have his office declared vacant, and may also be fined not more than five hundred dollars ($500) or imprisoned for not more than ninety (90) days, or both.