

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 <i>Budgeted</i> Debt Service	<u>(100,000)</u>
Available per KRS 68.310	900,000

<i>Actual</i> Claims Allowed 12/31/14	535,500
Less <i>Actual</i> Debt Service Pd.	(75,000)
Encumbrances 12/31/14	<u>87,250</u>
Total Claims and Encumbrances	547,750
% expended	547,750/900,000 60.9%

ROAD FUND

<i>Budgeted</i> Appropriation	
plus amendments	629,870
Less <i>Budgeted</i> Debt Service	<u>(29,000)</u>
Available per KRS 68.310	600,870
<i>Actual</i> Claims Allowed 12/31/14	409,008
Less <i>Actual</i> Debt Service Pd.	(15,000)
Encumbrances 12/31/14	<u>87,250</u>
Total Claims and Encumbrances	481,258
% expended	481,258/600,870 80.1%

Term-End Restrictions On Spending

GENERAL FUND

Available appropriation
\$900,000

	<u>x 65%</u>
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

x 65%

Total allowable expenditures

\$390,565

Total claims/encumbrances

\$481,258

Amount in **excess** of 65%

\$90,693

Term-End Restrictions On Spending

GENERAL FUND

Total allowable expenditures	\$585,000
Total claims/encumbrances	<u>\$547,750</u>
Total under 65%	\$37,250

ROAD FUND

Total allowable expenditures	\$360,565
Total claims/encumbrances	<u>\$481,258</u>
Total over 65%	\$90,693

BOTH FUNDS NON-COMPLIANT

JAIL FUND

Budgeted Appropriation
plus amendments

\$350,000

Available per KRS 68.310

\$350,000

Actual Claims Allowed 12/31/14

\$178,090

Encumbrances 12/31/14

\$19,700

Total Claims and Encumbrances

\$197,790

% expended 197,790/350,000

56.5%

LGEA FUND

Budgeted Appropriation plus amendments		<u>\$1,500,000</u>
Available per KRS 68.310		\$1,500,000
Actual Claims Allowed 12/31/14		\$654,123
Encumbrances 12/31/14		<u>\$61,937</u>
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.