



City of Lawrence

40'x20'  
atrium  
opening



# 2014 Operating and Capital Improvement Budget



*City of Lawrence*

# CITY OF LAWRENCE KANSAS MISSION STATEMENT

## Our Mission

We are committed to providing excellent city services that enhance the quality of life for the Lawrence community.

## Our Principles

We are committed to these basic values:

**Integrity**  
**Courtesy**  
**Fairness**  
**Honesty**

How we get the job done is as important as getting the job done.

Our interaction with the community will be professional, responsive, direct, personal, caring and appropriate.

We will promote teamwork, employee satisfaction, and professional development in order to provide innovative, cost effective, efficient service.

## Our Vision

We will provide leadership in preparing for the future.

We want our citizens, clients and customers to have high expectations of City services; we will do our best to meet and exceed those expectations.



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished  
Budget Presentation  
Award*

PRESENTED TO

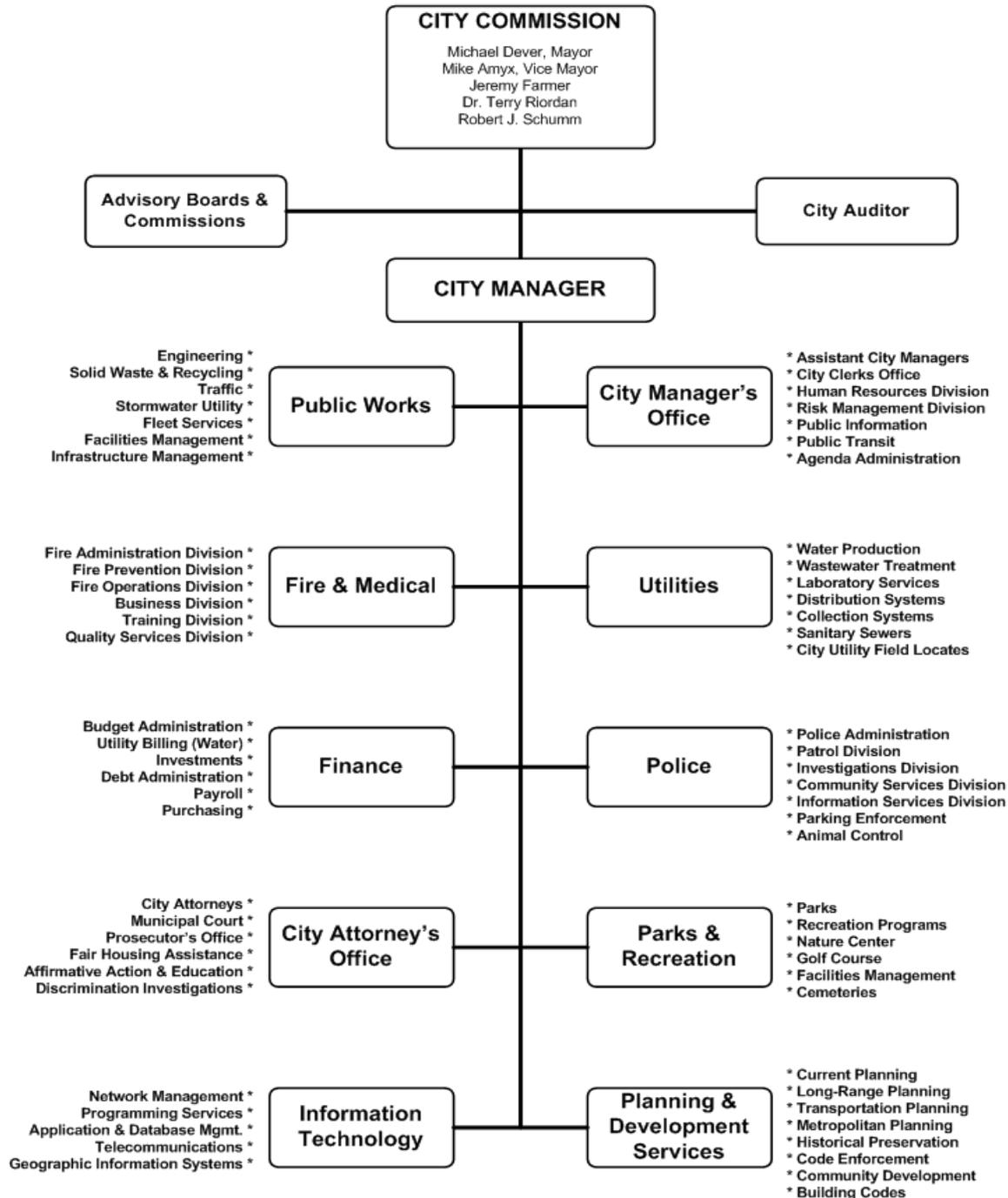
**City of Lawrence  
Kansas**

For the Fiscal Year Beginning

**January 1, 2013**

Executive Director

# CITY OF LAWRENCE, KANSAS



## **City of Lawrence Elected Officials**

MICHAEL DEVER, Mayor

MIKE AMYX, Vice Mayor

JEREMY FARMER, Commissioner

DR. TERRY RIORDAN, Commissioner

ROBERT J. SCHUMM, Commissioner

## **City of Lawrence Executive Staff**

DAVID CORLISS, City Manager

DIANE STODDARD, Assistant City Manager

CYNTHIA WAGNER, Assistant City Manager

JONATHAN DOUGLASS, Assistant to the City Manager/City Clerk

MARK BRADFORD, Fire Medical Chief

TARIK KHATIB, Chief of Police

SCOTT MCCULLOUGH, Planning and Development Services Director

ED MULLINS, Finance Director

ERNIE SHAW, Interim Parks and Recreation Director

CHUCK SOULES, Public Works Director

DAVE WAGNER, Utilities Director

TONI WHEELER, City Attorney

JAMES WISDOM, Information Technology Director

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*City of Lawrence*



# City of Lawrence

## CITY MANAGER'S OFFICE

DAVID L. CORLISS  
CITY MANAGER

City Offices  
PO Box 708 66044-0708  
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785-832-3000  
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### CITY COMMISSION

**MAYOR**  
MICHAEL DEVER

**COMMISSIONERS**  
MIKE AMYX  
JEREMY FARMER  
ROBERT SCHUMM  
DR. TERRY RIORDAN

November 1, 2013

The Honorable Mayor and City Commission  
City of Lawrence, Kansas  
City Hall

Dear Mayor and City Commissioners:

Budgets reflect priorities. I am pleased to present the 2014 operating and capital improvement budget to address our goals and priorities and to continue with the excellent services and programs provided for our community. The budget was prepared with the following goals and priorities of the City Commission in mind:

- **Infrastructure & Street Maintenance.** The condition of city streets, sidewalks, and other infrastructure has continuously been identified in community surveys as a top priority of the citizens of the community. Resources for our water and wastewater systems are also items this budget seeks to address.
- **Economic Development.** Growing our tax base and providing additional jobs in the community is an important priority as we shape the future of our community.
- **Public safety.** Providing appropriate resources for our police and fire medical departments remains one of the top priorities for our community.
- **Quality of Life.** Keeping Lawrence a great place to live by providing safe, well maintained neighborhoods and parks as well as a vibrant downtown and other community amenities is also an important goal.

### Overview of the 2014 Budget

The 2014 City budget is \$185,583,619, or an increase of \$11.3 million over the 2013 budget. The largest increases are in the City's Water and Wastewater Fund, General Operating Fund, Bond and Interest Fund, and Recreation Fund. The City's General Fund reflects an increase of 4.2% over the 2013 budget. An increase of 0.5 mill for the general fund is required to order to fund this budget. Even with this modest increase in the mill levy, it would be necessary to spend down \$1.8 million of fund balance to pay for one hundred



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We are committed to providing excellent city services that enhance the quality of life for the Lawrence Community

percent of budgeted expenditures in the general fund. However, I believe that departments can monitor expenditures and make reductions throughout the year as necessary in order to finish 2014 with expenditures balanced to revenues. There will be no increase in sanitation service rates for residential customers until late 2014 when the City implements citywide curbside recycling. Increases in rates for water and sewer services are necessary in order to provide sufficient revenue to implement capital improvement projects, including construction of a new Wastewater Treatment Plant, to improve the capacity and reliability of the utility. Additional information on these funds, as well as some of the City's other major funds, is provided below.

### **Update on 2013 Projects**

Before discussing the projects and plans contained in the budget for 2014, I want to provide an update on some of the projects and initiatives already underway.

*Rock Chalk Park Recreation Center.* The City Commission approved the bids for construction of a new City Recreation Center at Rock Chalk Park in 2013. This state-of-the-art facility will provide the community with much needed indoor gym space as well as other recreational amenities. The project is an example of how partnerships between the City and the University of Kansas can benefit our entire community. Construction will be underway soon and the facility is expected to open in 2014.

*New Business Park at the Former Farmland Site.* The landscape at the former Farmland site has changed dramatically over the last year. The site was recently renamed Lawrence VenturePark and work has begun to install roads and other infrastructure in preparation for new or expanding businesses. A traffic signal at 23<sup>rd</sup> and O'Connell Road is now operational, improving access and safety.

*Library Renovations.* The voters approved expansion of the Lawrence Public Library in 2010. Construction is underway and the newly remodeled and expanded facility is expected to open in late summer 2014.

*Public Safety Resources.* In 2013, the City added funding for three new police positions and \$300,000 of additional police equipment. Those officers have been hired and are on the streets helping make our community safe. The City will continue to make payments to Douglas County for emergency communications infrastructure upgrades in 2014. Continuing to increase resources for our public safety departments remains a top priority in 2014.

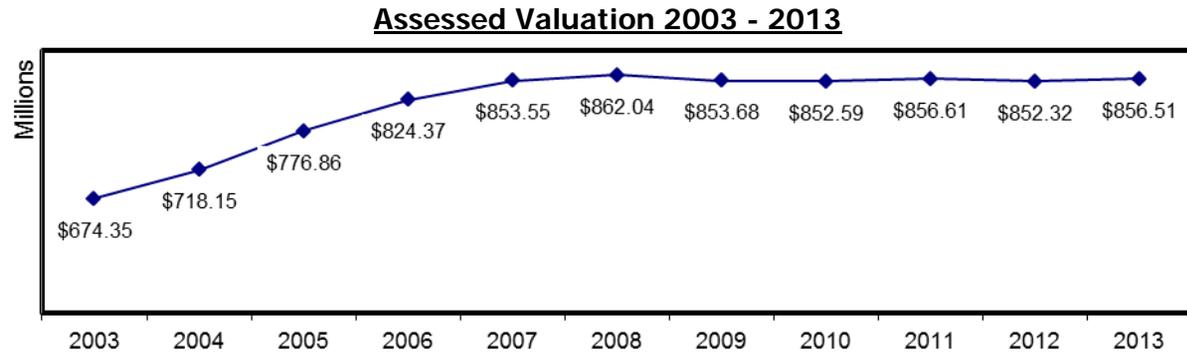
*Social Services and Outside Agencies.* The Lawrence Community Shelter has relocated to their new facility. Theatre Lawrence has also moved into their new facility located in the Bauer Farm development.

*Solid Waste Service Changes.* In order to increase efficiency and worker safety, the City implemented standardized trash containers for all residential customers in 2012. In addition, the department has deployed fully automated side-load trucks on some routes. The City Commission approved implementation of city-provided curbside recycling which will begin in October of 2014.

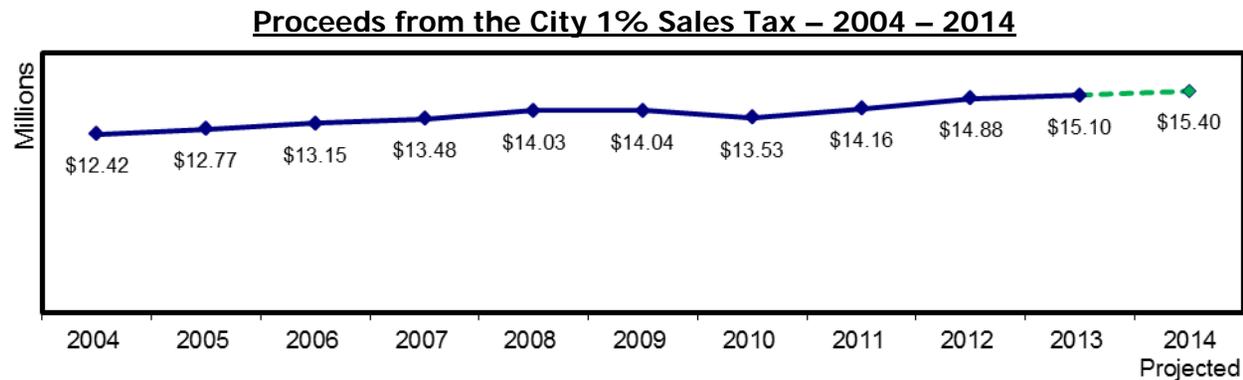
*Street Maintenance.* Anyone who has driven through our community can attest to the fact that the City is busy with a number of street maintenance projects. The reconstruction of a section of Iowa, including the intersection with Bob Billings Parkway, is underway and is expected to be complete this fall. Other projects underway include the reconstruction of Bob Billings Parkway from Crestline to Kasold; and Wakarusa from Research Parkway to Oread West Drive. Street improvements associated with the Poehler redevelopment continue. While we apologize for the inconvenience caused by construction, we don't apologize for making improvements to these critical roadways.

**2014 Revenue Highlights**

*Property Tax.* The assessed valuation used to build the 2014 budget is \$856,509,969. This is an increase of just 0.49% over the assessed valuation used to build the 2013 budget. This means that one mill will generate approximately \$856,500. As shown below, assessed valuation has been relatively flat since 2007. As a result, we have had to rely on growth in other revenue sources in recent years.



*Sales Tax.* Another of the City's largest revenue sources is sales tax proceeds. The proceeds from the one percent city sales tax are shown below. The City has seen fairly steady growth in this revenue source over the past ten years and the 2014 budget assumes growth of 2% over our 2013 projection.



### Additional Positions for 2014

The 2014 budget includes authorization for nineteen new positions for previously authorized programs. Five new positions are authorized for expansion of the rental registration program. Nine new positions are authorized for staffing at the new Rock Chalk Park Recreation Center. Four new positions are authorized in Utilities for implementation of work in the newly adopted master plans. 1.25 positions are authorized for the new city-provided recycling program. While these positions are authorized, they will only be filled as needed and as resources are available.

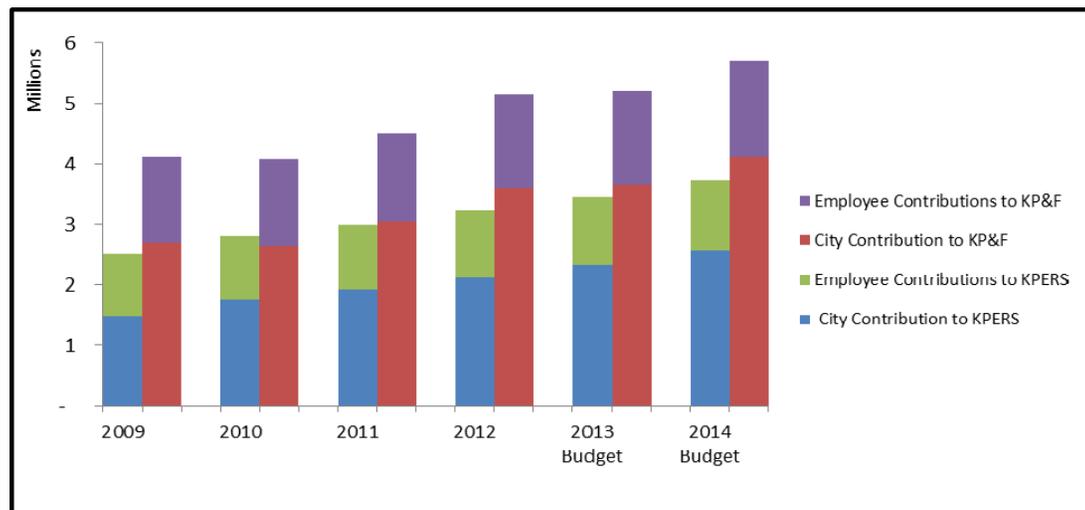
### Employee Compensation and Benefits

City employees are our greatest resource. Their expertise and dedication to the community and to providing great service can be seen in the work they do every day. Under the terms of our Memorandums of Understanding, covered employees will receive a 1.5% general wage adjust for 2014 as well as step increases and competency adjustments for those who are eligible. The 2014 budget also includes funding for a merit pool for employees not covered by Memorandums of Understanding. In addition, funding for discretionary longevity payments for eligible employees at the rate of \$48 per year of service is included in the budget.

Contributions to employee healthcare from both employees and the City will remain flat for 2014. Rates for retiree healthcare will increase an average of 5.4% in order to maintain the 80% contribution to premium equivalent.

City contributions to employee retirement continue to increase and are one of the largest increases in the 2014 budget. The budget includes an increase of \$257,300, or 11.7%, for contributions to the Kansas Public Employee Retirement System (KPERS) and \$460,600, or 12.6%, for contributions to the Kansas Police and Fire Retirement System (KP&F.)

**Contributions to KPERS and KP&F**



**Street Maintenance**

Street maintenance must remain a top priority for the City Commission and the community – our years of underfunding this infrastructure have required substantial efforts to try to catch up. As shown below, the 2014 budget includes funding for street maintenance from a variety of sources. Despite revenue challenges in the both the general fund and gas tax fund, efforts have been made to maintain funding of roughly \$5 million each year.

<b>Street Maintenance Funding (excludes personnel, equipment costs, etc.)</b>				
	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
<b>General Operating Fund</b>	<b>Budget</b>	<b>Budget</b>	<b>Budget</b>	<b>Budget</b>
street maintenance (mill & overlay, chip & seal, curb repair)	2,040,919	1,740,919	1,740,919	1,725,904
Asphalt	133,172	119,172	125,000	125,000
Concrete	58,673	50,673	50,673	50,673
Contingency	-			
<i>Sub-total</i>	<i>2,232,764</i>	<i>1,910,764</i>	<i>1,916,592</i>	<i>1,901,577</i>
<b>Gas Tax Fund</b>				
street maintenance (mill & overlay, chip & seal, curb repair)	715,000	725,205	200,000	200,000
Sidewalk	25,000	25,000	25,000	20,000
Asphalt	75,000	75,000	75,000	60,000
Concrete	65,000	65,000	65,000	65,000
<i>Sub-total</i>	<i>880,000</i>	<i>890,205</i>	<i>365,000</i>	<i>345,000</i>
<b>Storm Water Fund</b>				
Curb repair	140,000	140,000	140,000	140,000
Transfer to General Fund for curb/gutter	400,000	400,000	400,000	400,000
<i>Sub-total</i>	<i>540,000</i>	<i>540,000</i>	<i>540,000</i>	<i>540,000</i>
<b>Debt</b>				
Street Maintenance (includes 23rd & Iowa and 31st, Haskell to O'Connell)			1,300,000	2,500,000
KLINK (City's share)	1,000,000	1,000,000		
KLINK (KDOT share)	200,000	200,000	-	700,000
<i>Sub-total</i>	<i>1,200,000</i>	<i>1,200,000</i>	<i>1,300,000</i>	<i>3,200,000</i>
<b>Reserve Funds</b>				
Sales Tax Reserve - County-wide	550,000	350,000		
Capital Improvement Reserve	150,000			
Capital Improvement Reserve - Infrastructure Sales Tax	500,000	800,000	800,000	800,000
<i>Sub-total</i>	<i>1,200,000</i>	<i>1,150,000</i>	<i>800,000</i>	<i>800,000</i>
<b>TOTAL</b>	<b>\$6,052,764</b>	<b>\$5,690,969</b>	<b>\$4,921,592</b>	<b>\$6,786,577</b>

In addition, proceeds from the Infrastructure Sales Tax will also be used to fund reconstruction of Bob Billing Parkway from Wakarusa to Foxfire and Wakarusa from Inverness/Legends to Oread West.

**Need For Additional Resources**

An increase in the City mill levy of 0.5 mill will provide resources to address some of our biggest needs.

**Mill Levy Increase for 2014 Budget**

Description	Cost	Mill Levy Required
Four additional dispatchers for the Emergency Communications Center	\$130,000	0.156
Additional public works equipment/improvements (in 2014 this will include salt dome repair, trucks, snow removal equipment)	\$80,000	0.096
City facility improvements (in 2014 this will include the City Phone system)	\$80,000	0.096
Additional funding for the Lawrence Public Library	\$40,000	0.048
Additional growth in police overtime costs	\$30,000	0.036
Additional funding for the Lawrence Humane Society	\$30,000	0.036
Additional funding for the Lawrence Arts Center	\$20,000	0.024
Health Department funding for STD and HIV testing	\$14,000	0.017
TOTAL	424000	0.509

- **Emergency Communications Staffing.** Both the Police Chief and Fire Medical Chief have indicated the top public safety priority for 2014 is funding the request for four additional dispatch positions for Emergency Communications. A mill increase is needed to provide on-going funding for these positions, which are contingent on the cities of Eudora and Baldwin City providing financial support for this county-wide function.
- **Public Works Equipment/Improvements.** Due to limited resources, the Public Works Department has delayed or deferred replacement of vehicles and equipment. A mill levy increase is necessary to provide additional resources for annual capital improvement and equipment replacement needs, increasing department efficiency by reducing downtime and reducing vehicle and equipment repair costs for vehicles and equipment past their useful life.
- **City Facility Improvements.** A mill levy increase is required to provide additional resources to better address facility improvements needed throughout the City each year. The highest priority for this funding will be replacement of the City's phone system. The system is really a patchwork of different telecommunications systems. The largest component system serves City Hall, the Law Enforcement Center, the Kaw Water Plant and the Wastewater Treatment Plant. It is over twenty years old and is currently supported only by third parties companies that rely on available used parts for repairs. Implementation of a Voice over Internet Protocol (VoIP) solution would improve the reliability of the phone and voicemail system at City Hall and other City facilities.
- **Lawrence Public Library Funding.** An increase in the mill levy for the Lawrence Public Library is necessary in order to provide additional funding for increased operations costs. Their allocation for 2014 is \$140,000, or 4.3%, more than in 2013.

- **Police Overtime Costs.** The increased cost of wages and benefits has resulted in an increased cost for overtime. The police department operations budget is no longer able to absorb these increases without impacting the level of service provided. An increase in the mill levy is needed to avoid a reduction in the ability of the department to fund overtime.
- **Lawrence Humane Society Funding.** The City contracts with the Lawrence Humane Society to provide shelter and care for animals as part of the City's animal control division. Increased costs for these services will require an increase in the mill levy for 2014. The Humane Society will receive \$330,000, which is 17.9% more than they received in 2014.
- **Lawrence Arts Center Funding.** A mill levy increase is needed in order to increase financial support of the Lawrence Arts Center by \$20,000 for staffing, capital improvements, and/or scholarships as needed. In addition to the mill levy increase, the 2014 budget includes an increase of \$5,000 from the Special Recreation Fund for additional arts center scholarships. The City will also issue \$40,000 of debt to fund capital improvements to the kitchen and phone system in this City-owned facility.
- **Health Department Funding for STD and HIV Testing.** An increase in the mill levy is needed to provide \$14,000 more in annual support to the Lawrence Douglas County Health Department HIV and other STD testing previously funded by the State of Kansas.

**Unfunded Items in this Recommended Budget**

The Commission has received a number of requests for funding, many are included in this budget, some are not. The following is a partial list of major budget requests not included or not completely funded in this recommended budget:

**Unfunded or Partially Funded 2014 Requests**

Description	Cost	Mill Levy Equivalent
Security improvements at City Hall and Municipal Court	\$ 200,000	0.241
Retiree marketing	\$ 30,000	0.036
Full funding for Lawrence Arts Center increase for custodial and technical staff	\$ 31,000	0.037
Full funding for Lawrence Arts Center scholarships increase	\$ 20,000	0.024
Full funding for Humane Society increase	\$ 29,700	0.036
<b>TOTAL</b>	<b>\$ 310,700</b>	<b>0.374</b>

The Commission has previously discussed the possibility of providing staffing and metal detectors for City Hall and Municipal Court in response to the changes in the conceal carry law. The 2014 budget doesn't include these expenditures. An additional mill increase of 0.241 mill would be needed to support the ongoing personnel costs to staff the detectors.

The budget does include \$15,000 for the City's share of salary for a new Executive Director for the Douglas County Senior Services, however, funding is not included for the \$30,000 as requested for an annual marketing to attract retirees to Lawrence.

The Lawrence Arts Center requested increases totaling \$76,000 for 2014 for additional staffing and scholarships. The 2014 budget only partially funds the increases, providing \$20,000 of additional general fund support and \$5,000 of additional support from the Special Recreation Fund.

The Lawrence Humane Society requested an increase of \$79,700, however, the 2014 budget only increases their allocation by \$50,000.

### **General Operating Fund**

The 2014 budget for expenditures in the general operating fund is \$79,693,821, which is an increase of \$3,272,404, or 4.3% over the 2013 budget.

Most of this increase can be attributed to increased personnel costs. Contributions to employee retirement systems are up significantly and the bulk of that increase, \$531,778, is included in the 2014 general fund budget. Also included are the general wage adjustment and merit increases for employees covered by MOUs and the merit pool for non-MOU covered employees. The total city contribution to employee healthcare in 2014 is the same as 2013, however, a change in the method used to allocate the City's contribution to retiree healthcare across all funds has resulted in the City's contribution from the general fund decreasing \$7,049, or .02%. The increase also includes budget authority for new positions for an expanded rental registration program. Overall, costs related to personnel in the 2014 budget are \$1,387,948, more than in the 2013 budget.

Transfers of sales tax proceeds are also increasing significantly over the 2013 budget. Pursuant to state law, all sales tax proceeds are first deposited into the general fund before being transferred out. Projected sales tax growth as well as an increase in the transfer to the Recreation Fund for operations of the new Rock Chalk Park Recreation Center result in an increase of \$1,152,715 in the budget for 2014.

The budget for contractual services for 2014 is \$410,699 more than in 2013. One of the biggest drivers is the cost of services provided by Douglas County. The mill levy is being increased in part to fund the City's share of four new emergency dispatch positions. Including those new positions, emergency communications will cost the City 16.1%, or \$175,338, more in 2014 than in 2013. The City's share of Judicial Law Enforcement Center maintenance expenses and the cost of the Community Service Supervisor are also increasing. A mill levy increase will also provide the Lawrence Arts Center with \$20,000 of additional support each year to use for staffing or capital as they see fit. Other significant increases include animal shelter services provided by the Lawrence Humane Society, city insurance premiums, as well as improvements to the City's levee.

The budget for commodities in the general fund for 2014 is just \$40,693 more than in 2013. Much the increase is for ammunition, protective equipment, and uniforms for the police department. The budget also includes increases in commodities for the expanded rental registration program.

The general fund budget includes an increase of \$280,848 for capital outlay. In part, the increase will allow the Police Department to replace more police vehicles each year. A mill increase will provide additional resources to address vehicle and equipment replacement and other capital needs in public works and other city facility improvement needs that arise each year.

Based on staff recommendation and Commission direction, the 2014 budget includes \$385,000 of revenues and expenditures (discussed above) in the General Fund budget to reflect increased rental registration fees and expenditures related to an expanded program. If the

Commission adopts the implementing ordinance we will have budget authority for this program, if it ultimately does not we will neither spend the budget authority nor receive the revenue.

**Library Fund**

The 2014 budget includes a mill increase in order to provide a 4.3%, or \$140,000, increase in annual support to the Lawrence Public Library. It is expected that the library will also request a mill levy increase for operations of the renovated and expanded facility for the 2015 budget. (In keeping with voter information provided in 2010, a 0.2 mill levy increase was provided for operations of the expanded library in 2012. An additional 0.3 mill levy increase would be expected with full operations of the new library operations.)

**Guest Tax Fund**

Revenue from the transient guest tax is expected to remain flat in 2014 however, an increase of 1.7% is budgeted for operations of the Convention and Visitor’s Bureau. I am also including increased budget authority for additional marketing for the new Rock Chalk Park Recreation Center.

**Transit Fund**

Our transit operations continue to see success in ridership and coordination efforts with the University of Kansas. A new Night Line service has begun and discussion surrounding location of a permanent transfer facility continues. The City and University will jointly be requesting proposals for a transit service provider later this year.

Johnson County Transit has requested the City begin participating in funding operations of the K-10 Connector, linking residents from our two counties with work and school opportunities. I am recommending a phased approach where the City would provide \$120,000 in 2014, which is included in the budget.

**Recreation Fund**

The City Commission approved construction of a new recreation facility at Rock Chalk Park. The facility will have eight full size basketball courts, sixteen full size volleyball courts, an indoor soccer/sports area, an indoor walking/jogging trail, a gymnastics area, as well as outdoor trails and lighted tennis courts. The 2014 budget assumes revenue and expenditures for an entire year of operations, however, the facility will likely not open until mid-2014.

**Water and Wastewater Fund**

Early this year, the City Commission adopted new Master Plans for the Water and Wastewater Utilities. These plans outline the capital projects necessary to provide the City with a safe and reliable system with sufficient capacity to serve our community into the future. The multi-year plan includes construction of a new Wastewater Treatment Plant beginning in 2014. In order to provide sufficient revenues for the projects called for in the plan, the budget assumes a 6% increase in water revenue and a 3% increase in wastewater revenue for 2014. This means a typical residential customer will see a 5% increase in their average monthly bill.

### **Solid Waste Fund**

The 2014 budget assumes no change to monthly residential or commercial rates, however, it does assume a monthly recycling fee of \$2.81 per residential account will become effective October 15, 2014 when the City begins providing bi-monthly city-provided curbside recycling services for single-family and multi-family residents.

### **Parking Fund**

The parking fund continues to experience growth in expenditures primarily personnel costs while revenues remain relatively flat. The addition of the 700 block of Vermont parking facility adjacent to the library will provide some additional revenue depending upon Commission direction on rates, it will also eventually have maintenance and monitoring costs. As part of recommendations for rates at this facility staff will also be recommending that the "free" parking spaces on the top of the 900 block of New Hampshire facility be returned to the revenue picture with paying spots.

### **2014 Capital Debt Projects**

The 2014 budget contains a number of capital projects as outlined in the City's multi-year Capital Improvement Plan.

The City and Douglas County cooperate in the operation of the Emergency Communications Center (ECC) with the City paying two-thirds and the County paying one-third. No other incorporated cities in Douglas County participate in this financing. The City will spend \$3 million over the next three years to pay for our share of the acquisition of an expanded eight channel, P25 compliant, digital radio system used by ECC to provide two-way communications for Police, Fire, EMS, Public Works, and other public safety agencies throughout Douglas County

Improvements to facilities owned or partially owned by the City in 2014 will include upgrades to the kitchen and replacement of the phone system at the Lawrence Arts Center and security improvements requested at the Community Health Building.

Construction of the Maple Street Pump Station will begin in 2014, reducing storm water problems in several residential areas in north Lawrence. Storm water improvements are also planned for the intersection of 23<sup>rd</sup> and Ousdahl, an area that can experience flooding in very heavy rain events.

Our commitment to improving the condition of City streets will also continue in 2014. The Capital Budget includes construction of 31<sup>st</sup> Street between Haskell and O'Connell, which will be bid and constructed by KDOT as part of work on the South Lawrence Trafficway. The intersection of 23<sup>rd</sup> and Iowa will be reconstructed with concrete pavement, dual left turn lanes in all directions and reconfigured dedicated right turn lanes on the north, east, and south. Engineering work will begin on reconstruction of Kasold from Harvard to Bob Billings Parkway. Work will also begin on Wakarusa, between Oread West and Legends Drive, which will be reconstructed with concrete pavement, a new center turn lane, bike lanes, six-foot sidewalks and improved storm sewer. Bob Billings Parkway from Wakarusa to Foxfire will also be improved.

Many of the street improvement projects planned for 2014 include improvements to sidewalks, shared use paths, and bike lanes. The chart on the following page summarizes the City's commitment to improving pedestrian and bike access across the community in 2014.

**Sidewalk, Share Use Path, and Bike Lane Projects for 2014**

<b>Project</b>	<b>Sidewalk (feet)</b>	<b>Shared Use Path (feet)</b>	<b>Bike Lane (feet)</b>	<b>Cost</b>
Bob Billings Parkway (Wakarusa, west to Legends Drive)	2,000		2,000	\$ 130,000
Burroughs Creek rail trail (AKA Haskell rail trail)		4,000		\$ 219,000
SLT - Louisiana to Iowa*		3,000		\$ 150,000
31st St. (Haskell to O'Connell)		5,280		\$ 275,000
Wakarusa (Oread to Legends)	1,500		1,500	\$ 95,000
CDBG (locations to be determined)	670			\$ 25,000
Bob Billings Parkway & K-10 interchange	1,600		1,600	\$ 90,000
In-House (Street Division)				\$ 50,000
Contracted Street Maintenance				\$ 100,000
			Sub Total	\$ 1,134,000
<b>In Progress</b>				
Bob Billings Parkway (Kasold to Iowa)		5,280		\$ 275,000
Farmland	10,560		10,560	\$ 250,000
Rock Chalk Park Trail		approx 15,000(5k)		\$ 350,000
Rock Chalk Drive and George Williams Way extension		9,000		\$ 400,000
Wakarusa Drive	1,400		1,400	\$ 108,000
	<b>17,730</b>	<b>41,560</b>	<b>17,060</b>	<b>\$2,517,000</b>
	<b>Miles 3.36</b>	<b>7.87</b>	<b>3.23</b>	

\*10' shared use path along the SLT not included above

Finally, the City will also use proceeds from the Infrastructure Sales Tax along with general obligation debt to replace Fire Medical Quint Unit 614.

Later this summer the City Commission will consider a revised multi-year debt budget that includes new projects and the impact of the turn back agreement with KDOT.

**Conclusion**

The budget for 2014 budget reflects priorities – providing increased resources for public safety by adding four new emergency communication positions and replacing Fire Medical apparatus; maintaining our emphasis on infrastructure improvements through capital improvements to streets and to our storm water, water and wastewater utility systems; working to create a more sustainable environment by implementing city-provided curbside recycling; and continuing to enhance the quality of life in our community with

completion of the library expansion and renovation and construction of the new Rock Chalk Park Recreation Center as well as preserving the Santa Fe Station.

I want to thank the department directors for their continued strong fiscal management through challenging times and for their work preparing their 2014 budget request. I also want to thank Casey Toomay, Cynthia Wagner, and Tommy Bohler for their efforts in managing a successful budget process. We look forward to implementing the City Commission's priorities in 2014.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "David L. Corliss". The signature is fluid and cursive, with the first name "David" being the most prominent.

David L. Corliss  
City Manager

# FUND OVERVIEW

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# OVERVIEW OF ALL BUDGETED FUNDS – REVENUES AND EXPENDITURES

## PROPERTY TAX SUPPORTED FUNDS

### General Operating Fund

Revenues overall are expected to increase \$3,546,044, or 4.4%, over the 2013 budget. Sales tax revenue is assumed to grow 2% over 2013 projected receipts. Assessed valuation is projected to remain flat for the 2014 budget and the mill levy is increasing 0.46 mill. Expenditures budgeted for 2014 represent an increase of 4.3%, or \$3,272,404, over the 2013 budget. The increase can be attributed primarily to personnel costs, increased transfers out of sales tax proceeds, expansion of the rental registration program, four new emergency dispatch positions, police overtime costs, capital needs in public works and city facility improvement needs. The budget also includes opportunities for upward compensation for most city employees as well as full funding for the longevity program.

### Public Library Fund

The budget includes an increase of 4.3% for the Lawrence Public Library for operations in 2014. Despite an increase in the mill levy in 2012 in preparation for their expanded facility, the library fund will require an additional mill increase of 0.04 mill for 2014. Utilization of fund balance will also be required to balance the budget. As with the General Fund, the lack of growth in assessed valuation has an impact on the fund. The remaining 0.26 mill of the 0.5 mill increase that was explained to voters as part of the campaign for the successful library election in 2010 is anticipated for the 2015 budget.

### Bond and Interest Fund

The mill levy for the bond and interest fund will remain flat for 2014 meaning revenues will also remain relatively flat in 2014. Due to the timing of debt issuances and the payment schedule for previous debt, including the expansion of the Lawrence Public Library, budgeted expenditures for 2014 are above levels budgeted for 2013.

## SPECIAL REVENUE FUNDS

### Transient Guest Tax Fund

Revenue from the transient guest tax is expected to remain flat in 2014 however, an increase of 1.7% is recommended for operations of the Convention and Visitor's Bureau. The 2014 budget also includes budget authority for additional marketing for the new Rock Chalk Park Recreation Center.

### Public Transportation Fund

This fund is supported by a 0.20% local sales tax. According to State law, all proceeds from sales tax must be deposited in the City's General Operating Fund then transferred into other funds. The 2014 budget assumes 2% growth over 2013 projected sales tax receipts. An increase in fare box receipts is budgeted for 2014 as well. An increase in expenditures can be attributed to cost increases for contracted transit service, fuel, and motor vehicle repairs. The 2014 budget also includes local funds to match federal and state grants for the replace three vehicles in the transit fleet. Finally, the budget includes funds to support the K-10 Connector beginning in 2014.

## OVERVIEW OF ALL BUDGETED FUNDS – REVENUES AND EXPENDITURES

### **Recreation Fund**

In order to minimize the increase to the total City mill levy rate in 2012, the property tax mill levy for the Recreation Fund was eliminated. This revenue was replaced with proceeds from the county-wide sales tax. The 2014 budget includes an increase in the amount of sales tax proceeds transferred to the fund to support the operations of the new Rock Chalk Park Recreation Center which is anticipated to open in 2014. Increases from charges for recreation classes, events, and activities are also anticipated. An increase in expenditures is budgeted 2014 due to increased operating costs, including those for the new Rock Chalk Park Recreation Center.

### **Special Alcohol Fund**

The City continues to see increases in the total receipts collected by the state via the liquor tax. Revenue in 2012 exceeded budget and that trend is expected to continue for 2013. Therefore, an increase is budgeted for 2014. The 2014 expenditure budget includes \$330,617 for social service agencies. In addition, this fund includes funding for salary and benefits for three School Resource Officers, who provide drug and alcohol prevention training and law enforcement at Lawrence Public Schools.

### **Special Gas Tax Fund**

More fuel efficient cars, less driving, and the tax rate per gallon (\$0.24/gallon gasoline, \$0.26/gallon diesel) remaining the same since 2003 has meant flat revenue for this fund in recent years. Revenue projections for 2014, which are based on projections from the Kansas League of Municipalities, continue this trend. Due to revenue constraints, a decrease in expenditures for the City's street maintenance efforts from this fund is required in 2014.

### **Special Recreation Fund**

The City continues to see increases in the total receipts collected by the state via the liquor tax. Revenue in 2012 exceeded budget and that trend is expected to continue for 2013. Therefore, an increase is budgeted for 2014. An increase for equipment for the new Rock Chalk Park Recreation Center is budgeted for 2014 in this fund, which is used primarily for operation and maintenance of the City's recreation facilities.

## ENTERPRISE FUNDS

### **Water and Wastewater Fund**

Traditionally, the revenues for this fund increases in direct proportion to the amount of growth in the city as well as through the incremental rate increases dictated by the approval of the City Commission of the recommendations from the water and wastewater master plans. The City Commission approved new master plans in 2013. In order to adequately fund the projects identified in the plan, a rate increase is necessary for 2014. Under the 2014 budget, the typical residential customer's monthly bill will increase 5%. The expenditure budget includes increases in operating and maintenance expenditures, capital projects, and debt service for 2014.

## OVERVIEW OF ALL BUDGETED FUNDS – REVENUES AND EXPENDITURES

### **Solid Waste Fund**

There will be no increase in residential solid waste rates for 2014, however, a new monthly fee for curbside recycling will go into effect in October of 2014. As a result, an increase in revenues is projected for 2014. Increased costs related to the new curbside recycling program mean an increase in expenditures is budgeted for 2014.

### **Public Parking Fund**

Revenue in this fund is expected to remain flat in 2014 despite increases in parking rates and fines being implemented in 2010. A reduction in expenditures is budgeted for 2014 in this fund which provides for staff from four separate departments involved in public parking operations: police, parking control, municipal court and public works facilities maintenance. The decrease can be attributed to a one-time transfer to the City's capital improvement reserve fund for future improvements to City parking garages that was budgeted in 2013 but not repeated in 2014.

### **Storm Water Fund**

Following the master plan for this utility and a previously approved rate plan, no change in the rate charged for storm water fees is necessary for 2014. The charge will remain at \$4.00 per equivalent residential unit (ERU). As a result, revenues are expected to be flat in 2014. A slight reduction in expenditures is budgeted in 2014 in order to balance the budget.

### **Public Golf Course Fund**

As a weather-dependant entity, this fund sees fluctuations depending on the availability of good weather for golfers. Staff continues to monitor play and pricing but no increases are recommended for 2014. Revenues are expected to be slightly higher in 2014 than in 2013. An increase in the contingency budgeted for 2014 is necessary in order to achieve the statutory limit on budgeted fund balance.

# RESOURCES BY CLASSIFICATION AND EXPENDITURES BY CATEGORY ALL BUDGETED FUNDS 2012-2014

**Resources by Classification for all Budgeted Funds 2012-2014**

RESOURCES	2012 Actual	2013 Adopted	2013 Estimated	2014 Budget
Ad Valorem Taxes	\$ 26,479,031	\$ 27,003,019	\$ 27,320,870	\$ 27,680,327
Other Taxes	43,680,395	44,003,867	43,985,857	45,573,250
Licenses/Permits	982,746	975,000	975,000	1,384,800
Intergov. Revenue	868,339	833,111	833,111	916,200
Charges for Serv.	53,260,014	50,896,640	50,906,640	52,647,984
Fines /Forfeitures	2,731,108	3,000,000	3,000,000	2,994,000
Use of Money/Prop	370,394	440,750	395,750	1,165,000
Miscellaneous	5,085,969	4,915,500	4,915,500	5,144,100
Spec. Assessment	3,195,006	2,500,000	3,000,000	2,575,000
Transfers In	8,452,357	8,513,408	8,513,408	8,941,358
Fund Bal. Fwd.	46,442,225	38,396,570	50,747,199	44,270,419
<b>TOTAL RESOURCES</b>	<b>\$ 191,547,584</b>	<b>\$ 181,477,865</b>	<b>\$ 194,593,335</b>	<b>\$ 193,292,438</b>

**Expenditures by Category for all Budgeted Funds 2012 - 2014**

EXPENDITURES	2012 Actual	2013 Adopted	2013 Estimated	2014 Budget
Personal Services	\$ 62,912,061	\$ 65,181,939	\$ 65,181,939	\$ 67,708,657
Contractual Services	26,118,720	27,272,338	27,268,164	28,500,843
Commodities	10,757,547	11,105,458	11,105,458	11,285,583
Capital Outlay	2,654,497	2,374,252	2,374,252	3,488,800
Debt Service	19,147,713	26,562,947	22,435,747	29,907,678
Transfers Out	19,209,847	39,254,401	19,712,356	42,014,616
Contingency	-	2,565,000	2,245,000	2,761,442
<b>TOTAL EXPENDITURES</b>	<b>140,800,385</b>	<b>174,316,335</b>	<b>150,322,916</b>	<b>185,667,619</b>

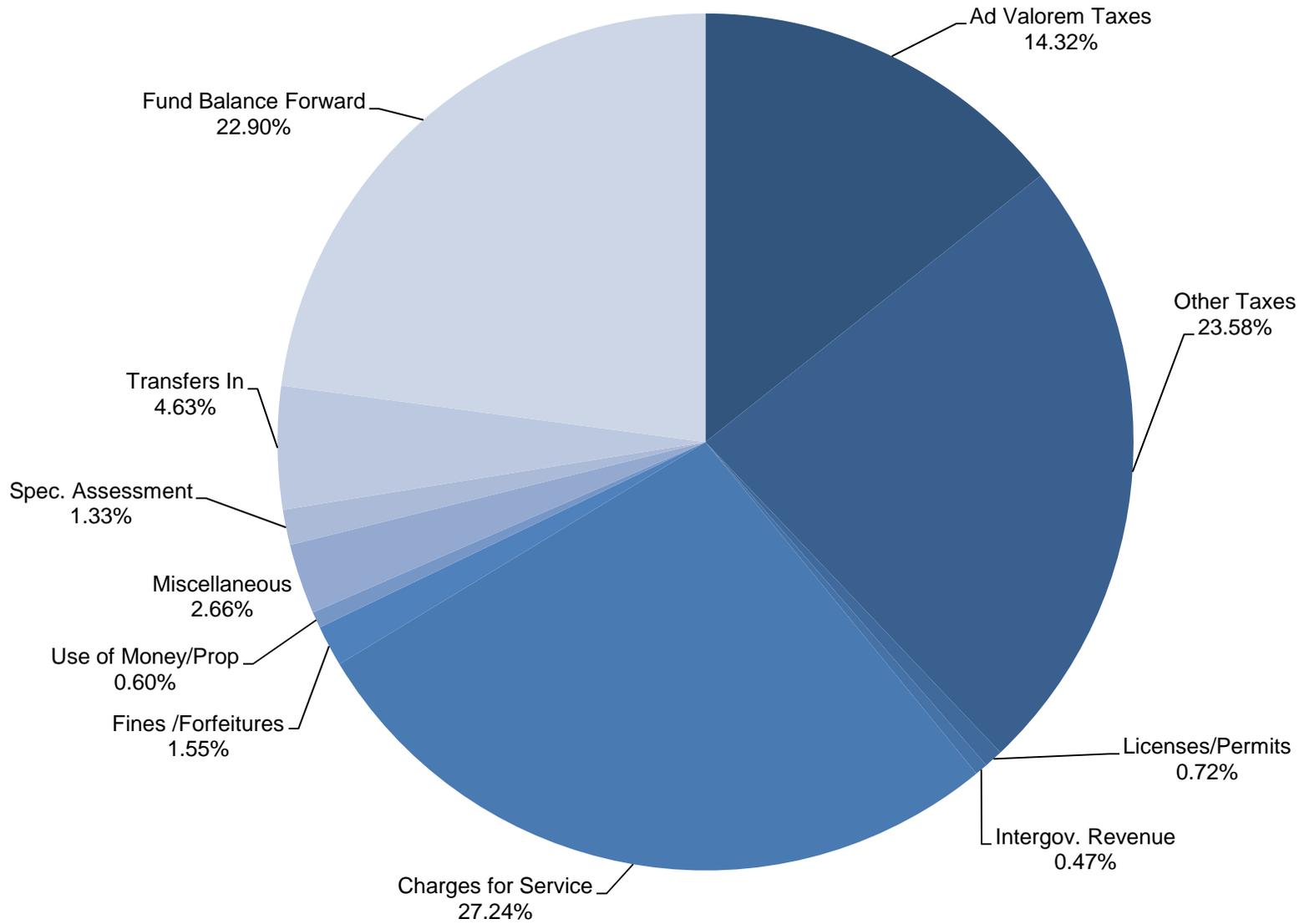
2014 Budget Fund Summary of Resources by Classification and Expenditures by Category

	Property Tax Supported Funds		Debt Service Fund	Special Revenue Funds			
	General Operating 001	Library 209	Bond & Interest 301	Guest Tax 206	Transportation 210	Recreation 211	Special Alcohol 213
<b>RESOURCES</b>							
Ad Valorem Taxes	16,655,568	3,223,615	7,801,144			-	
Other Taxes	40,643,100			950,000			714,000
Licenses/Permits	1,384,800						
Intergov. Revenue	916,200				-		
Charges for Service	753,300		135,000		305,674	1,812,500	
Fines /Forfeitures	2,994,000						
Use of Money/Prop	160,000		35,000		-	913,500	
Miscellaneous	4,842,300				-	1,300	
Spec. Assessment	-		2,575,000				
Transfers In	3,656,751	-	-		3,054,450	2,230,157	
Fund Balance Forward	11,563,442	236,482	8,168,517	137,579	1,550,044	600,050	276,249
<b>TOTAL RESOURCES</b>	<b>\$ 83,569,461</b>	<b>\$ 3,460,097</b>	<b>\$ 18,714,661</b>	<b>\$ 1,087,579</b>	<b>\$ 4,910,168</b>	<b>\$ 5,557,507</b>	<b>\$ 990,249</b>
<b>EXPENDITURES</b>							
Personal Services	43,223,173			-	94,625	3,796,278	289,552
Contractual Services	11,124,108	3,383,260		927,500	2,432,421	813,506	330,617
Commodities	4,447,145				807,146	378,781	-
Capital Outlay	1,001,200				194,600	250,000	-
Debt Service			17,150,000		-	-	-
Transfers Out	19,873,195		700,000	110,000	550,000	-	275,500
Contingency	25,000				600,000	57,442	50,000
<b>TOTAL EXPENDITURES</b>	<b>\$ 79,693,821</b>	<b>\$ 3,383,260</b>	<b>\$ 17,850,000</b>	<b>\$ 1,037,500</b>	<b>\$ 4,678,792</b>	<b>\$ 5,296,007</b>	<b>\$ 945,669</b>
Fund Balance	\$ 3,875,640	\$ 76,837	\$ 864,661	\$ 50,079	\$ 231,376	\$ 261,500	\$ 44,580

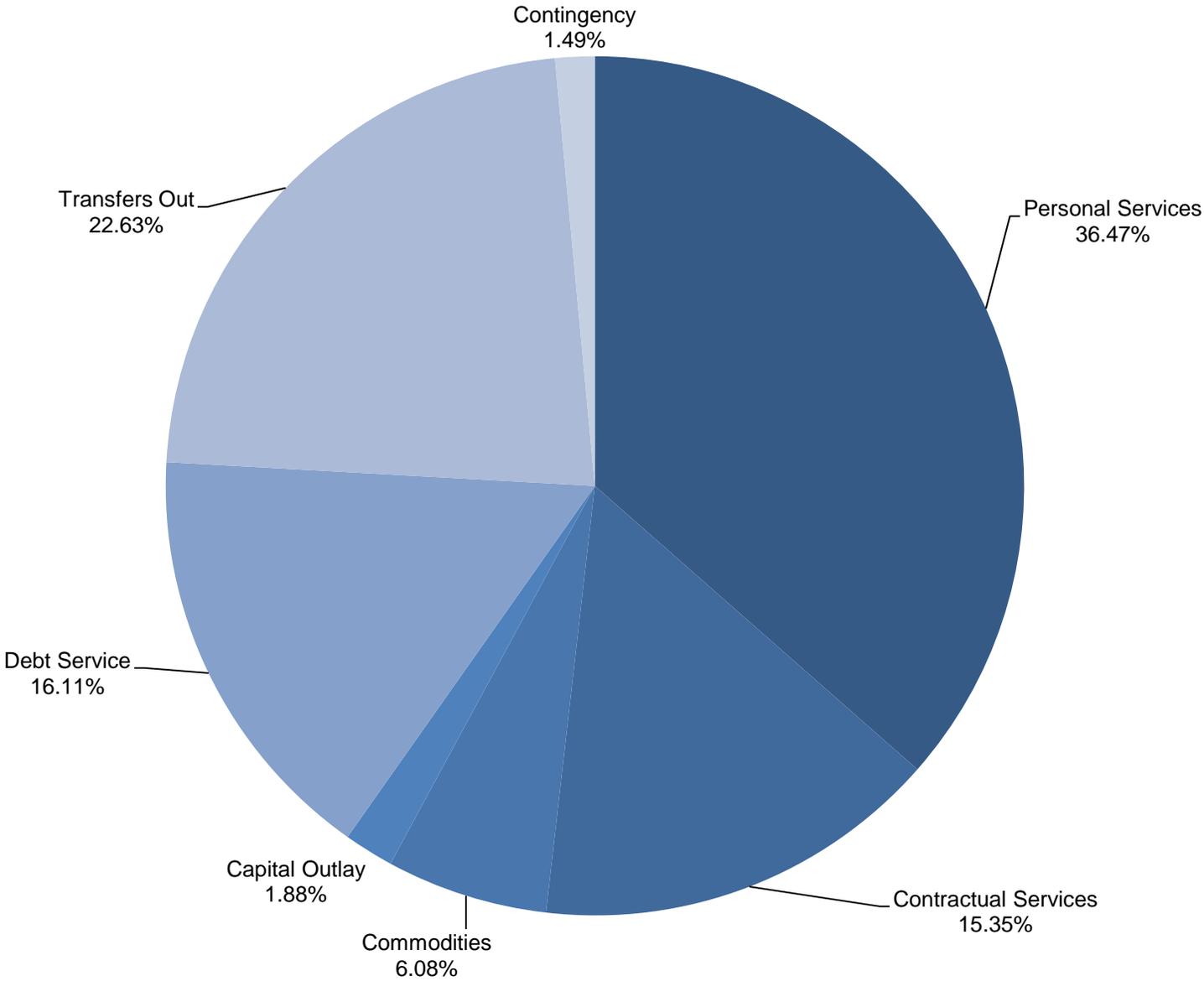
2014 Budget Fund Summary of Resources by Classification and Expenditures by Category (cont.)

Special Revenue Funds (cont.)		Enterprise Funds					
Special Gas 214	Special Recreation 216	Water & Wastewater 501	Solid Waste 502	Public Parking 503	Storm Water 505	Public Golf 506	TOTAL ALL FUNDS
							27,680,327
2,552,150	714,000						45,573,250
							1,384,800
							916,200
		33,438,000	11,084,510	1,285,000	2,977,000	857,000	52,647,984
							2,994,000
		50,000	3,500	500	2,000	500	1,165,000
0	0	300,000			-	500	5,144,100
						0	2,575,000
							8,941,358
272,290	239,357	17,530,582	2,383,347	53,048	929,342	330,090	44,270,419
\$ 2,824,440	\$ 953,357	\$ 51,318,582	\$ 13,471,357	\$ 1,338,548	\$ 3,908,342	\$ 1,188,090	\$ 193,292,438
1,855,759	48,623	9,896,433	6,226,834	1,029,750	782,233	465,397	67,708,657
15,500	338,000	5,610,970	3,085,218	153,193	154,650	131,900	28,500,843
389,780	71,000	3,724,775	914,080	106,670	319,206	127,000	11,285,583
305,000	357,000	333,000	538,000	35,000	445,000	30,000	3,488,800
-	-	12,005,000	-	-	752,678	-	29,907,678
-	-	18,434,896	1,521,025	-	550,000	-	42,014,616
150,000	100,000	100,000	550,000	-	750,000	379,000	2,761,442
\$ 2,716,039	\$ 914,623	\$ 50,105,074	\$ 12,835,157	\$ 1,324,613	\$ 3,753,767	\$ 1,133,297	\$ 185,667,619
\$ 108,401	\$ 38,734	\$ 1,213,508	\$ 636,200	\$ 13,935	\$ 154,575	\$ 54,793	\$ 7,624,819

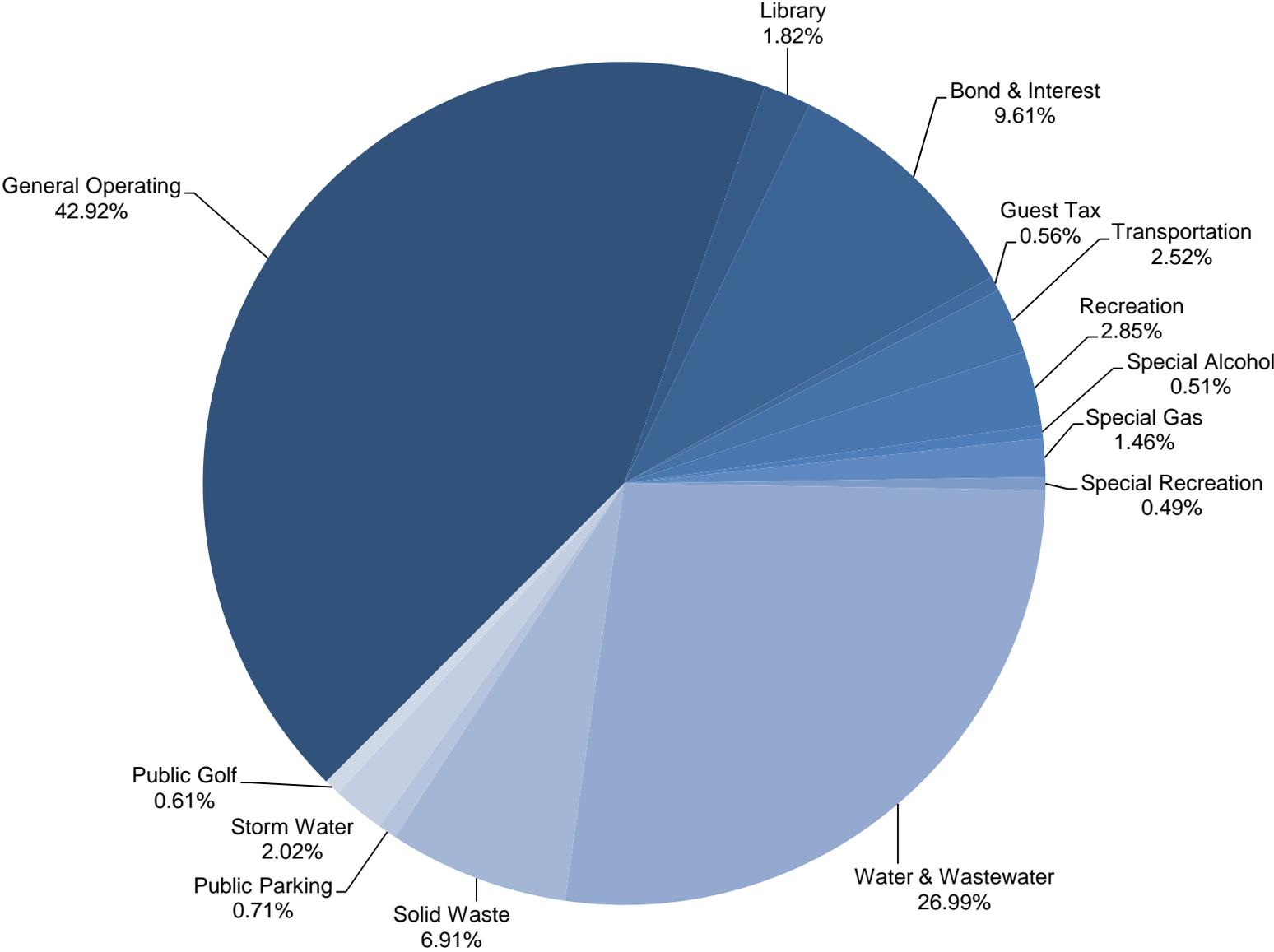
## 2014 Budgeted Resources by Classification



# 2014 Budgeted Expenditures by Category



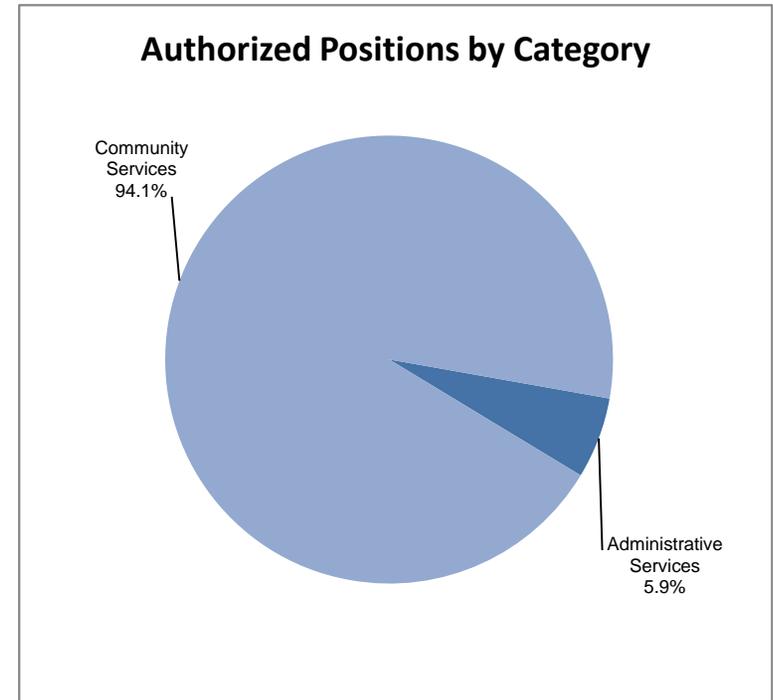
# Budgeted Expenditures by Fund



# CITY OF LAWRENCE PERSONNEL SUMMARY

## AUTHORIZED POSITIONS (FTEs)

<u>DEPARTMENT</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>Change in FTEs from 2013</u>
City Commission	5.00	5.00	5.00	0.00
City Auditor	0.50	0.50	0.50	0.00
City Manager's Office	16.50	17.00	17.00	0.00
Planning and Development Services	24.45	25.45	30.72	5.27
Finance	4.13	4.13	4.13	0.00
Information Technology	6.00	6.00	6.00	0.00
City Attorney's Office	19.40	18.40	18.25	-0.15
Police	181.00	184.00	184.00	0.00
Fire and Medical	143.00	143.00	143.00	0.00
Health Dpt. / Health Bldg. Maint.	1.00	1.00	1.00	0.00
Public Works	166.25	167.75	169.00	1.25
Parks and Recreation	68.78	68.78	77.78	9.00
Public Transit	0.61	0.61	0.61	0.00
Utilities	128.26	130.26	134.26	4.00
<b>TOTAL</b>	<b>764.88</b>	<b>771.88</b>	<b>791.25</b>	<b>19.37</b>



Administrative Services include positions in the City Manager's Office, City Auditor, Public Transit, Finance, Information Technology and City Attorney's Office. Community Services include the City Commission and positions in the Planning and Development Services, Police, Fire Medical, Health, Public Works, Parks and Recreation, and Utilities Departments.

Additional Positions Authorized in the 2014 include:

Five new positions authorized in Planning and Development Services for the expansion of the City's rental registration program.

Nine new positions authorized in Parks and Recreation for staffing at the new Rock Chalk Park Recreation Center.

1.25 new positions are authorized in Public Works for the new city-provided curbside recycling program.

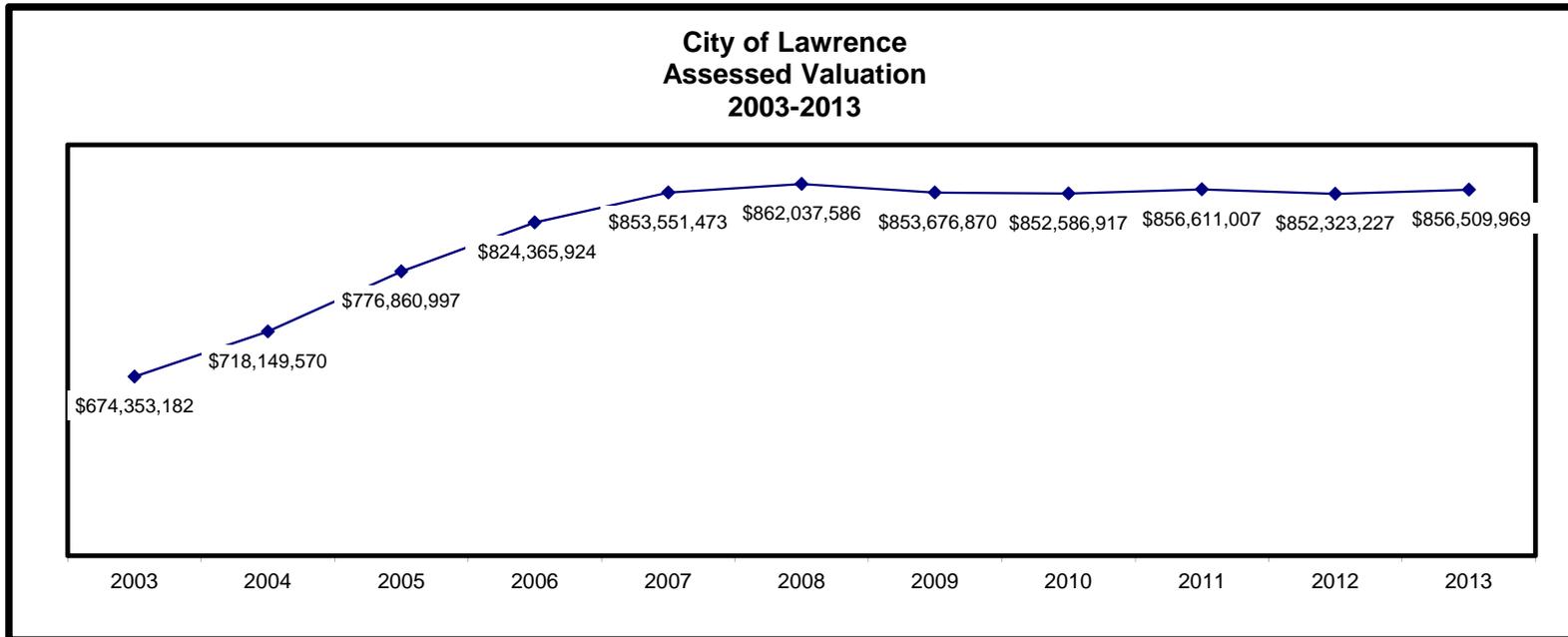
Four new positions are authorized in Utilities in order to implement the capital projects outlined in the recently adopted Water and Wastewater Master Plans.

Adjustments have also been made to the portion of existing positions in Planning and Development Services as well as the City Attorney's office to be

# COMPUTATION OF AD VALOREM TAX REQUIREMENTS AND MILL LEVY

2013 ESTIMATED ASSESSED VALUATION FOR 2014 BUDGET:           \$     856,509,969

FUND NUMBER	FUND	2014 REQUIREMENTS	2.8% DELIN- QUENT TAXES	AD VALOREM TAX AMOUNT	MILL RATE
<b>Property Tax Levy Funds</b>					
001	General Operating	15,427,980	420,217	15,007,763	18.013
209	Library	3,007,267	81,910	2,925,357	3.511
	<i>Sub Total Property Tax Levy Funds</i>	18,435,247	502,126	17,933,121	21.524
<b>Supplemental Tax Levy Funds</b>					
301	Bond and Interest	7,289,886	198,557	7,091,329	8.511
	<i>Sub Total Supplemental Tax Levy Funds</i>	7,289,886	198,557	7,091,329	8.511
	<b>GRAND TOTAL</b>	<b>25,725,133</b>	<b>700,683</b>	<b>25,024,450</b>	<b>30.035</b>



# FUND EXPENDITURE SUMMARY

## 2012-2014

Fund #	Fund Description	2011 Mill Levy*	Actual 2012 Expenditures	2012 Mill Levy*	Budget 2013 Expenditures	2013 Mill Levy	Budget 2014 Expenditures
<b>Property Tax Levy Funds</b>							
001	General Operating	16.639	\$ 67,790,623	17.560	\$ 76,421,417	18.013	79,693,821
209	Library	3.463	3,136,000	3.463	3,243,260	3.511	\$ 3,383,260
211	Recreation		3,914,777	-	4,047,866	-	\$ 5,296,007
	<i>Sub Total Property Tax Levy Funds</i>	20.102	<b>\$ 74,841,400</b>	21.023	<b>\$ 83,712,543</b>	21.524	<b>\$ 88,373,088</b>
<b>Supplemental Tax Levy Funds</b>							
301	Bond and Interest	8.510	\$ 10,370,414	8.511	\$ 16,480,641	8.511	\$ 17,850,000
	<i>Sub Total Supplemental Tax Levy Funds</i>	8.510	<b>\$ 10,370,414</b>	8.511	<b>\$ 16,480,641</b>	8.511	<b>\$ 17,850,000</b>
<b>Non-Property Tax Levy Funds</b>							
206	Guest Tax		\$ 869,254		\$ 913,500		\$ 1,037,500
210	Public Transportation		2,259,359		4,302,713		4,678,792
213	Special Alcohol		728,830		645,175		945,669
214	Special Gas Tax		2,347,104		3,036,780		2,716,039
216	Special Recreation		547,316		707,123		914,623
501	Water and Sewer		32,948,360		47,011,152		50,105,074
502	Solid Waste		10,932,735		10,925,688		12,835,157
503	Public Parking		1,205,369		1,607,253		1,324,613
505	Storm Water Utility		2,964,837		3,871,297		3,753,767
506	Public Golf Course		785,407		1,102,470		1,133,297
	<i>Sub Total Non-Property Tax Levy Funds</i>		<b>\$ 55,588,571</b>		<b>\$ 74,123,151</b>		<b>\$ 79,444,531</b>
	<b>GRAND TOTAL</b>	<b>28.612</b>	<b>\$ 140,800,385</b>	<b>29.534</b>	<b>\$ 174,316,335</b>	<b>30.035</b>	<b>\$ 185,667,619</b>
<b>City Taxes per \$1000 Assessed Valuation</b>		<b>\$ 28.612</b>		<b>\$ 29.534</b>		<b>\$ 30.035</b>	

\* Certified Mill Levy

## VALUE OF YOUR CITY OF LAWRENCE PROPERTY TAX DOLLARS

To estimate your City Property Tax bill for 2014:

First, determine the assessed valuation for your residential property by multiplying the market value of home by 11.5%:

$$\begin{array}{r}
 \text{Market value of home} = \quad \$150,000 \\
 \quad \quad \quad \times \quad \quad \quad \underline{11.50\%} \\
 \text{assessed valuation} = \quad \quad \quad \$17,250
 \end{array}$$

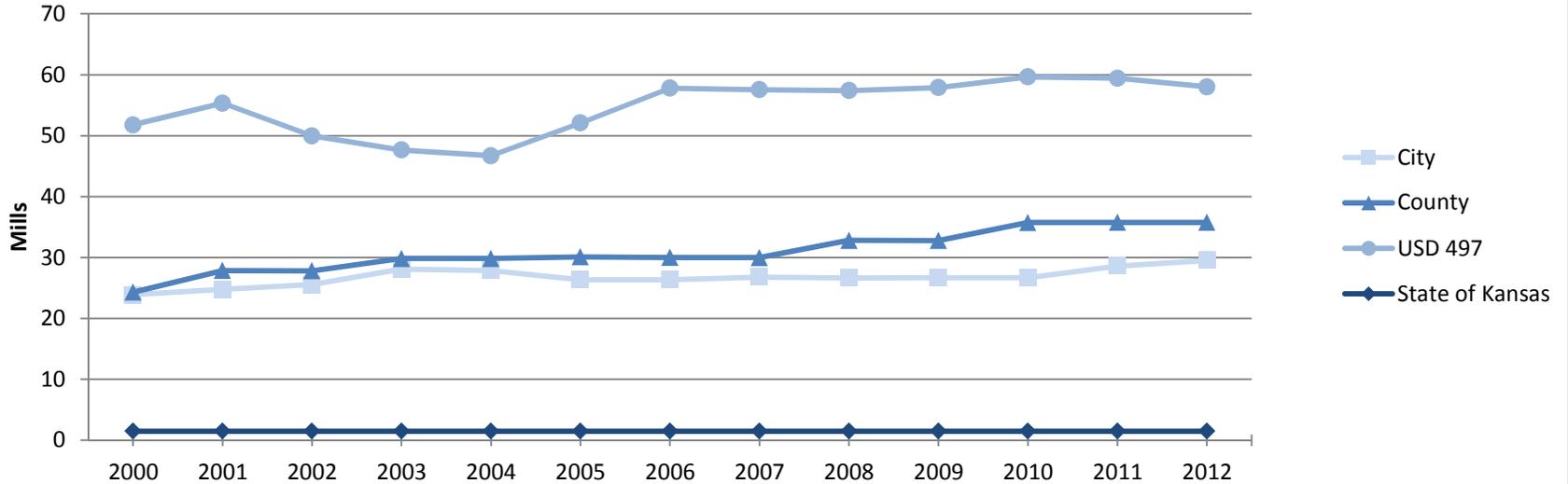
Second, multiple your assessed valuation by the 2014 mill rate levied by the City and divide by \$1,000:

$$\begin{array}{r}
 \text{assessed valuation} \quad \$ \quad 17,250 \\
 \quad \quad \quad \times \text{ City mill rate} \quad \underline{30.035} \\
 \quad \quad \quad \quad \quad \quad \$ 518,100.85 / 1,000 = \\
 \\
 \text{Estimated 2014 City Tax liability} = \quad \$ \quad \quad \quad 518.10
 \end{array}$$

Fair Market Value of Home	Assessed Valuation	Approximate City Tax Bill Mill Rate = 30.035
100,000	\$ 11,500.00	\$ 345.40
125,000	\$ 14,375.00	\$ 431.75
150,000	\$ 17,250.00	\$ 518.10
175,000	\$ 20,125.00	\$ 604.45
200,000	\$ 23,000.00	\$ 690.80
225,000	\$ 25,875.00	\$ 777.15
250,000	\$ 28,750.00	\$ 863.50
275,000	\$ 31,625.00	\$ 949.85
300,000	\$ 34,500.00	\$ 1,036.20
350,000	\$ 40,250.00	\$ 1,208.90
400,000	\$ 46,000.00	\$ 1,381.60
450,000	\$ 51,750.00	\$ 1,554.30
500,000	\$ 57,500.00	\$ 1,727.00

For residential property, the City tax bill equates to approximately \$3.45 for each \$1,000 of the fair market value.

### Comparison of Local Mill Levies - City, County, School District, and State 2000-2012



Levy Year	City	County	USD 497	State of Kansas	Total
2000	23.90	24.32	51.78	1.50	101.50
2001	24.77	27.86	55.34	1.50	109.47
2002	25.56	27.82	49.98	1.50	104.86
2003	28.09	29.84	47.65	1.50	107.08
2004	27.86	29.85	46.71	1.50	105.92
2005	26.36	30.10	52.08	1.50	110.04
2006	26.36	30.01	57.80	1.50	115.67
2007	26.79	29.99	57.56	1.50	115.84
2008	26.65	32.82	57.40	1.50	118.37
2009	26.69	32.80	57.89	1.50	118.89
2010	26.69	35.75	59.65	1.50	123.59
2011	28.61	35.77	59.44	1.50	125.32
2012	29.53	35.77	58.01	1.50	124.81

## CITY OF LAWRENCE, KANSAS SIGNIFICANT CHANGES IN FUND BALANCE

According to State statutes, the fund balance for any budgeted fund cannot exceed 5% of the fund's total budgeted expenditures. As shown on the next page, the 2014 budget complies with this requirement. The budget also includes expenditure line items, which are not planned to be made to allow the City to project for a greater fund balance than what is required by State law. A brief explanation is provided below for each fund.

**General Operating Fund** –Revenue growth is not sufficient to keep up with growth in personnel costs, particularly city contributions to employee retirement systems. In addition a transfer is budgeted to the capital improvement fund for 2014 that will only be made if revenues exceed budget. As a result, fund balance at the end of 2014 is projected to be 4.86%.

**Library** – The limited growth in assessed valuation and increasing costs, including contributions to employee healthcare and retirement and preparations for expansion of the Library require spending down fund balance. The result is a 2.27% projected fund balance at the end of 2014.

**Transportation** – Increased costs for contractual services, including MV Transportation, commodities and capital outlay will result in a projected fund balance of 4.95% at the end of 2014.

**Recreation** – Increases in the costs associated with operating recreation facilities, along with the addition staffing and equipping of the Rock Chalk Park Recreation Center will result in a projected 2014 ending fund balance of 4.94%.

**Bond/Interest** - The need for several City-at-large capital improvement projects will require spending some of the accumulated fund balance. However, the projected fund balance will be 4.84% of the budgeted expenditures.

**Guest Tax** – flat revenues in 2014, along with increased spending on the Convention and Visitor's Bureau, translate into a projected ending fund balance of 4.83%.

**Special Alcohol** – Increased support for school resource officers means the ending fund balance is projected to be 4.71% of 2014 expenditures.

**Special Gas** – Revenues continue to remain flat while expenditures are increasing. The result is a projected fund balance of 3.99% in this fund at the end of 2014.

**Special Recreation** - Expenditures in 2014 are expected to exceed revenues, requiring a use of fund balance. The fund balance projected for the end of 2014 is 4.23%.

**Water and Wastewater** - A number of water and wastewater capital projects will be financed with cash in 2014, resulting in a decrease in projected fund balance from 2013, to 2.42% of budgeted expenditures.

**Solid Waste** – Implementation of curbside recycling and increase landfill fees are likely to require a spending down of fund balance to 4.96% of 2014 expenditures.

**Public Parking** - Slow revenue growth and continued increases in personnel costs will likely require a spending down of fund balance to 1.05% in 2014.

**Storm Water Utility** –Revenues are expected to remain flat while expenditures are expected to grow. This will result in a projected ending fund balance of 4.12% at the end of 2014.

**Public Golf** – The weather dependent nature of golf operations means revenue projections remain conservative for 2014. As a result, the projected fund balance at the end of 2014 is 4.83% of expenditures.

**CITY OF LAWRENCE, KANSAS  
PROJECTION OF FINANCIAL CONDITION**

<b>FUND</b>	<b>1/1/13 Balance</b>	<b>2013 Revenue</b>	<b>2013 Expenditures</b>	<b>12/31/13 Balance</b>	<b>Percent Fund Balance</b>
General	\$12,807,715	\$69,267,448	\$70,511,721	\$11,563,442	16.40%
Library	254,474	3,225,268	\$3,243,260	\$236,482	7.29%
Transportation	2,591,257	3,261,500	\$4,302,713	\$1,550,044	36.02%
Recreation	861,759	3,786,157	\$4,047,866	\$600,050	14.82%
Bond/Interest	9,303,767	11,118,841	\$12,254,091	\$8,168,517	66.66%
Guest Tax	101,079	950,000	\$913,500	\$137,579	15.06%
Special Alcohol	273,313	648,111	\$645,175	\$276,249	42.82%
Special Gas Tax	807,060	2,502,010	\$3,036,780	\$272,290	8.97%
Special Recreation	298,369	648,111	\$707,123	\$239,357	33.85%
Water / Wastewater	18,544,934	32,496,800	\$33,511,152	\$17,530,582	52.31%
Solid Waste	2,454,895	10,854,140	\$10,925,688	\$2,383,347	21.81%
Public Parking	337,628	1,285,500	\$1,570,080	\$53,048	3.38%
Storm Water Utility	1,849,139	2,951,500	\$3,871,297	\$929,342	24.01%
Public Golf	261,810	850,750	\$782,470	\$330,090	42.19%
<b>TOTAL</b>	<b>\$50,747,199</b>	<b>\$143,846,136</b>	<b>\$150,322,916</b>	<b>\$44,270,419</b>	<b>29.45%</b>

<b>FUND</b>	<b>1/1/14 Balance</b>	<b>2014 Revenue</b>	<b>2014 Expenditures</b>	<b>12/31/14 Balance</b>	<b>Percent Fund Balance</b>
General	\$11,563,442	\$72,006,019	\$79,693,821	\$3,875,640	4.86%
Library	236,482	3,223,615	3,383,260	76,837	2.27%
Transportation	1,550,044	3,360,124	4,678,792	231,376	4.95%
Recreation	600,050	4,957,457	5,296,007	261,500	4.94%
Bond/Interest	8,168,517	10,546,144	17,850,000	864,661	4.84%
Guest Tax	137,579	950,000	1,037,500	50,079	4.83%
Special Alcohol	276,249	714,000	945,669	44,580	4.71%
Special Gas Tax	272,290	2,552,150	2,716,039	108,401	3.99%
Special Recreation	239,357	714,000	914,623	38,734	4.23%
Water / Wastewater	17,530,582	33,788,000	50,105,074	1,213,508	2.42%
Solid Waste	2,383,347	11,088,010	12,835,157	636,200	4.96%
Public Parking	53,048	1,285,500	1,324,613	13,935	1.05%
Storm Water Utility	929,342	2,979,000	3,753,767	154,575	4.12%
Public Golf	330,090	858,000	1,133,297	54,793	4.83%
<b>TOTAL</b>	<b>\$44,270,419</b>	<b>\$149,022,019</b>	<b>\$185,667,619</b>	<b>\$7,624,819</b>	<b>4.11%</b>

The 2014 funds shown above comply with the State law requirement that fund balance not exceed five percent of budgeted expenditures. The budget also includes expenditure line items, which are not planned to be made to allow the City to project for a greater fund balance.

**2014 SOCIAL SERVICE AGENCY  
FUNDING ALLOCATIONS**

<b>GENERAL OPERATING FUND</b>	<b>Budget 2013</b>	<b>Request 2014</b>	<b>Req. vs. 13 Budget</b>	<b>Budget 2014</b>
Ballard Community Center	8,500	10,000	17.6%	8,500
Boys & Girls Club of Lawrence	143,722	148,722	3.5%	148,722
Douglas County CASA, Inc.	25,000	25,000	0.0%	25,000
Douglas County Special Olympics	250	500	100.0%	0
Douglas County Dental Clinic	0	10,000		5,000
Eastside Village	0	15,000		0
Ecumenical Minister's Fellowship	2,000	4,000	100.0%	0
Health Care Access	26,800	27,000	0.7%	26,800
Homeless Services				
Bert Nash City Homeless Outreach Team	165,200	168,114	1.8%	168,114
LCS Bus Pass / Work Clothes	8,000	8,000	0.0%	8,000
Salvation Army	15,000	15,000	0.0%	0
Homeless services subtotal	188,200	191,114	1.5%	176,114
Housing & Credit Counseling	17,100	17,100	0.0%	17,100
Jayhawk Area Agency on Aging	7,400	7,400	0.0%	7,400
The Shelter, Inc.	32,000	32,000	0.0%	32,000
TFI Family Services	0	7,000		7,000
Van Go Mobile Arts	35,000	35,000	0.0%	35,000
Warm Hearts	6,000	6,000	0.0%	6,000
Willow Domestic Violence Center	0	6,000		6,000
<b>Total</b>	<b>\$ 491,972</b>	<b>\$541,836</b>	<b>10.1%</b>	<b>\$ 500,636</b>

<b>SPECIAL ALCOHOL FUND</b>	<b>Budget 2013</b>	<b>Request 2014</b>	<b>Req. vs. 13 Budget</b>	<b>Budget 2014</b>
Big Brothers/Big Sisters CORE	23,665	29,500	24.66%	23,665
Boys & Girls Club of Lawrence	87,650	106,278	21.25%	97,000
DCCCA	41,000	41,000	0.00%	41,000
DCCCA d/b/a First Step House	27,660	27,661	0.00%	27,660
GaDugi SafeCenter	2,000	2,500	25.00%	2,000
Headquarters, Inc - First Call	19,721	20,000	1.41%	10,000
Hearthstone	7,600	7,500	-1.3%	7,500
Heartland Community Health Center	21,913	28,792	31.40%	28,792
Lawrence Community Shelter	44,000	36,000	-18.18%	44,000
Van Go Mobile Arts, Inc.	38,566	44,000	14.09%	32,000
Willow Domestic Violence Center	17,000	17,000	0.00%	17,000
<b>Total</b>	<b>\$ 330,774</b>	<b>\$360,231</b>	<b>8.91%</b>	<b>\$ 330,617</b>

## 2014 VENDOR SERVICES, ECONOMIC DEVELOPMENT, AND OTHER OUTSIDE AGENCY FUNDING ALLOCATIONS

<b>GENERAL OPERATING FUND</b>	<b>Budget 2013</b>	<b>Request 2014</b>	<b>Req. vs. 13 Budget</b>	<b>Budget 2014</b>
<i>Vendor Provided City Services</i>				
Lawrence Humane Society	\$ 280,000	\$ 359,693	28.5%	\$ 330,000
Lawrence Arts Center	90,000	141,000	56.7%	110,000
Lawrence Community Shelter	92,000	100,000	8.7%	100,000
<i>Economic Development</i>				
Downtown Lawrence	42,500	52,000	22.4%	42,500
Lawrence Chamber of Commerce	219,500	219,500	0.0%	219,500
Lawrence Douglas County Bioscience Authority	200,000	200,000	0.0%	200,000
LDCBA Incubator	75,000	75,000	0.0%	75,000

<b>BOND AND INTEREST FUND</b>	<b>Budget 2013</b>	<b>Request 2014</b>	<b>Req. vs. 13 Budget</b>	<b>Budget 2014</b>
LDCBA Expansion Facility	\$ 66,540	\$ 66,540	0.0%	\$ 66,540

*This represents the estimated City share of this project*

<b>SPECIAL RECREATION FUND</b>	<b>Budget 2013</b>	<b>Request 2014</b>	<b>Req. vs. 13 Budget</b>	<b>Budget 2014</b>
Douglas County Special Olympics	\$ 250	\$ 500	100.0%	\$ 250
Lawrence Arts Center Scholarship	25,000	50,000	100.0%	30,000
Lawrence Children's Choir	10,000	14,000	40.0%	12,000
Cultural Arts Commission	23,000	29,000	26.09%	23,000
<b>Total</b>	<b>\$ 58,250</b>	<b>\$ 93,500</b>	<b>60.52%</b>	<b>\$ 65,250</b>

*The Special Recreation Fund is supported by the Liquor Tax.*

<b>GUEST TAX FUND</b>	<b>Budget 2013</b>	<b>Request 2014</b>	<b>Req. vs. 13 Budget</b>	<b>Budget 2014</b>
Sister Cities	\$ 7,500	\$ 7,500	0.0%	\$ 7,500



*City of Lawrence*

# GENERAL OPERATING FUND

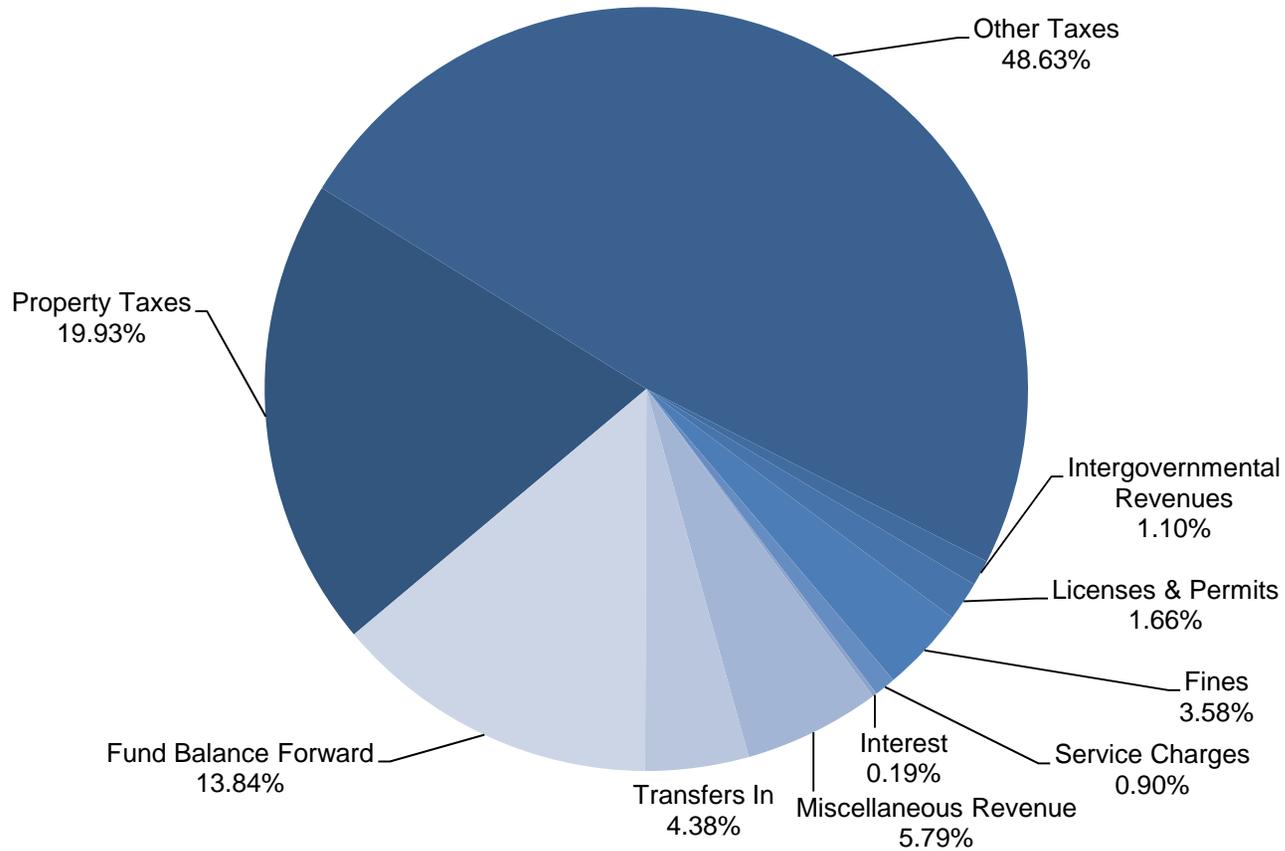
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*City of Lawrence*

# Fund 001 - GENERAL OPERATING

## General Operating Fund Resources by Classification



## Fund 001 - GENERAL OPERATING

<b>RECEIPTS</b>	<b>2012 Actual</b>	<b>2013 Adopted</b>	<b>2013 Estimated</b>	<b>2014 Budget</b>
Property Taxes	\$ 15,497,754	\$ 16,141,761	\$ 16,141,761	\$ 16,655,568
Franchise Fees	6,482,183	6,500,000	6,500,000	7,087,000
Sales / Use Taxes				
1% City	14,851,199	15,007,500	15,007,500	15,397,100
0.3% Infrastructure	4,448,990	4,502,250	4,502,250	4,619,150
0.2% transit	2,965,993	3,001,500	3,001,500	3,079,450
0.05% transit expanded	741,498	750,375	750,375	769,850
1% County wide	9,401,628	9,476,000	9,476,000	9,690,550
subtotal	32,409,308	32,737,625	32,737,625	33,556,100
Intergovernmental Revenue	868,339	833,111	833,111	916,200
Licenses & permits	982,746	975,000	975,000	1,384,800
Fines	2,731,108	3,000,000	3,000,000	2,994,000
Service Charges	684,093	623,200	623,200	753,300
Interest	75,587	175,000	175,000	160,000
Miscellaneous Revenue	4,446,577	4,625,000	4,625,000	4,842,300
Transfers In	3,656,207	3,656,751	3,656,751	3,656,751
<b>TOTAL REVENUES</b>	<b>67,833,902</b>	<b>69,267,448</b>	<b>69,267,448</b>	<b>72,006,019</b>
Balance, January 1	12,764,436	10,755,969	12,807,715	11,563,442
<b>TOTAL RESOURCES AVAILABLE</b>	<b>\$ 80,598,338</b>	<b>\$ 80,023,417</b>	<b>\$ 82,075,163</b>	<b>\$ 83,569,461</b>
<b>TOTAL EXPENDITURES</b>	<b>\$ 67,790,623</b>	<b>\$ 76,421,417</b>	<b>\$ 70,511,721</b>	<b>\$ 79,693,821</b>
<b>FUND BALANCE FORWARD</b>	<b>\$ 12,807,715</b>	<b>\$ 3,602,000</b>	<b>\$ 11,563,442</b>	<b>\$ 3,875,640</b>

### REVENUE SOURCES - DESCRIPTIONS AND TRENDS

Detailed information on revenue sources can be found on the following pages.

# Fund 001 - GENERAL OPERATING

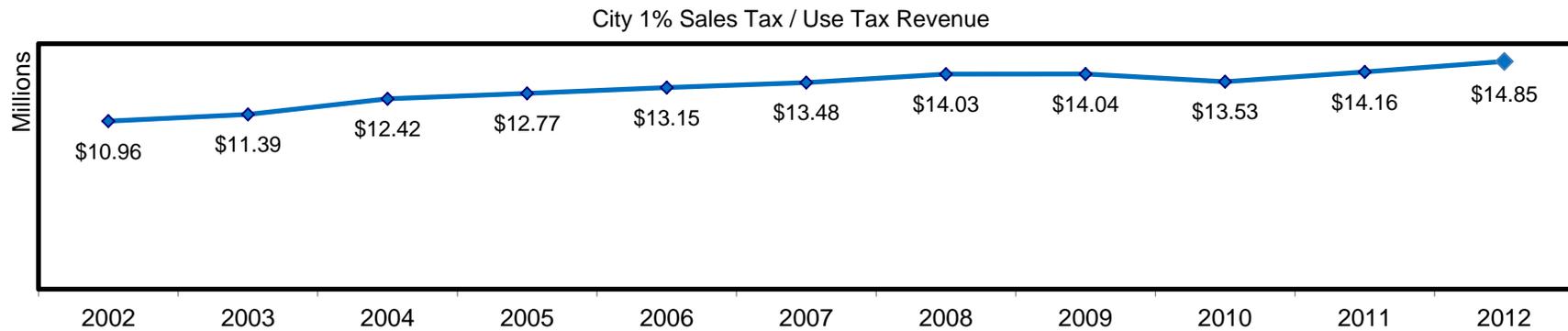
## Major Revenue Source - Descriptions, Assumptions and Trends

The General Operating Fund (General Fund) relies on revenues from a variety of sources to provide for the operations of the twenty-six departments/divisions that are budgeted from this fund. Early in the budget process, revenues for the General Fund are analyzed based on the actual receipts from the previous year. Adjustments then might be made to the current year's revenue estimates, and projections are made for the next fiscal year. The following revenue descriptions, assumptions, and trends are provided for some of the most significant revenue sources for the General Fund.

### Sales Tax

The City of Lawrence General Fund will receive forty percent (40%) of total resources in 2014 from five different sales taxes.

A city retailer's sales tax of 0.5% was instituted July 1, 1971, followed by an additional 0.5% that went into effect October 1, 1990. As depicted on the chart, this one percent city retailer's sales experienced consistent growth since 1991. There was a small reduction in 2010, however, receipts in 2011 were 2.2% more than budget and 6.0% above 2010 actual receipts. The 2014 budget projects an increase of 2% over 2013 projected receipts.



In 2008, voters approved three additional local sales tax initiatives: 0.2% for the operation of the City's transportation system, 0.05% for transit expanded, and 0.3% to fund improvements to the City's infrastructure. State law requires revenues from all sales tax to be deposited in the City's General Operating Fund before being transferred to the appropriate fund. These sales taxes are projected to generate \$8,468,450 in 2014.

The county-wide sales tax of one percent was approved in a November 1994 election and became effective in 1995. \$9,690,550 is budgeted in 2014 from the City's share of the county-wide sales tax, which will represent a 2.0% increase over the projected 2013 receipts.

### Property Tax

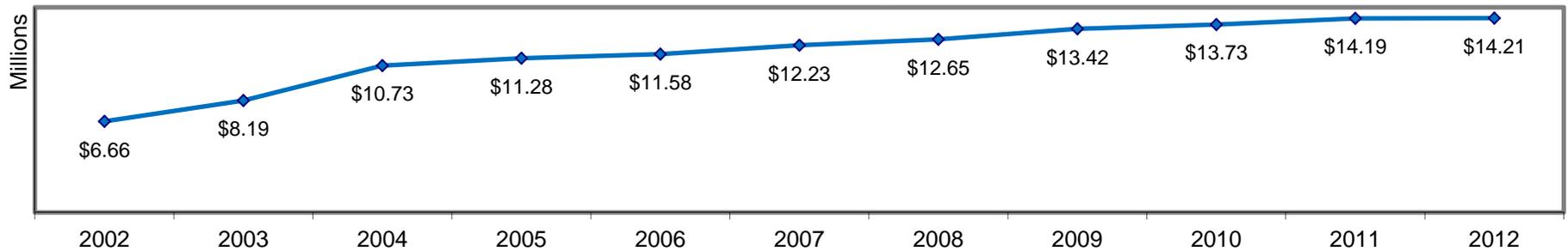
Twenty percent (20%) of the 2014 General Fund resources are estimated to come from property taxes. Assessed valuation is expected to remain flat to build the 2014 budget. One mill of property tax is expected to generate approximately \$856,500 in 2014.

# Fund 001 - GENERAL OPERATING

## Major Revenue Source - Descriptions, Assumptions and Trends

Due to late payments and protests of property tax values, the budget assumes only 97% of property tax revenues will be received. A mill levy increase of 0.46 mill is projected to generate \$390,000 of property tax revenue in 2014. The mill levy will provide additional resources for four additional emergency dispatch positions, increased costs of police overtime, increased annual equipment replacement in public work, increased annual funding for city facility repairs and improvements, and increased annual funding for the Lawrence Arts Center and Lawrence Humane Society.

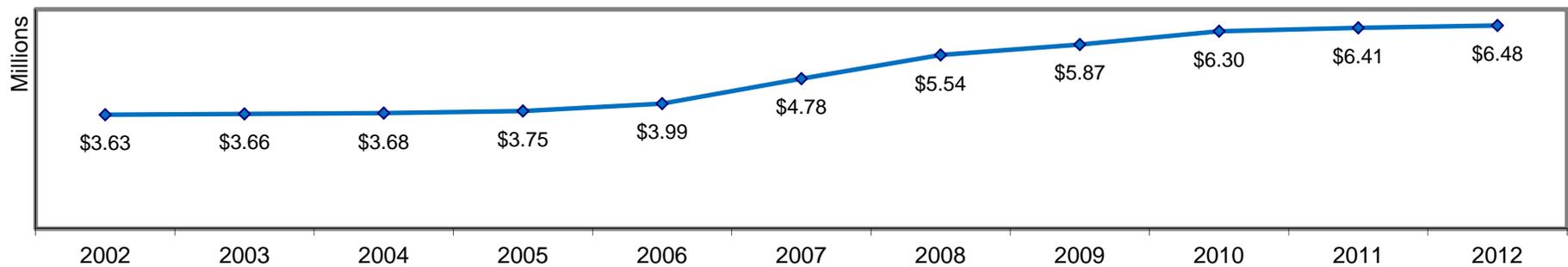
General Fund Ad Valorem Property Tax Revenue



### Franchise Fees

These fees, which the City charges to allow utilities to provide services within the city and to locate within the public right-of-way, are expected to total 8.5% of General Fund resources in 2014. Franchise agreements with investor owned utilities are presently at a 5% level for electricity, cable, natural gas, and telecommunications. Despite relatively flat natural gas prices, a reduction in the use of land line telephones, and milder winter weather, revenues have increased over time due to increased electric rates. An increase of 9.3% over 2012 actual receipts is projected for 2014.

Franchise Fee Revenue



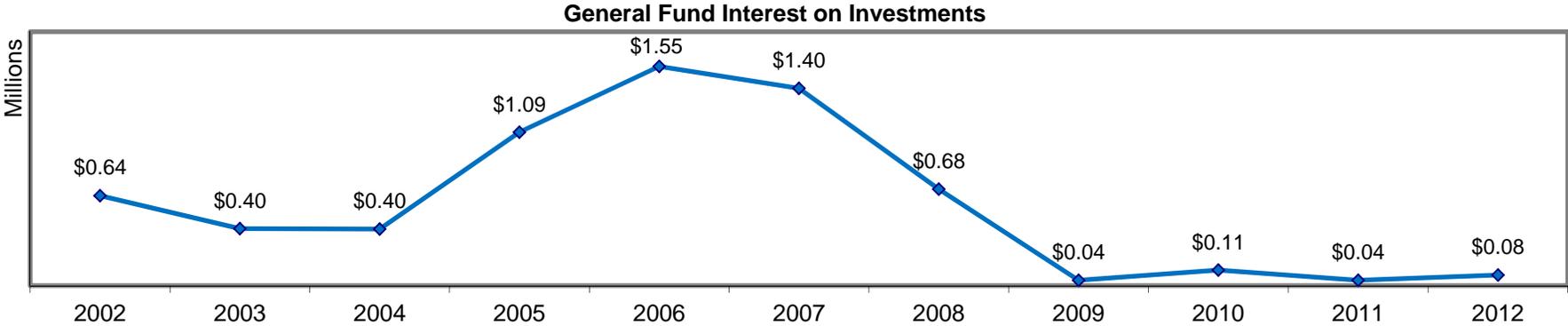
### General Fund Interest on Investments

Interest earned on investments of City funds continues to be impacted by the sluggish economic environment. Interest rates have fallen, and so has revenue generated from the City's investments. The graph shows the relative volatility of this revenue source and

# Fund 001 - GENERAL OPERATING

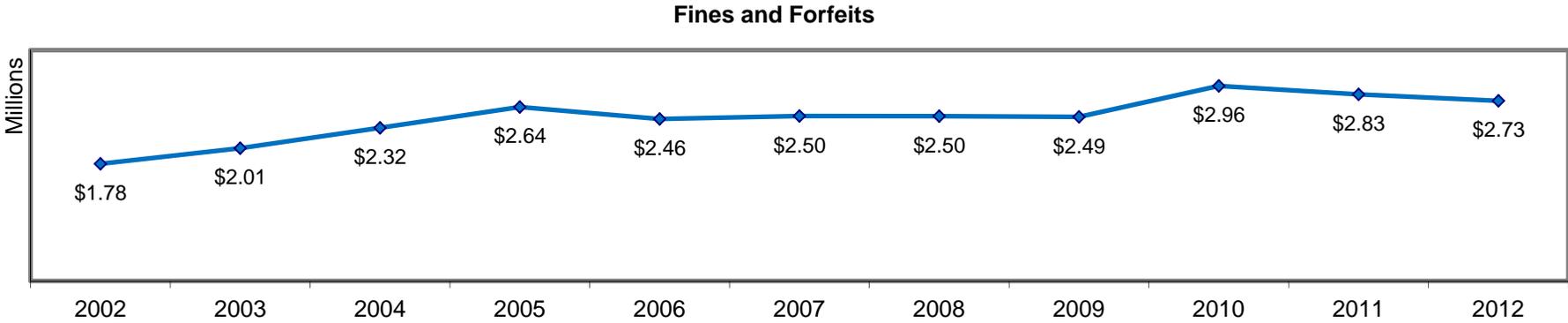
## Major Revenue Source - Descriptions, Assumptions and Trends

and illustrates the up and down trend for the past twenty years. Earnings in 2012 were just \$75,587. The 2014 budget projects an increase in revenues.

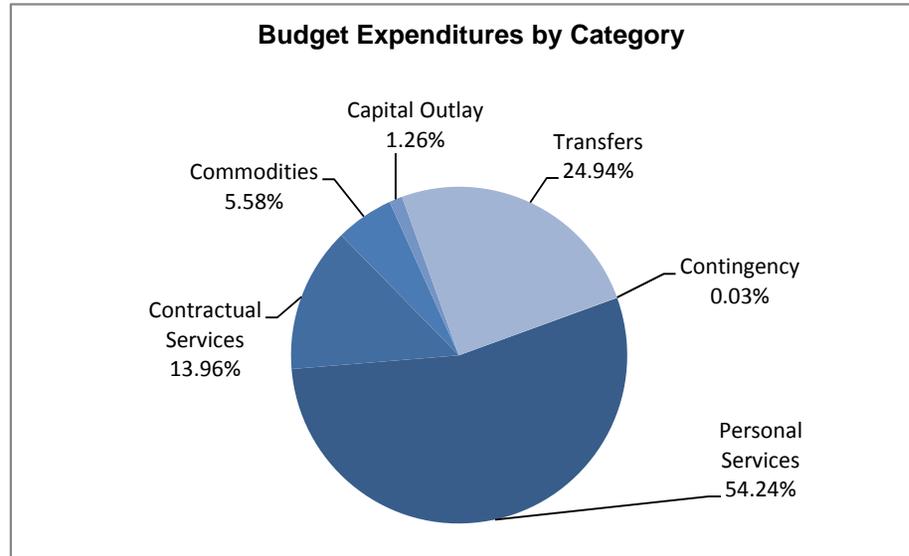


**Fines and Forfeits**

Almost 4% of General Fund resources come from traffic fines and municipal court costs. Fines and fees were increased in 2011 however, the 2014 budget assumes receipts will be relatively flat in 2013 and 2014.



# Fund 001 - GENERAL OPERATING



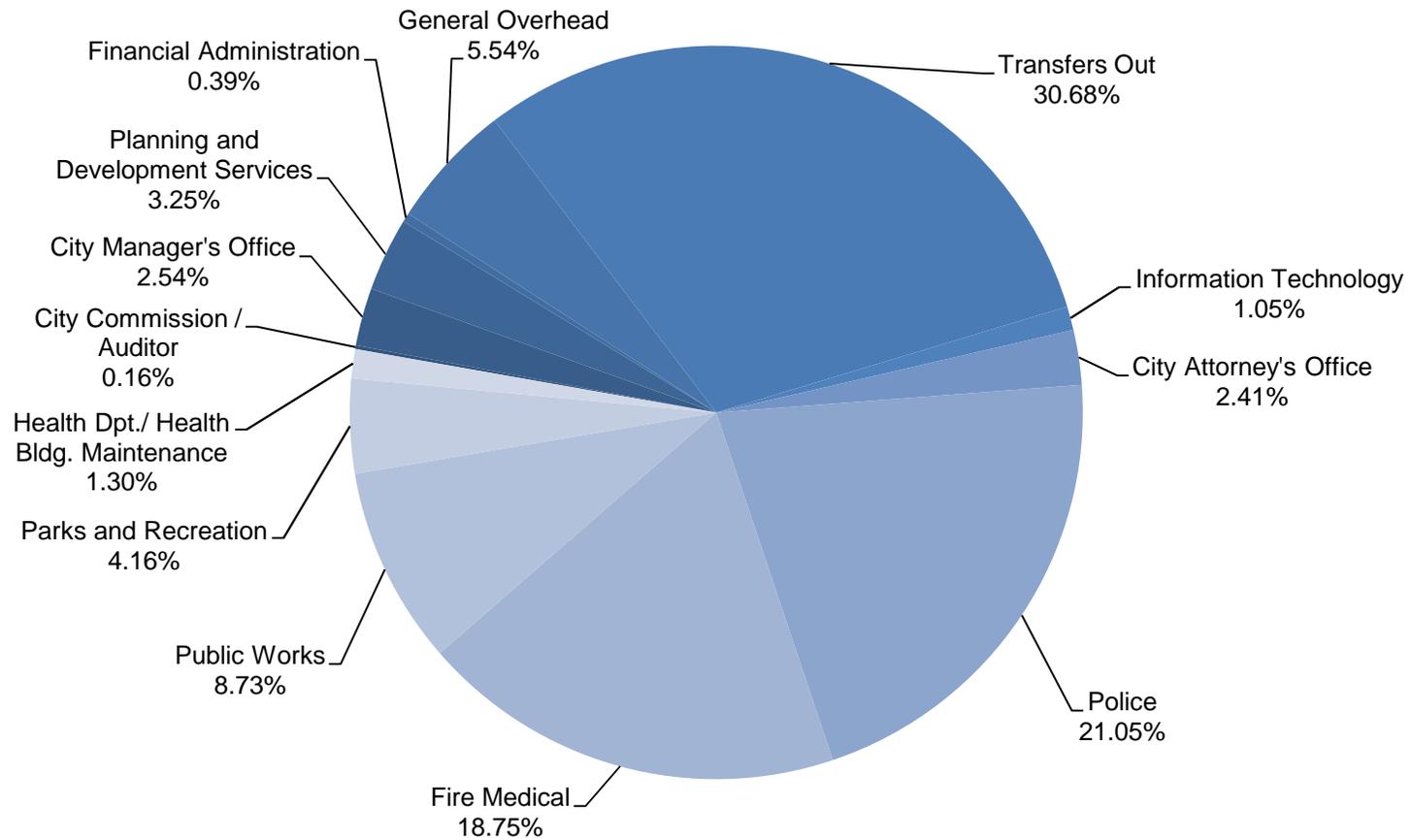
<b>Expenditures</b>	<b>2012 Actual</b>	<b>2013 Adopted</b>	<b>2013 Estimated</b>	<b>2014 Budget</b>
Personal Services	\$ 40,631,283	\$ 41,835,724	\$ 41,835,724	\$ 43,223,173
Contractual Services	9,830,661	10,713,409	10,713,409	11,124,108
Commodities	4,119,901	4,406,452	4,406,452	4,447,145
Capital Outlay	388,138	720,352	720,352	1,001,200
Transfers	12,820,640	18,720,480	12,810,784	19,873,195
Contingency	-	25,000	25,000	25,000
<b>TOTAL EXPENDITURES</b>	<b>\$ 67,790,623</b>	<b>\$ 76,421,417</b>	<b>\$ 70,511,721</b>	<b>\$ 79,693,821</b>
<b>FUND BALANCE FORWARD</b>	<b>\$ 12,807,715</b>	<b>\$ 3,602,000</b>	<b>\$ 11,563,442</b>	<b>\$ 3,875,640</b>

## EXPENDITURES - DESCRIPTIONS AND TRENDS

Detailed information by divisions can be found on the following pages.

# Fund 001 - GENERAL OPERATING

## General Operating Fund Expenditures by Department



## Fund 001 - GENERAL OPERATING

DIV.	EXPENDITURES	2012 Actual	2013 Adopted	2013 Estimated	2014 Budget
1010	City Commission	\$ 58,976	\$ 59,912	\$ 59,912	\$ 70,850
1015	City Auditor	52,977	54,098	54,098	54,461
1020	City Manager	566,513	577,627	577,627	613,579
1025	Public Information	152,725	155,288	155,288	162,607
1030	Planning and Development	939,004	1,016,055	1,016,055	1,151,971
1032	Code Enforcement	389,821	401,687	401,687	801,857
1034	Building Inspection / Plan Review	617,583	626,186	626,186	636,695
1050	City Clerk	263,100	315,176	315,176	272,199
1053	Human Resources	428,403	465,371	465,371	471,276
1054	Risk Management	439,652	458,810	458,810	506,103
1060	Financial Administration	306,480	304,595	304,595	308,475
1065	General Overhead	3,509,349	3,938,589	3,938,589	4,416,749
1068	Transfers				
	to Health Insurance Fund	4,408,825	4,580,837	4,580,837	4,573,788
	to Equip Reserve Fund	217,500	100,000	100,000	100,000
	to Cap Improv Reserve Fund	248,000	198,000	198,000	200,000
	to achieve 5% fund balance		5,909,696	-	5,909,696
	to Sales Tax Reserve	2,368,502	2,368,502	2,368,502	2,954,892
	to Recreation Fund	1,880,157	1,880,157	1,880,157	2,230,157
	0.20% sales tax to Transportation Fund	2,915,993	2,976,500	2,976,500	3,054,450
	0.05% sales tax to Equipment Reserve	741,498	750,375	750,375	769,850
	0.30% sales tax	4,448,990	4,502,250	4,502,250	4,619,150
	to Liability and Workers Comp Reserves		35,000	35,000	35,000
1070	Information Technology	784,215	811,781	811,781	839,673
1080	City Attorney's Office	803,333	830,771	830,771	816,638
1085	Human Relations	6,594	9,730	9,730	9,730
1090	Municipal Court / Prosecutor's Office	1,148,300	1,103,955	1,103,955	1,094,014
2100	Police	15,705,191	16,222,471	16,222,471	16,775,383
2200	Fire and Medical	13,999,716	14,675,715	14,675,715	14,944,785
3000	Street Maintenance	2,923,691	3,173,227	3,173,227	3,194,639
3010	Engineering	836,314	885,546	885,546	922,340
3020	Traffic Engineering	621,928	673,122	673,122	698,750
3030	Airport Maintenance	155,909	195,579	195,579	210,038
3040	Building Maintenance	823,664	913,499	913,499	923,567
3060	Street Lights	703,508	814,000	814,000	814,000
3070	Levee Maintenance	119,073	138,648	138,648	191,244
4500	Parks / Facility Maintenance	3,240,268	3,280,074	3,280,074	3,312,169
5100	Health Dept. / Health Bldg. Maintenance	964,871	1,018,588	1,018,588	1,033,046
	<b>TOTAL EXPENDITURES</b>	<b>\$ 67,790,623</b>	<b>\$ 76,421,417</b>	<b>\$ 70,511,721</b>	<b>\$ 79,693,821</b>
	<b>FUND BALANCE FORWARD</b>	<b>\$ 12,807,715</b>	<b>\$ 3,602,000</b>	<b>\$ 11,563,442</b>	<b>\$ 3,875,640</b>

# General Operating Fund

City Commission  
Division 1010

## PROFILE

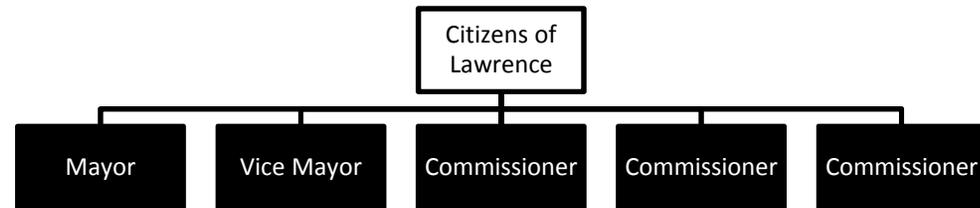
The City Commission is a five-member body which performs the legislative and policy-making functions of the City. Every two years, three citizens are elected at-large. The two candidates receiving the largest number of votes are elected to four-year terms. The third place candidate receives a two-year term. The Commission then selects one of its members to serve as the Mayor, to preside over official meetings and act as the ceremonial head of the City. The mayor receives \$10,000 and each Commissioner receives \$9,000 per year as a salary for their service to the community.

Under the council-manager form of government, the City Commission, as representatives of the people, determine the goals and objectives of the City and policies that shall be followed in attaining those goals and objectives. The Commission appoints a City Manager who is responsible for carrying out their established policies as well as the efficient administration of City services and programs.

## CURRENT YEAR ACCOMPLISHMENTS

1. Provided strong leadership and direction to allow the development of Rock Chalk Park and subsequent development agreements with KU Athletics, KU Endowment, the developer, and the City.
2. Established the timeline and approved the structure needed to provide citywide curbside recycling.

## ORGANIZATIONAL CHART



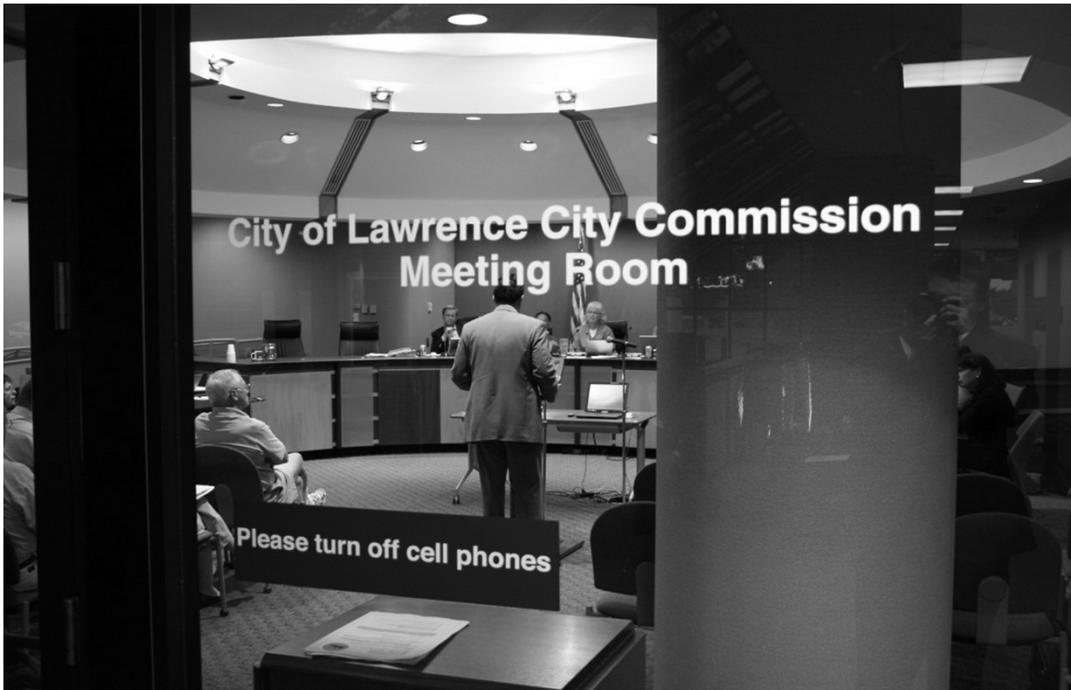
Solid fill indicates position is fully funded through this account. Gradient indicates position is partially funded through this account. No fill indicates position is not funded through this account.

## PERSONNEL SUMMARY

	2012	2013	2013	2014
PERSONNEL	Actual	Adopted	Estimate	Budget
Authorized Positions	5.00	5.00	5.00	5.00

## EXPENDITURE SUMMARY

EXPENDITURES	2012 Actual	2013 Adopted	2013 Estimate	2014 Budget
Personal Services	\$ 51,391	\$ 51,312	\$ 51,312	\$ 54,250
Contractual Services	5,624	8,000	8,000	16,000
Commodities	1,961	600	600	600
Capital Outlay	-	-	-	
Debt Service	-	-	-	
Transfers	-	-	-	
Contingency	-	-	-	
<b>Total</b>	<b>\$ 58,976</b>	<b>\$ 59,912</b>	<b>\$ 59,912</b>	<b>\$ 70,850</b>



## CURRENT YEAR ACCOMPLISHMENTS (cont.)

3. Continued efforts to improve Solid Waste including adding carts to all customers.
4. Continued efforts to focus on job creation.

## MAJOR GOALS AND OBJECTIVES FOR 2014

1. Promote the economic development of Lawrence to provide varied work and business opportunities
2. Encourage growth that protects our environment, neighborhoods, and cultural features while benefiting all of our citizens.
3. Create social capital and celebrate our heritage.
4. Integrate the environment into our decisions as we work towards a sustainable city.
5. Improve the livability of all Lawrence neighborhoods.
6. Improve access for all citizens.
7. Protect the integrity of downtown while maintaining it as a unique community resource.
8. Provide excellent city services consistent with resources available.

**CITY COMMISSION**

# General Operating Fund

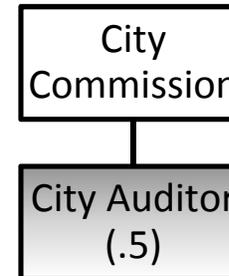
City Auditor

Division 1015

## PROFILE

The City Auditor is appointed by and reports directly to the City Commission. The City Auditor examines and evaluates the activities of the city to help the City Commissioners effectively discharge their duties. The City Auditor conducts performance audits following Government Auditing Standards, but does not prepare the annual audit of City finances.

## ORGANIZATIONAL CHART



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## PERSONNEL SUMMARY

PERSONNEL	2012 Actual	2013 Adopted	2013 Estimate	2014 Budget
Authorized Positions	0.50	0.50	0.50	0.50

### EXPENDITURE SUMMARY

EXPENDITURES	2012 Actual	2013 Adopted	2013 Estimate	2014 Budget
<b>Personal Services</b>	\$ 51,947	\$ 52,298	\$ 52,298	\$ 52,661
<b>Contractual Services</b>	1,030	1,800	1,800	1,800
<b>Commodities</b>	-	-	-	-
<b>Capital Outlay</b>	-	-	-	-
<b>Debt Service</b>	-	-	-	-
<b>Transfers</b>	-	-	-	-
<b>Contingency</b>	-	-	-	-
<b>Total</b>	\$ 52,977	\$ 54,098	\$ 54,098	\$ 54,461

### PERFORMANCE INDICATORS

Recommendations Implemented	69 percent
Recommendations In-progress	23 percent
Recommendations Not implemented	2 percent
Recommendations Undetermined/Pending/Not Yet Followed-Up	6 percent

### MAJOR GOALS AND OBJECTIVES FOR 2014

To provide the City Commission with information to effectively discharge their duties, the City Auditor plans to complete and present six performance audit products.

### CURRENT YEAR ACCOMPLISHMENTS

The City Auditor presented the following audit products to the City Commission from January 2012 to May 2013:

- Rental Housing Licensing
- Cash Handling
- Financial Indicators
- Managing the Taste of Water
- Audit Recommendation Follow-Up Reports



City of Lawrence

CITY AUDITOR

# General Operating Fund

City Manager's Office

Division 1020

## PROFILE

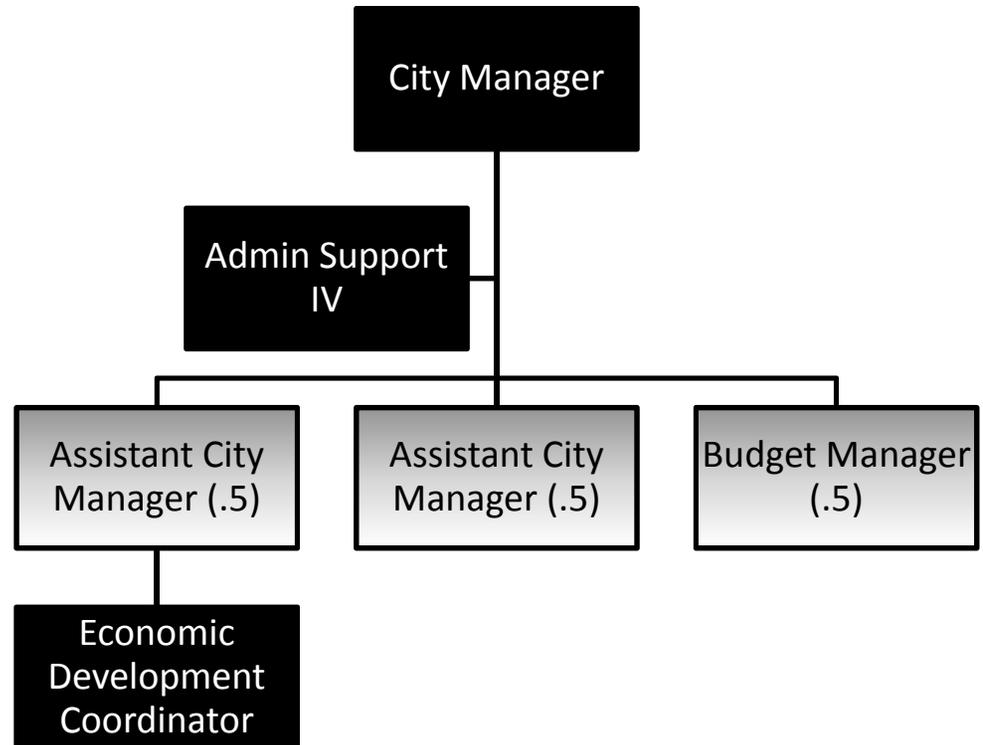
The City Manager is the City's Chief Administrative Officer and is responsible for providing efficient, adequate and timely municipal services to the citizens of Lawrence. The City Manager is appointed by and serves at the pleasure of the City Commission. The Commission is responsible for establishing City policies, while the Manager is charged with implementing those policies. The City Manager:

- (1) appoints all department heads and subordinate employees of the City based on merit and ability to do the job
- (2) ensures that laws and ordinances are
- (3) advises the Commission on issues and policies as requested
- (4) recommends measures and ordinances to be adopted by the Commission
- (5) prepares and submits an annual budget and advises the City Commission on the financial condition of the City
- (6) performs other duties prescribed by state or local laws

Additionally, the City Manager must work in conjunction with many other governmental agencies including the county, townships, special districts, and various boards and commissions, to ensure efficient operation of the City.

Maintaining service levels that meet the needs of the community and are within the budgetary guidelines set by the City Commission is one of the primary responsibilities of the City Manager.

## ORGANIZATIONAL CHART



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## PERSONNEL SUMMARY

PERSONNEL	2012 Actual	2013 Adopted	2013 Estimate	2014 Budget
Authorized Positions	4.50	4.50	4.50	4.50

## EXPENDITURE SUMMARY

EXPENDITURES	2012 Actual	2013 Adopted	2013 Estimate	2014 Budget
<b>Personal Services</b>	\$ 540,564	\$ 507,245	\$ 507,245	\$ 543,197
<b>Contractual Services</b>	19,665	64,100	64,100	64,100
<b>Commodities</b>	6,284	6,282	6,282	6,282
<b>Capital Outlay</b>	-	-	-	-
<b>Debt Service</b>	-	-	-	-
<b>Transfers</b>	-	-	-	-
<b>Contingency</b>	-	-	-	-
<b>Total</b>	<b>\$ 566,513</b>	<b>\$ 577,627</b>	<b>\$ 577,627</b>	<b>\$ 613,579</b>

## PERFORMANCE INDICATORS

Indicator	2012 Actual	2013 Estimated	2014 Target
Citizens satisfied or very satisfied with overall quality of City Services	76%*	76%	76%
Citizens indicating that City employees were courteous and polite	88%*	88%	88%

\* 2011 Citizen Survey

## MAJOR GOALS AND OBJECTIVES FOR 2014

1. To provide timely and relevant information to the City Commission as is required to assist the Commission in selecting and meeting policy goals and objectives.
2. To develop and complete 2014 Citizen's Satisfaction Survey.
3. To provide administrative direction and leadership necessary to assure implementation and coordination of all City policies.
4. To evaluate and facilitate policies and programs that provide a customer-friendly atmosphere throughout city government.
5. Maintain quality City services despite economic conditions and diminished resources.

## CURRENT YEAR ACCOMPLISHMENTS

1. Continued efforts to further economic development throughout the community, including industrial, commercial, and retail development.
2. Received grant funding to rennovate Santa Fe Station, construct a trail along the railway corridor between K-10 and 29th Street, and restore the Breezedale Neighborhood monument. This was through KDOT's Transportation Enhancement Program.



City of Lawrence

CITY MANAGER'S OFFICE

# General Operating Fund

Public Information Office

Division 1025

## PROFILE

The Public Information Office manages the city's media relations, public education activities and communications functions. The focus of the office is to educate audiences about city services and current issues, utilize communication tools that meet the changing communication needs of the Lawrence community and provide feedback opportunities.

The Public Information Office meets these goals by serving as the citywide media relations officer, gathering information, writing and distributing news releases and responding to media queries. The office also provides programming for channel 25. External and internal communication activities include developing and producing educational materials, newsletters, articles and advertisements. The Public Information Office also manages the City's web site, including content, technical aspects and development.

The Public Information Office facilitates outreach efforts by a number of city staff and coordinates to provide a clear and comprehensive city message.

## ORGANIZATIONAL CHART



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## PERSONNEL SUMMARY

	2012	2013	2013	2014
PERSONNEL	Actual	Adopted	Estimate	Budget
Authorized Positions	2.00	2.00	2.00	2.00

## EXPENDITURE SUMMARY

EXPENDITURES	2012 Actual	2013 Adopted	2013 Estimate	2014 Budget
<b>Personal Services</b>	\$ 146,944	\$ 145,638	\$ 145,638	\$ 152,957
<b>Contractual Services</b>	3,569	5,800	5,800	5,800
<b>Commodities</b>	2,212	3,850	3,850	3,850
<b>Capital Outlay</b>	-	-	-	-
<b>Debt Service</b>	-	-	-	-
<b>Transfers</b>	-	-	-	-
<b>Contingency</b>	-	-	-	-
<b>Total</b>	<b>\$ 152,725</b>	<b>\$ 155,288</b>	<b>\$ 155,288</b>	<b>\$ 162,607</b>

## PERFORMANCE INDICATORS

Indicator	2012 Actual	2013 Estimated	2014 Target
Website Satisfaction	54%	65%	65%
Outreach Campaigns	123	130	130
Number of Website Visitors	1,080,130	1.2 million	1.3 million

## MAJOR GOALS AND OBJECTIVES FOR 2014

1. Continue to train departments in the use of content-creating technology that can be utilized to enhance public information and outreach on various media and multiple platforms. Develop systems that allow end-user to access local government at their convenience.
2. Work with Solid Waste Division to oversee public outreach campaign regarding citywide curbside recycling services.
3. Increase video content available on the website and television channel. Develop monthly programming focused on city services and programs.
4. Review print publications and evaluate options for providing materials digitally via the utility bill distribution.

## CURRENT YEAR ACCOMPLISHMENTS

1. Continued to refine city website and look for options to create additional online resources for users. Currently developing sites and pages that are mobile optimized and accessible on multiple platforms.
2. Accomplished a complete upgrade of the City Commission room technology and broadcast capability. Added streaming video on the website as an option to watch City Commission meetings in real time.
3. Continued to seek efforts to provide positive media coverage of City services and programs, especially those that highlight the city's infrastructure, public safety, economic development and quality of life initiatives.
4. Continue to train departments in the use of content-creating technology that can be utilized to enhance public information and outreach.
5. Worked with City Manager's Office to develop outreach programs to educate and inform residents and key stakeholders of city goals, projects, services and accomplishments.

**PUBLIC INFORMATION OFFICE**

# General Operating Fund

## Planning and Development Services Division 1030

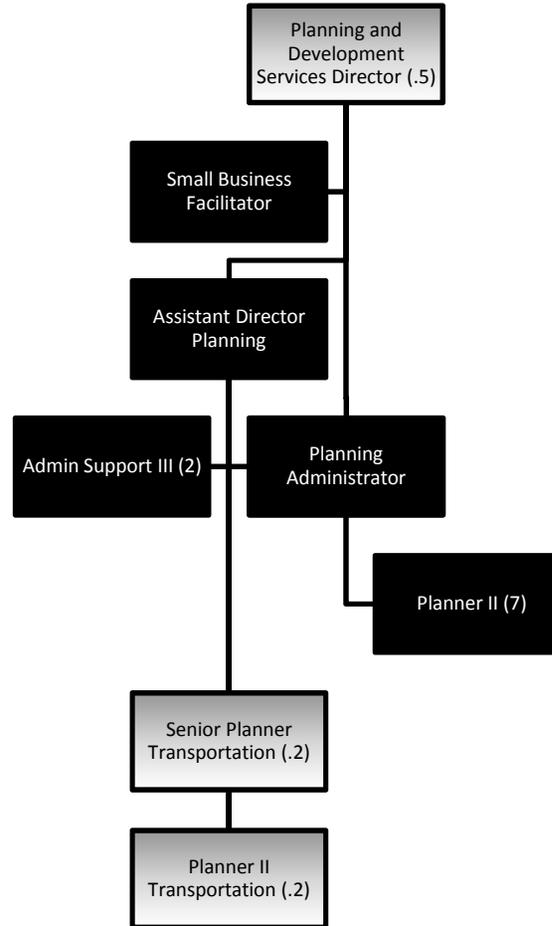
### PROFILE

The primary responsibility of the Planning Division of the Planning and Development Services Department is to implement the Comprehensive Land Use & Transportation Plans through development and administration of regulatory tools that include the City & County zoning codes, City/County subdivision regulations, Historic Resources code, Capital Improvements Plan, Long Range Transportation Plan, Transportation Improvement Program, special area plans, and City & County development policies. Although a division of a City department, the County funds 1/6 of the division's budget.

The division's mission is the effective and efficient delivery of services to the community in a timely manner consistent with the adopted land use plans, which includes providing guidance on land use planning principles & practices. Planning staff provides support to: the City & County Commissions; four boards (Lawrence-Douglas County Planning Commission, Historic Resources Commission, Board of Zoning Appeals, Lawrence-Douglas County Bicycle Advisory Committee, and Metropolitan Planning Organization), and numerous ad hoc committees of these Boards and Commissions.

The Planning Division of the Planning & Development Services Department includes three work groups: Current Planning, Long Range Planning, and Transportation Planning. The Long Range Planning work group includes Long Range, Area/Neighborhood, Historic Resources and GIS/Web focuses.

### ORGANIZATIONAL CHART



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### PERSONNEL SUMMARY

PERSONNEL	2012 Actual	2013 Adopted	2013 Estimate	2014 Budget
Authorized Positions	11.90	11.90	12.90	12.90

## EXPENDITURE SUMMARY

EXPENDITURES	2012 Actual	2013 Adopted	2013 Estimate	2014 Budget
<b>Personal Services</b>	\$ 900,015	\$ 933,755	\$ 933,755	\$ 1,069,671
<b>Contractual Services</b>	20,547	51,950	51,950	51,950
<b>Commodities</b>	18,442	30,350	30,350	30,350
<b>Capital Outlay</b>	-	-	-	-
<b>Debt Service</b>	-	-	-	-
<b>Transfers</b>	-	-	-	-
<b>Contingency</b>	-	-	-	-
<b>Total</b>	\$ 939,004	\$ 1,016,055	\$ 1,016,055	\$ 1,151,971

## PERFORMANCE INDICATORS

Indicator	2012 Actual	2013 Estimated	2014 Target
Percent of completed site plan applications approved administratively within 40 days	77%	>75%	80%
Percent of respondents satisfied or very satisfied with how well the City is planning growth	27% per the 2011 Direction Finder Survey	27% per the 2011 Direction Finder Survey	50%
Percent of respondents satisfied with quality of planning & development services	39% per the 2011 Direction Finder Survey	39% per the 2011 Direction Finder Survey	50%

## MAJOR GOALS AND OBJECTIVES FOR 2014

1. Process major public review of *Horizon 2020*.
2. Continue implementing the recommendations of the Matrix Report to move towards a One Stop Shop.
3. Complete the Oread Design Guidelines and implement their use.
4. Continue implementing action items of the various Horizon 2020 chapters, sector plans, and neighborhood plans.
5. Provide training and professional development for commissions and staff.

## CURRENT YEAR ACCOMPLISHMENTS

1. Working on Design Guidelines for the Oread Neighborhood.
2. Completed zoning applications for Rock Chalk Park.
3. Completed the Retail Market Study.
4. Worked to move from level 8 to level 7 in the CRS rating program which results in reduced flood insurance rates.
5. Completed comprehensive revisions to the joint subdivision regulations.
6. Completed the 2010 Census challenge.
7. Implemented the Innoprise software system.
8. Processing comprehensive revisions to the County zoning regulations.

## SIGNIFICANT ISSUES FOR 2014

1. Maintaining appropriate service levels as the economy recovers.
2. Prioritizing the many desired planning services given the resources provided.

## PLANNING AND DEVELOPMENT SERVICES

# General Operating Fund

Code Enforcement  
Division 1032

## PROFILE

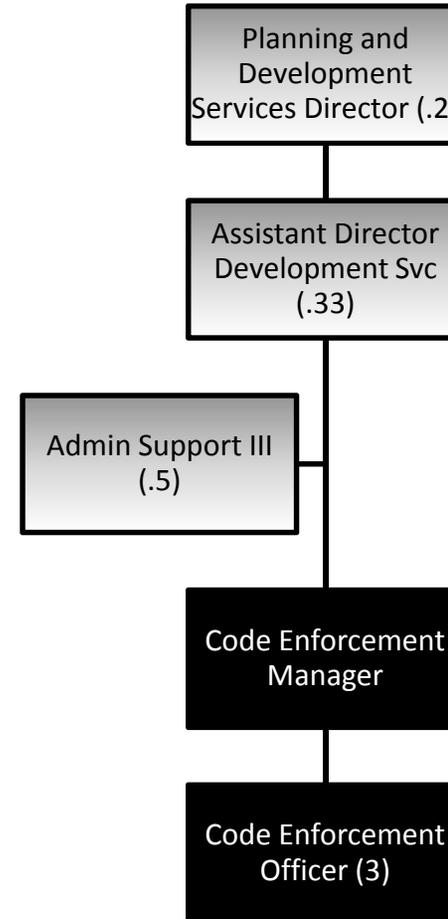
The primary responsibility of the Code Enforcement Division of the Planning and Development Services Department is to preserve the livability and integrity of residential and commercial districts and prevent deterioration and blighting influences within the community. The division oversees the rental inspection program, site plan inspections, environmental code, development code, property maintenance code, weed ordinance and the sign code.

The division consists of a professional staff with nationally recognized certifications that continuously strives to provide excellent customer service to the citizens of Lawrence. Our mission is to ensure a safe and stable environment through uniform and fair enforcement of all city codes as adopted by the City Commission.

## CURRENT YEAR ACCOMPLISHMENTS

1. Working with Commission on expanding the rental registration program.
2. Processed several property violations resulting in multiple clean ups to the benefit of neighborhoods.
3. Implemented the Innoprise case tracking system.

## ORGANIZATIONAL CHART



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## PERSONNEL SUMMARY

PERSONNEL	2012 Actual	2013 Adopted	2013 Estimate	2014 Budget
Authorized Positions	4.90	4.90	4.90	10.03

### EXPENDITURE SUMMARY

EXPENDITURES	2012 Actual	2013 Adopted	2013 Estimate	2014 Budget
<b>Personal Services</b>	\$ 340,303	\$ 341,937	\$ 341,937	\$ 731,107
<b>Contractual Services</b>	42,584	48,700	48,700	48,700
<b>Commodities</b>	6,934	11,050	11,050	22,050
<b>Capital Outlay</b>	-	-	-	-
<b>Debt Service</b>	-	-	-	-
<b>Transfers</b>	-	-	-	-
<b>Contingency</b>	-	-	-	-
<b>Total</b>	\$ 389,821	\$ 401,687	\$ 401,687	\$ 801,857

### PERFORMANCE INDICATORS

Indicator	2012 Actual	2013 Estimated	2014 Target
Number of environmental blight inspections	381	450	450
Percent of residents surveyed who are satisfied with the livability of their neighborhood	87% per 2011 Direction Finder Survey	87% per 2011 Direction Finder Survey	90%
Number of property maint. cases	471	300	300
Number of weed violations	934	900	900
Number of Rental Inspections & re-inspections	471	600	600

### MAJOR GOALS AND OBJECTIVES FOR 2014

1. Increase efforts on the most difficult property maintenance cases.
2. Review processes to ensure efficient resolution of enforcement cases.
3. Implement the rental expansion program as directed by Commission.

### CURRENT YEAR ACCOMPLISHMENTS (cont.)

4. Creating an operations/policy manual for increased efficiency in the division.
5. Implementing technologies in the field to improve inspections.

### SIGNIFICANT ISSUES FOR 2014

Continuing to provide appropriate customer responsiveness with the resources provided.



City of Lawrence

CODE ENFORCEMENT

# General Operating Fund

Building Safety/Plan Review

Division 1034

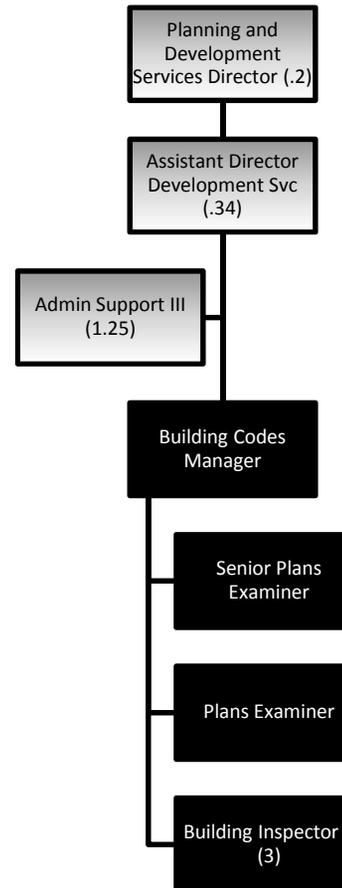
## PROFILE

The Building Safety Division of the Planning and Development Services Department is responsible for enforcement of the City's adopted building codes. Major programs administered to accomplish the division's purpose include review of plans and applications, issuance of building permits, inspection of buildings and building systems during construction to verify compliance with applicable codes, issuance of Certificates of Occupancy upon completion of building projects, and administration of contractor and trades licensing regulations.

## CURRENT YEAR ACCOMPLISHMENTS

1. Implemented Citizen Access for permit applicants.
2. Worked with the Insurance Services Office, Inc. (ISO) on an evaluation of the City's building codes and enforcement, known as the Building Codes Effectiveness Grading Schedule, or BCEGS, and issued a report assigning high ratings for the construction process.

## ORGANIZATIONAL CHART



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## PERSONNEL SUMMARY

PERSONNEL	2012 Actual	2013 Adopted	2013 Estimate	2014 Budget
Authorized Positions	7.65	7.65	7.65	7.79

## EXPENDITURE SUMMARY

EXPENDITURES	2012 Actual	2013 Adopted	2013 Estimate	2014 Budget
<b>Personal Services</b>	\$ 558,341	\$ 559,786	\$ 559,786	\$ 569,695
<b>Contractual Services</b>	42,946	44,400	44,400	43,500
<b>Commodities</b>	16,296	22,000	22,000	23,500
<b>Capital Outlay</b>	-	-	-	-
<b>Debt Service</b>	-	-	-	-
<b>Transfers</b>	-	-	-	-
<b>Contingency</b>	-	-	-	-
<b>Total</b>	<b>\$ 617,583</b>	<b>\$ 626,186</b>	<b>\$ 626,186</b>	<b>\$ 636,695</b>

## PERFORMANCE INDICATORS

Indicator	2012 Actual	2013 Estimated	2014 Target
% of residential permit applications with plan review completed within 5 days	97%	97%	98%
% of commercial permit applications with plan review completed within 15 days	96%	95%	95%
% of inspections scheduled via Inspection Hotline (IH)	50%	50%	60%

## MAJOR GOALS AND OBJECTIVES FOR 2014

1. Develop enhanced online permitting procedures.
2. Continue to develop relationships with education providers and facilitate and promote education for contractors and trades workers.
3. Participate in creating tools to aid in processing small business applications.

## CURRENT YEAR ACCOMPLISHMENTS (cont.)

3. Completed the 2012 version of the ICC family of building codes through the review and adoption process.
4. Implemented the Innoprise software tracking program to improve inter-departmental coordination.
5. Improving technologies in the field and office to increase efficiencies of field inspectors.

## SIGNIFICANT ISSUES FOR 2014

1. Significant budget items include software license fees, fuel for vehicles, and replacement of aging vehicles.
2. The most significant operational issues will be facilitating and promoting education opportunities for contractors and improving outreach efforts.

## BUILDING SAFETY

# General Operating Fund

City Clerk  
Division 1050

## PROFILE

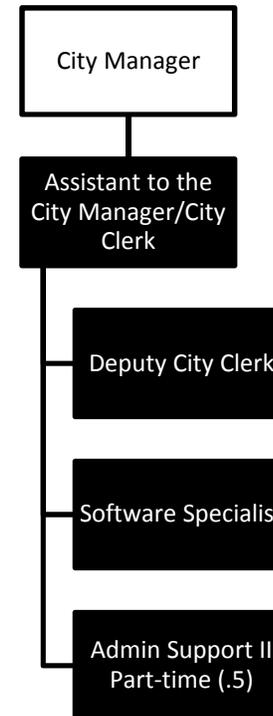
The City Clerk's Office administers various city licensing/ permitting processes and coordinates public notices, legal publications, and public bid openings.

The City Clerk is the Freedom of Information Officer for the city, managing retention, maintenance and access to official city records. The City Clerk's Office is responsible for recording all activities relating to City Commission meetings, including meeting minutes, ordinances and resolutions.

City Commission election filings and other notices and details of elections are administered by the City Clerk and coordinated with the County Election Officer. The City Clerk administers oaths of office for elected officials and employees.

The City Clerk/Assistant to the City Manager also oversees various projects at the direction of the City Manager.

## ORGANIZATIONAL CHART



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## PERSONNEL SUMMARY

PERSONNEL	2012 Actual	2013 Adopted	2013 Estimate	2014 Budget
Authorized Positions	3.00	3.00	3.50	3.50

## EXPENDITURE SUMMARY

EXPENDITURES	2012 Actual	2013 Adopted	2013 Estimate	2014 Budget
<b>Personal Services</b>	\$ 224,450	\$ 237,712	\$ 237,712	\$ 230,067
<b>Contractual Services</b>	32,920	67,400	67,400	33,400
<b>Commodities</b>	5,730	10,064	10,064	8,732
<b>Capital Outlay</b>	-	-	-	-
<b>Debt Service</b>	-	-	-	-
<b>Transfers</b>	-	-	-	-
<b>Contingency</b>	-	-	-	-
<b>Total</b>	<b>\$ 263,100</b>	<b>\$ 315,176</b>	<b>\$ 315,176</b>	<b>\$ 272,199</b>

## PERFORMANCE INDICATORS

Indicator	2012 Actual	2013 Estimated	2014 Target
Percent of City Commission minutes approved without correctional amendment	96	100	100
Percent of City Commission minutes approved within three weeks of meeting date.	89	96	100
Percent of formal Open Records Requests receiving initial response within 3 days	100	100	100
Number of Temporary Use of Right-of-Way Permits issued	314	328	347
Total number of licenses/permits issued	992	1025	1068

## MAJOR GOALS AND OBJECTIVES FOR 2014

1. Continuous improvement to the City Clerk's Office webpages and online access to public information and records.
2. Continue to scan and electronically store official City documents.
3. Continue to streamline licensing and permitting processes for the benefit of the applicants and staff.

## CURRENT YEAR ACCOMPLISHMENTS

1. Placed over \$2.8 million in special assessments on property tax rolls.
2. Coordinated city approvals and services for over 50 events.
3. Created "Standard Conditions for Alcohol on the Right-of-Way" for events.
4. Processed City Commission Election filings and related items.

## SIGNIFICANT ISSUES FOR 2014

Rapidly increasing number and complexity of right-of-way permit applications for events and construction activities. Continuing to improve the effectiveness and efficiency of document management programs, enhancing public access to City records, and streamlining various procedures in order to process increasing workload while providing excellent customer service.



**CITY CLERK**

# General Operating Fund

Human Resources

Division 1053

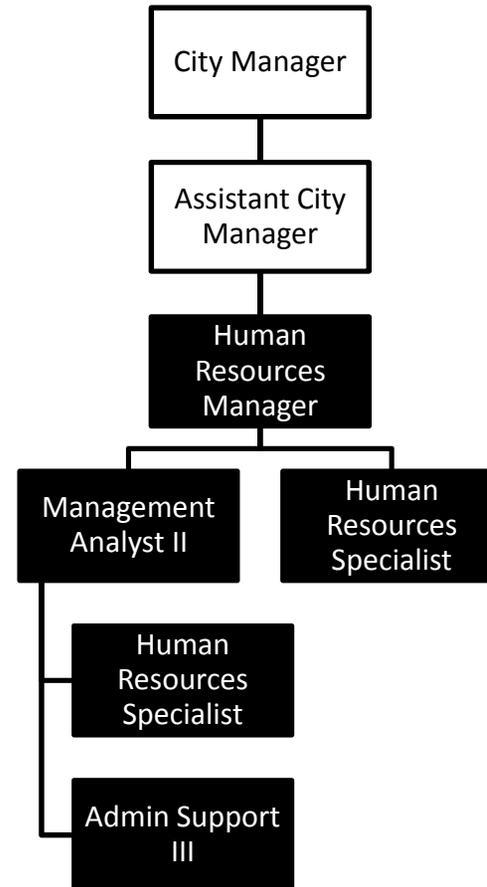
## PROFILE

The Human Resources Division fosters a high quality, progressive, innovative work environment by providing strategic leadership to anticipate, identify, analyze, and balance City organizational and employee needs. Human Resources serves as a strategic business partner with city management and staff in developing, implementing, and administering a centralized human resource management program for all City employees with emphasis in the following areas: benefits, classification / compensation, employment / retention, employee relations, employee recognition and leadership and employee professional development. The objective of the Human Resources Division is to create and maintain a work environment placing city employees in the best position to carry out City Commission goals.

## CURRENT YEAR ACCOMPLISHMENTS

1. Completed implementation of electronic time card software.
2. Implemented a point based wellness incentive for all employees and retirees in the healthcare plan.
3. Completed comprehensive update of the Market Employee Compensation and Benefit Study.

## ORGANIZATIONAL CHART



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## PERSONNEL SUMMARY

PERSONNEL	2012 Actual	2013 Adopted	2013 Estimate	2014 Budget
Authorized Positions	5.00	5.00	5.00	5.00

### EXPENDITURE SUMMARY

EXPENDITURES	2012 Actual	2013 Adopted	2013 Estimate	2014 Budget
<b>Personal Services</b>	\$ 361,716	\$ 364,872	\$ 364,872	\$ 370,777
<b>Contractual Services</b>	59,149	87,705	87,705	87,705
<b>Commodities</b>	7,538	12,794	12,794	12,794
<b>Capital Outlay</b>	-	-	-	-
<b>Debt Service</b>	-	-	-	-
<b>Transfers</b>	-	-	-	-
<b>Contingency</b>	-	-	-	-
<b>Total</b>	\$ 428,403	\$ 465,371	\$ 465,371	\$ 471,276

### PERFORMANCE INDICATORS

Indicator	2012 Actual	2013 Estimated	2014 Target
Percent of residents surveyed who were satisfied with the professional City service they received	NA	87%	TBD
Percent of employee turnover (regular)	7.40%	7.00%	7.00%
Percent of pay grades 50 <sup>th</sup> percentile/better in market	25.00%	25.00%	100%
Percent of employees rating education activities meet/exceeds expectations	66.00%	70.00%	72.00%

### MAJOR GOALS AND OBJECTIVES FOR 2014

1. Adequate funding to maintain the employee health care program.
2. Monitor market compensation trends as economic conditions change.
3. Implement of integrated Payroll, Job Application and other components of Human Resource Information System.
4. Implement KPERS changes.

### CURRENT YEAR ACCOMPLISHMENTS (cont.)

4. Separated retiree healthcare expenses within the healthcare fund earmarking retained earnings for future retiree expenses.
5. Completed first year of WellCare Clinic for participants of the healthcare plan.
6. Partnered with Finance and Information Technology on the migration of payroll to new software.

### SIGNIFICANT ISSUES FOR 2014

1. Implement new Job Application as first module in Human Resources Information System .
2. Implement an automated employee benefit enrollment module for integration with Human Resources Information System.
3. Monitor and modify strategic plan for the city's wellness program in order to reduce the rate of increase to healthcare costs for both the employee and city.
4. Add a comprehensive Workforce Trends and Analysis to the Compensation and Benefit Market Study.

## HUMAN RESOURCES

# General Operating Fund

Risk Management

Division 1054

## PROFILE

The Risk Management Program is intended to identify, recommend, and implement actions that will minimize the adverse effects of accidental and business losses on the City of Lawrence. The Risk Management Division strives to responsibly and efficiently manage and administer the City's Risk Management Program utilizing industry best practices for public risk management. The Risk Management Division works hard to be a trusted resource for City Departments on issues of loss prevention and control. Risk Management administers the City's self-funded Workers' Compensation, General Liability, and Auto Liability programs and manages the City's portfolio of insurance coverage, including Property and Public Entity Liability.

## CURRENT YEAR ACCOMPLISHMENTS

In the absence of the Risk Manager position, continue to coordinate successful city-wide risk management and worker's compensation and insurance programming.

## ORGANIZATIONAL CHART



Solid fill indicates position is fully funded through this account. Gradient indicates position is partially funded through this account. No fill indicates position is not funded through this account.

## PERSONNEL SUMMARY

PERSONNEL	2012 Actual	2013 Adopted	2013 Estimate	2014 Budget
Authorized Positions	2.00	2.00	2.00	2.00

## EXPENDITURE SUMMARY

EXPENDITURES	2012 Actual	2013 Adopted	2013 Estimate	2014 Budget
<b>Personal Services</b>	\$ 127,045	\$ 127,925	\$ 127,925	\$ 130,803
<b>Contractual Services</b>	309,308	324,885	324,885	369,300
<b>Commodities</b>	3,299	6,000	6,000	6,000
<b>Capital Outlay</b>	-	-	-	-
<b>Debt Service</b>	-	-	-	-
<b>Transfers</b>	-	-	-	-
<b>Contingency</b>	-	-	-	-
<b>Total</b>	<b>\$ 439,652</b>	<b>\$ 458,810</b>	<b>\$ 458,810</b>	<b>\$ 506,103</b>

## PERFORMANCE INDICATORS

Indicator	2012 Actual	2013 Estimated	2014 Target
Percent change in General Liability Claims against the City	37% decrease	-2%	-5%
Percent change in Auto Liability Claims against the City	33% decrease	0%	-5%
Percent change in Workers' Compensation Claims Costs	28% decrease	-2%	-5%

## MAJOR GOALS AND OBJECTIVES FOR 2014

1. Oversee the understanding of and modifications to the amended workers compensation act including training for all levels of management.

## CURRENT YEAR ACCOMPLISHMENTS (cont.)

2. Implementation of automated trash collection should reduce incidence of injuries in that division.

## SIGNIFICANT ISSUES FOR 2014

Workers Compensation losses continue to be a substantial portion of the Risk Management program. The increase in the number of older workers in the workforce creates additional exposures for employers.

## RISK MANAGEMENT

# General Operating Fund

Financial Administration

Division 1060

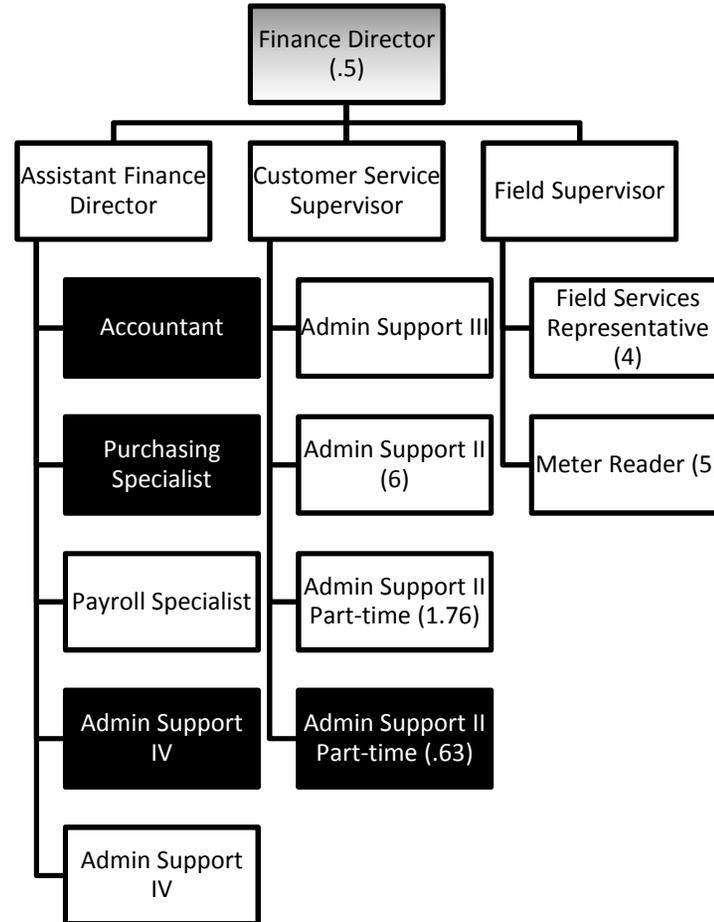
## PROFILE

The Administration Division of the Finance Department is responsible for the overall financial administration of the City. The financial operations of the City are guided by independent standards established for accounting and internal control functions. State statutes and internal policies also govern financial transactions.

Major responsibilities include accounting, investing, purchasing, accounts payable, and debt management. The division provides services to citizens, suppliers, and other city departments.



## ORGANIZATIONAL CHART



Solid fill indicates position is fully funded through this account. Gradient indicates position is partially funded through this account. No fill indicates position is not funded through this account.

## PERSONNEL SUMMARY

PERSONNEL	2012 Actual	2013 Adopted	2013 Estimate	2014 Budget
Authorized Positions	4.13	4.13	4.13	4.13

## EXPENDITURE SUMMARY

EXPENDITURES	2012 Actual	2013 Adopted	2013 Estimate	2014 Budget
<b>Personal Services</b>	\$ 287,062	\$ 285,783	\$ 285,783	\$ 289,674
<b>Contractual Services</b>	12,418	6,800	6,800	10,800
<b>Commodities</b>	7,000	12,012	12,012	8,001
<b>Capital Outlay</b>	-	-	-	-
<b>Debt Service</b>	-	-	-	-
<b>Transfers</b>	-	-	-	-
<b>Contingency</b>	-	-	-	-
<b>Total</b>	\$ 306,480	\$ 304,595	\$ 304,595	\$ 308,475

## PERFORMANCE INDICATORS

Indicator	2012 Actual	2013 Estimated	2014 Target
Average rate of return on investment	0.27%	0.30%	1 Yr. T-bill
Percent of bank reconciliations completed in 10 days	75.0	83.3	100.0
Percent of invoices paid within 30 days	93.7	95.0	95.0
Percent of payrolls processed on time	100.0	100.0	100.0

## MAJOR GOALS AND OBJECTIVES FOR 2014

1. Maintain the City's general obligation debt rating at Aa1.
2. Complete transition to Innoprise software.
3. Integrate time and attendance software with Innoprise payroll software.

## CURRENT YEAR ACCOMPLISHMENTS

1. Received a Certificate of Achievement from the GFOA for the 2011 Comprehensive Annual Financial Report.
2. Worked with departments to review and change credit card processing services.
3. Initiated a review of the city's purchasing card policies to increase rebates.
4. Initiated a review of the city's post issuance bond compliance.

## SIGNIFICANT ISSUES FOR 2014

Maintaining the current level of service our Division provides based on the City budget constraints.



City of Lawrence

FINANCIAL ADMINISTRATION

# General Operating Fund

General Overhead

Account 001-1065

## EXPENDITURE SUMMARY

EXPENDITURES	2012 Actual	2013 Adopted	2013 Estimate	2014 Budget
Personal Services	\$ -	\$ 180,000	\$ 180,000	\$ 320,000
Contractual Services	3,475,976	3,698,738	3,698,738	3,956,898
Commodities	33,373	34,851	34,851	34,851
Capital Outlay	-	-	-	80,000
Refunds	-	-	-	-
Debt Service	-	-	-	-
Transfers	-	-	-	-
Contingency	-	25,000	25,000	25,000
<b>Total</b>	<b>\$ 3,509,349</b>	<b>\$ 3,938,589</b>	<b>\$ 3,938,589</b>	<b>\$ 4,416,749</b>

## PERSONNEL SUMMARY

PERSONNEL	2012 Actual	2013 Adopted	2013 Estimate	2014 Budget
Authorized Positions	NA	NA	NA	NA

## PROFILE

The recommended budget for this division includes a merit pool for all eligible employees in the General Fund not covered by Memorandums of Understanding. Also included is the cost of supplemental pay for military employees. (Actual compensation adjustments for 2012 are reflected in the actual expenditures in each individual operating division.) Also included in this division are overhead expenses such as auditing services, emergency dispatch service, and office leases.

The division includes funding for vendor provided services and economic development agencies (see page 31 for a detailed listing and recommended funding levels.) Recommendations for social service agency allocations for 2014 are as follows:

Ballard Community Center	\$8,500	Housing & Credit Counseling	\$17,100
Boys & Girls Club of Lawrence	\$148,722	Jayhawk Area Agency on Aging	\$7,400
Douglas County CASA, Inc.	\$25,000	The Shelter, Inc.	\$32,000
Douglas County Dental Clinic	\$5,000	TFI Family Services	\$7,000
Health Care Access	\$26,800	Van Go Mobile Arts	\$35,000
Bert Nash	\$168,114	Warm Hearts	\$6,000
LCS (Bus Pass / Work Clothes)	\$8,000	Willow Domestic Violence Center	\$6,000

The 2014 recommended budget includes an increase for four additional emergency dispatch positions, additional resources for the Lawrence Arts Center, and additional resources for equipment replacement and city facility improvements to be funded through a recommended mill levy increase.

# General Operating Fund

Transfers  
Account 001-1068

## EXPENDITURE SUMMARY

EXPENDITURES	2012 Actual	2013 Adopted	2013 Estimate	2014 Budget
Personal Services	\$ 4,408,825	\$ 4,580,837	\$ 4,580,837	\$ 4,573,788
Contractual Services	-	-	-	-
Commodities	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service	-	-	-	-
Transfers	12,820,640	18,720,480	12,810,784	19,873,195
Contingency	-	-	-	-
<b>Total</b>	<b>\$ 17,229,465</b>	<b>\$ 23,301,317</b>	<b>\$ 17,391,621</b>	<b>\$ 24,446,983</b>

## PERSONNEL SUMMARY

PERSONNEL	2012 Actual	2013 Adopted	2013 Estimate	2014 Budget
Authorized Positions	NA	NA	NA	NA

## PROFILE

The Transfer Division is used to account for employer contributions to the City health care program and transfers from the General Fund to a number of City funds. The following transfers are budgeted for 2014:

<u>Health Insurance Fund</u> - This fund is used for the city's contribution to annual health insurance costs for employees and their families.	\$4,573,788
<u>Equipment Reserve Fund</u> - This fund is reserved to cover the cost of repair and purchase of equipment as necessary. Also included in this fund is the transfer of funds from the 0.05% transit sales tax approved in 2008.	\$1,369,850
<u>Capital Improvement Reserve Fund</u> - This fund is reserved for capital improvement projects throughout the year. Revenue from the City 0.30% infrastructure sales tax is also transferred to this fund. A transfer of \$5,909,696 is budgeted in order to meet the state fund balance requirement but will only occur if revenues meet or exceed projections in 2014.	\$10,228,846
<u>Sales Tax Reserve Fund</u> - This fund is historically reserved for capital projects related to Parks and Recreation throughout the year.	\$2,954,892
<u>Recreation Fund</u> - Part of the countywide sales tax collected each year is transferred into the Recreation Fund to pay for recreation projects and operations.	\$2,230,157
<u>Liability Reserve Fund</u> - This fund is reserved for liability claims that may occur throughout the year.	\$10,000
<u>Worker's Comp Fund</u> - This fund is reserved for worker's compensation claims that may occur throughout the year.	\$25,000
<u>Transportation Fund</u> - Revenue from the 0.20% City transportation sales tax will be transferred to this fund.	\$3,054,450

# General Operating Fund

Information Technology

Division 1070

## PROFILE

The Information Technology Department has the responsibility to promote and optimize the delivery of information technology services to all city departments in support of Lawrence citizens.

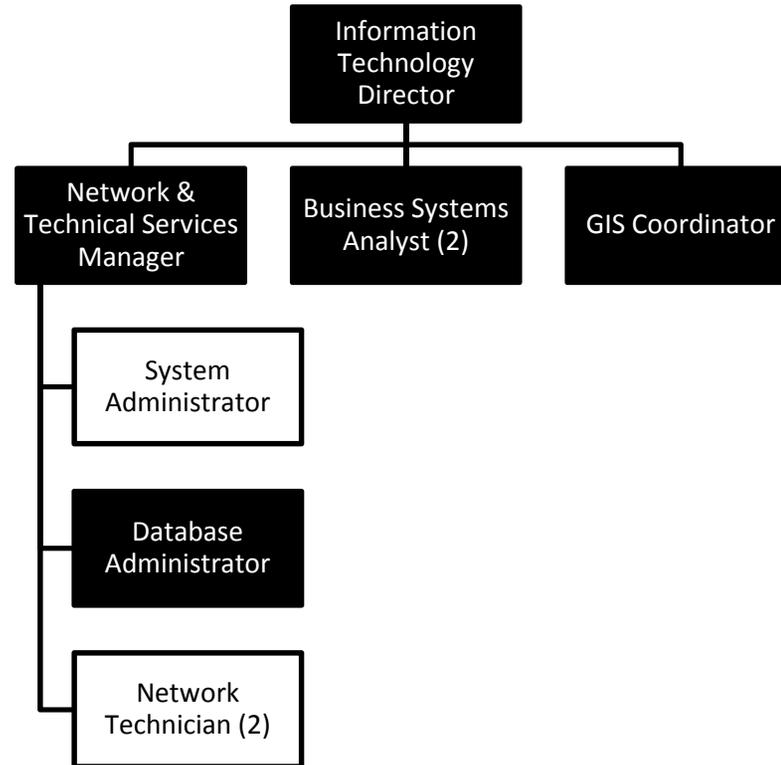
The department's employees provide technology support in these primary areas: network management, security, desktop and server management, database management, geographic information systems (GIS), midrange (AS/400) application programming, document imaging, telecommunications, and eGovernment services.

Much of the department's efforts are geared to maintaining a technology infrastructure extending to 65 City facilities located throughout the city.

## CURRENT YEAR ACCOMPLISHMENTS

1. Completed implementation of ExecuTime Time and Attendance System in all Departments, used for all payroll.
2. Completed server fiber projects and upgrading connectivity at multiple locations, improving services across the City.
3. Replaced all Vmware virtual host servers supporting more than 40 servers.
4. Implemented Innoprise's Community Development system to improve service capabilities for Planning & Development Services.

## ORGANIZATIONAL CHART



Solid fill indicates position is fully funded through this account. Gradient indicates position is partially funded through this account. No fill indicates position is not funded through this account.

## PERSONNEL SUMMARY

PERSONNEL	2012 Actual	2013 Adopted	2013 Estimate	2014 Budget
Authorized Positions	6.00	6.00	6.00	6.00

## EXPENDITURE SUMMARY

EXPENDITURES	2012 Actual	2013 Adopted	2013 Estimate	2014 Budget
<b>Personal Services</b>	\$ 517,884	\$ 520,901	\$ 520,901	\$ 548,793
<b>Contractual Services</b>	221,498	232,880	232,880	232,880
<b>Commodities</b>	44,833	48,000	48,000	48,000
<b>Capital Outlay</b>	-	10,000	10,000	10,000
<b>Debt Service</b>	-	-	-	-
<b>Transfers</b>	-	-	-	-
<b>Contingency</b>	-	-	-	-
<b>Total</b>	<b>\$ 784,215</b>	<b>\$ 811,781</b>	<b>\$ 811,781</b>	<b>\$ 839,673</b>

## PERFORMANCE INDICATORS

Indicator	2012 Actual	2013 Estimated	2014 Target
Percent of scheduled time systems are fully operational:			
Email	99.932%	99.93	100
Network	100	100	100
Internet	99.932%	99.81	100
E-Gov systems	99.932%	99.81	100
Number of PCs supported per FTE	130	140	140
Percent of time telco system is fully operational	99.999	99.999	100

## MAJOR GOALS AND OBJECTIVES FOR 2014

1. Continue implementing Innoprise Enterprise Resource Planning Software solutions for Human Resources / Payroll and CIS / Utility Billing Software.
2. Replace existing 22 year old Siemens ROLM phone system with VoIP system.
3. Continue fiber projects and network connectivity improvements. Develop fiber partnering opportunities with other anchor institutions.

## CURRENT YEAR ACCOMPLISHMENTS (cont.)

5. Negotiated with Verizon for 65,000 feet of conduit, and with Kansas University to share in a fiber and cost sharing agreement..

## SIGNIFICANT ISSUES FOR 2014

1. The City's primary phone and voice mail systems that are 22 years old need to be replaced.
2. Completing Enterprise Research Plan software replacement with pending personnel retirement planned in 2014.
3. Loss of two GIS Analyst positions jeopardize the GIS support system.
4. Completing ever-increasing project workloads after losing two technical positions since 2009 has affected the performance capabilities of the Information Technology Department, especially in the area of telecommunications.



## INFORMATION TECHNOLOGY

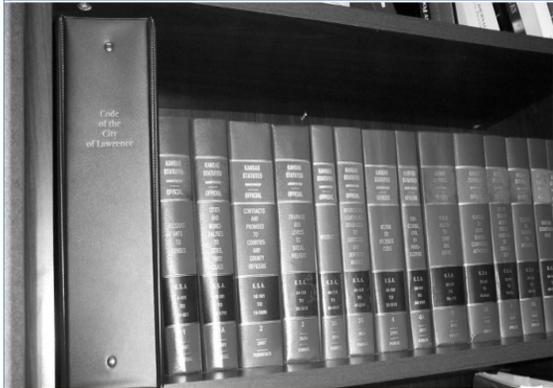
# General Operating Fund

City Attorney's Office  
Division 1080

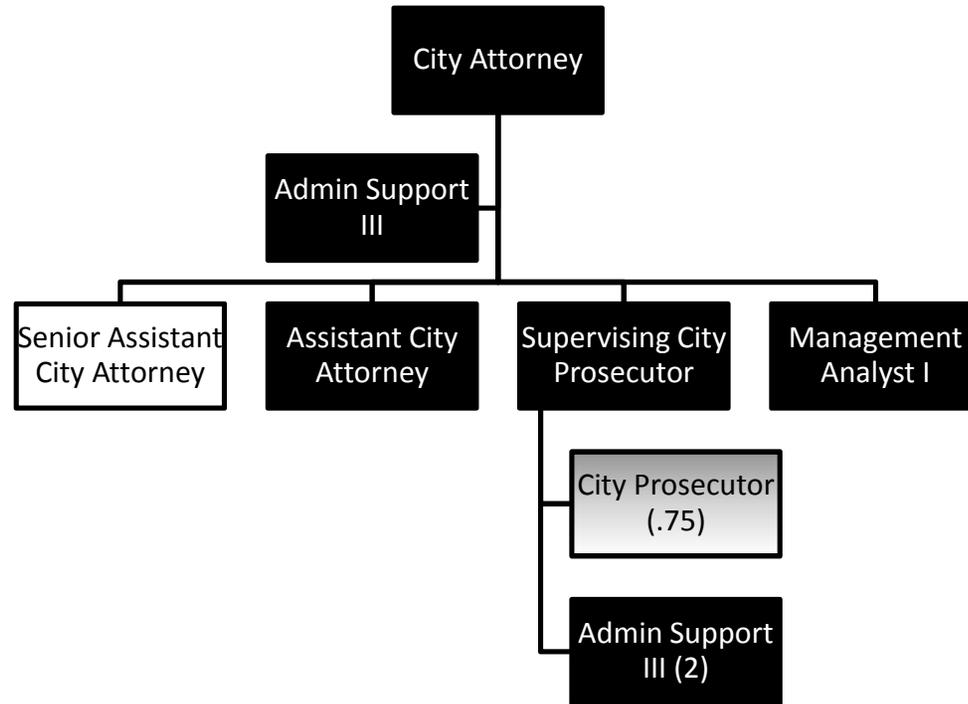
## PROFILE

In 2012, the Legal Department became the City Attorney's Office. The office consists of three divisions: City Attorney's Office / City Prosecutors, Human Relations, and Municipal Court.

The City Attorney's Office provides legal advice and support to the City Commission, Planning Commission, Board of Zoning Appeals and City departments and other boards. Staff prepares and reviews city ordinances and resolutions, negotiates contracts, leases, and other agreements, acquires real property interests for city projects, monitors state legislation, and represents the City in civil litigation. The City Prosecutors prosecute municipal misdemeanor offenses including traffic infractions, public offenses, animal offenses, and building code violations and investigate allegations of unlawful discrimination under Chapter 10 of the City Code.



## ORGANIZATIONAL CHART



Solid fill indicates position is fully funded through this account. Gradient indicates position is partially funded through this account. No fill indicates position is not funded through this account.

## PERSONNEL SUMMARY

PERSONNEL	2012 Actual	2013 Adopted	2013 Estimate	2014 Budget
Authorized Positions	8.90	8.90	7.90	7.75

## EXPENDITURE SUMMARY

EXPENDITURES	2012 Actual	2013 Adopted	2013 Estimate	2014 Budget
<b>Personal Services</b>	\$ 604,575	\$ 620,325	\$ 620,325	\$ 606,192
<b>Contractual Services</b>	188,294	196,196	196,196	196,196
<b>Commodities</b>	10,464	14,250	14,250	14,250
<b>Capital Outlay</b>	-	-	-	-
<b>Debt Service</b>	-	-	-	-
<b>Transfers</b>	-	-	-	-
<b>Contingency</b>	-	-	-	-
<b>Total</b>	<b>\$ 803,333</b>	<b>\$ 830,771</b>	<b>\$ 830,771</b>	<b>\$ 816,638</b>

## PERFORMANCE INDICATORS

Indicator	2012 Actual	2013 Estimated	2014 Target
Number of training sessions provided	43	35	35
Real property interests acquired for City projects	30	35	40
Number of ordinances prepared/reviewed	111	100	100

## MAJOR GOALS AND OBJECTIVES FOR 2014

1. Pursue property acquisition for Wakarusa wastewater plant transmission main corridor.
2. To assist various City departments in achieving the goals set by the City Commission.
3. Effectively prosecute high volume of traffic and misdemeanor offenses within the constraints of existing resources.
4. Continued commitment to City's local ordinance prohibiting unlawful discrimination in housing, public accommodations and employment through effective investigations.

## CURRENT YEAR ACCOMPLISHMENTS

1. Completed annexation of 110 acres of land located at West 6th Street/Highway 40 and K-10 Highway.
2. Developed the process and ordinance for implementing a City-wide recycling program. First City in the state to go through the new statutory procedure.
3. Provided instruction for the Lawrence Police Department Basic Recruit Academy.
4. Provided guidance and drafting of contracts and agreements for the development of Rock Chalk Park.
5. Disseminated information through the City's communications outlets regarding the Human Relations Division.

## SIGNIFICANT ISSUES FOR 2014

Managing the City's litigation within existing staff and resources.

Responding to increasing demands to provide high quality legal services to the Commission, staff and community within existing resources.

Prosecuting effectively an anticipated increase in cases (traffic infractions and misdemeanor offenses) with existing staffing levels in the Prosecutor's Office.

**CITY ATTORNEY'S OFFICE**

# General Operating Fund

Human Relations  
Account 001-1085-541

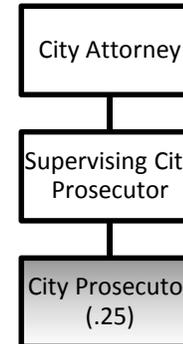
## EXPENDITURE SUMMARY

EXPENDITURES	2012 Actual	2013 Adopted	2013 Estimate	2014 Budget
Personal Services	\$ -	\$ -	-	\$ -
Contractual Services	2,836	4,450	4,450	4,450
Commodities	3,758	5,280	5,280	5,280
Capital Outlay	-	-	-	-
Debt Service	-	-	-	-
Transfers	-	-	-	-
Contingency	-	-	-	-
<b>Total</b>	<b>\$ 6,594</b>	<b>\$ 9,730</b>	<b>\$ 9,730</b>	<b>\$ 9,730</b>

## PERSONNEL SUMMARY

PERSONNEL	2012 Actual	2013 Adopted	2013 Estimated	2014 Budget
Authorized Positions	0.00	0.00	0.00	0.00

## ORGANIZATIONAL CHART



## PROFILE / SIGNIFICANT ISSUES FOR 2014

Responsibility for enforcement and training related to Chapter 10 of the City Code which prohibits discrimination in housing, employment and public accommodations on the basis of a person's race, sex, religion, color, national origin, age, ancestry, sexual orientation, disability or familial status was reassigned to other legal department staff. An attorney in the prosecutors' office is primarily responsible for investigations, along with the City Attorney. Outreach efforts are coordinated primarily by staff in the City Attorney's Office.



*City of Lawrence*

# General Operating Fund

Municipal Court  
Division 1090

## PROFILE

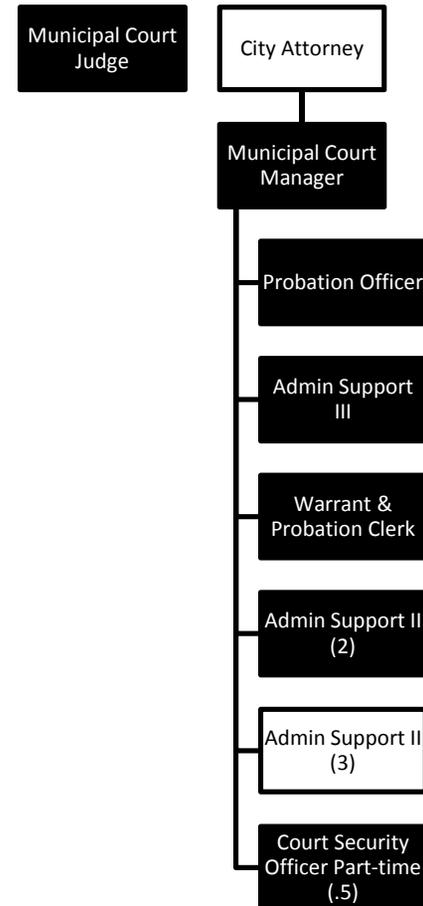
The purpose of the City of Lawrence Municipal Court is to file, manage and adjudicate alleged violations of City ordinances in a timely and professional manner. The division is dedicated to providing impartial customer service to attorneys, defendants and citizens while utilizing available resources to continually improve service quality and professional integrity.

The Municipal Court of the City of Lawrence adjudicates alleged violations of the City Code. The City Prosecutor's office represents the City in all cases brought by the City and University Police Departments.

## CURRENT YEAR ACCOMPLISHMENTS

1. Maintained a high level of accuracy and professional integrity amid large volumes of criminal, traffic, parking and meter parking cases.
2. Made improvements within the court management system to increase efficiency in probation monitoring, document imaging and the electronic citation import process.
3. Implemented electronic check processing to promote accuracy and efficiency with daily check deposits and a quicker return on insufficient funds payments.
4. Revised the court's docket structure to promote more efficient case management and increase convenience to Lawrence citizens.

## ORGANIZATIONAL CHART



Solid fill indicates position is fully funded through this account. Gradient indicates position is partially funded through this account. No fill indicates position is not funded through this account.

## PERSONNEL SUMMARY

	2012	2013	2013	2014
PERSONNEL	Actual	Adopted	Estimate	Budget
Authorized Positions	7.50	7.50	7.50	7.50

## EXPENDITURE SUMMARY

EXPENDITURES	2012 Actual	2013 Adopted	2013 Estimate	2014 Budget
<b>Personal Services</b>	\$ 491,242	\$ 491,303	\$ 491,303	\$ 481,362
<b>Contractual Services</b>	635,020	594,447	594,447	594,447
<b>Commodities</b>	22,038	18,205	18,205	18,205
<b>Capital Outlay</b>	-	-	-	-
<b>Debt Service</b>	-	-	-	-
<b>Transfers</b>	-	-	-	-
<b>Contingency</b>	-	-	-	-
<b>Total</b>	\$ 1,148,300	\$ 1,103,955	\$ 1,103,955	\$ 1,094,014

## PERFORMANCE INDICATORS

Indicator	2012 Actual	2013 Estimated	2014 Target
Percent of failure to appear notices mailed within 1 day of non-compliance	83%	92%	95%
Percent of warrants issued within 2 days of non-compliance	81%	90%	95%
Percent of drivers license suspensions issued within 35 calendar days of failure to appear notice	46%	80%	90%
Percent of case files retrieved within 15 minutes	85%	98%	100%

## MAJOR GOALS AND OBJECTIVES FOR 2014

1. Continue to develop and improve court procedures, staff training, records management and fines collection methods.
2. Ensure an appropriate and timely disposition on all cases.
3. Dispose of all traffic and parking citations through payment, issuance of warrants or assignment to collections within 90 days of issue date.
4. Continue to evaluate court's technology resources to ensure court is realizing maximum efficiency

## SIGNIFICANT ISSUES FOR 2014

Improvements to existing levels of collections, tickets processed, court fines and notices mailed will be a continuing challenge with current staffing levels.



**MUNICIPAL COURT / PROSECUTOR**

# General Operating Fund

Police  
Division 2100

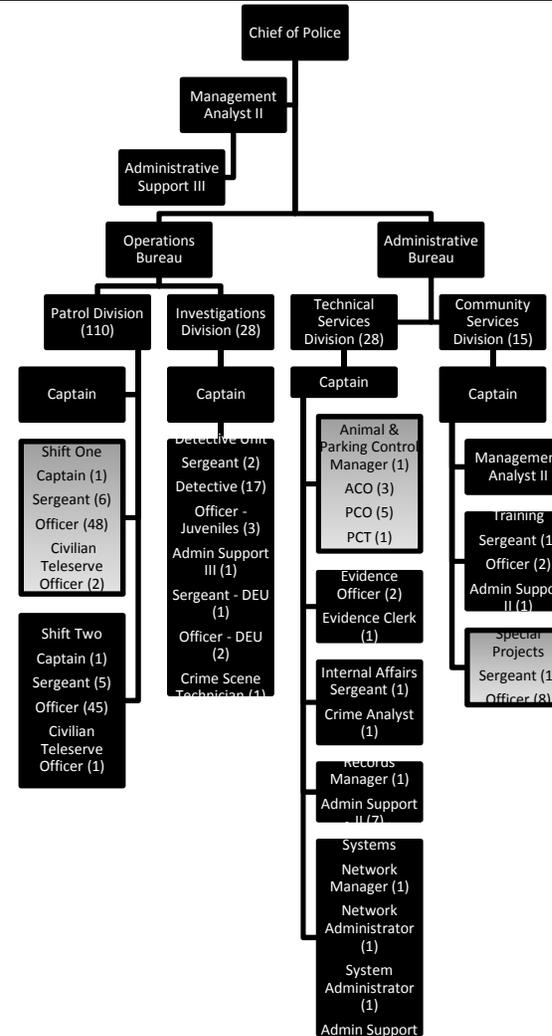
## PROFILE

The Lawrence Police Department currently operates with an authorized strength of 147 commissioned police officers and a 34 member civilian support staff. The department has three separate facilities; the Law Enforcement Center, 111 East 11th Street, where patrol, records, evidence and other services are located on the second floor; the Investigations and Training Center, 4820 Bob Billings Parkway; and Animal Control and Parking Control located on the lower level of the City Parking Garage at 935 New Hampshire. The patrol and investigations divisions are directly responsible for 24/7 service delivery on the city's 314 miles of streets and protect a population of approximately 90,000 residents, including various primary, secondary and higher educational institutions, retail and industrial businesses.

## CURRENT YEAR ACCOMPLISHMENTS

1. On April 22, 2013 the Lawrence Police Department was proud to promote three individuals to supervisory level positions. Sergeant Adam Heffley was promoted to Captain, and Officer Laurie Scott and Officer Casey Cooper were promoted to Sergeant.

## ORGANIZATIONAL CHART



Three (3) Officers in Patrol Division, six (6) Parking Control Officer and three (3) School Resources Officers in the Community Services Division are funded through different accounts.

## PERSONNEL SUMMARY

PERSONNEL	2012 Actual	2013 Adopted	2013 Estimate	2014 Budget
Authorized Positions	169.00	172.00	172.00	172.00

## EXPENDITURE SUMMARY

EXPENDITURES	2012 Actual	2013 Adopted	2013 Estimate	2014 Budget
<b>Personal Services</b>	\$ 13,976,743	\$ 14,294,066	\$ 14,294,066	\$ 14,680,874
<b>Contractual Services</b>	791,996	733,703	733,703	755,763
<b>Commodities</b>	682,113	642,650	642,650	708,946
<b>Capital Outlay</b>	254,339	552,052	552,052	629,800
<b>Debt Service</b>	-	-	-	-
<b>Transfers</b>	-	-	-	-
<b>Contingency</b>	-	-	-	-
<b>Total</b>	<b>\$ 15,705,191</b>	<b>\$ 16,222,471</b>	<b>\$ 16,222,471</b>	<b>\$ 16,775,383</b>

## PERFORMANCE INDICATORS

Indicator	2012 Actual	2013 Estimated	2014 Target
Citizens satisfied or very satisfied with professionalism of officers	79%*	79%	79%
Citizens satisfied or very satisfied with how quickly police respond to emergencies	75%*	75%	75%
Citizens' Perceptions of feeling safe in Downtown Lawrence after dark	54%*	54%	54%

\* 2011 Citizen Survey

## MAJOR GOALS AND OBJECTIVES FOR 2014

1. Organize and restructure personnel resources to respond to service requests utilizing prioritization principles.
2. Continue to upgrade and improve the department's public engagement initiatives through website additions and by expanding positive interactions at and participation in community events, civic presentations and meetings, and increased officer presence in neighborhoods.
3. Implementation of a plan to address personnel, equipment, and facility needs to meet community expectations. Strategies will be developed on how to best match resources with service expectations. Increases in staffing, consolidation of facilities, expansion of technology and associated hardware and
4. Improved preparation of personnel through increased training to match the changing law enforcement environment.

## CURRENT YEAR ACCOMPLISHMENTS (cont.)

2. Thirteen individuals began the 34th Basic Recruit Academy on June 3, 2013. Twelve individuals will attend 24 weeks of intense training. One person was a previous Lawrence Police Officer and will participate in an abbreviated academy and field training officer program.

3. With funds received from the Department of Homeland Security, the Lawrence Police Department was able to purchase a Rescue Vehicle. The Rescue Vehicle is a specially designed armored vehicle that allows the Department's Specialty Teams to enter into high risk situations with life-saving protection.

4. A major drug investigation, resulting in seizure of approx. \$4 million in cash/assets and \$2 million in drugs, along with 43 federal indictments.

5. Process started of targeting vital equipment that needs replacement.

## SIGNIFICANT ISSUES FOR 2014

1. Maintenance of full staffing and additional staffing remains a significant issue and priority.
2. Addressing critical equipment needs and failures impacting safety and service delivery.
3. Appropriate training opportunities for personnel to maintain "best practices" approach to policing.
4. Inefficiencies, impaired communication, and other concerns due to a lack of modern law enforcement facilities.

**POLICE**

# General Operating Fund

Fire Medical  
Division 2200

## PROFILE

Lawrence Fire Medical provides fire suppression, emergency medical, technical rescue, fire prevention and inspection, and public education services to Lawrence citizens. The department focuses on the mission of committed to saving and protecting lives and property, and the vision, to be a community oriented emergency services, valuing compassion, respect, teamwork, leadership and professionalism while providing effective, proficient, and efficient services to our community.

A joint Lawrence-Douglas County agreement establishes budget funding at 74.36% City, and 25.64% County. Fire services are providing to the City of Lawrence, while EMS and hazardous material responses are provided Countywide.

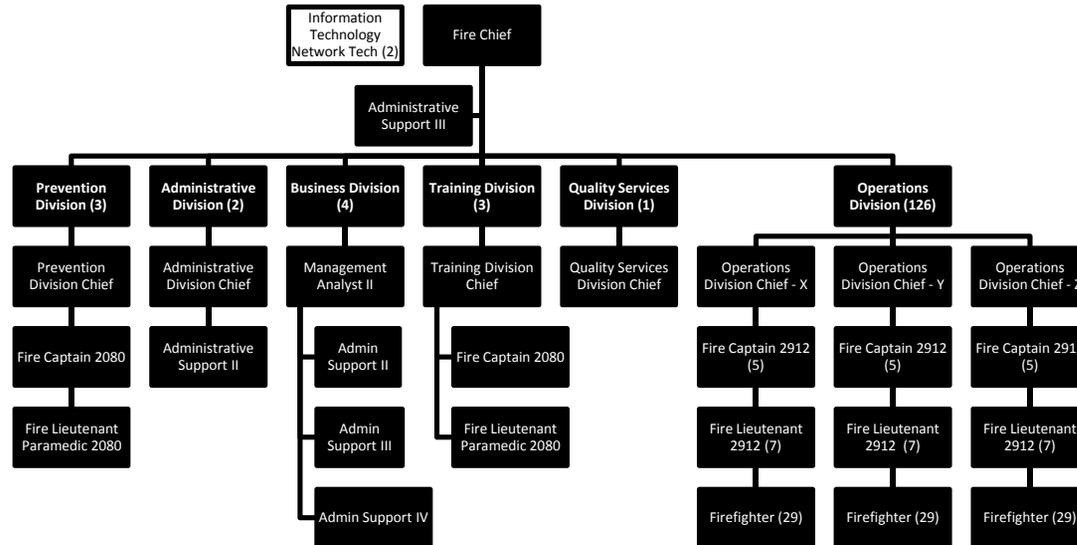
The department utilizes goals and objectives of the 2012-2017 Strategic Plan to guide policy and operational decision-making and to manage challenges along the way.

The strategic goals are to:

- Enhance training and educational opportunities and methodologies
- Ensure necessary, reliable and efficient physical assets and infrastructure are available
- Strengthen and enhance external partnerships
- Acquire and utilize current and integrated technology systems for operations
- Ensure workforce planning supports the mission
- Ensure policies and procedures reflect best practices and services
- Maintain international fire accreditation

The success of the department depends upon the implementation of goals and objectives, and support from City and County officials, department members, and the community at-large. Collection of performance measurement data allows for analysis and evaluation of daily operations and programs, drives continuous improvement, and provides accountability to the stakeholders of department progress and success.

## ORGANIZATIONAL CHART



Solid fill indicates position is fully funded through this account. No fill indicates position is not funded through this account. Two Network Technicians from Information Technology are fully funded through this account.

## PERSONNEL SUMMARY

	2012	2013	2013	2014
PERSONNEL	Actual	Adopted	Estimate	Budget
Authorized Positions	143.00	143.00	143.00	143.00

## EXPENDITURE SUMMARY

EXPENDITURES	2012 Actual	2013 Adopted	2013 Estimate	2014 Budget
<b>Personal Services</b>	\$ 12,707,038	\$ 13,149,275	\$ 13,149,275	\$ 13,418,345
<b>Contractual Services</b>	796,150	925,098	925,098	925,058
<b>Commodities</b>	473,396	539,942	539,942	539,982
<b>Capital Outlay</b>	23,132	61,400	61,400	61,400
<b>Refunds</b>	-	-	-	-
<b>Transfers</b>	-	-	-	-
<b>Contingency</b>	-	-	-	-
<b>Total</b>	\$ 13,999,716	\$ 14,675,715	\$ 14,675,715	\$ 14,944,785

## CURRENT YEAR ACCOMPLISHMENTS

1. Responded to 10,348 total incidents; 78.4% EMS.

## PERFORMANCE INDICATORS

### FIRE BENCHMARK OBJECTIVE:

For 90 percent of all low, moderate, and high risk structure fire responses, the total response time for the arrival of the first-due unit shall be: 6 minutes and 30 seconds.

Year	2008-2012	2010	2011	2012
<b>FIRE BASELINE RESULTS</b>	Composite 90%: 7:32	2010 90%: 7:32	2011 90%: 6:59	2012 90%: 7:20

### EMS BENCHMARK OBJECTIVE:

For 90 percent of all priority medical incidents, the total response time for the arrival of the first-due unit (minimum of 1 paramedic and 1 EMT-I) shall be: 6 minutes and 30 seconds in urban areas, 12 minutes and 30 seconds in rural areas, and 9 minutes and 30 seconds countywide.

Year	2008-2012	2010	2011	2012
<b>EMS Baseline Results</b>	Composite 90%: Urban-7:59 Rural- 14:17	2010 90%: Urban- Rural-13:49 Countywide-10:15	2011 90%: Rural-12:10 Countywide-9:29	2012 90% : Rural-12:25 Countywide-9:09

## SIGNIFICANT ISSUES FOR 2014

1. Employee safety & training
2. Increasing demand for service
3. Diversity of workforce
4. Technology & apparatus

## MAJOR GOALS AND OBJECTIVES FOR 2014

1. Installation and implementation of video conference training system at all facilities.
2. Plan for upgrade of facilities, technology and equipment to ensure employee safety, ADA, and optimal operations
3. Implement SOP's and policies to validate effectiveness
4. Implement recommendations of January 2013 diversity report
5. Develop and enhance external partnerships
6. Maintain agency accreditation status with submission of annual performance reports.
7. Utilize performance measures and collected data to analyze and improve performance

**FIRE MEDICAL**

# General Operating Fund

## Street Maintenance

Division 3000

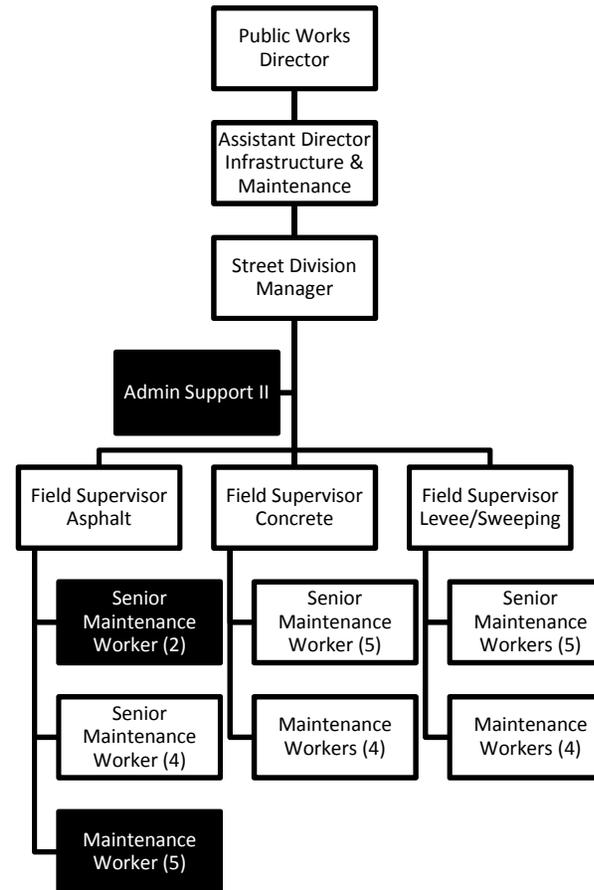
### PROFILE

The Street Maintenance Division is responsible for the routine maintenance of the City's streets, alleys, curbs, and gutters. The budget provides funds for concrete, asphalt, sand and rock for street repairs, and salt for snow and ice control. Additional funds are budgeted for outside firms to assist in removing snow. The work crews require the use of a variety of equipment and vehicles. The cost of equipment maintenance and fuel is included in this budget.

The City maintains over 329 centerline miles of streets. Core street maintenance services continue to be a priority focus. The department provides comprehensive planning for pavement rehabilitation and maintenance.

The Street Maintenance budget funds significant rehabilitation projects that are contracted, as well as staffing for routine maintenance completed in-house. Minor maintenance projects are completed in house. Major maintenance is contracted. The City uses mill and overlay, crack-sealing, and micro surfacing as treatments to maintain infrastructure.

### ORGANIZATIONAL CHART



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### PERSONNEL SUMMARY

PERSONNEL	2012 Actual	2013 Adopted	2013 Estimate	2014 Budget
Authorized Positions	8.25	8.25	8.25	8.00

## EXPENDITURE SUMMARY

EXPENDITURES	2012 Actual	2013 Adopted	2013 Estimate	2014 Budget
<b>Personal Services</b>	\$ 376,820	\$ 409,026	\$ 409,026	\$ 378,133
<b>Contractual Services</b>	344,502	455,830	455,830	483,150
<b>Commodities</b>	2,187,248	2,308,371	2,308,371	2,293,356
<b>Capital Outlay</b>	15,121	-	-	40,000
<b>Debt Service</b>	-	-	-	-
<b>Transfers</b>	-	-	-	-
<b>Contingency</b>	-	-	-	-
<b>Total</b>	\$ 2,923,691	\$ 3,173,227	\$ 3,173,227	\$ 3,194,639

## PERFORMANCE INDICATORS

Indicator	2012 Actual	2013 Estimated	2014 Target
% of pavement rated as acceptable or			
Arterials	70.9%	72%	75%
Collectors	79.7%	80%	81%
Residential	85.9%	87%	88%
% of potholes on arterials filled within 24 hours (arterial streets)	65%	70%	75%
% of residents satisfied with streets	39.4%	39.4%	39.4%
% of residents satisfied with snow removal on arterials streets	73.7%	73.7%	73.7%

## MAJOR GOALS AND OBJECTIVES FOR 2014

1. To provide timely and preventive maintenance for street and related infrastructure by applying the most cost-effective maintenance treatments based on specific condition assessments.
2. To provide curb, gutter, and concrete repair and maintenance.
3. To provide asphalt maintenance through patching and replacement.
4. To maximize pavement life through an aggressive crack-sealing program.
5. To provide effective snow and ice control for public roadways.
6. To provide support, personnel, and equipment during emergency response and disaster recovery operations.

## CURRENT YEAR ACCOMPLISHMENTS

1. Concrete and asphalt maintenance projects including resurfacing, base failure repairs, valley gutters and intersections, curb repairs and replacement, pedestrian and sidewalk issues, and special projects.
2. Completed construction of salt brine system. Experienced mild winter season with a total of five (5) events.
3. Major crack-sealing and micro surfacing projects were completed. Over 92,000 pounds of crack sealer placed by City crews.
4. Examples of special projects include major patching projects on Kasold (8th to Bob Billings Parkway), 100 block of Minnesota, 100 block of Florida, and Holiday Driver, curbs and sidewalks for islands on N. 3rd at Kansas Turnpike entrance, and recycle in place replacement of parking lot at 1140 Haskell.
5. Street sweeping for approximately 8,234 lane miles.

## SIGNIFICANT ISSUES FOR 2014

Achieving appropriate levels of funding for major rehabilitation and routine maintenance and equipment replacement despite limited resources. Address facility conditions for auxiliary structures like salt domes and equipment barn.

## STREET MAINTENANCE

# General Operating Fund

Engineering  
Division 3010

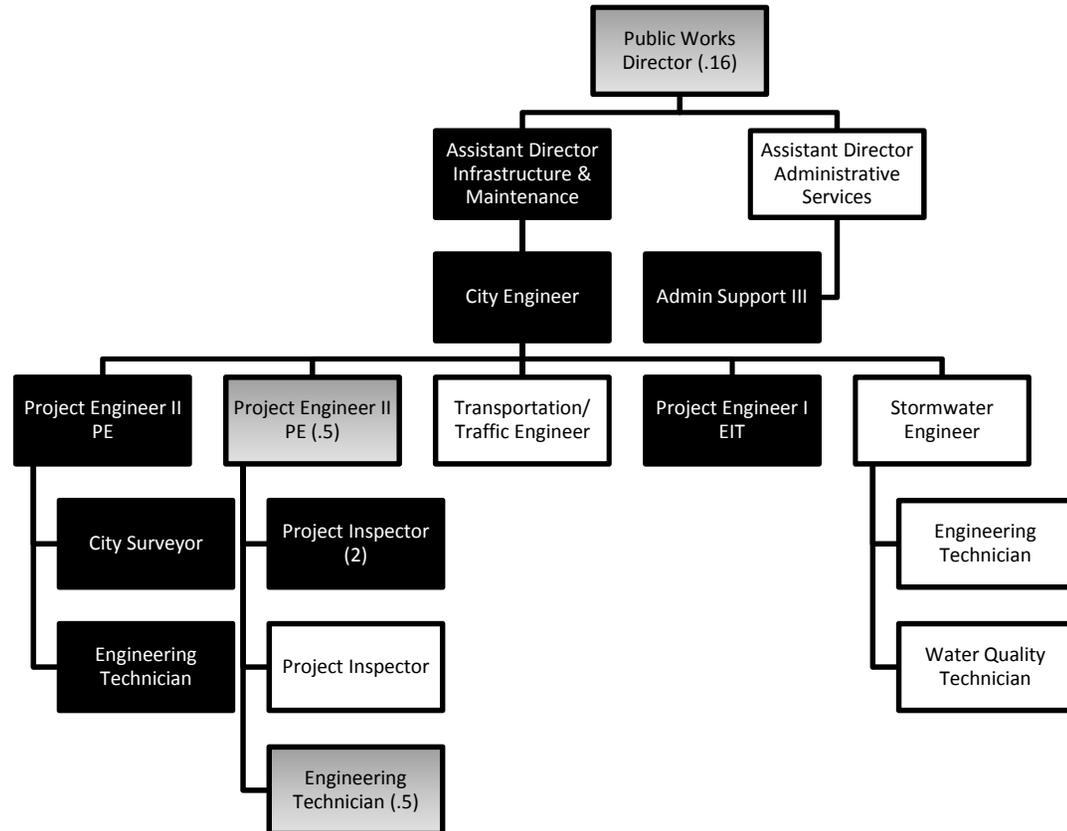
## PROFILE

The Engineering Division is responsible for the review and approval of all plans for streets, sidewalks, and storm sewers. The division administers projects and inspects project construction, evaluates pavement condition and contracts for major pavement restoration and replacement. The Engineering Division solicits grants and other funding for major reconstruction or new construction projects. The City Engineer provides supervision for the traffic and storm water engineering programs. The number and complexity of projects designed in-house has been increasing.

The Engineering staff offers technical assistance to other departments and PW workgroups regarding the needs and issues related to development projects and proposals. The office of the City Engineer is the custodian of "as built" plans as well as various maps and aerial photography information used extensively by builders, developers, and consultant engineers working in the City. Some of the GIS functions of the City were supported through this division. In-house design capacity has expanded for small projects.

The Engineering Division works diligently with State and Federal programs to secure grant funding to assist with infrastructure development needs wherever possible.

## ORGANIZATIONAL CHART



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## PERSONNEL SUMMARY

	2012	2013	2013	2014
PERSONNEL	Actual	Adopted	Estimate	Budget
Authorized Positions	8.66	8.66	10.16	10.16

## EXPENDITURE SUMMARY

EXPENDITURES	2012 Actual	2013 Adopted	2013 Estimate	2014 Budget
<b>Personal Services</b>	\$ 745,702	\$ 779,758	\$ 779,758	\$ 757,687
<b>Contractual Services</b>	41,313	40,033	40,033	41,033
<b>Commodities</b>	49,299	56,855	56,855	55,620
<b>Capital Outlay</b>	-	8,900	8,900	68,000
<b>Debt Service</b>	-	-	-	-
<b>Transfers</b>	-	-	-	-
<b>Contingency</b>	-	-	-	-
<b>Total</b>	<b>\$ 836,314</b>	<b>\$ 885,546</b>	<b>\$ 885,546</b>	<b>\$ 922,340</b>

## PERFORMANCE INDICATORS

Indicator	2012 Actual	2013 Estimated	2014 Target
% of pavement rated as acceptable or better (PCI)			
Arterials	70.9%	72%	75%
Collectors	79.7%	80%	81%
Residential	85.9%	87%	88%
% of residents satisfied with street maintenance	39.4%	39.4%	39.4%
Street resurfacing completed by contract			
Overlay (lane miles)	22.0	20	20
Micro-surfacing (lane miles)	32.6	20	20
Concrete (square yards)	6,533	6,000	6,000
Curb & gutter (linear feet)	19,354	15,000	15,000

## MAJOR GOALS AND OBJECTIVES FOR 2014

1. Continue in-house engineering design services for small projects.
2. Complete second phase of re-inventory for the pavement maintenance inventory.
3. Provide comprehensive pavement management and implement a multi-year program.
4. Implement the public works portions of the comprehensive GIS system.
5. Provide thorough and timely inspection of all public improvements.

## CURRENT YEAR ACCOMPLISHMENTS

1. Completion of crack-sealing, micro surfacing, and overlay programs.
2. Completion of concrete rehabilitation program.
3. Reconstruction plans for Iowa, Harvard to Irving Hill, 15th and Iowa intersection, and west of Iowa project.
4. KLINK project -- 6th Street, Iowa to Monterey Way, with eastbound right turn lanes on 6th and Kasold, and center turn lane at Rockledge.
5. In-house engineering design for projects, including:
  - CDBG sidewalk gap projects
  - 800 block Pennsylvania brick street
  - Wakarusa south of BBP

## SIGNIFICANT ISSUES FOR 2014

1. Limited resources have resulted in decreased engineering support of critical services including:
  - mapping / GIS system
  - project inspection capacity.
2. Beginning driveway inspection program.
3. Need to update field and technical equipment.
4. Pavement management continues to be on-going priority.

**ENGINEERING**

# General Operating Fund

Traffic Engineering  
Division 3020

## PROFILE

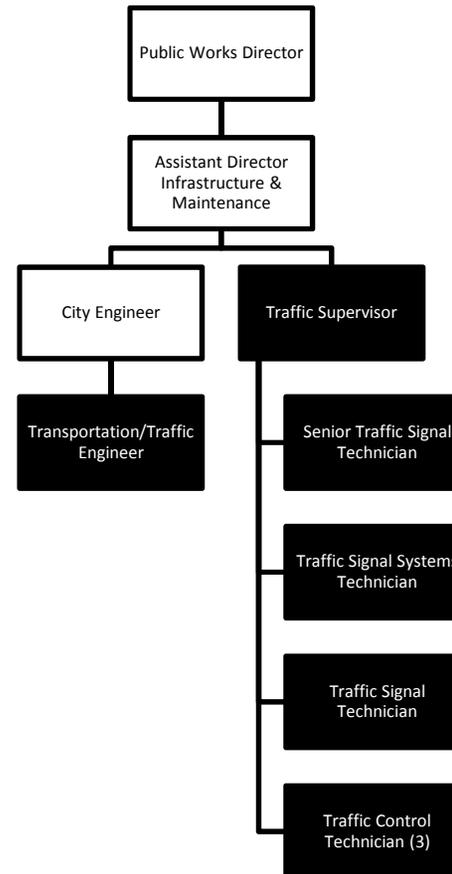
The Traffic Engineering Division reviews plats and site plans, street plans, analyzes traffic data, and provides professional and technical data to the Traffic Safety Commission. Field crews are responsible for signal maintenance, signal timing, street signs, and pavement markings. Crews also maintain school beacons, conduct electronic and manual traffic counts and school crossing counts. Traffic division crews are responsible for overhead decorative lighting in the central business district.

The Traffic Engineering Division works with community and neighborhood groups to address specific concerns. The Traffic Engineer provides professional staffing and recommendations to the Traffic Safety Commission.

The City's Intelligent Transportation System (ITS) is managed and monitored in the Traffic Division. Once adequate fiber is extended, the ITS system allow remote monitoring and control of signalized intersections across the community. Extension of fiber has occurred in multiple phases as grants and funding are available.

The Traffic Engineering Division is currently located at 445 Mississippi. The long-term operational goal is to move this work unit to collocate with other street maintenance operations.

## ORGANIZATIONAL CHART



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## PERSONNEL SUMMARY

	2012 Actual	2013 Adopted	2013 Estimate	2014 Budget
<b>PERSONNEL</b>				
Authorized Positions	8.00	8.00	8.00	8.00

## EXPENDITURE SUMMARY

EXPENDITURES	2012 Actual	2013 Adopted	2013 Estimate	2014 Budget
<b>Personal Services</b>	\$ 496,340	\$ 491,254	\$ 491,254	\$ 506,882
<b>Contractual Services</b>	44,564	38,550	38,550	43,550
<b>Commodities</b>	81,024	143,318	143,318	138,318
<b>Capital Outlay</b>	-	-	-	10,000
<b>Debt Service</b>	-	-	-	-
<b>Transfers</b>	-	-	-	-
<b>Contingency</b>	-	-	-	-
<b>Total</b>	<b>\$ 621,928</b>	<b>\$ 673,122</b>	<b>\$ 673,122</b>	<b>\$ 698,750</b>

## PERFORMANCE INDICATORS

Indicator	2012 Actual	2013 Estimated	2014 Target
% of downed signs reinstalled within 3 days of completed locates	100%	100%	100%
% of intersections with video detection	59%	61%	65%
% of intersections with battery back up	73%	75%	78%
% of arterial and collector pavement markings in good condition, as rated by staff	N/A	60%	75%

## MAJOR GOALS AND OBJECTIVES FOR 2014

1. To provide traffic signal, traffic signing, and pavement marking public services at the current level without an increase in funding.
2. Continue implementation of comprehensive Intelligent Transportation Systems (ITS) Plan.
3. To inventory approximately 20% of traffic control signs in place.
4. To inventory pavement marking conditions and develop prioritizes for replacement.
5. To continue working with neighborhood organizations to provide solutions to traffic problems that can improve the quality of life within the neighborhood.

## CURRENT YEAR ACCOMPLISHMENTS

1. Worked with neighborhoods and localized areas on traffic calming plans.
2. Optimized traffic signal coordination plans throughout the city.
3. Continued installation of battery back-up systems at major signalized intersections, with 59 of 81 intersections complete.
4. Completed two (2) projects of the Intelligent Transportation System (ITS) by extending fiber optic cable along North 3rd to 24-40 highway and along 23rd Street, from Iowa east to Harper.
5. Acquired EZ-Liner paint machine to begin pavement marking paint program in-house

## SIGNIFICANT ISSUES FOR 2014

The provision of adequate equipment for safe, effective, and efficient traffic engineering operations is a significant issue. Need to complete interesections with video detection as funding can be identified.

## TRAFFIC ENGINEERING

# General Operating Fund

Airport Maintenance

Division 3030

## PROFILE

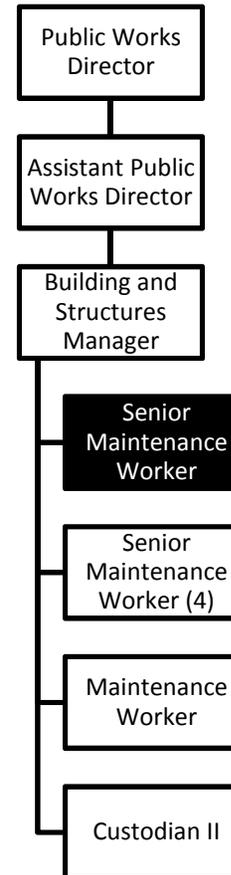
The Lawrence Municipal Airport is operated by a fixed base operator under agreement with the City. The Airport Manager function is shared by the Public Works Director (liaison to the Airport Advisory Board and the FAA) and the Building and Structures Manager (t-hangar leases and operational functions).

Maintenance that is not assigned to the fixed based operator is the responsibility of the Public Works Department. A Senior Maintenance Worker position is assigned primary responsibilities at the airport, including mowing, snow removal, and other operational support. Assistance is provided to this operation from the Street Division and other building maintenance staff.

Contractual agreements such as insurance and electricity are budgeted in this division as well as capital expenditures for maintenance and improvements.



## ORGANIZATIONAL CHART



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## PERSONNEL SUMMARY

	2012	2013	2013	2014
PERSONNEL	Actual	Adopted	Estimate	Budget
Authorized Positions	1.00	1.00	1.00	1.00

## EXPENDITURE SUMMARY

EXPENDITURES	2012 Actual	2013 Adopted	2013 Estimate	2014 Budget
<b>Personal Services</b>	\$ 62,850	\$ 64,274	\$ 64,274	\$ 64,733
<b>Contractual Services</b>	37,285	66,945	66,945	66,945
<b>Commodities</b>	10,774	8,360	8,360	8,360
<b>Capital Outlay</b>	45,000	56,000	56,000	70,000
<b>Debt Service</b>	-	-	-	-
<b>Transfers</b>	-	-	-	-
<b>Contingency</b>	-	-	-	-
<b>Total</b>	<b>\$ 155,909</b>	<b>\$ 195,579</b>	<b>\$ 195,579</b>	<b>\$ 210,038</b>

## PERFORMANCE INDICATORS

Indicator	2012 Actual	2013 Estimated	2014 Target
% occupancy of t-hangar space	100%	100%	100%
% of construction inspection services provided in-house	NA	NA	100%
% of safety inspections completed on time	100%	100%	100%
Waiting list for t-hangar space	Yes (40)	Yes (36)	Yes

## MAJOR GOALS AND OBJECTIVES FOR 2014

1. To continue maintenance of primary runways and taxiways.
2. To provide routine inspections for regulatory compliance.
3. To provide facility and grounds maintenance at the airport terminal and hangars, per agreements.
4. Crack-fill and seal main runway and taxiways.
5. City staff to provide inspection on construction projects.
6. Evaluate alternative snow removal and ice control methodologies for runways.

## CURRENT YEAR ACCOMPLISHMENTS

1. Created drainage south of the T-hangar area.
2. Rebuilt pump on the 100LL fuel tank to assure fuel quality.
3. Coordination of the public events to increase awareness and familiarity with the municipal airport.
4. Cleared obstructions from the flight path.

## SIGNIFICANT ISSUES FOR 2014

The provision of adequate equipment for safe, effective, and efficient operations at the airport is a significant issue, and adequate funding for regular maintenance.



City of Lawrence

**AIRPORT MAINTENANCE**

# General Operating Fund

## Building Maintenance

Division 3040

### PROFILE

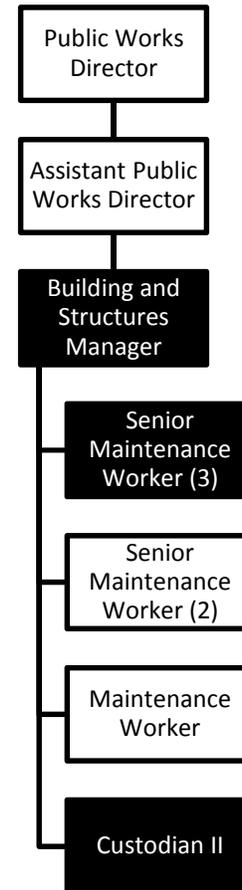
This division is responsible for building maintenance for municipal buildings except where such services are provided contractually. In addition to maintenance costs, utility costs for some buildings are paid out of this division's budget. The costs of operation of the Law Enforcement Center, which are shared with the County, are budgeted in this section.

The division provides maintenance services and/or technical support for approximately 30 facilities: City Hall; Court Services; five Public Works facilities; Fire/Medical facilities; six buildings at the Lawrence Municipal Airport; the Public Library; the Police annex facility; the Riverfront Parking Garage; New Hampshire Parking Garage and four city owned buildings occupied by community service agencies – the Arts Center, Lawrence/Douglas County Senior Center, and the Community Health facility. The division also provides assistance with downtown lighting, canopies, and various electrical work.

### CURRENT YEAR ACCOMPLISHMENTS

1. Coordinated contract for janitorial 13 buildings to improve quality control, standard service, and save money.

### ORGANIZATIONAL CHART



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### PERSONNEL SUMMARY

	2012	2013	2013	2014
PERSONNEL	Actual	Adopted	Estimate	Budget
Authorized Positions	5.00	5.00	5.00	5.00

## EXPENDITURE SUMMARY

EXPENDITURES	2012 Actual	2013 Adopted	2013 Estimate	2014 Budget
<b>Personal Services</b>	\$ 320,857	\$ 322,552	\$ 322,552	\$ 328,484
<b>Contractual Services</b>	444,523	541,546	541,546	545,682
<b>Commodities</b>	58,284	49,401	49,401	49,401
<b>Capital Outlay</b>	-	-	-	-
<b>Debt Service</b>	-	-	-	-
<b>Transfers</b>	-	-	-	-
<b>Contingency</b>	-	-	-	-
<b>Total</b>	<b>\$ 823,664</b>	<b>\$ 913,499</b>	<b>\$ 913,499</b>	<b>\$ 923,567</b>

## PERFORMANCE INDICATORS

Indicator	2012 Actual	2013 Estimated	2014 Target
% of scheduled repairs completed on time	89%	90%	90%
% of emergency requests responded to within 2 hours	95%	96%	96%
% of respondents rating cleanliness of facilities as good or excellent	Na	Na	Na
% of respondents rating timeliness of repairs as good or excellent	93%	94%	95%

## MAJOR GOALS AND OBJECTIVES FOR 2014

1. Refine work order system to provide comprehensive facilities maintenance information to allow for comprehensive planning.
2. Provide appropriate levels of support and responsiveness for customer departments within given budget constraints.
3. Provide core maintenance for municipal building services for all facilities assigned.
4. Provide custodial services by in-house personnel or contract where required.

## CURRENT YEAR ACCOMPLISHMENTS (cont.)

2. Lighting upgrades at Solid Waste Division maintenance facility with T-8 fixtures and LED exterior lighting.
3. Provided assistance for planning the Vermont Street Parking Garage adjacent to the new library.
4. Examples of projects for year:
  - Replaced slope roof on north side of City Hall;
  - Installed roof drain at Senior Center;
  - Remodeled City Commission chambers to accommodate new audio visual equipment;
  - Designed electrical light portion of KU lighted pathway.
5. Worked with Sustainability Coordinator on energy management tracking mechanism and data collection.
6. Continued to provide core maintenance functions for municipal building infrastructure.

## SIGNIFICANT ISSUES FOR 2014

1. Increasing fuel, energy, and materials costs are continuing issues.
2. Staffing and/or resources to provide custodial services at specified buildings to appropriate levels.
3. Limited resources mean a reduction in contractual services, including selective preventive maintenance and building repairs.

## BUILDING MAINTENANCE

# General Operating Fund

Street Lights  
Account 001-3060

## EXPENDITURE SUMMARY

EXPENDITURES	2012 Actual	2013 Adopted	2013 Estimate	2014 Budget
Personal Services	\$ -	\$ -	\$ -	\$ -
Contractual Services	703,508	814,000	814,000	814,000
Commodities	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service	-	-	-	-
Transfers	-	-	-	-
Contingency	-	-	-	-
<b>Total</b>	<b>\$ 703,508</b>	<b>\$ 814,000</b>	<b>\$ 814,000</b>	<b>\$ 814,000</b>

## PERSONNEL SUMMARY

PERSONNEL	2012 Actual	2013 Adopted	2013 Estimate	2014 Budget
Authorized Positions		NA	NA	

## PROFILE

The lighting of city streets is paid out of this account. The City does not own streetlights, with the exception of downtown lighting, roundabouts, and some specialty area lighting. Westar Energy owns and maintains the lights. Cost for lighting varies based on the wattage of the light used and the type of pole that the light is mounted on (steel, aluminum, or wood). This account also funds electricity fees for traffic signals.

## SIGNIFICANT ISSUES FOR 2014

Based on recommendations of the street light audit conducted by the City Auditor in May of 2009, staff continues to evaluating the feasibility of acquiring the street lights from the utility company.

**STREET LIGHTS**



*City of Lawrence*

# General Operating Fund

Levee Maintenance

Division 3070

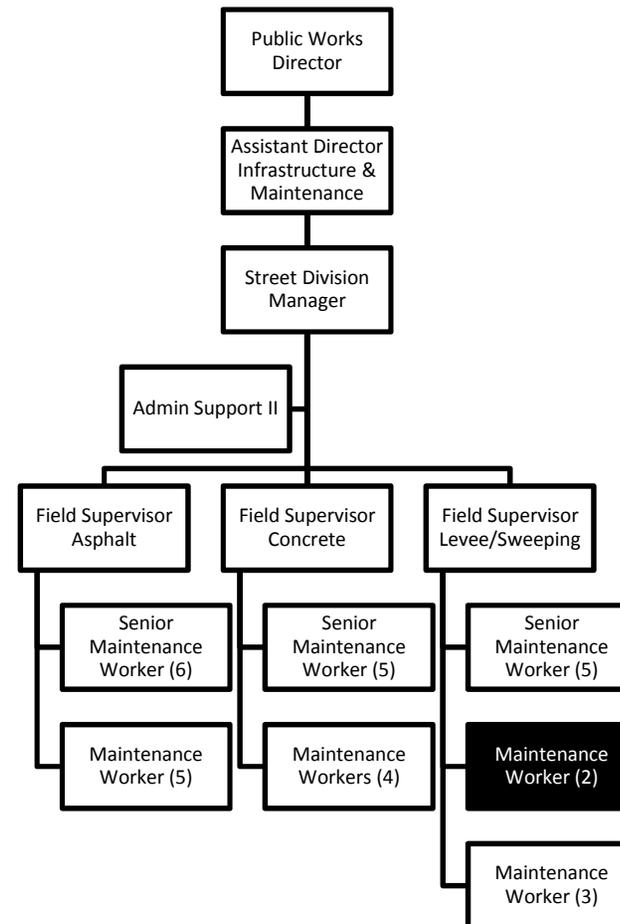
## PROFILE

The levee system covers 2600 acres and is approximately 13 miles.

The levee maintenance budget provides for personnel, equipment, and materials to maintain the flood control levee along the Kansas River and Mud Creek. Operations are partially funded by the KAW Drainage District. This budget provides for weed control, mowing, and slope repair along the length of the levee as well as maintenance of the flood control gates. Maintenance requirements for the levee are regulated by the U.S. Army Corps of Engineers and inspected annually.



## ORGANIZATIONAL CHART



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## PERSONNEL SUMMARY

PERSONNEL	2012 Actual	2013 Adopted	2013 Estimate	2014 Budget
Authorized Positions	2.00	2.00	2.00	2.00

## EXPENDITURE SUMMARY

EXPENDITURES	2012 Actual	2013 Adopted	2013 Estimate	2014 Budget
<b>Personal Services</b>	\$ 83,989	\$ 85,268	\$ 85,268	\$ 87,864
<b>Contractual Services</b>	21,132	27,530	27,530	80,080
<b>Commodities</b>	13,952	25,850	25,850	23,300
<b>Capital Outlay</b>	-	-	-	-
<b>Debt Service</b>	-	-	-	-
<b>Transfers</b>	-	-	-	-
<b>Contingency</b>	-	-	-	-
<b>Total</b>	<b>\$ 119,073</b>	<b>\$ 138,648</b>	<b>\$ 138,648</b>	<b>\$ 191,244</b>

## PERFORMANCE INDICATORS

Indicator	2012 Actual	2013 Estimated	2014 Target
# of events requiring flood gate closures	0	4	1
# of events requiring 24 hour flood patrol	0	2	1
% of 24-hour mandatory flood patrol completed on time	100%	100%	100%
# of major violations identified in United States Army Corps of Engineers inspection	0	0	0

## MAJOR GOALS AND OBJECTIVES FOR 2014

1. To provide continuous maintenance for levee system.
2. To meet all regulatory requirements as provided by the U.S. Army Corps of Engineers.
3. To protect North Lawrence from flooding from the Kansas River or Mud Creek.
4. To obtain policy direction on levee recertification requirements.

## CURRENT YEAR ACCOMPLISHMENTS

1. Provided mowing and weed control along the levee.
2. Provided maintenance of flood control gates.
3. Made modifications to access gates.
4. Participated in major USACE inspection and prepared response to needed work items.

## SIGNIFICANT ISSUES FOR 2014

The provision of adequate equipment for safe, effective, and efficient operations on the levee is a significant issue. Adequate funding for slope protection and plan for remediation of under-seepage at 24-40 highway area.



City of Lawrence

**LEEVE MAINTENANCE**

# General Operating Fund

## Parks / Facility Maintenance

Division 4500

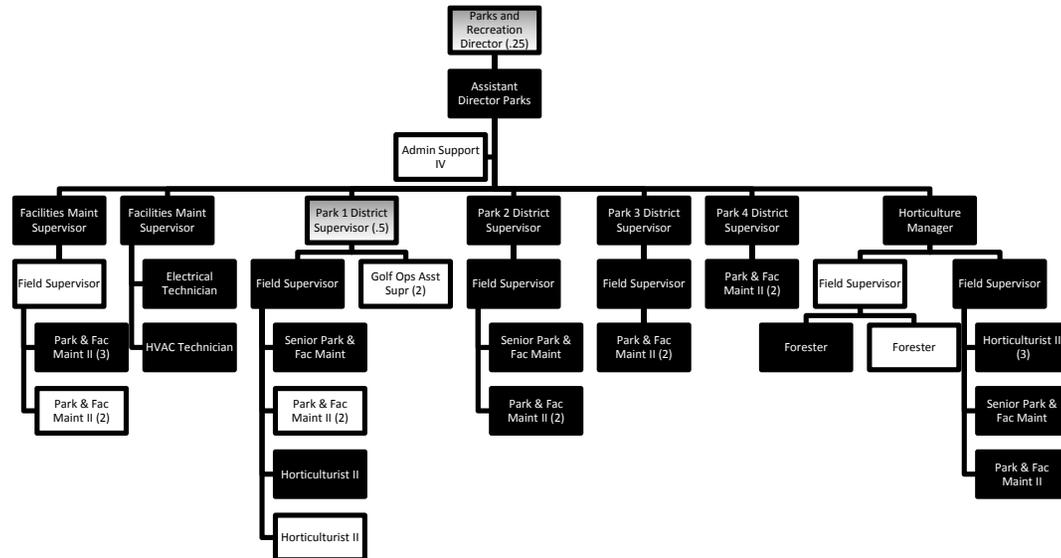
### PROFILE

This budget provides maintenance funding for Parks and Recreation facilities. Following are the divisions that operate within this budget:

1. Administration (Includes funding for utilities, fuel, and equipment maintenance)
2. Park District #1 (Includes most athletic fields and all parks in the western part of the city),
3. Park District #2 (Includes many high use parks such as South Park, Centennial Park, Watson Park and all other parks in the central part of town),
4. Parks District #3 (cemetery operations and all parks in north and east Lawrence),
5. Facility Maintenance (maintenance of four recreation centers, depot, nature center, four pools and three fountains),
6. Horticulture (city-wide landscape/forestry maintenance and downtown streetscape),
7. Park District #4 management of right-of-way mowing contracts plus parks located on the north west side of town,
8. Construction (oversees park construction, electric & HVAC).

The mission of this division is to provide high quality maintenance and development of all City owned parks, trails, cemeteries, landscape areas, recreation buildings, pools, athletic fields, open spaces, city entrances, parkways, street trees and nature areas.

### ORGANIZATIONAL CHART



Solid fill indicates position is fully funded through this account. Gradient indicates position is partially funded through this account. No fill indicates position is not funded through this account.

### PERSONNEL SUMMARY

PERSONNEL	2012 Actual	2013 Adopted	2013 Estimate	2014 Budget
Authorized Positions	31.75	31.75	31.75	31.75

**EXPENDITURE SUMMARY**

<b>EXPENDITURES</b>	<b>2012 Actual</b>	<b>2013 Adopted</b>	<b>2013 Estimate</b>	<b>2014 Budget</b>
<b>Personal Services</b>	\$ 2,185,040	\$ 2,174,460	\$ 2,174,460	\$ 2,210,557
<b>Contractual Services</b>	646,314	694,484	694,484	699,482
<b>Commodities</b>	358,368	379,130	379,130	370,130
<b>Capital Outlay</b>	50,546	32,000	32,000	32,000
<b>Debt Service</b>	-	-	-	-
<b>Transfers</b>	-	-	-	-
<b>Contingency</b>	-	-	-	-
<b>Total</b>	<b>\$ 3,240,268</b>	<b>\$ 3,280,074</b>	<b>\$ 3,280,074</b>	<b>\$ 3,312,169</b>

**PERFORMANCE INDICATORS**

<b>Indicator</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
	<b>Actual</b>	<b>Estimated</b>	<b>Target</b>
% of residents satisfied with appearance / cleanliness of city parks	88.30%	90.00%	TBD
% of residents satisfied with the condition of equipment at city parks	80.70%	90.00%	TBD

**MAJOR GOALS AND OBJECTIVES FOR 2014**

1. To provide quality and efficient maintenance of all Parks and Recreation facilities.
2. To provide quality and efficient maintenance of parkways and city entrances with-in the City's right-of-way.
3. To continue to propose and oversee maintenance and construction projects funded by the General Fund & Sales Tax.
4. Continue to evaluate the benefits of contractual labor vs. in-house labor.

**CURRENT YEAR ACCOMPLISHMENTS**

1. Completed multiple maintenance projects on the recreation centers and park facilities.
2. Completed multiple upgrades to ball diamonds and athletic fields.
3. Increased use of contractual labor to complete tasks previously performed by employees

**SIGNIFICANT ISSUES FOR 2014**

1. The submitted operating budget for the general fund is a source of concern for the department. Within these budget lines are located the funds for maintenance of all parks and most of the funding for maintaining recreation facilities and athletic fields in the community. The increasing cost of electric and gas utilities to operate these facilities make it difficult to maintain a minimal growth budget.
2. Looking forward, the main concern is the lack of flexibility remaining in the general fund operating budget. Over the past 4-5 years, we have increased fuel costs, utility costs and vehicle maintenance costs, which has resulted in the elimination of full-time staff in all areas of maintenance. This, combined with increasing facility and program demand, creates the real potential for maintenance needs not being able to keep up with programmed use of the facilities.

**PARKS/FACILITY MAINTENANCE**

# General Operating Fund

Health Department  
Division 5100

## PROFILE

The City makes an annual appropriation to the Lawrence/Douglas County Health Department (LDCHD), whose mission is to protect and promote the health of the people in Douglas County.

We work on the public behalf to:

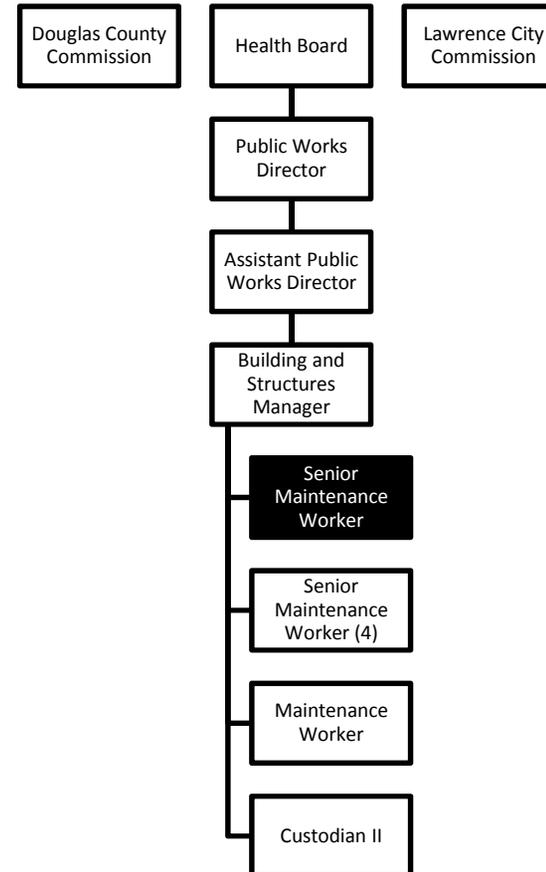
1. Safeguard community health through swift response to illness outbreaks.
2. Monitor the health of the community to recognize health trends and identify health problems.
3. Promote wellness by fostering community health initiatives.
4. Collaborate to protect health and control the costs associated with health problems.

The 2014 budget includes \$662,929 for the City's share (40%) of the LDCHD operating budget. The remaining 60% of the operations of the Health Department are paid by Douglas County .

## CURRENT YEAR ACCOMPLISHMENTS

1. Continued updating the current network to safeguard against future connectivity and latency deficiencies
2. Established a community health program to improve health behaviors within the community focusing on reducing tobacco use and obesity.
3. Implemented an electronic medical record system

## ORGANIZATIONAL CHART



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## PERSONNEL SUMMARY

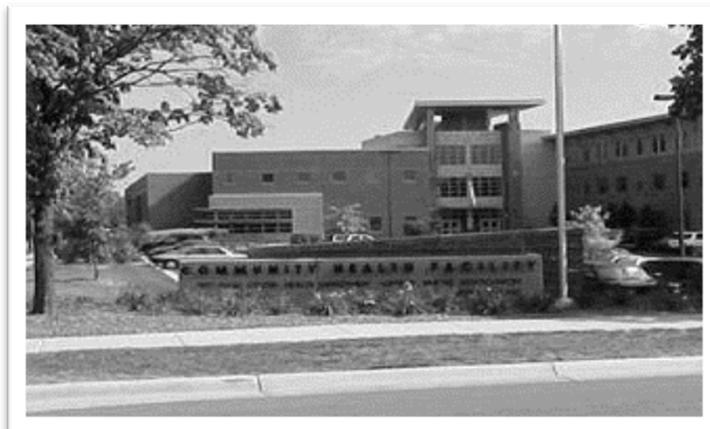
PERSONNEL	2012 Actual	2013 Adopted	2013 Estimate	2014 Budget
Authorized Positions	1.00	1.00	1.00	1.00

## EXPENDITURE SUMMARY

EXPENDITURES	2012 Actual	2013 Adopted	2013 Estimate	2014 Budget
<b>Personal Services</b>	\$ 63,600	\$ 64,162	\$ 64,162	\$ 64,620
<b>Contractual Services</b>	885,990	937,439	937,439	951,439
<b>Commodities</b>	15,281	16,987	16,987	16,987
<b>Capital Outlay</b>	-	-	-	-
<b>Debt Service</b>	-	-	-	-
<b>Transfers</b>	-	-	-	-
<b>Contingency</b>	-	-	-	-
<b>Total</b>	\$ 964,871	\$ 1,018,588	\$ 1,018,588	\$ 1,033,046

## PERFORMANCE INDICATORS

Indicator	2012 Actual	2013 Estimated	2014 Target
% of WIC infants who breastfeed $\geq$ 6 months	32%	29%	$\geq$ 30%
WIC year-end caseload / % of infant population	1,462 / 39%	1,523 / 0.38%	1,600 / 40%
Rate of reportable accidents in licensed child care (# per 10,000 child care days)	0.04	0.02	$\leq$ 0.03
Swimming pool inspections / closure rate	609 / 3.6%	550 / 6%	550 / $\leq$ 3%
Comm. disease case investigations initiated $\leq$ 24 hrs.	99%	99%	100%
Percent of 2 year old clients completing the primary immunization series	81%	72%	$\geq$ 84%
% of senior clients receiving timely home visits	98%	99%	$\geq$ 96%



## MAJOR GOALS AND OBJECTIVES FOR 2014

1. Prevent disease by protecting individuals of all ages against vaccine-preventable diseases.
2. Protect the health and safety of children by evaluating compliance with child care licensing regulations.
3. Protect the health of the community by enforcing local environmental health codes and regulations.
4. Provide communicable disease case investigation and follow-up in order to prevent or reduce the spread of
5. Promote improved health outcomes for pregnant women and their infants by placing pregnant women into early prenatal medical care.
6. Promote health by helping teen parents become self-sufficient through goal setting and life skills development.
7. Promote health by helping mothers and pregnant women meet their nutritional needs and those of their
8. Expand community awareness of the functions and responsibilities of the Health Department.
9. Continue our quality improvement and strategic planning efforts in preparation for national accreditation.

**HEALTH DEPARTMENT**



*City of Lawrence*

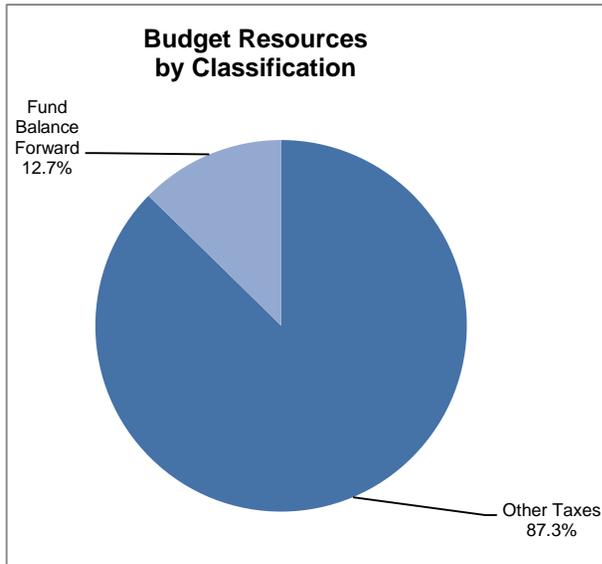
# GUEST TAX FUND

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*City of Lawrence*

# Fund 206 - GUEST TAX



	2012 Actual	2013 Budget	2013 Estimated	2014 Budget
<b>RECEIPTS</b>				
Guest Tax Income	\$ 880,000	\$ 950,000	\$ 950,000	\$ 950,000
<b>TOTAL RECEIPTS</b>	<b>880,000</b>	<b>950,000</b>	<b>950,000</b>	<b>950,000</b>
Balance, January 1	90,333	2,833	101,079	137,579
<b>TOTAL RESOURCES AVAILABLE</b>	<b>\$ 970,333</b>	<b>\$ 952,833</b>	<b>\$ 1,051,079</b>	<b>\$ 1,087,579</b>

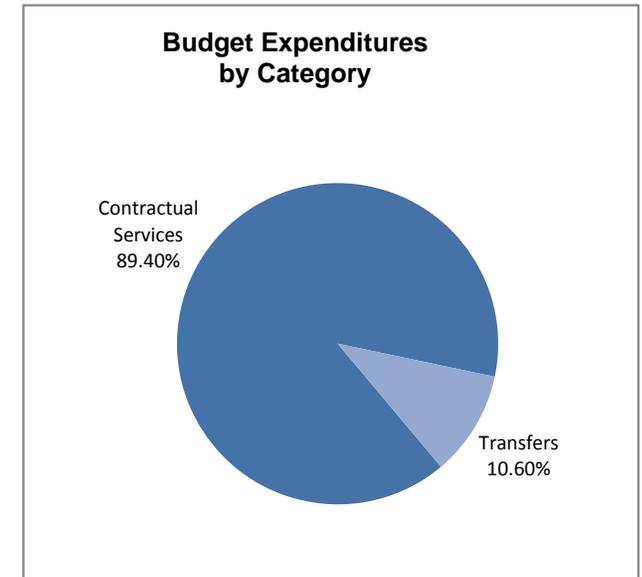
## REVENUE SOURCES - DESCRIPTIONS AND TRENDS

Revenue Sources - City Charter Ordinance No. 39, approved in 2009, provides that, in substitution of K.S.A. 12-1698(e), a transient guest tax of 6% shall be levied upon the gross receipts derived from or paid by transient guests for sleeping accommodations, exclusive of charges for incidental services or facilities, in any hotel, motel, or tourist court in the City.

Trends - The guest tax rate was increased from 5% to 6% in 2009. According to information provided by the Lawrence Convention and Visitors Bureau, continued growth in sleeping rooms as well as athletic events drawing visitors to town has had a positive effect on the Lawrence market. Revenue estimates show growth in 2013, however, 2014 revenues are projected to remain flat.

# Fund 206 - GUEST TAX

EXPENDITURES	2012 Actual	2013 Budget	2013 Estimated	2014 Budget
Special Events		\$ -	\$ -	
DMI /CVB Contract	720,000	806,000	806,000	820,000
Sister Cities	7,500	7,500	7,500	7,500
Other	141,754	50,000	50,000	100,000
Transfers	-	50,000	50,000	110,000
<b>TOTAL EXPENDITURES</b>	<b>\$ 869,254</b>	<b>\$ 913,500</b>	<b>\$ 913,500</b>	<b>\$ 1,037,500</b>
<b>FUND BALANCE FORWARD</b>	<b>\$ 101,079</b>	<b>\$ 39,333</b>	<b>\$ 137,579</b>	<b>\$ 50,079</b>



## EXPENDITURES - DESCRIPTIONS AND TRENDS

Personal Services - Funds spent in 2012 were used for City personnel costs related to special events such as parades, KU football games, marathons, and other events that bring visitors to town. These expenses were not budgeted for 2013 and are not budgeted for 2014.

DMI/CVB Contract - Under a contract between the City and the Lawrence Destination Management, Inc. (DMI), transient guest tax funds are used principally to operate the Lawrence Convention and Visitors Bureau (CVB). The CVB seeks to attract visitors to Lawrence and promote Lawrence as a destination for tourism, convention, film and group tour industry. Expenditures are based on available revenues. In 2013, an increase was to create a part-time position for special events and sports marketing. An increase of 1.7% is budgeted for 2014.

Sister Cities - The City has three sister cities: Eutin, Germany; Hiratsuka, Japan; and Iniades, Greece. Moneys from this fund are used to support programs that promote our relationships with these communities and to defray travel costs related to the student exchange program. Funding has remained flat in recent years.

Other - The budget includes budget authority for additional marketing for the Rock Chalk Park Recreation Center.

Transfers - A transfer is budgeted in 2013 and 2014 to achieve the statutory limit on fund balance.



*City of Lawrence*

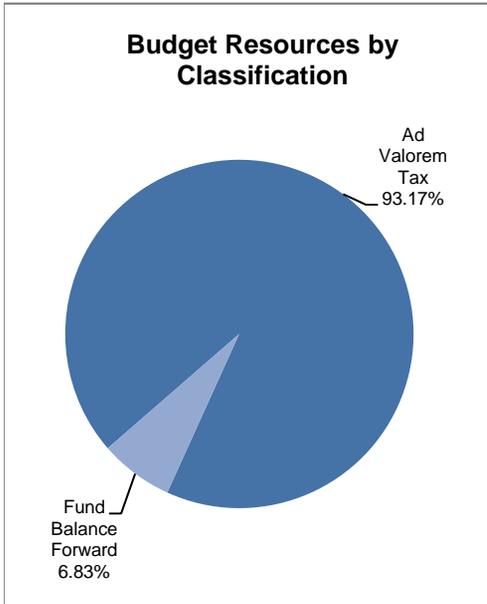
# LIBRARY FUND

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*City of Lawrence*

# Fund 209 - LIBRARY



<b>RECEIPTS</b>	<b>2012 Actual</b>	<b>2013 Adopted</b>	<b>2013 Estimated</b>	<b>2014 Budget</b>
Taxes - Current	\$ 2,906,163	\$ 2,871,473	\$ 2,951,874	\$ 2,925,357
Taxes - Delinquent	49,465	25,000	25,000	50,000
Motor Vehicle Taxes	240,493	248,294	248,294	248,158
Payment in Lieu of Taxes	-	100	100	100
Miscellaneous	-	-	-	-
Transfer In	-	-	-	-
<b>TOTAL RECEIPTS</b>	<b>\$ 3,196,121</b>	<b>\$ 3,144,867</b>	<b>\$ 3,225,268</b>	<b>\$ 3,223,615</b>
Balance, January 1	194,353	200,393	254,474	236,482
<b>TOTAL RESOURCES AVAILABLE</b>	<b>\$ 3,390,474</b>	<b>\$ 3,345,260</b>	<b>\$ 3,479,742</b>	<b>\$ 3,460,097</b>

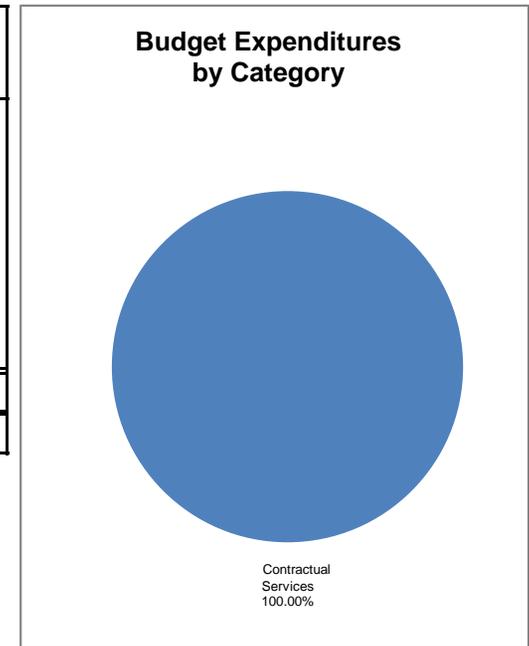
## REVENUE SOURCES - DESCRIPTIONS AND TRENDS

**Revenue Sources** - Under City Charter Ordinance No. 16, the Governing Body of the City of Lawrence shall annually levy Ad Valorem and motor vehicle property taxes for the equipping, operating and maintenance of the Free Public Library of the City of Lawrence. The tax is not to exceed 4.5 mills. The Lawrence Public Library anticipates receiving approximately 92% of its 2014 funding from the City of Lawrence Library Fund. The remaining sources of revenue for the Library operations include State aid, grants, and income from overdue fines and miscellaneous library services.

**Trends** – The current mill levy for the Library is 3.46 mills. A mill increase of 0.048 mill is budgeted for 2014, which will bring the mill levy for the Library to 3.508 mills. Despite the mill increase, it will be necessary to spend down fund balance to fund budgeted expenditures. The trend of spending down increasing amount of fund balance each year cannot be sustained. As previously identified, an additional mill increase is expected once the renovation and expansion of the library facility is complete, which is currently expected in 2015.

## Fund 209 - LIBRARY

<b>EXPENDITURES</b>	<b>2012 Actual</b>	<b>2013 Adopted</b>	<b>2013 Estimated</b>	<b>2014 Budget</b>
Personal Services	\$ -	\$ -	\$ -	\$ -
Contractual Services	\$ 3,136,000	\$ 3,243,260	\$ 3,243,260	\$ 3,383,260
Commodities	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service	-	-	-	-
Contingency	-	-	-	-
Transfer to Reserve	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>\$ 3,136,000</b>	<b>\$ 3,243,260</b>	<b>\$ 3,243,260</b>	<b>\$ 3,383,260</b>
<b>FUND BALANCE FORWARD</b>	<b>\$ 254,474</b>	<b>\$ 102,000</b>	<b>\$ 236,482</b>	<b>\$ 76,837</b>



### EXPENDITURES - DESCRIPTIONS AND TRENDS

Expenditures - Under City Charter Ordinance No. 16, the Library provides salaries, wages, and benefits for library staff, purchases books, non-print materials, periodicals, and library supplies, and is responsible for the ongoing operations and maintenance of the library facility.

Trends - The library has required increased support in recent years largely due to employee healthcare cost and increases in contributions to employee retirement. This trend is expected to continue in 2014 especially once the newly remodeled and expanded facility is complete.

# Fund 209 - LIBRARY

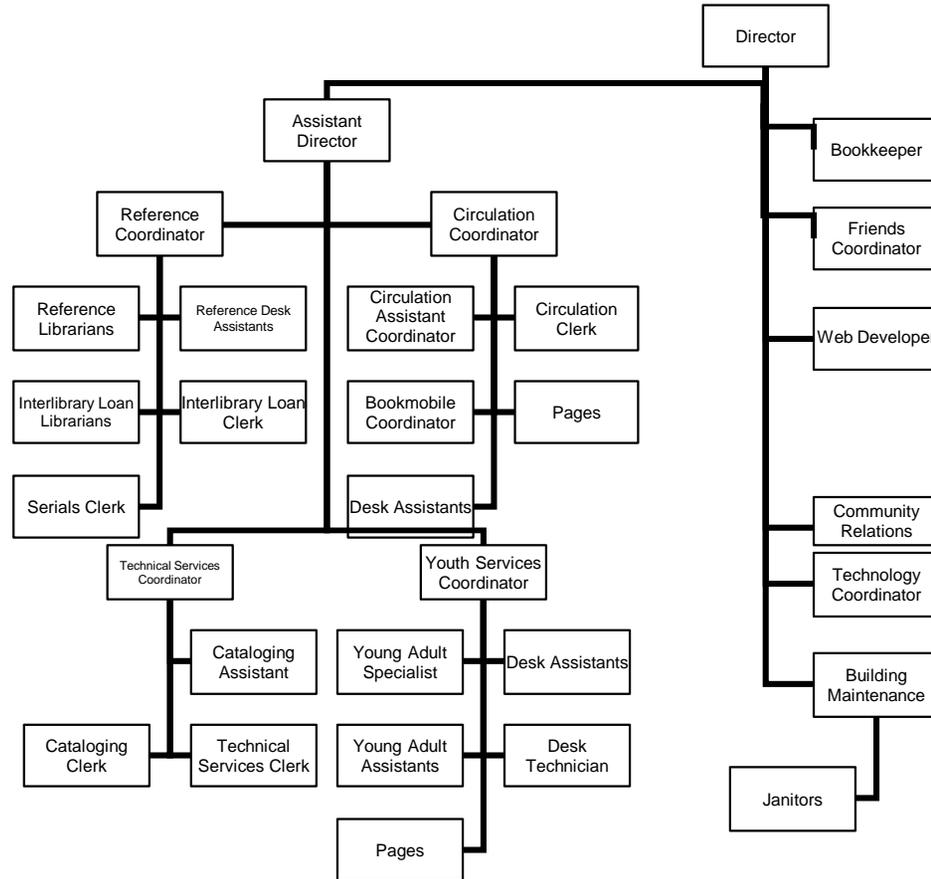
## PROFILE

The mission of the Lawrence Public Library is to provide and promote informational, intellectual, and cultural resources for our community.

## CURRENT YEAR ACCOMPLISHMENTS

1. Continue work with architects, construction manager and city staff on library expansion/renovation project.
2. Move library to temporary location in the former Borders building.
3. Complete staffing analysis and implement staff reorganization.
4. Execute in-house laptop program.
5. Further enhance the quality of library collections.

## ORGANIZATIONAL CHART



Shading indicates position is fully or partially (if gradient shown) funded through this account.

## PERSONNEL SUMMARY

	2012	2013	2013	2014
PERSONNEL	Actual	Adopted	Estimate	Budget
Authorized Positions	22.26	22.26	22.26	22.26

## EXPENDITURE SUMMARY

EXPENDITURES	2012 Actual	2013 Adopted	2013 Estimated	2014 Budget
Personal Services	\$ -	\$ -	\$ -	\$ -
Contractual Services	3,136,000	3,243,260	3,243,260	3,383,260
Commodities	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service	-	-	-	-
Contingency	-	-	-	-
Transfer to Reserve	-	-	-	-
<b>Total</b>	<b>\$ 3,136,000</b>	<b>3,243,260</b>	<b>3,243,260</b>	<b>\$ 3,383,260</b>

## SIGNIFICANT ISSUES FOR 2014

The most significant issue facing the library in 2014 is the implementation of construction for the expanded and renovated library facility, and providing continuous service during that time, despite parking and access issues caused by the construction process. The Library Board and staff are committed to providing the best possible service during this time of transition.

## PERFORMANCE INDICATORS

Indicator	2012 Actual	2013 Estimated	2014 Target
Circulation	1,409,980	1,460,000	1,500,000
User Visits	510,069	510,000	500,000
Website Visits	244,331	260,000	280,000
Reference transactions	84,978	80,000	80,000

## MAJOR GOALS AND OBJECTIVES FOR 2014

1. Begin/continue initial phases of construction of expanded and renovated library.
2. Adapt operations to provide quality services during construction.
3. Begin implementation of newly-developed long-range strategic plan.
4. Work on improved compensation plan for library employees.



*City of Lawrence*

# **PUBLIC TRANSPORTATION FUND**

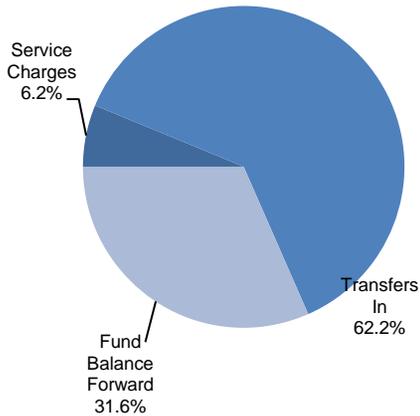
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*City of Lawrence*

# Fund 210 - PUBLIC TRANSPORTATION

**Budget Resources by Classification**



	2012 Actual	2013 Adopted	2013 Estimated	2014 Budget
<b>RECEIPTS*</b>				
Ad Valorem - Current Taxes	\$ -	\$ -	\$ -	\$ -
Ad Valorem - Delinquent Taxes	-	-	-	-
Motor Vehicle Taxes	-	-	-	-
Payment in Lieu of Taxes	-	-	-	-
Intergovernmental Revenues	-	-	-	-
Fare Box Receipts	308,129	285,000	285,000	305,674
Interest on Investments	-	-	-	-
Miscellaneous	189,432	-	-	-
Transfers In	2,915,993	2,976,500	2,976,500	3,054,450
<b>TOTAL RECEIPTS</b>	<b>\$ 3,413,554</b>	<b>\$ 3,261,500</b>	<b>\$ 3,261,500</b>	<b>\$ 3,360,124</b>
Balance, January 1	1,437,062	1,254,313	2,591,257	1,550,044
<b>TOTAL RESOURCES AVAILABLE</b>	<b>\$ 4,850,616</b>	<b>\$ 4,515,813</b>	<b>\$ 5,852,757</b>	<b>\$ 4,910,168</b>

## REVENUE RESOURCES - DESCRIPTIONS AND TRENDS

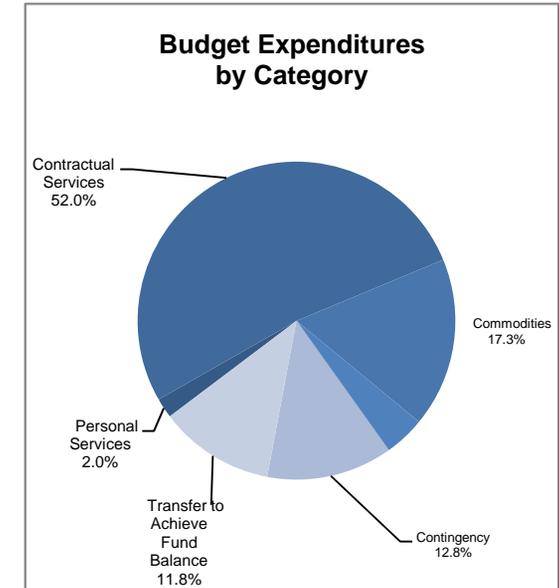
Transfer In – In 2008, voters approved a 0.20% local sales tax to fund the operations of the existing level of transit service and an additional 0.05% sales tax for expanded transit service. According to State law, all proceeds from sales tax must be deposited in the City’s General Operating Fund then transferred into other funds. Only proceeds from the 0.2% sales tax are transferred into this fund. Sales tax growth continues, resulting in increased revenue in recent years.

Fare Box Receipts – Fares collected from passengers as well as proceeds from the sale of bus passes are accounted for here. Increases in ridership are expected to continue in 2014, resulting in increased fare revenues.

\* Receipts expected from federal, state, and local grant funds are not reflected in this fund, but are tracked through a non-budgeted fund.

# Fund 210 - PUBLIC TRANSPORTATION

EXPENDITURES*	2012 Actual	2013 Adopted	2013 Estimated	2014 Budget
Personal Services	\$ 67,607	\$ 74,938	\$ 74,938	\$ 94,625
Contractual Services	1,509,026	2,376,550	2,376,550	2,432,421
Commodities	682,726	751,225	751,225	807,146
Capital Outlay	-	-	-	194,600
Debt Service	-	-	-	-
Contingency	-	550,000	550,000	600,000
Transfer to Achieve Fund Balance	-	550,000	550,000	550,000
<b>TOTAL EXPENDITURES</b>	<b>\$ 2,259,359</b>	<b>\$ 4,302,713</b>	<b>\$ 4,302,713</b>	<b>\$ 4,678,792</b>
<b>FUND BALANCE FORWARD</b>	<b>\$ 2,591,257</b>	<b>\$ 213,100</b>	<b>\$ 1,550,044</b>	<b>\$ 231,376</b>



## EXPENDITURES - DESCRIPTIONS AND TRENDS

Personal Services - The cost of providing wages, salaries, retirement, and other fringe benefits for City employees, including merit-based wage adjustments for eligible employees. An increase is budgeted for 2014 for additional part-time wages and for merit increases for eligible employees.

Contractual Services – MV Transportation, Inc. (MV) was selected by the City and University to provide transportation services from 2008 to 2013. An RFP will be issued in late 2013 for a five-year contract that will start in January 2014. Although the rates will not be negotiated until later this year, the 2014 budget assumes the trend of increased costs will continue.

Commodities –The increase for 2014 can be attributed to expected increases in fuel prices and motor vehicle repair costs. Expenses have fluctuated over time based on needs and available resources.

Capital Outlay - The Cost of Vehicles and Equipment is accounted for here. The 2014 budget includes funding for the City's match for a grant to replace three vehicles in the transit fleet.

Transfer to Achieve Fund Balance - The 2014 budget includes a transfer in order to achieve the statutory limit on budgeted fund balance.

\* Expenditures expected to be reimbursed by state and local grant funds are not reflected in the expenditures for this fund, but are tracked through a non-budgeted fund.

# FUND 210 - PUBLIC TRANSPORTATION

## PROFILE

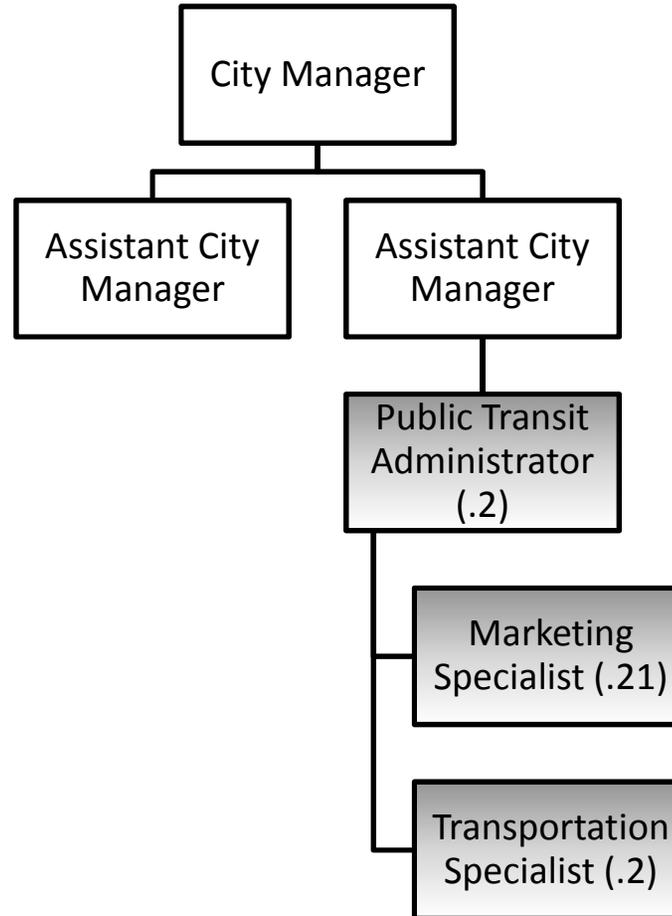
The Public Transit Department is responsible for all aspects of the City's transit program including providing safe, accessible and reliable transportation service in the community. The department primarily provides oversight activities of the public transit provider contract which operates our fixed route and Para-transit service and is charged with ADA eligibility certification. The department follows all federal, state and local regulations in relation to procurement, contract negotiation and oversight.

The department is responsible for fiscal management of federal, state and local funds. Additional responsibilities include the development of policies and procedures for the transit system; short and long-range planning and implementation of service improvements; public education/outreach, travel training, and marketing activities to increase public awareness about service availability and its benefits; and coordination of transit needs in the community.

## CURRENT YEAR ACCOMPLISHMENTS

1. Began operation of a late night service (Night Line). This service is being introduced as a pilot project for one year.

## ORGANIZATIONAL CHART



Solid fill indicates position is fully funded through this account. Gradient indicates position is partially funded through this account. No fill indicates position is not funded through this account.

## PERSONNEL SUMMARY

PERSONNEL	2012 Actual	2013 Adopted	2013 Estimate	2014 Budget
Authorized Positions	0.61	0.61	0.61	0.61

## EXPENDITURE SUMMARY

Expenditures	2012 Actual	2013 Adopted	2013 Estimate	2014 Budget
<b>Personal Services</b>	\$ 67,607	\$ 74,938	\$ 74,938	\$ 94,625
<b>Contractual Services</b>	1,509,026	2,376,550	2,376,550	2,432,421
<b>Commodities</b>	682,726	751,225	751,225	807,146
<b>Capital Outlay</b>	-	-	-	194,600
<b>Debt Service</b>	-	-	-	-
<b>Transfers</b>	-	550,000	550,000	600,000
<b>Contingency</b>	-	550,000	550,000	550,000
<b>Total</b>	<b>\$ 2,259,359</b>	<b>\$ 4,302,713</b>	<b>\$ 4,302,713</b>	<b>\$ 4,678,792</b>

## PERFORMANCE INDICATORS

Indicator	2012 Actual	2013 Estimated	2014 Target
Passengers per vehicle hour on			
Fixed Route	11.47	14.92	12
Paratransit	2.24	2.26	2.5
On-time performance of fixed-route	98.36%	99.50%	99.50%
Passenger complaints per 1,000 riders	0.02	0.05	0.05

## MAJOR GOALS AND OBJECTIVES FOR 2014

1. Continue to make changes to service to improve the coordination of transit services with the University of Kansas.
2. Continue to pursue sufficient Federal, state and local funding needed to replace the maintenance facility used by the contractor for both the City and University.

## CURRENT YEAR ACCOMPLISHMENTS (cont.)

2. Introduced a new summer student pass program targeted at grades K-12.
3. Introduced new program to provide real time bus information for both operations management and users of the service.
4. Placed order for three 29 foot heavy-duty vehicles to replace three buses that have reached their life expectancy.
5. Placed order for six new paratransit vehicles to replaced six that have reached their life expectancy. These vehicles will beused on the T Lift service.
6. Conducted travel training with various school groups, employers, neighborhood associations, citizen organizations, as well as seniors, to educate them about transit services in the community and how the services can benefit them.

## SIGNIFICANT ISSUES FOR 2014

The possibility of increasing fuel prices and a new five year service contract could adversely impact the transit budget. The continuation of coordinated efforts with KU may also be significant.

**PUBLIC TRANSPORTATION**



*City of Lawrence*

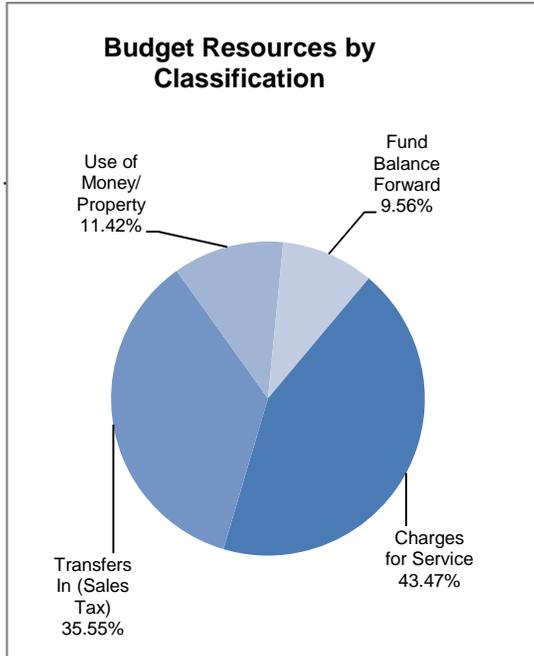
# RECREATION FUND

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*City of Lawrence*

# Fund 211 - RECREATION



<b>RECEIPTS</b>	<b>2012 Actual</b>	<b>2013 Adopted</b>	<b>2013 Estimated</b>	<b>2014 Budget</b>
Taxes - Current	\$ -	\$ -	\$ -	\$ -
Taxes -Delinquent	4,896	-	-	-
Motor Vehicle Taxes	13,592	-	-	-
Payment in Lieu of Taxes	-	-	-	-
Fees	590,083	660,000	660,000	680,500
Aquatic Programs	727,502	687,000	687,000	720,000
Rock Chalk Park Rec Center	-	-	-	716,500
Concessions	15,430	4,000	4,000	4,000
Special Populations	64,277	60,000	60,000	68,000
Building / Field Rental	196,364	160,000	160,000	197,000
Class Enrollment	375,683	330,000	330,000	340,000
Miscellaneous	1,187	5,000	5,000	1,300
Transfer from General Fund	1,880,157	1,880,157	1,880,157	2,230,157
<b>TOTAL RECEIPTS</b>	<b>\$ 3,869,171</b>	<b>\$ 3,786,157</b>	<b>\$ 3,786,157</b>	<b>\$ 4,957,457</b>
Balance, January 1	907,365	458,330	861,759	600,050
<b>TOTAL RESOURCES AVAILABLE</b>	<b>\$ 4,776,536</b>	<b>\$ 4,244,487</b>	<b>\$ 4,647,916</b>	<b>\$ 5,557,507</b>

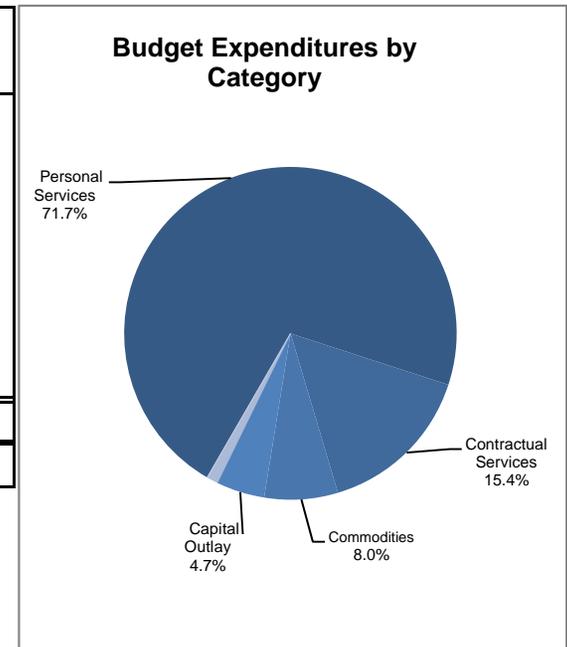
## REVENUE SOURCES - DESCRIPTIONS AND TRENDS

Revenue Sources - Sales tax, and user fees derived from recreational and cultural events are the major sources of revenue for the Recreation Fund. User fees include the programs and classes available at the City's community recreation centers, the aquatic centers, and other miscellaneous sites and venues. Revenue from the countywide sales tax is also transferred from the General Fund to the Recreation Fund in order to provide support for operations. Prior to 2012, property taxes were also levied to support recreation activities.

Trends - Fee increases continue to be reviewed regularly for all programs and events and have been raised when appropriate over time. The property tax mill levy for recreation was eliminated in 2012 and replaced with an increase in the transfer of countywide sales tax proceeds. The amount of sales tax transferred into the fund was held steady for 2013 however, an increase is budgeted in 2014 in order to support operations of the new Rock Chalk Park Recreation Center (RCPRC). Revenues from new programs and events associated with RCPRC are also reflected in the budget for 2014.

# Fund 211 - RECREATION

EXPENDITURES	2012 Actual	2013 Adopted	2013 Estimated	2014 Budget
Personal Services	\$ 3,071,794	\$ 3,222,386	\$ 3,222,386	\$ 3,796,278
Contractual Services	494,700	477,140	477,140	813,506
Commodities	330,036	323,340	323,340	378,781
Capital Outlay	18,247	25,000	25,000	250,000
Debt Service	-	-	-	-
Contingency	-	-	-	57,442
Transfer to Other Funds	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>\$ 3,914,777</b>	<b>\$ 4,047,866</b>	<b>\$ 4,047,866</b>	<b>\$ 5,296,007</b>
<b>FUND BALANCE FORWARD</b>	<b>\$ 861,759</b>	<b>\$ 196,621</b>	<b>\$ 600,050</b>	<b>\$ 261,500</b>



## EXPENDITURES - DESCRIPTIONS AND TRENDS

Personal Services - Cost of providing wages, salaries, retirement, and other fringe benefits for City employees and to some extent, part-time, seasonal staff. Increases in the city's contribution to employee retirement and merit increases for eligible employees, as well as new staffing for Rock Chalk Park Recreation Center, mean an increase is budgeted for 2014.

Contractual Services - Services provided to the City by firms, individuals, or other City departments. Expenditures have fluctuated in order to stay within revenue constraints over the years. The 2014 budget includes an increase for operations of the new Rock Chalk Park Recreation Center.

Commodities - Expenditures have fluctuated in order to stay within revenue constraints over the years. Fuel prices and the cost of electricity have made this increasingly difficult in recent years.

Capital Outlay - Expenditures have fluctuated with need and available revenue over the years. An increase is budgeted for 2014 in order to provide equipment as needed for the Rock Chalk Park Recreation Center.



## EXPENDITURE SUMMARY

EXPENDITURES	2012 Actual	2013 Adopted	2013 Estimated	2014 Budget
<b>Personal Services</b>	\$ 3,071,794	\$ 3,222,386	\$ 3,222,386	\$ 3,796,278
<b>Contractual Services</b>	494,700	477,140	477,140	813,506
<b>Commodities</b>	330,036	323,340	323,340	378,781
<b>Capital Outlay</b>	18,247	25,000	25,000	250,000
<b>Debt Service</b>	-	-	-	-
<b>Contingency</b>	-	-	-	57,442
<b>Transfer to Other Funds</b>	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>\$ 3,914,777</b>	<b>\$ 4,047,866</b>	<b>\$ 4,047,866</b>	<b>\$ 5,296,007</b>

## PERFORMANCE INDICATORS

Indicator	2012 Actual	2013 Estimated	2014 Target
% Leisure program as satisfied or very satisfied*	97%	100%	100%
% Facility reservation system as satisfied or very satisfied*	86%	100%	100%
% residents satisfied with City recreation facilities*	61%	100%	100%
% residents satisfied with the City's indoor aquatic facility*	76%	100%	100%
% residents satisfied with the City's outdoor aquatic facilities*	73%	100%	100%

\*2011 Citizen Survey results

## MAJOR GOALS AND OBJECTIVES FOR 2014

- 1) Complete construction of the Recreation Center at Rock Chalk Park and begin operations by 6/1/14.
- 2) Increase Aquatic and Nature Center attendance through programming and targeted promotions.
- 3) Continue to be a community leader championing health, and wellness services and programs.
- 4) Enhance revenues by reviewing fees and charges while working to grow our sponsorships.
- 5) Enhance and expand educational offerings to schools, day care centers and special groups.
- 6) Enhance concession operations by providing healthier options while creating additional revenue.
- 7) Development of "Did-You-Know" campaign to educate the Lawrence community about Parks and Recreation programs and services.

## CURRENT YEAR ACCOMPLISHMENTS (cont.)

1. The Recreation Division underwent a major reorganization intended to improve production, communication and efficiencies within the Department.

2. The Department continued discussions with private and public entities to move forward with plans to construct a Recreation/Field House in Northwest Lawrence.

3. Partnered with the Lawrence-Douglas County Housing Authority and Boys and Girls Club to increase swimming lessons and Summer Day Camp opportunities for Lawrence youth.

4. Introduced the OrganWise program to help promote lifelong healthy eating habits and physically active lifestyles for the kids of Lawrence.

## SIGNIFICANT ISSUES FOR 2014

1) The need to set fees at the appropriate level to sustain programs and facilities or receive tax support for the programs that the community wishes to subsidize.

2) Replacement of RecTrac Server which is no longer sufficient to run the various programs we use to process program registrations and facility reservations.

3) Ability to secure funds for capital improvements, while meeting the rising costs of general and preventative maintenance of aging recreational facilities.

4) Ability to add key personnel with the addition of Rock Chalk Park Recreation Center to enhance recreational and tournament offerings.

## RECREATION FUND



*City of Lawrence*

# SPECIAL ALCOHOL FUND

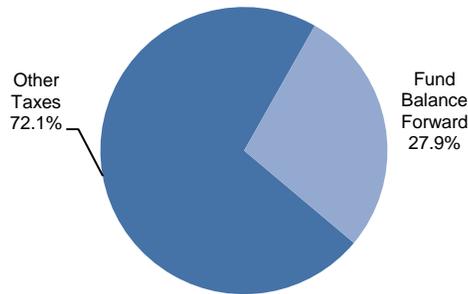
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City of Lawrence

# Fund 213 - SPECIAL ALCOHOL

**Budget Resources by Classification**



<b>RECEIPTS</b>	<b>2012 Actual</b>	<b>2013 Adopted</b>	<b>2013 Estimated</b>	<b>2014 Budget</b>
Liquor Tax	\$ 691,768	\$ 648,111	\$ 648,111	\$ 714,000
Miscellaneous	-	-	-	-
<b>TOTAL RECEIPTS</b>	<b>691,768</b>	<b>648,111</b>	<b>648,111</b>	<b>714,000</b>
Balance, January 1	310,375	26,361	273,313	276,249
<b>TOTAL RESOURCES AVAILABLE</b>	<b>\$ 1,002,143</b>	<b>\$ 674,472</b>	<b>\$ 921,424</b>	<b>\$ 990,249</b>

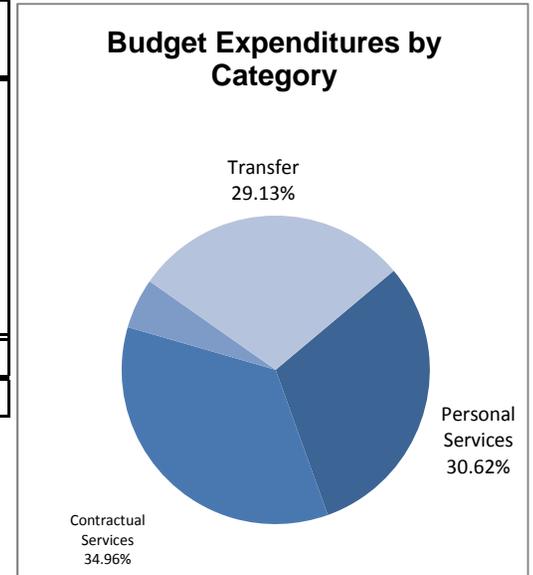
## REVENUE SOURCES - DESCRIPTIONS AND TRENDS

Revenue Sources - Under K.S.A. 79-41a04, cities receive 70% of the funds collected by the state from clubs or drinking establishments located within the city, from caterers whose principal places of business are in the city, or from temporary permit holders whose events are located in the city. These moneys are allocated evenly between the city's General Operating Fund, Special Recreation Fund, and Special Alcohol Fund. Moneys in this Special Alcohol Fund must be used for the "purchase, establishment, maintenance or expansion of services or programs whose principal purpose is alcoholism and drug abuse prevention and education, alcohol and drug detoxification, intervention in alcohol and drug abuse or treatment of persons who are alcoholics or drug abusers or are in danger of becoming alcoholics or drug abusers". Charter Ordinance No. 33 establishes these criteria for the disbursement of funds in the Special Alcohol Fund.

Trends - Historically, this fund has seen annual increases in the total receipts collected by the state via the liquor tax. 2012 revenue exceeds budget and that trend is expected to continue in 2013 and 2014.

# Fund 213 - SPECIAL ALCOHOL

<b>EXPENDITURES</b>	<b>2012 Actual</b>	<b>2013 Adopted</b>	<b>2013 Estimated</b>	<b>2014 Budget</b>
Personal Services	\$ 209,368	\$ 280,000	\$ 280,000	\$ 289,552
Contractual Services	515,528	315,175	323,174	330,617
Commodities	3,934	-	-	
Capital Outlay	-	-	-	
Debt Service	-	-	-	
Contingency	-	-	-	50,000
Transfer to achieve 5% fund balance	-	50,000	42,001	275,500
<b>TOTAL EXPENDITURES</b>	<b>\$ 728,830</b>	<b>\$ 645,175</b>	<b>\$ 645,175</b>	<b>\$ 945,669</b>
<b>FUND BALANCE FORWARD</b>	<b>\$ 273,313</b>	<b>\$ 29,297</b>	<b>\$ 276,249</b>	<b>\$ 44,580</b>



## EXPENDITURES - DESCRIPTIONS AND TRENDS

Personal Services - Expenditures related to the salary and benefits for three of the City's School Resource Officers, who provide drug and alcohol prevention training at Lawrence Public Schools, will be funded out of the Special Alcohol Fund. These costs have increased due to general wage adjustments and merit increased provided to MOU covered employees, as well as increased cost of the City's contribution to employee healthcare and retirement.

Contractual Services - Ordinance No. 8501, adopted in April 2010, established a Social Service Funding Advisory Board to review requests and make recommendations to the City Commission on the use of City resources for social service funding. The funding allocation adopted by the City Commission for 2014 are shown below. More information can be found on page 30.

Big Brothers/Big Sisters CORE	\$23,665	Hearthstone	\$7,500
Boys & Girls Club of Lawrence	\$97,000	Heartland Community Health Center	\$28,792
DCCCA	\$41,000	Lawrence Community Shelter	\$44,000
DCCCA d/b/a First Step House	\$27,660	Van Go Mobile Arts, Inc.	\$32,000
GaDugi SafeCenter	\$2,000	Willow Domestic Violence Center	\$17,000
Headquarters, Inc - First Call	\$10,000		

Transfer - the 2014 Budget includes a transfer to achieve the statutory limit on fund balance.



*City of Lawrence*

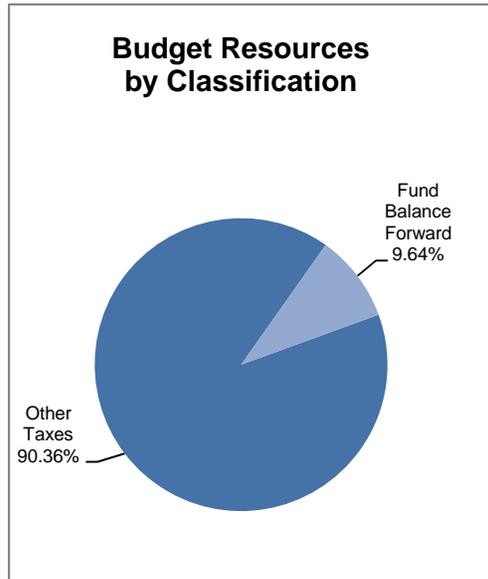
# SPECIAL GAS TAX FUND

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City of Lawrence

# Fund 214 - SPECIAL GAS TAX FUND



<b>RECEIPTS</b>	<b>2012 Actual</b>	<b>2013 Adopted</b>	<b>2013 Estimated</b>	<b>2014 Budget</b>
Fuel Tax	\$ 2,525,368	\$ 2,520,020	\$ 2,502,010	\$ 2,552,150
Miscellaneous	-	-	-	-
<b>TOTAL RECEIPTS</b>	<b>\$ 2,525,368</b>	<b>\$ 2,520,020</b>	<b>\$ 2,502,010</b>	<b>\$ 2,552,150</b>
Balance, January 1	628,796	666,836	807,060	272,290
<b>TOTAL RESOURCES AVAILABLE</b>	<b>\$ 3,154,164</b>	<b>\$ 3,186,856</b>	<b>\$ 3,309,070</b>	<b>\$ 2,824,440</b>

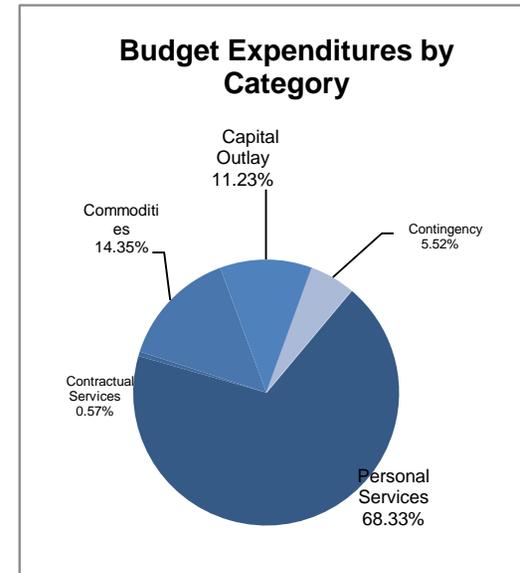
## REVENUE SOURCES - DESCRIPTIONS AND TRENDS

Revenue Sources - Fuel tax is a tax levied by the state, under K.S.A. 79-3401 et. seq., on motor vehicle fuel for the purpose of defraying in whole, or in part, the cost of constructing, widening, purchasing of right-of-way, reconstructing, maintaining, surfacing, resurfacing and repairing public highways and roads, including the payment of bonds issued for highways included in the state system. State law provides that the State apportion motor vehicle tax revenue to cities and counties in Kansas. Money is allocated to cities based on the population of each city in proportion to the total population of the state. State law also requires counties to give a portion of the fuel tax revenue they receive to cities. Douglas County credits 90% of the funds received from the State to its road and bridge fund and allocates the remainder among the several cities in the county. Revenues must be used for the construction, reconstruction, alteration, repair and maintenance of the streets and highways, and for the payment of bonds and interest thereon.

Trends - The tax rate per gallon (\$0.24/gallon gasoline, \$0.26/gallon diesel) has not increased since 2003. In addition, better fuel efficient vehicles and less demand for fuel have resulted in little to no growth in this revenue source. Projected revenues are based primarily on projections from the Kansas League of Municipalities and are expected to be relatively flat for 2013 and 2014.

# Fund 214 - SPECIAL GAS TAX FUND

<b>EXPENDITURES</b>	<b>2012 Actual</b>	<b>2013 Adopted</b>	<b>2013 Estimated</b>	<b>2014 Budget</b>
Personal Services	\$ 1,732,852	\$ 1,860,000	\$ 1,860,000	\$ 1,855,759
Contractual Services	39,725	500	500	15,500
Commodities	480,098	406,280	406,280	389,780
Capital Outlay	94,429	260,000	260,000	305,000
Debt Service	-	-	-	-
Contingency	-	510,000	510,000	150,000
Transfer to Other Funds	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>\$ 2,347,104</b>	<b>\$ 3,036,780</b>	<b>\$ 3,036,780</b>	<b>\$ 2,716,039</b>
<b>FUND BALANCE FORWARD</b>	<b>\$ 807,060</b>	<b>\$ 150,076</b>	<b>\$ 272,290</b>	<b>\$ 108,401</b>



## EXPENDITURES - DESCRIPTIONS AND TRENDS

Personal Services - Cost of providing wages, salaries, retirement, and other fringe benefits for City employees and to some extent, part-time, seasonal staff. Increases continue due to projected merit increases for eligible employees as well as increased employee retirement and health care costs

Contractual Services - Funding for part of the summer temporary labor hired contractually for the crack-sealing program. A very limited jean allowance program for field supervisors, in lieu of the uniform program for field employees.

Commodities - This includes expenditures for concrete and asphalt for in-house maintenance, and limited funding for contracted programs such as the overlay and curb repair programs. While the cost of these items has increased, funding is based on available resources.

Capital Outlay - Cost of equipment used to repair streets and remove snow and ice. Funding for Capital Outlay has fluctuated to stay within revenue constraints over the years. Equipment replacements are prioritized based on age, use, repair history, and function within operations, in collaboration with the Fleet Manager.

# Fund 214 - SPECIAL GAS TAX

## PROFILE

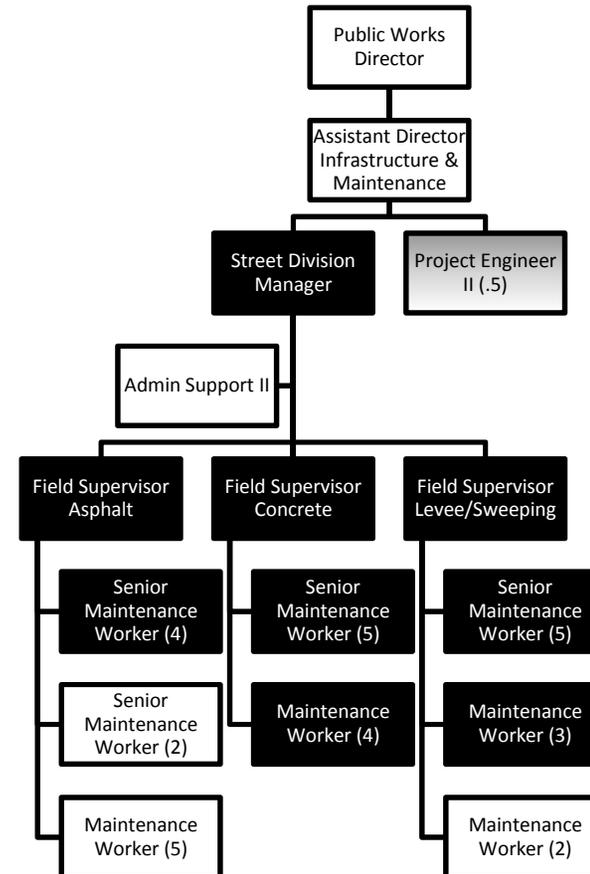
The City receives revenue generated by the state motor fuel tax and receives a share of Douglas County's receipts from property taxes collected on motor vehicles. These funds must be credited to a separate fund and used only for roadway maintenance. The activities are the same as those described in the street maintenance division budget including routine maintenance of the City's streets and snow and ice control. The Special Gas Tax fund is also a source of funding for the annual contracts for the Overlay and Curb Repair programs.

The Street Maintenance budget funds the majority of staff for maintenance projects completed in-house, all equipment replacement for street functions, and rehabilitation projects that are contracted. Significant issues for the Street Division are ensuring adequate funding for infrastructure maintenance and adequate staffing to meet demands.

## CURRENT YEAR ACCOMPLISHMENTS

1. Concrete and asphalt maintenance projects including resurfacing, base failure repairs, valley gutters and intersections, curb repairs and replacement, pedestrian and sidewalk issues, and special projects.

## ORGANIZATIONAL CHART



Solid fill indicates position is fully funded through this account. Gradient indicates position is partially funded through this account. No fill indicates position is not funded through this account.

## PERSONNEL SUMMARY

PERSONNEL	2012 Actual	2013 Adopted	2013 Estimate	2014 Budget
Authorized Positions	25.50	25.50	25.50	25.50

## EXPENDITURE SUMMARY

EXPENDITURES	2012 Actual	2013 Adopted	2013 Estimated	2014 Budget
<b>Personal Services</b>	\$ 1,732,852	\$ 1,860,000	\$ 1,860,000	\$ 1,855,759
<b>Contractual Services</b>	39,725	500	500	15,500
<b>Commodities</b>	480,098	406,280	406,280	389,780
<b>Capital Outlay</b>	94,429	260,000	260,000	305,000
<b>Debt Service</b>	-	-	-	-
<b>Contingency</b>	-	510,000	510,000	150,000
<b>Transfer to Other Funds</b>	-	-	-	-
<b>Total</b>	<b>\$ 2,347,104</b>	<b>\$ 3,036,780</b>	<b>\$ 3,036,780</b>	<b>\$ 2,716,039</b>

## PERFORMANCE INDICATORS

Indicator	2012 Actual	2013 Estimated	2014 Target
% residents satisfied with snow removal on major city streets	73.70%	73.70%	73.70%
% residents satisfied with the condition of major city streets	39.40%	39.40%	39.40%
% residents satisfied with the timeliness of street maintenance repairs	29.00%	29.00%	29.00%

Source: 2011 Citizen Survey

## MAJOR GOALS AND OBJECTIVES FOR 2014

1. To provide timely and preventive maintenance for street and related infrastructure by applying the most cost-effective maintenance treatments based on specific condition assessments.
2. To provide curb, gutter, and concrete repair and maintenance.
3. To provide asphalt maintenance through patching and replacement.
4. To maximize pavement life through an aggressive crack-sealing program.
5. To provide effective snow and ice control for public roadways.
6. To provide support, personnel, and equipment during emergency response and disaster recovery operations.

## CURRENT YEAR ACCOMPLISHMENTS (cont.)

2. Completed salt brine generation to enhance snow and ice control. There were five winter events in the budget year.
3. Significant crack-sealing and microsurfacing programs to maintain condition of existing roadways.
4. Street sweeping for approximately 8,234 lane miles.

## SIGNIFICANT ISSUES FOR 2014

Achieving appropriate levels of funding for major rehabilitation and routine maintenance and equipment replacement despite limited resources.



## SPECIAL GAS TAX



*City of Lawrence*

# SPECIAL RECREATION FUND

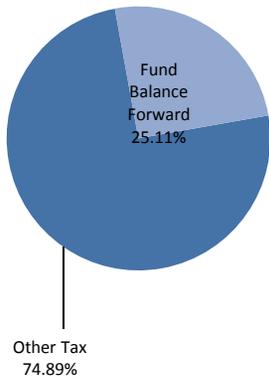
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*City of Lawrence*

# Fund 216 - SPECIAL RECREATION FUND

**Budget Resources  
by Classification**



<b>RECEIPTS</b>	<b>2012 Actual</b>	<b>2013 Adopted</b>	<b>2013 Estimated</b>	<b>2014 Budget</b>
Liquor Tax	\$ 691,768	\$ 648,111	\$ 648,111	\$ 714,000
Miscellaneous	-	-	-	-
<b>TOTAL RECEIPTS</b>	<b>691,768</b>	<b>648,111</b>	<b>648,111</b>	<b>714,000</b>
Balance, January 1	153,917	93,486	298,369	239,357
<b>TOTAL RESOURCES AVAILABLE</b>	<b>\$ 845,685</b>	<b>\$ 741,597</b>	<b>\$ 946,480</b>	<b>\$ 953,357</b>

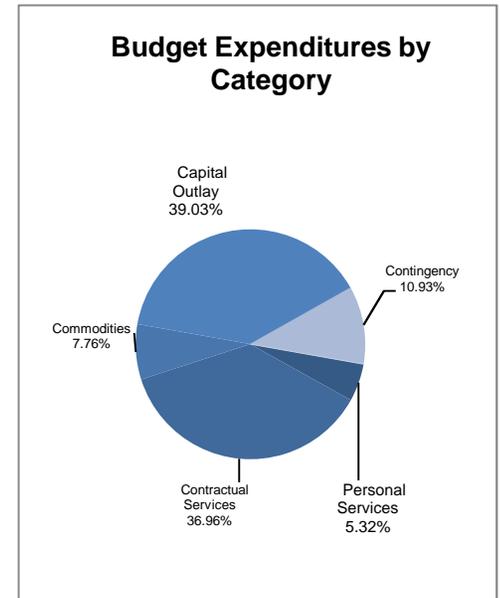
## REVENUE SOURCES - DESCRIPTIONS AND TRENDS

Revenue Sources - Under K.S.A. 79-41a04, cities receive 70% of the funds collected by the state from clubs or drinking establishments located within the city, from caterers whose principal places of business are in the city, or from temporary permit holders whose events are located in the city. These moneys are allocated evenly between the city's General Operating Fund, Special Recreation Fund, and Special Alcohol Fund. Moneys in this Special Recreation Fund must be used for "the purchase, establishment, maintenance or expansion of park and recreational services, programs and facilities." Charter Ordinance No. 33 establishes these criteria for the disbursement of funds in the Special Recreation Fund.

Trends - Historically, this fund has seen annual increases in the total receipts collected by the state via the liquor tax. 2012 revenue exceeded budget and that trend is expected to continue in 2013 and 2014.

# Fund 216 - SPECIAL RECREATION FUND

EXPENDITURES	2012 Actual	2013 Adopted	2013 Estimated	2014 Budget
Personal Services	\$ 41,687	\$ 48,623	\$ 48,623	\$ 48,623
Contractual Services	281,573	325,500	325,500	338,000
Commodities	134,755	76,000	76,000	71,000
Capital Outlay	89,301	147,000	147,000	357,000
Debt Service	-	-	-	
Contingency	-	110,000	110,000	100,000
Transfer to achieve 5% fund balance	-		-	
<b>TOTAL EXPENDITURES</b>	<b>\$ 547,316</b>	<b>\$ 707,123</b>	<b>\$ 707,123</b>	<b>\$ 914,623</b>
<b>FUND BALANCE FORWARD</b>	<b>\$ 298,369</b>	<b>\$ 34,474</b>	<b>\$ 239,357</b>	<b>\$ 38,734</b>



## EXPENDITURES - DESCRIPTIONS AND TRENDS

**Personal Services** - The wages for part-time staff at recreation centers and facilities. Costs have remained relatively flat in recent year and have fluctuated according to resources available.

**Contractual Services** - Services provided to the City by firms, individuals, or other City departments. These costs have increased over time. Also included in this category are funds for the following outside agencies:

Lawrence Arts Center:	\$30,000
Arts Commission:	\$23,000
Lawrence Children's Choir	\$12,000
<b>Total:</b>	<b>\$65,000</b>

**Commodities** - Operating supplies utilized by department for operations including software, licenses, additional trees, seeds, and plants for recreation facilities, and computer and printer replacements. Expenses have fluctuated over time based on need an resources available.

**Capital Outlay** - The cost of equipment and materials used to make improvements to parks and recreation facilities including athletic fields, playgrounds, trails, etc. Funding for capital outlay fluctuates as needs change. An increase is budgeted for 2014 in order to provide equipment as needed for Rock Chalk Park Recreation Center.

# Fund 216 - SPECIAL RECREATION FUND

## PROFILE

The purpose of the Special Recreation Fund is to provide diverse cultural and recreational opportunities for the community as it continues to grow. Some of the expenses reflected in this fund include the City's share of the operation of the Lawrence Arts Center, the Outdoor Downtown Sculpture Exhibition (sponsored by the Lawrence Cultural Arts Commission), concert performances of the Lawrence City Band, and the Bicycle Pedal Plan.

The fund also provides for improvements and upgrades to parks and recreation facilities, programs, athletic fields, and playgrounds.

## CURRENT YEAR ACCOMPLISHMENTS

1. Various recreation facility repairs and improvements.
2. Various paths, walks and fence repairs.



## MAJOR GOALS AND OBJECTIVES FOR 2014

1. To maintain a variety of recreational facilities and programming throughout the community.
2. To support artistic exhibits and performances for the enjoyment of the community.

## SIGNIFICANT ISSUES FOR 2014

Continue to provide programs and services at the levels the public expects despite limited resources.

## PERFORMANCE INDICATORS

Indicator	2012 Actual*	2013 Estimated*	2014 Target
% of residents satisfied with the cleanliness of public areas	78%	89%	90%
% of residents satisfied with the number of walking and biking trails	67%	67%	70%

\*Source: 2011 Citizen Survey

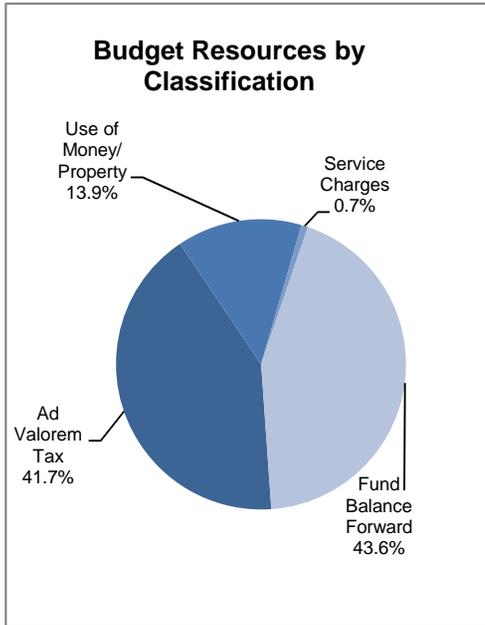
# BOND AND INTEREST FUND

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*City of Lawrence*

# Fund 301 - BOND AND INTEREST



<b>RECEIPTS</b>	<b>2012 Actual</b>	<b>2013 Adopted</b>	<b>2013 Estimated</b>	<b>2014 Budget</b>
Taxes - Current	\$ 7,141,850	\$ 7,056,266	\$ 7,253,841	\$ 7,091,329
Taxes - Delinquent	107,124	50,000	100,000	100,000
Motor Vehicle Taxes	517,694	610,125	600,000	609,815
Payment In Lieu of Taxes	-	-	-	-
Special Assessments	3,195,006	2,500,000	3,000,000	2,575,000
Intergovernmental Revenues	-	-	-	-
Interest on Investments	25,911	75,000	30,000	35,000
Airport Charges	127,752	125,000	135,000	135,000
Miscellaneous	67,255	-	-	-
Other Transfers	-	-	-	-
<b>TOTAL RECEIPTS</b>	<b>\$ 11,182,592</b>	<b>\$ 10,416,391</b>	<b>\$ 11,118,841</b>	<b>\$ 10,546,144</b>
Balance, January 1	8,491,589	6,773,250	9,303,767	8,168,517
<b>TOTAL RESOURCES AVAILABLE</b>	<b>\$ 19,674,181</b>	<b>\$ 17,189,641</b>	<b>\$ 20,422,608</b>	<b>\$ 18,714,661</b>

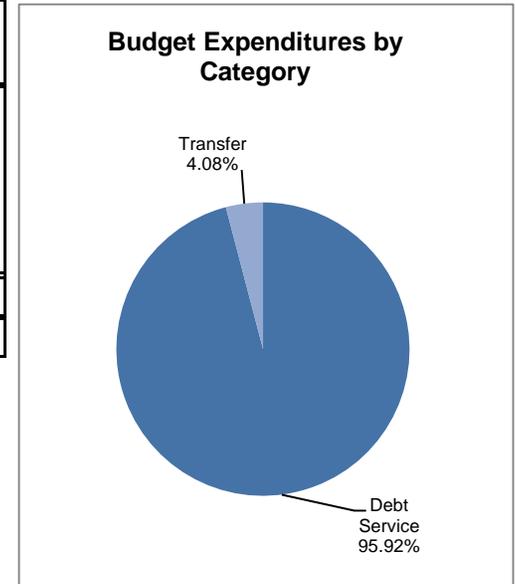
## REVENUE SOURCES - DESCRIPTIONS AND TRENDS

Revenue Sources - This fund is used to account for the accumulation of resources to pay general obligation bond principal and interest and principal and interest from special assessments. The City is obligated to pledge its full faith and credit for the payment of general obligation bonds. Property taxes are the major source of revenue for the Bond and Interest Fund, including special assessments and motor vehicle taxes. Interest on investments is another source of revenue.

Trends - Assessed valuation is projected to remain flat for 2014; causing property taxes to remain flat as well. No mill levy increase is budgeted for 2014. Low interest rates continue to mean reduced interest earned on the City's investments. Rent for airport hangars is expected to stay the same in 2014. An increased fund balance forward will mean total resources are expected to be more in 2014 than in 2013.

# Fund 301 - BOND AND INTEREST

EXPENDITURES	2012 Actual	2013 Adopted	2013 Estimated	2014 Budget
GO Bonds - Principal	\$ 8,249,232	\$ 11,449,066	\$ 9,730,074	\$ 12,248,522
GO Bonds - Interest	2,121,182	3,153,575	2,145,367	3,500,000
Commission / Postage	-	600,000		701,478
Cash Basis Reserve	-	800,000		700,000
Transfer to achieve 5% fund balance	-	478,000	378,650	700,000
<b>TOTAL EXPENDITURES</b>	<b>\$ 10,370,414</b>	<b>\$ 16,480,641</b>	<b>\$ 12,254,091</b>	<b>\$ 17,850,000</b>
<b>FUND BALANCE FORWARD</b>	<b>\$ 9,303,767</b>	<b>\$ 709,000</b>	<b>\$ 8,168,517</b>	<b>\$ 864,661</b>



## EXPENDITURES - DESCRIPTIONS AND TRENDS

GO Bonds-Principal - The amount owed as long-term debt. It is payable from the full faith and credit of the City, and is the basis upon which interest payments are calculated. The expenditures reflect the capital improvement projects funded from general obligation (GO) bonds approved by previous City Commissions. These projects are related to expansion, growth, and maintenance of existing facilities. The increase in 2013 can be attributed to additional debt service payments anticipated for the expansion of the Lawrence Public Library. Principal payments are expected to increase for 2014.

GO Bonds - Interest - An expense associated with long term debt. It is payable from the full faith and credit of the City. The increase in 2013 can be attributed to additional debt service for the expansion of the Lawrence Public Library. Interest payments are expected to increase for 2014 as well.

Cash Basis Reserve - An amount of funds set aside to insure that sufficient cash is available to pay principal and interest payments in the case there is a delay in receiving property taxes. The budgeted amount provides a safety net to fund unanticipated projects.

# Bond and Interest Fund

Bond and Interest

Account 301 - 1066

## PROFILE

This fund is used to account for the resources dedicated to the payment of the principal and interest on the City's general obligation bonds. Revenues come from ad valorem property taxes, special assessments, interest earnings and transfers of surplus funds from capital projects.

As of June 30, 2013, the total general obligation debt for the city was \$98,430,000. The City is limited by State law in the amount of general obligation debt it can incur.\* This limit is set at 30% of the total assessed valuation, including motor vehicle assessments. The legal debt margin as of June 30, 2013 can be computed as follows:

Assessed Valuation - January 1,2012	\$ 928,969,744	
Debt Limitation (30% of assessed valuation)		278,690,923
Total Bonded Debt (including notes)	168,700,000	
Less Revenue Bonds	<u>(48,670,000)</u>	
Total Debt applicable to limitation		\$ 120,030,000
Legal Debt Margin		<u>\$ 158,660,923</u>

\* For more information related to debt, see the Debt Management Policy and Debt Issuance Guidelines in the Introduction section of this document.

## EXPENDITURES

<b>EXPENDITURES</b>	2012 Actual	2013 Adopted	2013 Estimated	2014 Budget
<b>Personal Services</b>	\$ -	\$ -	\$ -	\$ -
<b>Commodities</b>	-	-	-	-
<b>Capital Outlay</b>	-	-	-	-
<b>Debt Service</b>	10,370,414	15,202,641	11,875,441	16,450,000
<b>Transfers</b>	-	478,000	378,650	700,000
<b>Contingency</b>	-	800,000	-	700,000
<b>TOTAL EXPENDITURES</b>	<u>\$ 10,370,414</u>	<u>\$ 16,480,641</u>	<u>\$ 12,254,091</u>	<u>\$ 17,850,000</u>

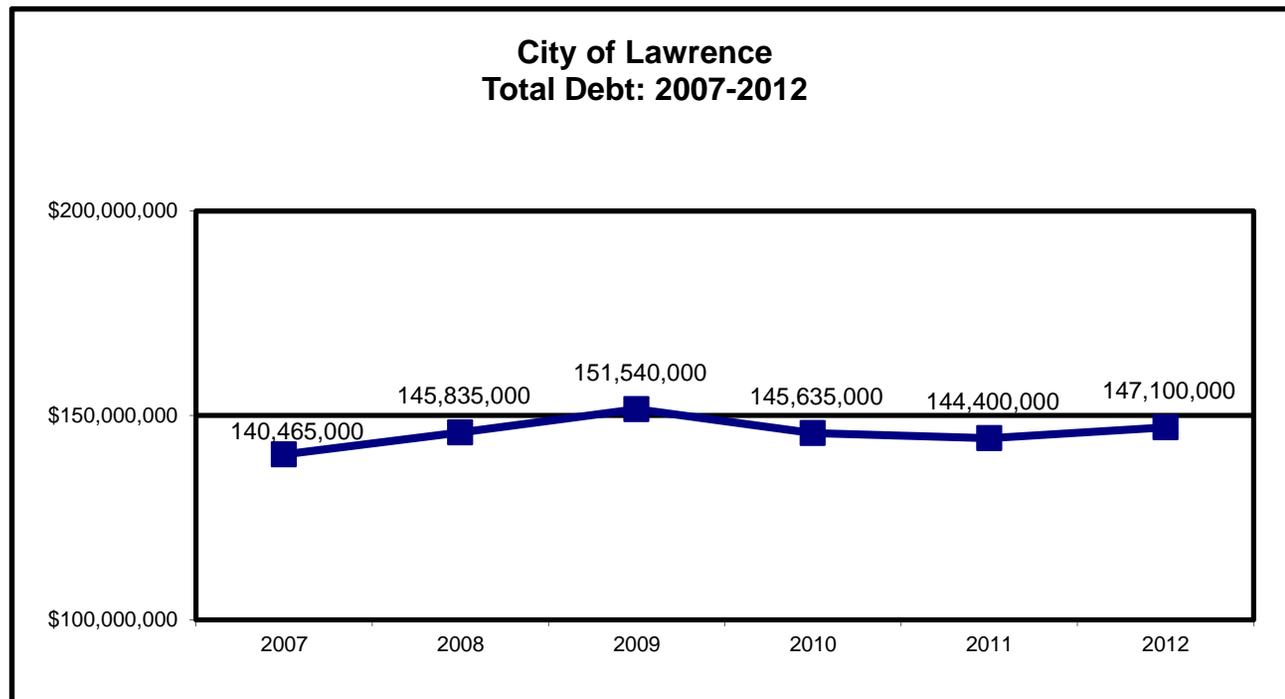
## CURRENT YEAR ACCOMPLISHMENTS

1. Maintained a G.O. Debt rating of Aa1.
2. Maintained a rating on the City's outstanding revenue bonds of Aa2.
3. Updated the capital financing and rate plan for the Water and Wastewater Fund.

# Bond and Interest Fund

## Statement of Outstanding Indebtedness

	Outstanding 01/01/2012	Retired in 2012	Issued in 2012	Outstanding 12/31/2012
General Obligation Bonds	\$ 79,145,000	16,120,000	\$ 11,190,000	74,215,000
Temporary Notes	14,375,000	14,375,000	24,215,000	24,215,000
<b>TOTAL</b>	<b>93,520,000</b>	<b>30,495,000</b>	<b>35,405,000</b>	<b>98,430,000</b>
Revenue Bonds	50,880,000	2,210,000	-	48,670,000
<b>TOTAL</b>	<b>50,880,000</b>	<b>2,210,000</b>	<b>-</b>	<b>48,670,000</b>
<b>TOTAL DEBT</b>	<b>\$ 144,400,000</b>	<b>\$ 32,705,000</b>	<b>\$ 35,405,000</b>	<b>\$ 147,100,000</b>



# Bond and Interest Fund

Current  
Debt Issue

DESIGNATION	ORIGINAL AMOUNT	OUTSTANDING 1/1/2012	ISSUED AFTER 1/1/2012	RETIRED IN 2012	ESTIMATED OUTSTANDING 12/31/2012
<b>GENERAL OBLIGATION</b>					
Series 2001-A	2,840,000	295,000		295,000	0
Series 2001-B	1,420,000	290,000		140,000	150,000
Series 2002-A	9,070,000	1,830,000		890,000	940,000
Series 2002-B	2,115,000	1,180,000		1,180,000	0
Series 2002-C	920,000	285,000		90,000	195,000
Series 2003-A	4,270,000	1,285,000		1,285,000	0
Series 2003-B	10,190,000	4,325,000		4,325,000	0
Series 2003-C	2,905,000	820,000		265,000	555,000
Series 2003-D	3,145,000	1,250,000		290,000	960,000
Series 2004-A	3,520,000	1,260,000		305,000	955,000
Series 2004-B	10,600,000	4,820,000		900,000	3,920,000
Series 2004-C	1,600,000	730,000		135,000	595,000
Series 2005-A	11,095,000	6,000,000		920,000	5,080,000
Series 2006-A	17,130,000	10,770,000		1,385,000	9,385,000
Series 2007-A	11,345,000	8,065,000		885,000	7,180,000
Series 2008-A	11,890,000	10,370,000		1,000,000	9,370,000
Series 2009-A	3,250,000	2,760,000		245,000	2,515,000
Series 2010-A	2,975,000	2,975,000			2,975,000
Series 2010-B	8,920,000	8,235,000		690,000	7,545,000
Series 2010-C	8,305,000	7,705,000		600,000	7,105,000
Series 2011-A	3,895,000	3,895,000		295,000	3,600,000
Series 2012-A	7,710,000		7,710,000		7,710,000
Series 2012-B	3,480,000		3,480,000		3,480,000
Subtotal	\$ 139,750,000	\$ 79,145,000	\$ 11,190,000	\$ 16,120,000	\$ 74,215,000
<b>TEMPORARY NOTES</b>					
Temp Note 2011-I	14,375,000	14,375,000		14,375,000	0
Temp Note 2012-I	24,215,000	0	24,215,000	0	24,215,000
Subtotal	\$ 38,590,000	\$ 14,375,000	\$ 24,215,000	\$ 14,375,000	\$ 24,215,000
<b>REVENUE BONDS</b>					
Series 2005	25,910,000	17,765,000		1,625,000	16,140,000
Series 2007	19,800,000	19,350,000		125,000	19,225,000
Series 2008	4,270,000	3,810,000		165,000	3,645,000
Series 2009	10,385,000	9,955,000		295,000	9,660,000
Subtotal	\$ 60,365,000	\$ 50,880,000	\$ -	\$ 2,210,000	\$ 48,670,000

# Bond and Interest Fund

## Current Debt Service Schedule

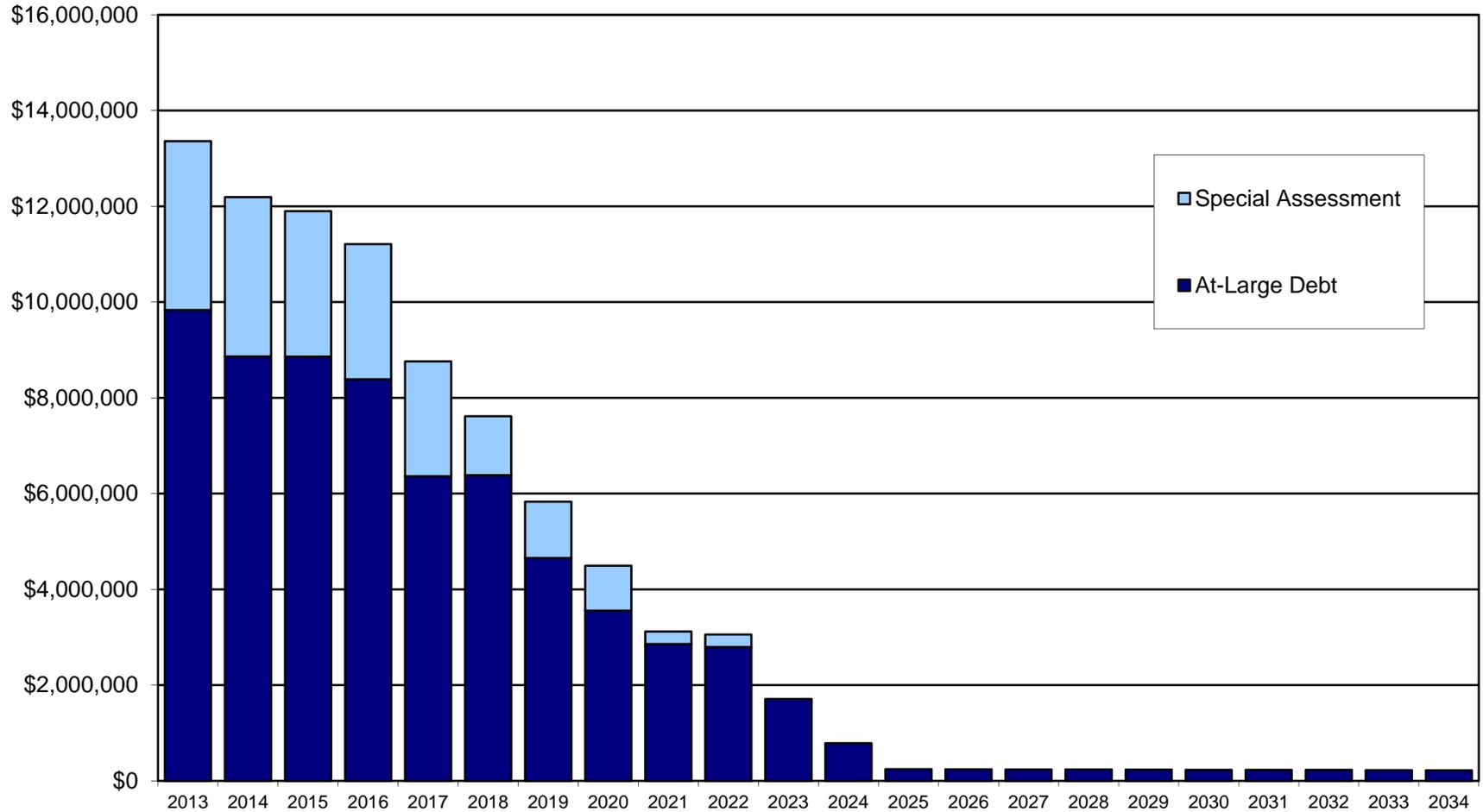
### GENERAL OBLIGATION BONDS AT-LARGE

### SPECIAL ASSESSMENT AMORTIZATION SCHEDULE

### DEBT SERVICE SCHEDULE FOR ALL BONDS

Year	Principal	Interest	Subtotal	Principal	Interest	Subtotal	Principal	Interest	Total
2013	8,003,427	1,829,740	9,833,167	3,006,573	520,898	3,527,471	11,010,000	2,350,638	13,360,638
2014	7,266,535	1,597,229	8,863,765	2,903,465	424,129	3,327,593	10,170,000	2,021,358	12,191,358
2015	7,472,268	1,388,472	8,860,740	2,707,732	330,064	3,037,796	10,180,000	1,718,536	11,898,536
2016	7,222,364	1,163,988	8,386,352	2,582,636	241,465	2,824,101	9,805,000	1,405,453	11,210,453
2017	5,426,917	933,688	6,360,604	2,243,083	156,192	2,399,276	7,670,000	1,089,880	8,759,880
2018	5,639,576	744,696	6,384,272	1,145,424	84,909	1,230,333	6,785,000	829,605	7,614,605
2019	4,101,484	552,119	4,653,603	1,118,516	57,949	1,176,465	5,220,000	610,068	5,830,068
2020	3,143,623	411,258	3,554,881	906,377	32,222	938,599	4,050,000	443,480	4,493,480
2021	2,552,043	306,865	2,858,908	247,957	12,553	260,510	2,800,000	319,418	3,119,418
2022	2,555,000	240,080	2,795,080				2,555,000	240,080	2,795,080
2023	1,550,000	160,830	1,710,830				1,550,000	160,830	1,710,830
2024	670,000	116,493	786,493				670,000	116,493	786,493
2025	145,000	97,880	242,880				145,000	97,880	242,880
2026	150,000	90,050	240,050				150,000	90,050	240,050
2027	155,000	81,950	236,950				155,000	81,950	236,950
2028	165,000	73,425	238,425				165,000	73,425	238,425
2029	170,000	64,350	234,350				170,000	64,350	234,350
2030	175,000	54,830	229,830				175,000	54,830	229,830
2031	185,000	45,030	230,030				185,000	45,030	230,030
2032	195,000	34,485	229,485				195,000	34,485	229,485
2033	200,000	23,370	223,370				200,000	23,370	223,370
2034	210,000	11,970	221,970	-	-	-	210,000	11,970	221,970
	<u>57,353,237</u>	<u>10,022,797</u>	<u>67,376,034</u>	<u>16,861,763</u>	<u>1,860,382</u>	<u>18,722,145</u>	<u>\$ 74,215,000</u>	<u>\$ 11,883,179</u>	<u>\$ 86,098,179</u>

## City Of Lawrence General Obligation Debt Service



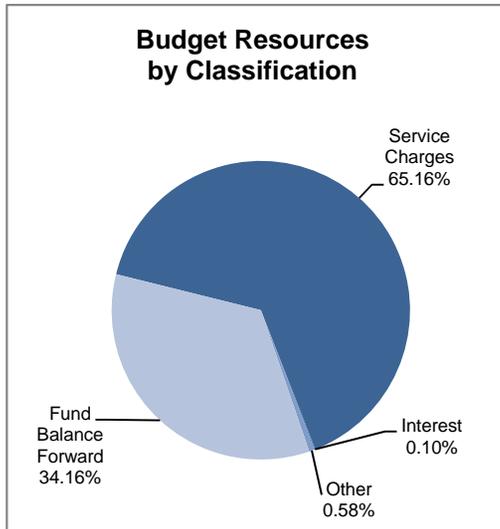
# **WATER AND WASTEWATER FUND**

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*City of Lawrence*

# Fund 501 - WATER AND WASTEWATER



<b>RECEIPTS</b>	<b>2012 Actual</b>	<b>2013 Adopted</b>	<b>2013 Estimated</b>	<b>2014 Budget</b>
Water and Sewer Charges	\$ 33,147,544	\$ 31,386,800	\$ 31,386,800	\$ 32,588,000
Interest on Investments	58,368	25,000	25,000	50,000
Development Charges	1,197,690	800,000	800,000	850,000
Miscellaneous & Other	379,928	285,000	285,000	300,000
<b>TOTAL RECEIPTS</b>	<b>\$ 34,783,530</b>	<b>\$ 32,496,800</b>	<b>\$ 32,496,800</b>	<b>\$ 33,788,000</b>
Balance, January 1	16,709,764	16,016,493	18,544,934	17,530,582
<b>TOTAL RESOURCES AVAILABLE</b>	<b>\$ 51,493,294</b>	<b>\$ 48,513,293</b>	<b>\$ 51,041,734</b>	<b>\$ 51,318,582</b>

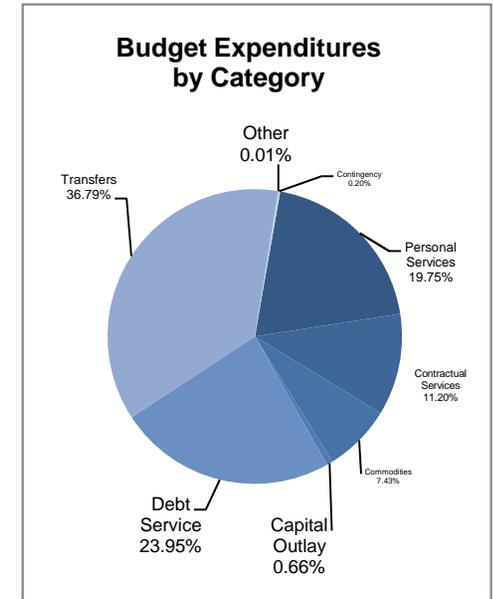
## REVENUE SOURCES - DESCRIPTIONS AND TRENDS

**Revenue Sources** - The Water and Wastewater Fund is an Enterprise Fund for the City and is used to account for the operations that are financed and operated in a manner similar to private business enterprises. The intent of the governing body is that the costs of providing services (water and sewer) to the general public on a continuing basis is financed or recovered primarily through user charges. The primary revenue source for this fund is the charges for water and sewer, which are determined by an in-house rate study. Interest on investments and development charges are two other major revenue sources for the fund. Development charges are levied at the time building permits are requested and help offset the costs for increased capacity in the water and/or wastewater systems to accommodate the growth of the system for the particular development.

**Trends** - Traditionally, the revenues for this fund increases in direct proportion to the amount of growth in the city as well as through the incremental rate increases dictated by the City Commission's approval of recommendations from the rate study. Revenue increases of 2% for both water and wastewater were implemented in 2012. While the 2013 budget assumed a 5% increase in revenue from water and a 3% increase from sewer charges, the 2014 budget assumes a 6% increase in water revenue and a 3% increase in wastewater revenue. Low interest rates continue to mean less interest is earned on City investments. Revenue from system development charges in 2014 is expected to be up slightly from 2013 levels due to a multi-year agreement with the home builders and increased construction.

# Fund 501 - WATER AND WASTEWATER

EXPENDITURES	2012 Actual	2013 Adopted	2013 Estimated	2014 Budget
Personal Services	\$ 9,434,290	\$ 9,483,694	\$ 9,483,694	\$ 9,896,433
Contractual Services	6,000,065	5,568,352	5,568,352	5,610,970
Commodities	3,534,255	3,647,075	3,647,075	3,724,775
Capital Outlay	942,155	241,000	241,000	333,000
Debt Service	8,052,699	9,826,135	9,826,135	12,000,000
Transfers to General Fund	2,734,896	3,084,896	3,084,896	3,084,896
Transfers to Reserve Funds	350,000	350,000	350,000	350,000
Transfers to Non Bonded Construction	1,900,000	1,200,000	1,200,000	1,500,000
Transfers to Achieve 5% Fund Balance	-	13,500,000	-	13,500,000
Other	-	10,000	10,000	5,000
Contingency	-	100,000	100,000	100,000
<b>TOTAL EXPENDITURES</b>	<b>\$ 32,948,360</b>	<b>\$ 47,011,152</b>	<b>\$ 33,511,152</b>	<b>\$ 50,105,074</b>
<b>FUND BALANCE FORWARD</b>	<b>\$ 18,544,934</b>	<b>\$ 1,502,141</b>	<b>\$ 17,530,582</b>	<b>\$ 1,213,508</b>



## EXPENDITURES - DESCRIPTIONS AND TRENDS

**Personal Services** - Cost of providing wages, salaries, retirement, and other fringe benefits for City employees and to some degree, part-time, seasonal staff. Increases are due to the addition of staff, as well as merit increases for eligible employees and additional pay for obtaining certifications, increased employee retirement and health care costs.

**Contractual Services** - The cost of services provided to the City by firms, individuals, or other City departments have increased steadily over the years. An increase is budgeted for 2014 due to the increased cost for electricity and gas.

**Commodities** - An increase in the 2014 budget is due to an increase in the cost of chemicals and other operating supplies and resources for the implementation of CIP projects.

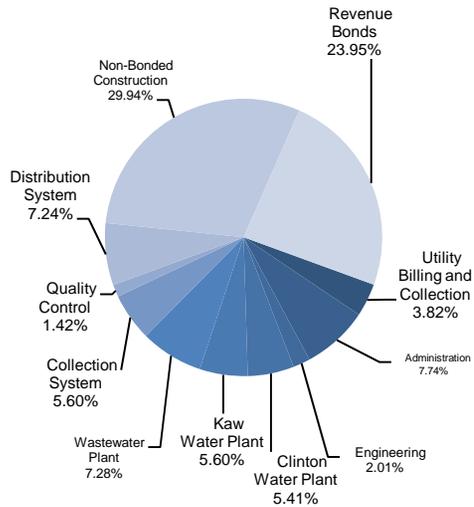
**Capital Outlay** - Equipment valued at more than \$1,000 and having a useful life of more than one year. The budget for capital outlay has fluctuated over the years as equipment needs change.

**Debt Service** - Annual debt service payments are reflected here. An increase is budgeted for 2014 in order to provide resources for projects outlined in Water and Wastewater Master Plans adopted in 2013.

**Transfers** - Budgeted transfers in 2014 include transfers from the divisions to the General Operating Fund totaling \$3,084,896 for overhead expenses, \$1,500,000 to the Capital Improvement Fund to fund construction of water and wastewater projects for which no debt will be issued, and \$350,000 to other reserve funds. A large transfer is also budgeted to achieve the statutory limit on fund balance.

# Fund 501 - WATER AND WASTEWATER

**Budget Expenditures by Division**



<b>EXPENDITURES</b>	<b>2012 Actual</b>	<b>2013 Adopted</b>	<b>2013 Estimated</b>	<b>2014 Budget</b>
Utility Billing and Collection	\$ 1,843,198	\$ 1,900,756	\$ 1,900,756	\$ 1,915,094
Administration	3,937,317	3,868,252	3,868,252	3,878,330
Engineering	732,727	909,218	909,218	1,006,234
Clinton Water Plant	2,967,012	2,721,505	2,721,505	2,708,912
Kaw Water Plant	2,890,422	2,799,354	2,799,354	2,806,743
Wastewater Plant	3,689,222	3,543,590	3,543,590	3,647,247
Collection System	2,954,163	2,693,986	2,693,986	2,806,818
Quality Control	676,706	722,615	722,615	709,483
Distribution System	3,304,894	3,325,741	3,325,741	3,626,213
Non-Bonded Construction	1,900,000	14,700,000	1,200,000	15,000,000
<b>Debt Service</b>				
Temp Note Interest	-	-	-	-
Revenue Bonds	8,052,699	9,826,135	9,826,135	12,000,000
<b>TOTAL EXPENDITURES</b>	<b>\$ 32,948,360</b>	<b>\$ 47,011,152</b>	<b>\$ 33,511,152</b>	<b>\$ 50,105,074</b>
<b>FUND BALANCE FORWARD</b>	<b>\$ 18,544,934</b>	<b>\$ 1,502,141</b>	<b>\$ 17,530,582</b>	<b>\$ 1,213,508</b>

## EXPENDITURES - DESCRIPTIONS AND TRENDS

More information on expenditures by division can be found on the following pages.



*City of Lawrence*

# Water and Wastewater Fund

Utility Billing

Division 1069

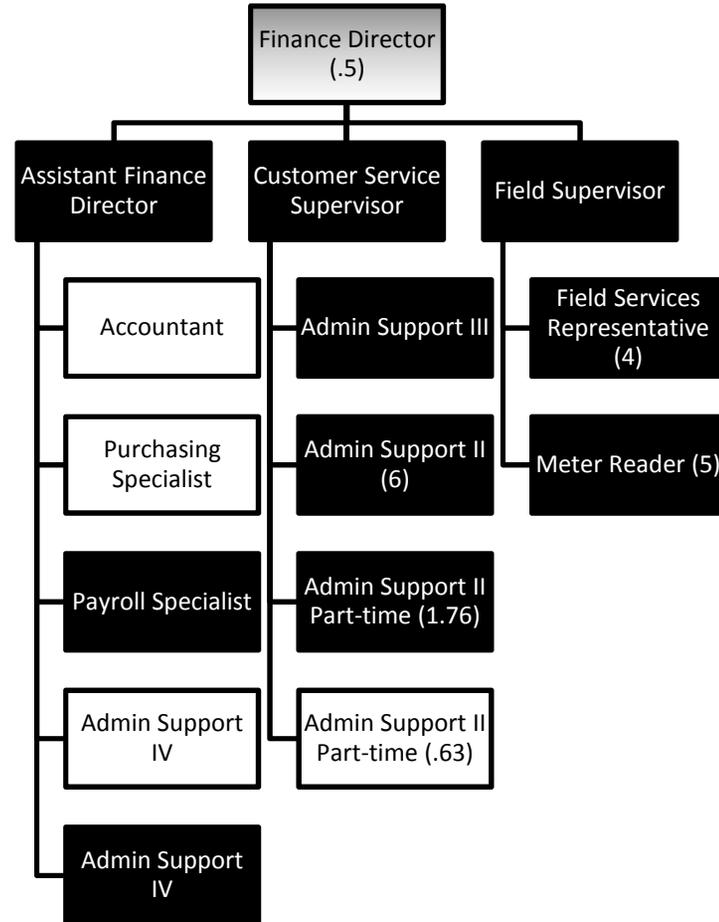
## PROFILE

The Utility Billing Division of the Finance Department is responsible for the billing and collecting of water, wastewater, sanitation, and storm sewer charges. Each week, utility bills are prepared for approximately one-fourth of the City's 32,000 customers. Customers can initiate, transfer, terminate, and pay for services on a 24/7 basis through the website.

## CURRENT YEAR ACCOMPLISHMENTS

1. Prepared a rate plan to provide adequate cash flow to fund operations and the proposed capital improvement plan.
2. Prepared for transition to Innoprise billing software.
3. Updated records of customers claiming full or partial sales tax exemption.

## ORGANIZATIONAL CHART



Solid fill indicates position is fully funded through this account. Gradient indicates position is partially funded through this account. No fill indicates position is not funded through this account.

## PERSONNEL SUMMARY

PERSONNEL	2012 Actual	2013 Adopted	2013 Estimate	2014 Budget
Authorized Positions	22.26	22.26	23.26	23.26

## EXPENDITURE SUMMARY

EXPENDITURES	2012 Actual	2013 Adopted	2013 Estimate	2014 Budget
<b>Personal Services</b>	\$ 1,314,660	\$ 1,327,054	\$ 1,327,054	\$ 1,342,774
<b>Contractual Services</b>	331,740	363,302	363,302	352,120
<b>Commodities</b>	82,248	87,950	87,950	100,750
<b>Capital Outlay</b>	23,100	21,000	21,000	23,000
<b>Debt Service</b>	-	-	-	
<b>Transfers</b>	91,450	91,450	91,450	91,450
<b>Other</b>	-	10,000	10,000	5,000
<b>Total</b>	\$ 1,843,198	\$ 1,900,756	\$ 1,900,756	\$ 1,915,094

## SIGNIFICANT ISSUES FOR 2014

1. Maintaining the current level of service this Division provides based on the City budget constraints.

## PERFORMANCE INDICATORS

Indicator	2012 Actual	2013 Estimated	2014 Target
Percent of utility bills sent as scheduled	98.6	98.0	99.0
Percent of telephone calls abandoned	10.9	9.0	9.0
Percent of water meters needing reread	0.5	1.0	0.5
Percent of water meters read as scheduled	100.0	96.0	100.0

## MAJOR GOALS AND OBJECTIVES FOR 2014

1. Maintain the City's revenue bond debt rating at Aa2.
2. Improve the collection of past due utility accounts.
3. Increase productivity by implementing billing software.



**UTILITY BILLING**

# Water and Wastewater Fund

Administration

Division 7100

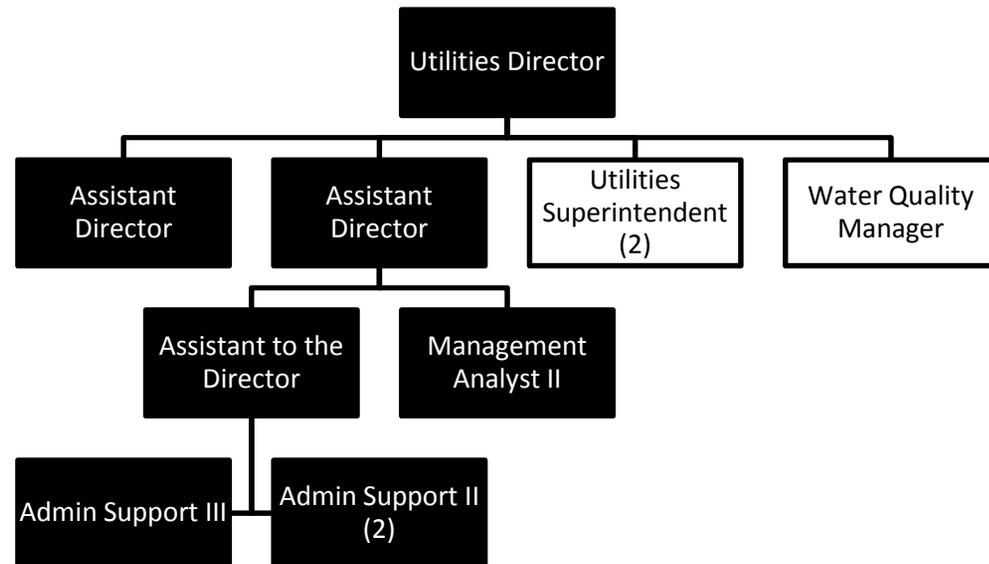
## PROFILE

The Administrative Division provides direction, analysis, and support services for all other divisions in such areas as budgeting, management system, policy development, employee development, meter service requests, hydrant meter rental, backflow prevention, wholesale water contracts, and public communications and programs.

## CURRENT YEAR ACCOMPLISHMENTS

1. Met with local irrigation companies and landscapers to inform them of irrigation scheduling impacts to summer water demand. Provided public education pamphlets to garden centers.
2. Conducted many public tours of Utilities treatment facilities and represented Utilities activities at various venues within the City, region, and state.
3. Met with wholesale water customers to discuss drought conditions and conservation planning.
4. Increased use of automation and cross training to support cost reductions in on-call staffing with sustained customer service.
5. 100% of all eligible employees have completed the required level of certification for their job.
6. Accurate within 99.5% for inventory of parts.
7. Met with the development community, including the home builders association and the real estate board, as an education opportunity on system development charges.

## ORGANIZATIONAL CHART



Solid fill indicates position is fully funded through this account. No fill indicates position is not funded through this account. Not shown above but also funded through this account are City Auditor (.5), Assistant City Manager (1).

## PERSONNEL SUMMARY

	2012	2013	2013	2014
PERSONNEL	Actual	Adopted	Estimate	Budget
Authorized Positions	13.00	12.00	12.00	12.00

## EXPENDITURE SUMMARY

EXPENDITURES	2012 Actual	2013 Adopted	2013 Estimate	2014 Budget
<b>Personal Services</b>	\$ 1,141,885	\$ 1,202,242	\$ 1,202,242	\$ 1,210,820
<b>Contractual Services</b>	700,476	243,000	243,000	244,500
<b>Commodities</b>	77,429	92,200	92,200	92,200
<b>Capital Outlay</b>	61,717	15,000	15,000	15,000
<b>Debt Service</b>	-	-		
<b>Transfers</b>	1,955,810	2,305,810	2,305,810	2,305,810
<b>Contingency</b>	-	10,000	10,000	10,000
<b>Total</b>	\$ 3,937,317	\$ 3,868,252	\$ 3,868,252	\$ 3,878,330



## PERFORMANCE INDICATORS

Indicator	2012 Actual	2013 Estimated	2014 Target
# GBA service request work orders entered	727	750	750
Lost time accidents	0	0	0

## MAJOR GOALS AND OBJECTIVES FOR 2014

1. Facilitation and implementation of water and wastewater capital improvement programs as outlined in the water and wastewater master plans and approved capital improvement plan.
2. Increase energy efficiency across all operations, reduce fuel usage and substitute clean energy wherever possible.
3. Strategically develop and use employee strengths to address department needs through cross-training, professional certifications and ongoing safety and competency training.
4. Streamline and simplify business practices.

## SIGNIFICANT ISSUES FOR 2014

1. Implementing funds to maintain an aging infrastructure, meet regulatory demands, and provide for growth.
2. Increasing operational costs for consumables (such as energy, chemicals and fuel)
3. Increasing regulatory requirements for water and wastewater operations.
4. Fixed treatment capacity at the wastewater treatment plant that on a dry weather basis is at 92% utilization and on a wet weather basis is exceeded during the design storm event.

## ADMINISTRATION

# Water and Wastewater Fund

Engineering  
Division 7110

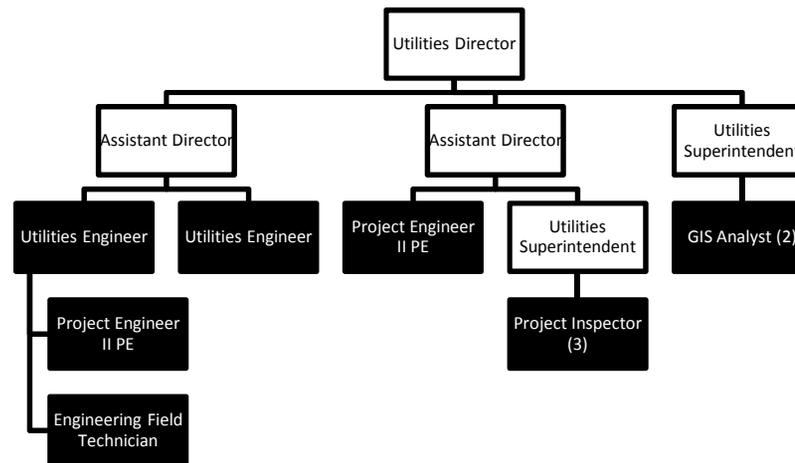
## PROFILE

The Engineering Division manages all Utilities capital improvements projects, design, contract administration and inspection services for internal and contracted projects. The Division maintains Utilities' GIS data and mapping; administers contracts for and inspects developer-designed and funded utility extensions; and provides technical support for electronic data initiatives.

## CURRENT YEAR ACCOMPLISHMENTS

1. Completion or management of on-going CIP Projects: Wimbledon Drive water line replacement, watermain & sanitary sewer relocations for SLT, watermain & sanitary sewer relocations for Iowa and Bob Billings Parkway improvements, filter media replacement, Phases I & II Sanitary Sewer Lift Station Replacement (6 pump stations), Kaw WTP Emergency Traveling Screen Rehab, Kaw WTP Transmission Main Phase I, Kaw WTP Intake, O'Connell Rd Watermain Extension, Pump Station PS04 Redundant Forcemain, Kaw and Clinton WTP Electrical and Mechanical Project Programs.
2. Expanded support role internal and external to the department; fire hydrant flow testing for design information, hydrant meter rental field services; and internal project management & engineering services for CIP.
3. Application of water and sanitary sewer hydraulic models to assessment of development impacts.

## ORGANIZATIONAL CHART



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## PERSONNEL SUMMARY

PERSONNEL	2012 Actual	2013 Adopted	2013 Estimate	2014 Budget
Authorized Positions	9.00	9.00	9.00	10.00

## EXPENDITURE SUMMARY

EXPENDITURES	2012 Actual	2013 Adopted	2013 Estimate	2014 Budget
<b>Personal Services</b>	\$ 632,427	\$ 749,651	\$ 749,651	\$ 875,567
<b>Contractual Services</b>	19,668	55,350	55,350	31,650
<b>Commodities</b>	67,615	81,200	81,200	76,000
<b>Capital Outlay</b>	-	-	-	-
<b>Debt Service</b>	-	-	-	-
<b>Transfers</b>	13,017	13,017	13,017	13,017
<b>Contingency</b>	-	10,000	10,000	10,000
<b>Total</b>	\$ 732,727	\$ 909,218	\$ 909,218	\$ 1,006,234

## PERFORMANCE INDICATORS

Indicator	2012 Actual	2013 Estimated	2014 Target
% Water and Sewer Inspection testing passing 1 <sup>st</sup> time	92.50%	96%	95%
% of Public Improvement Plan Reviews Completed on Time	98.00%	100%	100%
Average number of projects in process (yearly average of each month's count)	13	12	12
Lost time accidents	0	0	0

## MAJOR GOALS AND OBJECTIVES FOR 2014

1. Management of water and sanitary sewer relocations related to the South Lawrence Trafficway.
2. Ongoing management of the Capital Improvement Projects launched with the adoption of the Water and Sanitary Sewer Integrated Plans including Wakarusa WWTP and Oread Tank Replacements.
3. Addressing demands on aged infrastructure as infill development trends increase.
4. Implementation of an Asset Management Plan for continued verification of asset inventories, establishment of condition indices and forecast of future replacement requirements and funding.

## SIGNIFICANT ISSUES FOR 2014

1. Adequate resources in management of expanded Capital Improvements Plan including Wakarusa WWTP and Oread Tank Replacements.



**ENGINEERING**

# Water and Wastewater Fund

Clinton Water Treatment Plant

Division 7210

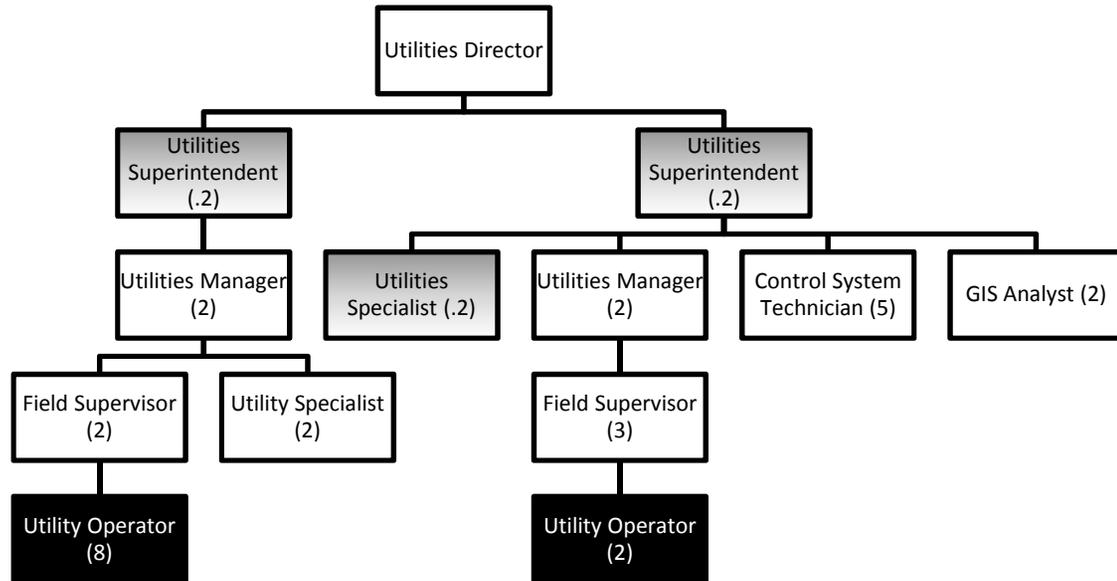
## PROFILE

The mission of the Clinton Water Treatment Division is to produce an adequate supply of potable water for public consumption and fire suppression in compliance with all regulatory requirements through operation and maintenance of a 25-million gallons per day capacity water treatment facility (subject to filter profiling).

## CURRENT YEAR ACCOMPLISHMENTS

1. Treated and pumped a combined total of 4.5 billion gallons of water in 2012 from Clinton and Kaw Treatment Plants combined.
2. Substantial progress on in-house Supervisory Control and Data Acquisition system up-grade.
3. Continue use of low distortion variable frequency drives to regulate pump speeds, specification of high efficiency electric motors, and replacement of current T-12 interior lighting fixtures with T-5 fixtures and exterior fixtures with LED fixtures for improved energy efficiency.
4. The GCMS provides a quicker analysis for a shorter response time in adjusting the chemical feed. This has resulted in greater efficiency in the chemical usage and improved operational control, as well as more complete tracking of algal toxins and taste and odor compounds.
5. Expected increase to the filter run time may result in a savings of 177 million gallons of potablae water or \$350,000.

## ORGANIZATIONAL CHART



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## PERSONNEL SUMMARY

	2012	2013	2013	2014
PERSONNEL	Actual	Adopted	Estimate	Budget
Authorized Positions	11.00	11.60	9.60	10.60

## EXPENDITURE SUMMARY

EXPENDITURES	2012 Actual	2013 Adopted	2013 Estimate	2014 Budget
<b>Personal Services</b>	\$ 832,626	\$ 813,301	\$ 813,301	\$ 805,908
<b>Contractual Services</b>	846,558	785,450	785,450	782,450
<b>Commodities</b>	1,228,230	1,091,500	1,091,500	1,089,300
<b>Capital Outlay</b>	38,344	-	-	-
<b>Debt Service</b>	-	-	-	-
<b>Transfers</b>	21,254	21,254	21,254	21,254
<b>Contingency</b>	-	10,000	10,000	10,000
<b>Total</b>	\$ 2,967,012	\$ 2,721,505	\$ 2,721,505	\$ 2,708,912

## PERFORMANCE INDICATORS

Indicator	2012 Actual	2013 Estimated	2014 Target
% treated water accounted for	95%	95%	>95%
Lost time accidents	0	0	0
% Tests in compliance with regulations	100	100	100
NPDES violations	0	0	0

## MAJOR GOALS AND OBJECTIVES FOR 2014

1. Continue to address taste and odor concerns.
2. Continue to improve early warning awareness of algae outbreaks in source water.
3. Continued maintenance of aging infrastructure.
4. Increased energy efficiency via lighting, vehicle use, equipment selection and operations.
5. Continued optimization of treatment chemical usage.

## SIGNIFICANT ISSUES FOR 2014

1. Maintaining recent improvements to department standards.
2. Increasing regulatory requirements for water operations.
3. Algae blooms and taste and odor issues in Clinton Reservoir, resulting from algal toxins and other compounds.
4. Improve staff technical knowledge to keep up with changing regulations and addition of more complex technologies.



**CLINTON WATER TREATMENT PLANT**

# Water and Wastewater Fund

Kaw Water Treatment Plant  
Division 7220

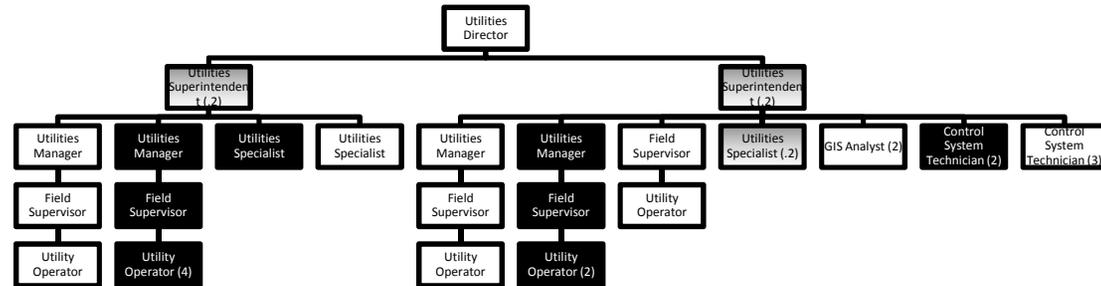
## PROFILE

The mission of the Kaw Water Treatment Division is to produce an adequate supply of potable water for public consumption and fire suppression in compliance with all regulatory requirements through operation and maintenance of a 16.5-million gallons per day capacity water treatment facility.

## CURRENT YEAR ACCOMPLISHMENTS

1. Treated and pumped a combined total of 4.5 billion gallons of water in 2012 from Clinton and Kaw Plants combined.
2. Substantial progress on in-house Supervisory Control and Data Acquisition system up-grade, including a flow-paced feed system and filter controls.
3. Continue use of low distortion variable frequency drives to regulate pump speeds, specification of high efficiency electric motors, and replacement of current T-12 interior lighting fixtures with T-5 fixtures and exterior fixtures with LED fixtures for improved energy efficiency.
4. Replacement of debris screen at the Kaw intake.

## ORGANIZATIONAL CHART



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## PERSONNEL SUMMARY

	2012 Actual	2013 Adopted	2013 Estimate	2014 Budget
PERSONNEL				
Authorized Positions	13.00	13.60	13.60	13.60

## EXPENDITURE SUMMARY

EXPENDITURES	2012 Actual	2013 Adopted	2013 Estimate	2014 Budget
<b>Personal Services</b>	\$ 1,051,344	\$ 1,056,617	\$ 1,056,617	\$ 1,074,006
<b>Contractual Services</b>	1,134,193	1,048,250	1,048,250	1,081,750
<b>Commodities</b>	619,287	593,450	593,450	609,950
<b>Capital Outlay</b>	59,561	60,000	60,000	-
<b>Debt Service</b>	-	-	-	-
<b>Transfers</b>	26,037	26,037	26,037	26,037
<b>Contingency</b>	-	15,000	15,000	15,000
<b>Total</b>	\$ 2,890,422	\$ 2,799,354	\$ 2,799,354	\$ 2,806,743

## PERFORMANCE INDICATORS

Indicator	2012 Actual	2013 Estimated	2014 Target
% treated water accounted for	95%	95%	>95%
Lost time accidents	0	0	0
% Tests in compliance with regulations	100	100	100
NPDES violations	0	0	0

## MAJOR GOALS AND OBJECTIVES FOR 2014

1. Continue to address taste and odor concerns.
2. Continue to improve early warning awareness of taste and odor outbreaks in source water.
3. Monitor and control zebra mussels.
4. Continued maintenance of aging infrastructure.
5. Continued optimization of treatment chemical usage.
6. Construction and implementation of the redundant Kaw WTP intake.

## SIGNIFICANT ISSUES FOR 2014

1. Addressing the infrastructure and equipment needs of an aging plant facility.
2. Increasing regulatory requirements for water operations.
3. Maintaining recent improvements to department standards.
4. Algae blooms in the upstream reservoirs, which may result in algal toxins and other compounds.
5. Improve staff technical knowledge to keep up with changing regulations and addition of more complex technologies.

## KAW WATER TREATMENT PLANT

# Water and Wastewater Fund

Waste Water Treatment Plant

Division 7310

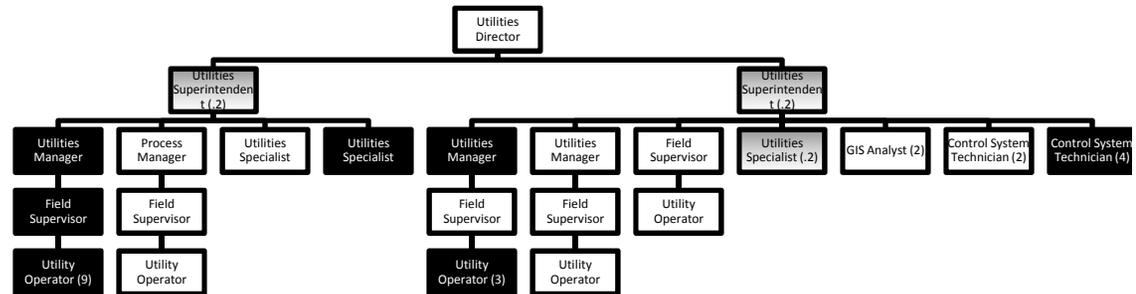
## PROFILE

The mission of the Wastewater Treatment Division is to treat wastewater and return treated water and biosolids to the environment through use of environmentally safe standards to operate and maintain the Wastewater Treatment Plant and Pump Stations.

## CURRENT YEAR ACCOMPLISHMENTS

1. Maintenance of in-house automation improvements.
2. Continue use of low distortion variable frequency drives to regulate pump speeds, specification of high efficiency electric motors, and replacement of current T-12 interior lighting fixtures with T-5 fixtures and exterior fixtures with LED fixtures for improved energy efficiency.
3. Addition of biogas storage for use in place of natural gas to operate the sludge heaters.
4. Digester complex modification to provide space for future micro turbine for electricity generation.
5. Working with Parks & Recreation to provide effluent and hydrant flushing water for trees, medians, and landscaping on park and City owned areas that receive minimal public exposure to conserve potable water.

## ORGANIZATIONAL CHART



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## PERSONNEL SUMMARY

	2012	2013	2013	2014
PERSONNEL	Actual	Adopted	Estimate	Budget
Authorized Positions	19.00	19.60	18.60	20.60

## EXPENDITURE SUMMARY

EXPENDITURES	2012 Actual	2013 Adopted	2013 Estimate	2014 Budget
<b>Personal Services</b>	\$ 1,442,128	\$ 1,393,579	\$ 1,393,579	\$ 1,481,736
<b>Contractual Services</b>	1,469,765	1,558,700	1,558,700	1,539,200
<b>Commodities</b>	474,268	543,250	543,250	578,250
<b>Capital Outlay</b>	270,000	-	-	-
<b>Debt Service</b>	-	-	-	-
<b>Transfers</b>	33,061	33,061	33,061	33,061
<b>Contingency</b>	-	15,000	15,000	15,000
<b>Total</b>	\$ 3,689,222	\$ 3,543,590	\$ 3,543,590	\$ 3,647,247

## PERFORMANCE INDICATORS

Indicator	2012 Actual	2013 Estimated	2014 Target
NPDES Violations	0	0	0
Lost time accidents	0	0	0
Complaints received	0	0	0
% Biosolids beneficially reused	100%	100%	100%

## MAJOR GOALS AND OBJECTIVES FOR 2014

1. Continue 100% compliance with regulations, including removal of more than 97% of Biochemical Oxygen Demand and Total Suspended Solids from wastewater prior to discharge to the Kaw River.
2. Beneficially reuse 100% of biosolids through Class A Biosolids public distribution and Class B Agricultural land application.
3. Increase energy efficiency via lighting, vehicle use, equipment selection and operations.
4. Implement and complete CIP related projects.
5. Continued pump and motor rehabilitation and electrical maintenance programs.
6. Drain, clean, and inspect all scheduled basins.
7. Train operators with an emphasis on chemistry and safety.

## SIGNIFICANT ISSUES FOR 2014

1. Addressing the infrastructure and equipment needs of an aging plant facility.
2. Improve staff technical knowledge to keep up with changing regulations and addition of more complex technologies.
3. Implementing Capital Improvement Projects throughout construction and incorporating operation into current activities.

## WASTEWATER TREATMENT PLANT

# Water and Wastewater Fund

## Sanitary Sewer Collection

Division 7410

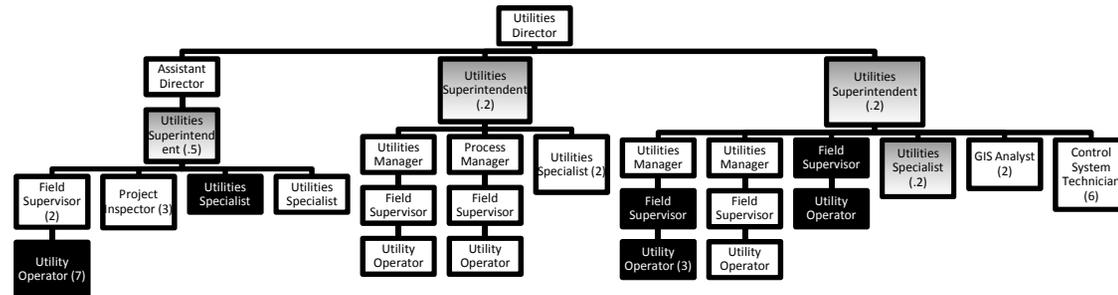
### PROFILE

The mission of the Sanitary Sewer Collection Division is to convey wastewater from customers to the Wastewater Treatment Plant, prevent sanitary sewer overflows and maintain the wastewater collection system by preventing significant health, safety and environmental impacts. Division responsibilities include maintenance of approximately 406 miles of sanitary sewer gravity main, 24 miles of sanitary sewer force main, 9,416 manholes, and 1,500 clean outs.

### CURRENT YEAR ACCOMPLISHMENTS

1. Reduced sanitary sewer overflows by 50%.
2. Maintained 90 miles/422,767 feet of sanitary sewer main.
3. Continued pump station improvements.
4. Removal of vacuum prime lift stations and replacement with submersible pumps for reliability and efficiency.
5. Improve collection system condition data with new TV inspection technology.

### ORGANIZATIONAL CHART



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### PERSONNEL SUMMARY

	2012	2013	2013	2014
PERSONNEL	Actual	Adopted	Estimate	Budget
Authorized Positions	15.00	14.60	15.60	15.10

## EXPENDITURE SUMMARY

EXPENDITURES	2012 Actual	2013 Adopted	2013 Estimate	2014 Budget
<b>Personal Services</b>	\$ 1,058,287	\$ 1,048,207	\$ 1,048,207	\$ 1,073,639
<b>Contractual Services</b>	1,111,444	1,149,500	1,149,500	1,228,500
<b>Commodities</b>	163,145	156,325	156,325	164,725
<b>Capital Outlay</b>	311,333	15,000	15,000	15,000
<b>Debt Service</b>	-	-	-	
<b>Transfers</b>	309,954	309,954	309,954	309,954
<b>Contingency</b>	-	15,000	15,000	15,000
<b>Total</b>	\$ 2,954,163	\$ 2,693,986	\$ 2,693,986	\$ 2,806,818

## SIGNIFICANT ISSUES FOR 2014

1. Deteriorating collection system infrastructure.
2. Significant inflow and infiltration from the private and public infrastructure causing capacity and treatment challenges at the wastewater treatment plant.

## PERFORMANCE INDICATORS

Indicator	2012 Actual	2013 Estimated	2014 Target
City Main Blockages	23	30	27
% Planned Maintenance Completed	86.3	100	100
% Planned TV Inspection Completed	68.4	100	100
Lift Station By-passes	0	0	0
Lost time accidents	0	0	0

## MAJOR GOALS AND OBJECTIVES FOR 2014

1. Maintaining 25% of the collection system through a four-year Section Cleaning Program and scheduled preventive maintenance.
2. Continue reduction of city main blockages through proactive maintenance programs; including cured in place pipe program, point repairs, chemical root control program, section cleaning, scheduled preventive maintenance, grease program and TV inspections.
3. Rehabilitate aging collection system infrastructure and replacement of aging equipment.
4. Reduction of I&I from public and private infrastructure through the implementation of the Rapid I&I Program.



City of Lawrence

**SANITARY SEWER COLLECTION**

# Water and Wastewater Fund

Water Quality

Division 7510

## PROFILE

The mission of the Quality Control Division is to ensure compliance with the Clean Water Act and the Safe Drinking Water Act. The Division operates three accredited laboratories and the industrial pretreatment program and supports the biosolids program. Division responsibilities include: implementation of requirements in federal and state environmental laws and regulations; monitoring, and reporting pursuant to those regulations; responding to water quality questions; management of the industrial pretreatment program; and technical support to plant operations and the Farmland site.

## CURRENT YEAR ACCOMPLISHMENTS

1. Annual Compliance Summary for Industrial Pretreatment Program completed March 2013.
2. Industrial Pretreatment Permits and onsite inspections of industrial facilities completed as required by city ordinance.
3. Water and Wastewater Compliance Reports submitted within established deadlines.
4. All laboratories received accreditation under the National Environmental Laboratory Accreditation Program for Year 2013. Expanded accreditation under the Resource Conservation and Recovery Act in order to conduct testing at Farmland.

## ORGANIZATIONAL CHART



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## PERSONNEL SUMMARY

PERSONNEL	2012 Actual	2013 Adopted	2013 Estimate	2014 Budget
Authorized Positions	4.00	4.00	5.00	5.00

## EXPENDITURE SUMMARY

EXPENDITURES	2012 Actual	2013 Adopted	2013 Estimate	2014 Budget
<b>Personal Services</b>	\$ 418,912	\$ 403,660	\$ 403,660	\$ 405,528
<b>Contractual Services</b>	69,107	124,300	124,300	89,300
<b>Commodities</b>	174,282	170,250	170,250	190,250
<b>Capital Outlay</b>	-	-	-	
<b>Debt Service</b>	-	-	-	
<b>Transfers</b>	14,405	14,405	14,405	14,405
<b>Contingency</b>	-	10,000	10,000	10,000
<b>Total</b>	<b>\$ 676,706</b>	<b>\$ 722,615</b>	<b>\$ 722,615</b>	<b>\$ 709,483</b>

## PERFORMANCE INDICATORS

Indicator	2012 Actual	2013 Estimated	2014 Target
In-house Lab Analyses	12,283	12,200	12,200
Lab Analyses Outsourced	647	650	650
Lost time accidents	0	0	0
Industrial Pretreatment inspections	48	50	50

## MAJOR GOALS AND OBJECTIVES FOR 2014

1. Provide testing, reporting, technical support and other services to water and wastewater operations.
2. Respond and track customer taste and odor calls and other water quality calls.
3. Identify potential water quality issues through expanded data analyses.
4. Expand laboratory testing support at the Farmland site.
5. Continue participation in blue green algae studies in the Kaw River and the effect of water treatment on removal of algal by-products.

## CURRENT YEAR ACCOMPLISHMENTS (cont.)

5. 2013 Consumer Confidence Report completed and available to customers.
6. Sampling and analysis at the Farmland site.
7. The laboratories tested a total of 12,283 samples, a 2,733 increase from previous year.

## SIGNIFICANT ISSUES FOR 2014

1. Balance available resources with expanded needs for testing for the on-going improvement of water quality.
2. Improve technical knowledge of staff in order to keep up with water quality challenges.



**QUALITY CONTROL**

# Water and Wastewater Fund

## Water Distribution System

Division 7610

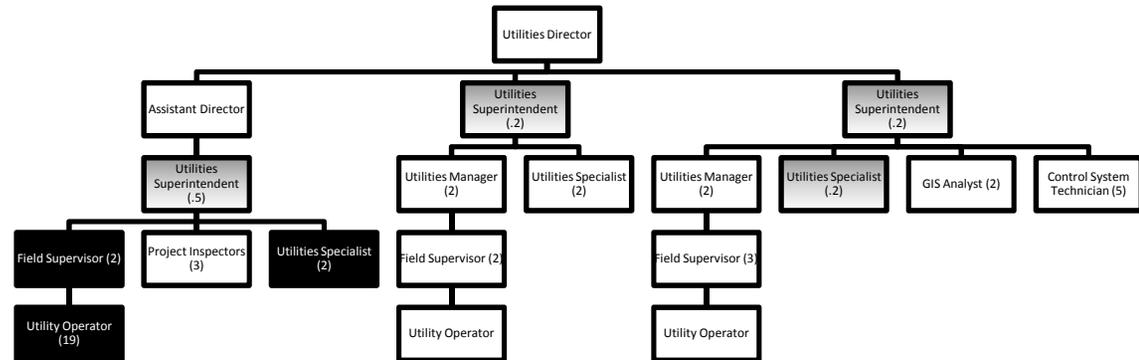
### PROFILE

The mission of the Water Distribution Division is to install, maintain and repair the water distribution system. The distribution system is the network of pipes conveying clean, safe, potable water for consumption to residences, businesses, industries and rural water districts. It consists of 431 miles of water main, 11,681 valves, 3,471 fire hydrants and approximately 32,525 service connections. The system also provides water for fire protection.

### CURRENT YEAR ACCOMPLISHMENTS

1. Exercised and inspected 1,934 distribution system valves.
2. Distribution flow testing. Testing the distribution system to assure adequate fire protection.
3. Continued Field Operations cross training to assist in emergency leak repairs and SSO's and efficiency.
4. Responded to and repaired 194 water main leaks.

### ORGANIZATIONAL CHART



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### PERSONNEL SUMMARY

	2012	2013	2013	2014
PERSONNEL	Actual	Adopted	Estimate	Budget
Authorized Positions	22.00	21.60	23.60	24.10

## EXPENDITURE SUMMARY

EXPENDITURES	2012 Actual	2013 Adopted	2013 Estimate	2014 Budget
<b>Personal Services</b>	\$ 1,542,021	\$ 1,489,383	\$ 1,489,383	\$ 1,626,455
<b>Contractual Services</b>	317,114	240,500	240,500	261,500
<b>Commodities</b>	647,751	830,950	830,950	823,350
<b>Capital Outlay</b>	178,100	130,000	130,000	280,000
<b>Debt Service</b>	-	-	-	-
<b>Transfers</b>	619,908	619,908	619,908	619,908
<b>Contingency</b>	-	15,000	15,000	15,000
<b>Total</b>	\$ 3,304,894	\$ 3,325,741	\$ 3,325,741	\$ 3,626,213

## PERFORMANCE INDICATORS

Indicator	2012 Actual	2013 Estimated	2014 Target
# Hydrants painted, inspected, repaired	1,844	1,736	1,750
# Lost time accidents	-	0	0
# Water services installed	168	150	150
# Water main breaks	194	100	100
Water Main Installed (feet)	5,317	15,000	15,000
# Valves Exercised	1,954	2,040	2,040
# Hydrant Flow Test	554	868	868

## MAJOR GOALS AND OBJECTIVES FOR 2014

1. Continue pro-active maintenance programs guided by American Water Works Association standards to assure continuous distribution reliability and delivery of clean, safe water to customers.
2. Continue to replace deteriorating water mains.
3. Implement and complete CIP related projects.

## SIGNIFICANT ISSUES FOR 2014

1. Increased incidents of water distribution system leaks.
2. Aging and deteriorating distribution system.
3. Implementation of the small watermain replacement program.



## WATER DISTRIBUTION SYSTEM

# Water and Wastewater Fund

## Debt Service Account 501-7700

EXPENDITURES	2012 Actual	2013 Adopted	2013 Estimate	2014 Budget
Personal Services	\$ -	\$ -	\$ -	\$ -
Contractual Services	-	-	-	-
Commodities	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service	8,052,699	9,826,135	9,826,135	12,000,000
Transfers	-	-	-	-
Contingency	-	-	-	-
<b>Total</b>	<b>\$ 8,052,699</b>	<b>\$ 9,826,135</b>	<b>\$ 9,826,135</b>	<b>\$ 12,000,000</b>

# Water and Wastewater Fund

## Non-Bonded Construction Account 501-7800

EXPENDITURES	2012 Actual	2013 Adopted	2013 Estimate	2014 Budget
Personal Services	\$ -	\$ -	\$ -	\$ -
Contractual Services	-	-	-	-
Commodities	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service	-	-	-	-
Transfer to Non - Bonded Construction	1,900,000	1,200,000	1,200,000	1,500,000
Transfer to Achieve Fund Balance	-	13,500,000	-	13,500,000
Contingency	-	-	-	-
<b>Total</b>	<b>\$ 1,900,000</b>	<b>\$ 14,700,000</b>	<b>\$ 1,200,000</b>	<b>\$ 15,000,000</b>

# SOLID WASTE FUND

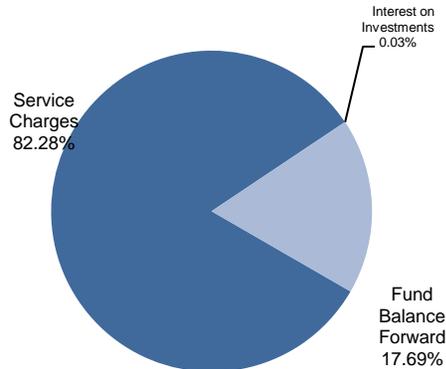
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City of Lawrence

# Fund 502 - SOLID WASTE

**Budget Resources by Classification**



<b>RECEIPTS</b>	2012 Actual	2013 Adopted	2013 Estimated	2014 Budget
Sanitation Service Charge	\$ 8,716,220	\$ 8,745,590	\$ 8,745,590	\$ 8,945,610
Roll Off	1,320,073	1,625,000	1,625,000	1,625,000
Extra Pickups, Miscellaneous	970,581	480,050	480,050	513,900
State Grants	-	-	-	-
Interest on Investments	8,460	3,500	3,500	3,500
<b>TOTAL RECEIPTS</b>	<b>\$ 11,015,334</b>	<b>\$ 10,854,140</b>	<b>\$ 10,854,140</b>	<b>\$ 11,088,010</b>
Balance, January 1	2,372,296	353,896	2,454,895	2,383,347
<b>TOTAL RESOURCES AVAILABLE</b>	<b>\$ 13,387,630</b>	<b>\$ 11,208,036</b>	<b>\$ 13,309,035</b>	<b>\$ 13,471,357</b>

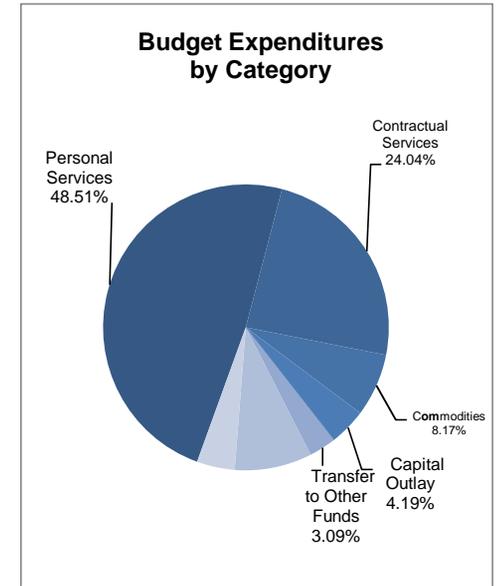
## REVENUE SOURCES - DESCRIPTIONS AND TRENDS

Revenue Sources - The Solid Waste Fund is an Enterprise Fund used to account for the operations that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs of providing services (recycling, solid waste, and disposal of refuse) to the general public on a continuing basis is financed or recovered primarily through user charges. The primary revenue source for this fund is the charges for sanitation services, followed by roll-off charges to commercial and some residential customers. Fees for city-wide residential curbside recycling will go into effect in October 2014.

Trends - The trend for residential and commercial growth in landfill tonnage increased while the tonnage for roll-offs continued to decrease significantly, likely resulting from changes in construction activity. The landfill rate per ton will increase in 2014 by 3.5%, per the contract with Hamm Landfill. In addition, increased maintenance and operating costs, including employee benefit costs, as well as minimal growth in the number of customers and geographic size of the service area, continue to impact the revenue requirements for this fund. While no rate increase is budgeted for 2014, costs of providing curbside recycling will beginning in the fall of 2014 will require customers to pay an additional fee beginning in late 2014.

## Fund 502 - SOLID WASTE

EXPENDITURES	2012 Actual	2013 Adopted	2013 Estimated	2014 Budget
Personal Services	\$ 5,577,170	\$ 6,124,844	\$ 6,124,844	\$ 6,226,834
Contractual Services	2,897,748	2,954,809	2,954,809	3,085,218
Commodities	761,941	921,110	921,110	914,080
Capital Outlay	731,565	528,900	528,900	538,000
Debt Service	-	-	-	-
Transfer to Other Funds	964,311	396,025	396,025	396,025
Transfer to Achieve 5% fund balance	-	-	-	1,125,000
Contingency	-	-	-	550,000
<b>TOTAL EXPENDITURES</b>	<b>\$ 10,932,735</b>	<b>\$ 10,925,688</b>	<b>\$ 10,925,688</b>	<b>\$ 12,835,157</b>
<b>FUND BALANCE FORWARD</b>	<b>\$ 2,454,895</b>	<b>\$ 282,348</b>	<b>\$ 2,383,347</b>	<b>\$ 636,200</b>



### EXPENDITURES - DESCRIPTIONS AND TRENDS

Personal Services - Cost of providing wages, salaries, retirement, and other fringe benefits for City employees continue to increase. Funding is included for a merit pool for eligible employees.

Contractual Services - The cost of services provided to the City by firms, individuals, or other City departments are accounted for here. The largest expense in this category is landfill charges. While tonnage has remained relatively flat in recent years, the cost per ton has increased. An increase of 3.5% is expected for 2014. Motor vehicle repair costs, another significant expense in this category, have continued to increase slightly in recent years, a trend which is expected to continue in 2014.

Commodities - Goods and supplies for operating the divisions and providing the services of the department. The commodities category includes fuel, the cost of which is expected to increase. Significant expenditures are planned in 2014 for a comprehensive education program on curbside recycling.

Capital Outlay - Funds for scheduled vehicle and equipment replacement. The needs to replace failing equipment and add additional equipment fluctuate as do expenditure levels.

Transfer to Other Funds - These funds are transferred to the City's Worker's Compensation Fund and the City's general operating fund for overhead expenses.

# Solid Waste Fund

Solid Waste Operations

Division 3515

## PROFILE

The Solid Waste Operations Division of the Public Works Department is charged with collection of refuse generated from residential, commercial, multi-family, industrial, and institutional customers.

Residential services include trash collection once per week and yard trimmings collection once per week (March to December, weather permitting). Other services include the collection of tires, bulky items, and appliances, as well as assistance with neighborhood and alley clean-ups.

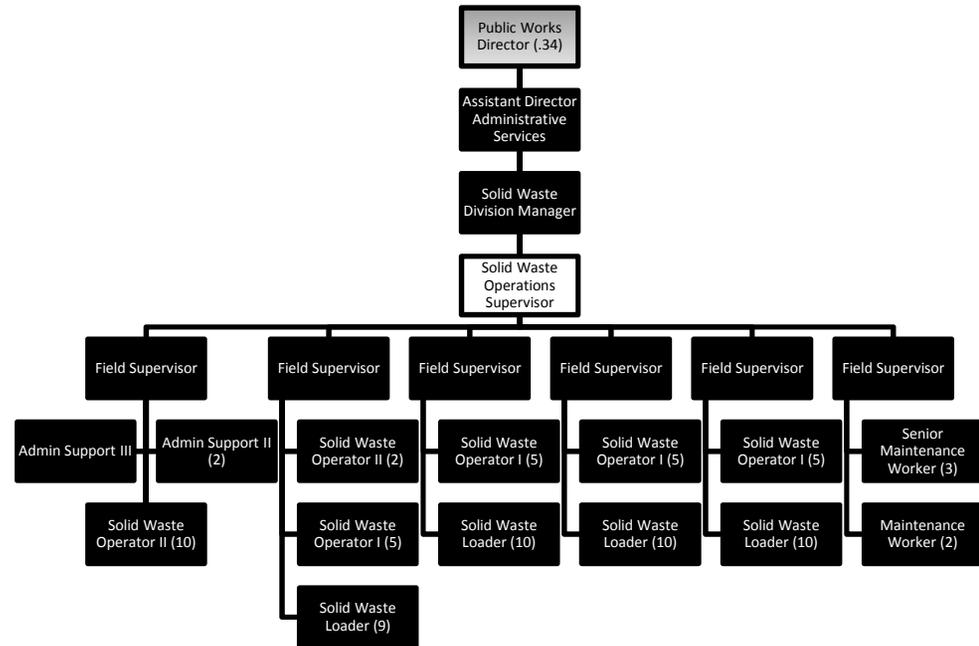
Collection of residential curbside recycling will begin in October 2014.

Commercial collection services use various types of equipment to handle large volumes of trash. Rear-loading packer trucks are used where limited space prohibits the use of more highly mechanized equipment. Where possible, commercial accounts are served by front-loader trucks (fully automated).

Industries and large commercial trash generators may be served by roll-off units, which provide for compaction of the refuse, or with open top containers.

The Solid Waste Division is a self-supporting enterprise fund. The Department of Finance handles billing in conjunction with their water and sewer utility billings.

## ORGANIZATIONAL CHART



Solid fill indicates position is fully funded through this account. Gradient indicates position is partially funded through this account. No fill indicates position is not funded through this account.

## PERSONNEL SUMMARY

PERSONNEL	2012 Actual	2013 Adopted	2013 Estimate	2014 Budget
Authorized Positions	85.84	85.84	85.84	87.34

## EXPENDITURE SUMMARY

EXPENDITURES	2012 Actual	2013 Adopted	2013 Estimate	2014 Budget
<b>Personal Services</b>	\$ 4,876,821	\$ 5,401,622	\$ 5,401,622	\$ 5,491,846
<b>Contractual Services</b>	2,675,439	2,721,784	2,721,784	2,809,693
<b>Commodities</b>	653,907	824,170	824,170	821,180
<b>Capital Outlay</b>	731,565	528,900	528,900	538,000
<b>Debt Service</b>	-	-	-	-
<b>Transfers</b>	960,945	392,659	392,659	967,659
<b>Contingency</b>	-			450,000
<b>Total</b>	\$ 9,898,677	\$ 9,869,135	\$ 9,869,135	\$ 11,078,378

## PERFORMANCE INDICATORS

Indicator	2012 Actual	2013 Estimated	2014 Target
% of residents satisfied or very satisfied with solid waste collection services**	93.2%	93.2%	93.2%
% of residents satisfied or very satisfied with yard waste collection services**	88.3%	88.3%	88.3%
pounds of municipal solid waste disposed per person per day *	3.6	3.6	3.5
% of yard waste in preferred containers	99.60%	99.50%	99.70%

\* Includes all waste tonnage landfilled, using Planning Department population numbers of as July 1, 2011.

\*\*2011 Citizen Survey

## MAJOR GOALS AND OBJECTIVES FOR 2014

1. Adequacy and condition of primary office facility needs attention.
2. Reasonable and consistent rate adjustments to address operational needs and increasing costs (fuel, steel, labor).
3. Replacement of equipment in a cost effective manner.
4. Implementation of citywide curbside recycling.

## CURRENT YEAR ACCOMPLISHMENTS

1. Provided waste collection services for more than 30,000 residential and 1,500 commercial customers with high levels of customer satisfaction.
2. Implemented roll-out carts city-wide for the safety of crews and convenience of residents.
3. Achieved over 99.6% compliance using preferred containers for yard trimmings.
4. Expanded programs to address peak volume periods, such as roll-off boxes during move-in and move-out.

## SIGNIFICANT ISSUES FOR 2014

1. To provide efficient collection of residential solid waste in a challenging environment, given a growing customer base and an expanding geographic service area.
2. To improve efficiency and effectiveness of yard trimmings collection and processing.
3. Implement city-wide curbside recycling for residential customers.
4. To accommodate growth in commercial sector with excellent service.
5. To address roll off service demands and facilitate compactor installations.
6. Coordinate with the University of Kansas for dormitory closings and openings to handle large volumes of waste.

## SOLID WASTE OPERATIONS

# Solid Waste Fund

Waste Reduction/Recycling

Division 3530

## PROFILE

The Solid Waste Reduction/Recycling Division is responsible for programming for recycling and waste reduction efforts of the City. The division conducts extensive public education and community awareness programs.

Residential services in this division include:

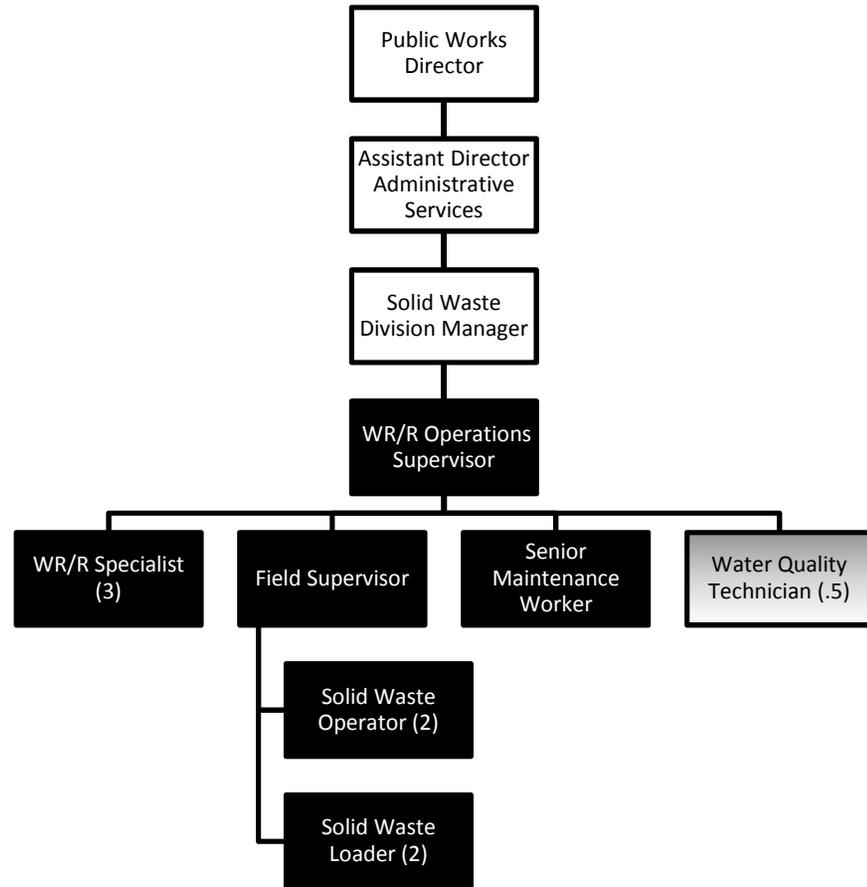
1. the household hazardous waste
2. fibers recycling programs, such as the drop-off locations, collection, processing, and sale of collected materials for newspaper, cardboard and mixed paper
3. yard waste composting and annual sale events
4. other education and outreach through schools, community events, and direct technical assistance

Commercial services include:

1. managing the small quantity generator hazardous waste program
2. cardboard collection and recycling services for the central business district and other medium to small sized businesses
3. technical assistance on a variety of recycling and resource conservation issues.

WRR staff will do the education and outreach program for residential curbside recycling. They are actively engaged in making professional presentations to community and school groups, as well as presenting at state or national conferences.

## ORGANIZATIONAL CHART



Solid fill indicates position is fully funded through this account. Gradient indicates position is partially funded through this account. No fill indicates position is not funded through this account.

## PERSONNEL SUMMARY

	2012	2013	2013	2014
PERSONNEL	Actual	Adopted	Estimate	Budget
Authorized Positions	10.50	10.50	10.50	10.50

## EXPENDITURE SUMMARY

EXPENDITURES	2012 Actual	2013 Adopted	2013 Estimate	2014 Budget
<b>Personal Services</b>	\$ 700,349	\$ 723,222	\$ 723,222	\$ 734,988
<b>Contractual Services</b>	222,309	233,025	233,025	275,525
<b>Commodities</b>	108,034	96,940	96,940	92,900
<b>Capital Outlay</b>	-	-	-	-
<b>Debt Service</b>	-	-	-	-
<b>Transfers</b>	3,366	3,366	3,366	553,366
<b>Contingency</b>	-			100,000
<b>Total</b>	\$ 1,034,058	\$ 1,056,553	\$ 1,056,553	\$ 1,756,779

## PERFORMANCE INDICATORS

Indicator	2012 Actual	2013 Estimated	2014 Target
% of municipal solid waste recycled	38%	35%	35%
Pounds of municipal solid waste disposed per person per day	3.6	3.5	3.4
% of residents satisfied with the City's drop-off recycling sites	57%	57%	57%
% of residents satisfied with the City's efforts to inform citizens about recycling opportunities	57%	57%	57%
% of residents satisfied with household hazardous waste disposal services	56%	56%	56%

## MAJOR GOALS AND OBJECTIVES FOR 2014

1. Planning for on-going management of electronic waste, including recycling and proper disposal.
2. Reasonable and consistent rate adjustments to address operational needs and increasing costs (fuel, steel, labor).
3. Replacement of equipment in a cost effective manner.

## CURRENT YEAR ACCOMPLISHMENTS

1. Over 10,700 tons of material were recycled by the Solid Waste Division, including grass and leaves, newspaper, cardboard, brushy wood waste, holiday trees, and metals.
2. Hosted two e-waste collection events.
3. Special education and outreach programs were designed for effective and environmentally friendly management of wastes. Major special events included the Earth Day activities and the Home Energy Conservation Fair.
4. Staff continued to provide support for the Sustainability Advisory Board.
5. Staff support to Solid Waste Task Force.

## SIGNIFICANT ISSUES FOR 2014

1. To conduct a comprehensive education and outreach program for residential curbside recycling.
2. To increase the number of households served by the Household Hazardous Waste program and businesses utilizing the small quantity generator programs.
3. To offer two community e-waste collection events.
4. To provide quality education and outreach on recycling and waste reduction opportunities in the community.

## WASTE REDUCTION/RECYCLING



*City of Lawrence*

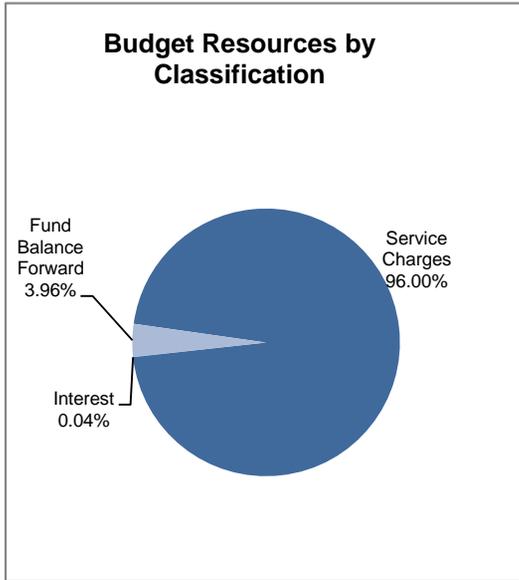
# PUBLIC PARKING SYSTEM FUND

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*City of Lawrence*

# Fund 503 - PUBLIC PARKING SYSTEM



<b>RECEIPTS</b>	<b>2012 Actual</b>	<b>2013 Adopted</b>	<b>2013 Estimated</b>	<b>2014 Budget</b>
Meter	\$ 615,507	\$ 615,000	\$ 615,000	\$ 615,000
Overtime Parking	469,760	560,000	560,000	560,000
Riverfront Garage	128,968	100,000	100,000	100,000
9th & New Hampshire Garage	9,639	10,000	10,000	10,000
Interest on Investments	713	500	500	500
Lease Payment	-	-	-	-
Miscellaneous	1,590	-	-	-
<b>TOTAL RECEIPTS</b>	<b>\$ 1,226,177</b>	<b>\$ 1,285,500</b>	<b>\$ 1,285,500</b>	<b>\$ 1,285,500</b>
Balance, January 1	316,820	397,189	337,628	53,048
<b>TOTAL RESOURCES AVAILABLE</b>	<b>\$ 1,542,997</b>	<b>\$ 1,682,689</b>	<b>\$ 1,623,128</b>	<b>\$ 1,338,548</b>

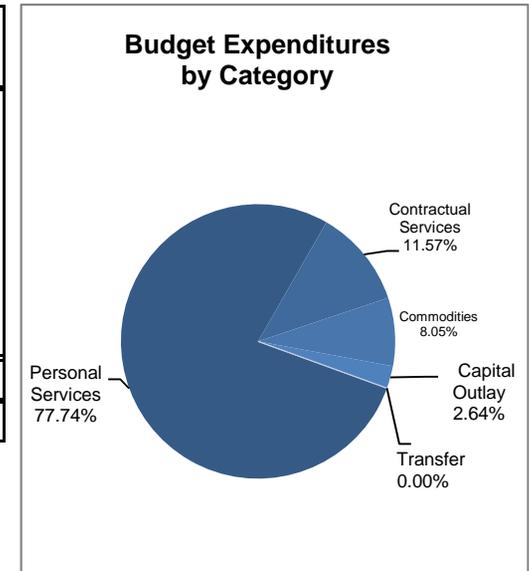
## REVENUE SOURCES - DESCRIPTIONS AND TRENDS

Revenue Sources - The Public Parking Fund is an Enterprise Fund used to account for the operations that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs of providing services (operation of all parking facilities owned by the City) to the general public on a continuing basis is financed or recovered primarily through user charges. The primary revenue sources for this fund are parking meter receipts, followed by revenue from overtime parking citations. The City's two garages (Riverfront and 9th/New Hampshire) both collect fees from parking permits and collection boxes.

Trends - Revenue in this fund has experienced slowed growth in recent years despite increases in the cost of metered parking and increased fines for overtime parking implemented in 2010. Revenue from the new parking garage is expected to generate a slight increase in 2014, however that increase will likely be offset by a reduction in overtime parking fines.

# Fund 503 - PUBLIC PARKING SYSTEM

<b>EXPENDITURES</b>	<b>2012 Actual</b>	<b>2013 Adopted</b>	<b>2013 Estimated</b>	<b>2014 Budget</b>
Personal Services	\$ 950,690	\$ 1,005,390	\$ 1,005,390	\$ 1,029,750
Contractual Services	139,510	155,193	143,020	153,193
Commodities	65,169	106,670	106,670	106,670
Capital Outlay	10,000	15,000	15,000	35,000
Debt Service	-	-	-	-
Transfer	40,000	325,000	300,000	-
Contingency	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>\$ 1,205,369</b>	<b>\$ 1,607,253</b>	<b>\$ 1,570,080</b>	<b>\$ 1,324,613</b>
<b>FUND BALANCE FORWARD</b>	<b>\$ 337,628</b>	<b>\$ 75,436</b>	<b>\$ 53,048</b>	<b>\$ 13,935</b>



## EXPENDITURES - DESCRIPTIONS AND TRENDS

Personal Services - This fund provides the funding for staff from four separate departments involved in public parking operations: three police officers, parking control officers, a parking control technician, two maintenance workers, municipal court clerks, a horticulturalist and part-time seasonal employees. Cost of wages, salaries, retirement, and other fringe benefits for City employees continue to increase each year.

Contractual Services - Cost of equipment repair, vehicle maintenance, as well as electricity and other utilities. These costs continue to increase over time.

Commodities - Office supplies, meters and parts, fuels, trees, seeds, and plants. These costs fluctuate according to resources available.

Capital Outlay - Expenditures fluctuate according to needs each year. In 2014, funds are again budgeted for the replacement of a number of the streetlights in downtown in need of repair.

Transfer - A transfer to the City's Capital Improvement Reserve Fund was budgeted in 2013 to fund future improvement to the City's parking garages. No transfer is budgeted for 2014.

# Public Parking System Fund

Parking Control  
Division 2300

## PROFILE

The Public Parking Division is charged with the responsibility of enforcing parking regulations and meter time limits in the Central Business District to provide adequate parking turnover in the downtown area.

The parking meter program includes meter and zone enforcement, meter maintenance, meter collections and debt service. In conjunction with the Public Works and Parks and Recreation Departments, the division maintains existing lots and landscapes the arcades and planters along Massachusetts Street.

This division also maintains the Riverfront Garage as well as the New Hampshire Parking Garage. Revenues from the garage are used to finance operations and make transfers to the parking reserve fund to finance maintenance and improvements in the overall public parking system.

## ORGANIZATIONAL CHART



## CURRENT YEAR ACCOMPLISHMENTS

1. Provided janitorial, repair, landscaping and maintenance services for parking lots owned and maintained by the city.

Solid fill indicates position is fully funded through this account. Gradient indicates position is partially funded through this account. No fill indicates position is not funded through this account.

## PERSONNEL SUMMARY

	2012	2013	2013	2014
PERSONNEL	Actual	Adopted	Estimate	Budget
Authorized Positions	15.00	15.00	15.00	15.00

## EXPENDITURE SUMMARY

EXPENDITURES	2012 Actual	2013 Adopted	2013 Estimated	2014 Budget
<b>Personal Services</b>	\$ 950,690	\$ 1,005,390	\$ 1,005,390	\$ 1,029,750
<b>Contractual Services</b>	139,510	155,193	143,020	153,193
<b>Commodities</b>	65,169	106,670	106,670	106,670
<b>Capital Outlay</b>	10,000	15,000	15,000	35,000
<b>Debt Service</b>	-	-	-	-
<b>Transfer</b>	40,000	325,000	300,000	-
<b>Contingency</b>	-	-	-	-
<b>Total</b>	\$ 1,205,369	\$ 1,607,253	\$ 1,570,080	\$ 1,324,613

## PERFORMANCE INDICATORS

Indicator	2012 Actual	2013 Estimated	2014 Target
% of residents satisfied with parking enforcement services*	60%	60%	60%
% of residents satisfied with the availability of parking downtown*	42%	42%	42%
% of residents satisfied with the beautification of downtown*	83%	83%	83%

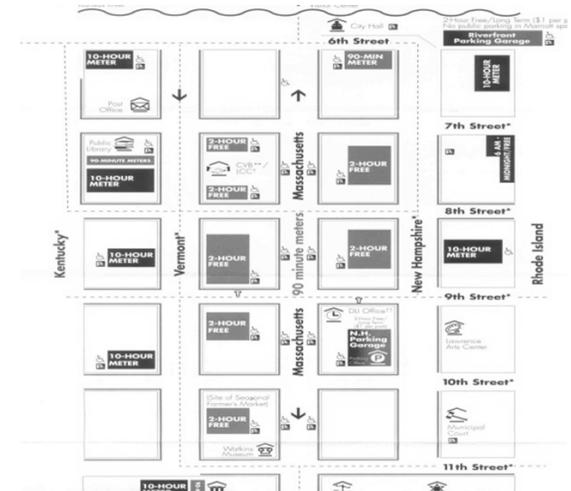
\*2011 Citizen Survey

## MAJOR GOALS AND OBJECTIVES FOR 2014

1. To provide efficient and effective enforcement of meter and lot violations.
2. To provide adequate public parking downtown.
3. To optimize use of all city operated parking facilities, maximizing revenue.
4. To maintain public garages and parking areas that are aesthetically pleasing, clean, and safe.
5. To increase the use of the credit card payment option.

## SIGNIFICANT ISSUES FOR 2014

1. Providing sufficient resources to fund operations despite slow revenue growth will continue to be an issue in 2014.
2. To begin operation of the new downtown parking garage.



## PUBLIC PARKING



*City of Lawrence*

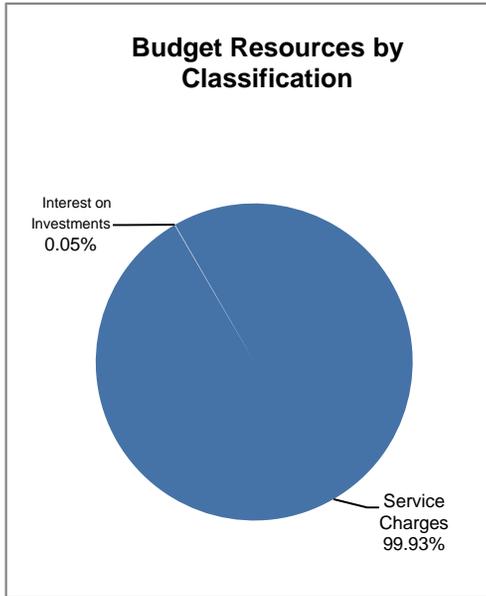
# STORM WATER UTILITY FUND

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City of Lawrence

# Fund 505 - STORM WATER UTILITY



<b>RECEIPTS</b>	2012 Actual	2013 Adopted	2013 Estimated	2014 Budget
Storm Water Utility Charges	\$ 2,970,639	\$ 2,950,000	\$ 2,950,000	\$ 2,977,000
Interest on Investments	4,439	1,500	1,500	2,000
Miscellaneous	-	-	-	-
Debt Proceeds	-	-	-	-
<b>TOTAL RECEIPTS</b>	<b>\$ 2,975,078</b>	<b>\$ 2,951,500</b>	<b>\$ 2,951,500</b>	<b>\$ 2,979,000</b>
Balance, January 1	1,838,898	1,109,463	1,849,139	929,342
<b>TOTAL RESOURCES AVAILABLE</b>	<b>\$ 4,813,976</b>	<b>\$ 4,060,963</b>	<b>\$ 4,800,639</b>	<b>\$ 3,908,342</b>

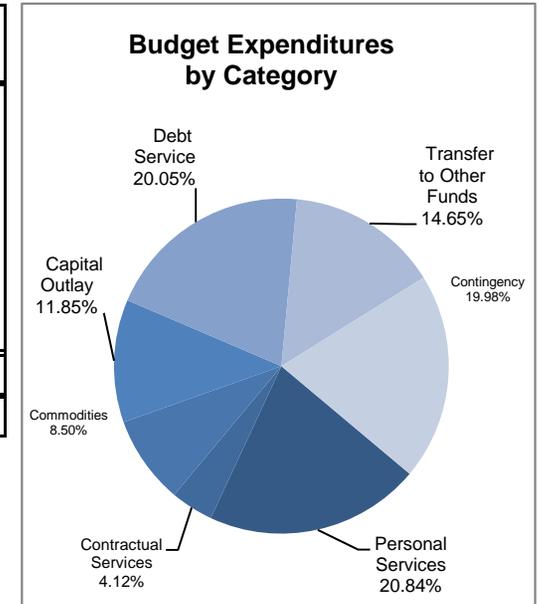
## REVENUE SOURCES - DESCRIPTIONS AND TRENDS

**Revenue Sources** - The Storm Water Utility Fund is an Enterprise Fund used to account for the operations that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs of providing services (repair and maintenance of the storm water system) to the general public on a continuing basis is financed or recovered primarily through user charges. The revenue source for this fund is the charges for storm water service and is calculated by assessing each property based on its impervious surface. A Storm Water Master Plan anticipates the projects and priorities for capital improvements to the infrastructure and rates are adjusted accordingly.

**Trends** - The current storm water fee is \$4.00 per equivalent residential unit (ERU) and is based on a rate study completed in 2000. No rate increase is necessary for 2014 because revenues have been adequate to complete priority storm water projects. A slight increase in revenue is projected for 2014 based on actual collections in 2012.

# Fund 505 - STORM WATER UTILITY

<b>EXPENDITURES</b>	2012 Actual	2013 Adopted	2013 Estimated	2014 Budget
Personal Services	\$ 752,931	\$ 784,270	\$ 784,270	\$ 782,233
Contractual Services	261,278	146,650	146,650	154,650
Commodities	471,209	319,206	319,206	319,206
Capital Outlay	354,819	397,000	397,000	445,000
Debt Service	724,600	724,171	724,171	752,678
Transfer to Other Funds	400,000	550,000	550,000	550,000
Contingency	-	950,000	950,000	750,000
<b>TOTAL EXPENDITURES</b>	<b>\$ 2,964,837</b>	<b>\$ 3,871,297</b>	<b>\$ 3,871,297</b>	<b>\$ 3,753,767</b>
<b>FUND BALANCE FORWARD</b>	<b>\$ 1,849,139</b>	<b>\$ 189,666</b>	<b>\$ 929,342</b>	<b>\$ 154,575</b>



## EXPENDITURES - DESCRIPTIONS AND TRENDS

Personal Services - Cost of providing wages, salaries, retirement, and other fringe benefits for City employees and to some extent, part-time, seasonal staff. Costs of employee retirement, healthcare, and wages continue to increase each year.

Capital Outlay - The cost of equipment and materials used to make improvements to the City's storm water infrastructure. Expenditures have fluctuated with needs and available resources.

Debt Service - Debt Service expenditures allow for the payment of bonded debt at the completion of construction for major improvement projects. Current debt for stormwater projects will be paid off in 2018.

Transfer to Other Funds - Transfers will be made to the General Fund for continued funding of the curb repair program and to the Workers Comp Reserve Fund. Amounts have fluctuated over time.

# Stormwater Utility Fund

Storm Water Utility  
Division 3900

## PROFILE

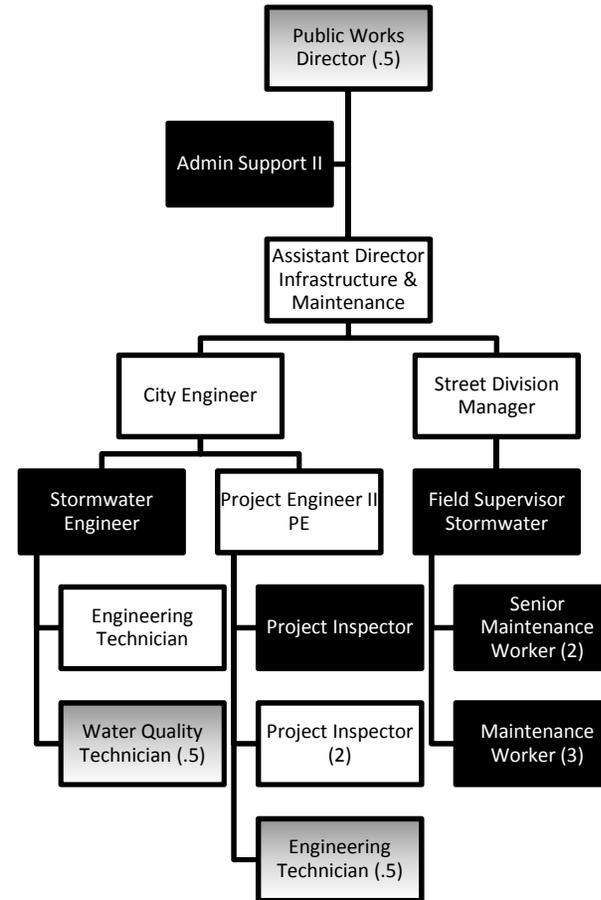
The Storm Water Engineering Division of the Department of Public Works is responsible for scheduled capital improvements to the storm drainage system, maintenance of the existing storm drainage system, review of drainage design in new development and compliance with federal water quality regulations. These tasks are funded by storm water utility fees administered by division personnel. Major division goals and a majority of funds are focused on capital improvements. The schedule for capital improvements is directly related to the revenue generated by utility fees.

Stormwater maintenance crews take care of 250 miles of open drainage as well as underground infrastructure. The division currently maintains three storm water pump stations in North Lawrence capable of removing up to 22,000 gallons of water per minute from low lying areas.

## CURRENT YEAR ACCOMPLISHMENTS

1. Continued focus on existing infrastructure maintenance, including the cleaning of 2.441 lf. of stormwater pipe, 648 catch basins, which included the repair of 37 of those basins

## ORGANIZATIONAL CHART



Solid fill indicates position is fully funded through this account. Gradient indicates position is partially funded through this account. No fill indicates position is not funded through this account.

## PERSONNEL SUMMARY

	2012 Actual	2013 Adopted	2013 Estimate	2014 Budget
PERSONNEL				
Authorized Positions	10.50	10.50	10.50	10.50

## EXPENDITURE SUMMARY

EXPENDITURES	2012 Actual	2013 Adopted	2013 Estimate	2014 Budget
<b>Personal Services</b>	\$ 752,931	\$ 784,270	\$ 784,270	\$ 782,233
<b>Contractual Services</b>	261,278	146,650	146,650	154,650
<b>Commodities</b>	471,209	319,206	319,206	319,206
<b>Capital Outlay</b>	354,819	397,000	397,000	445,000
<b>Debt Service</b>	724,600	724,171	724,171	752,678
<b>Transfers</b>	400,000	550,000	550,000	550,000
<b>Contingency</b>	-	950,000	950,000	750,000
<b>Total</b>	<b>\$ 2,964,837</b>	<b>\$ 3,871,297</b>	<b>\$ 3,871,297</b>	<b>\$ 3,753,767</b>

## PERFORMANCE INDICATORS

Indicator	2012 Actual	2013 Estimated	2014 Target
% of residents satisfied or very satisfied with City's stormwater management program	51.3%	53%	53%
% of storm water problems that require action after issuance of a notice of violation	0	10	0
Number of storm water quality violations issued	30	10	0
Number of storm water education program participants	830	94	125

## MAJOR GOALS AND OBJECTIVES FOR 2014

1. Complete construction of the 5th and Maple pump station.
2. Continued implementation of the storm water pollution prevention ordinance.
3. Completion of remaining NPDES requirements, including pollutant discharge detection, city employee training, and possible land use regulations and construction standards.
4. Watershed modeling of one to two watersheds each year.
5. Improve drainage at 23rd and Ousdahl.

## CURRENT YEAR ACCOMPLISHMENTS (cont.)

2. Completed projects throughout the community, such as cleanig and repair of storm detention.
3. Completed cleaning of Douglas County Shops' waterway and culvert at 27th and Crossgate.
4. Rebuilt the culvert and wing walls at Bob Billings Parkway and Lawrence Ave.
5. Installed underdrains at island at Kasold and Peterson.
6. Focused staff time on education and outreach -- rain barrel workshops and Water Festival.

## SIGNIFICANT ISSUES FOR 2014

1. Adequate staffing for compliance with NPDES permits and federal requirements.
2. Adequate planning and funding for future stormwater priority projects as identified in the master plan.

## STORM WATER UTILITY



*City of Lawrence*

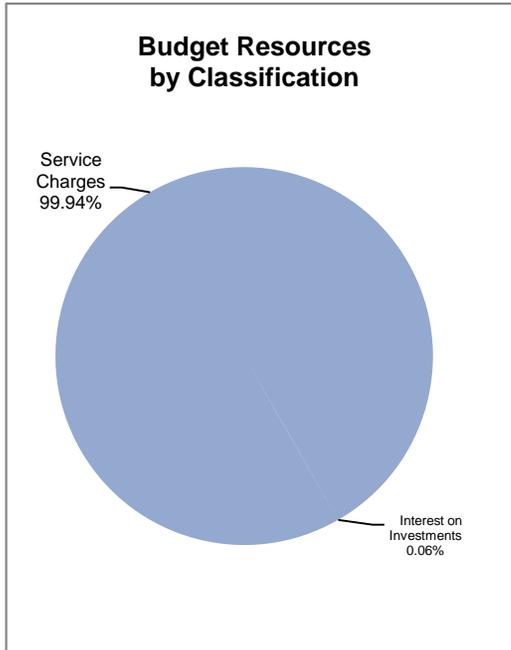
# PUBLIC GOLF COURSE FUND

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City of Lawrence

# Fund 506 - PUBLIC GOLF COURSE



<b>RECEIPTS</b>	2012 Actual	2013 Adopted	2013 Estimated	2014 Budget
Golf Course Fees	\$ 820,444	\$ 850,000	\$ 850,000	\$ 857,000
Interest on Investments	552	250	250	500
Miscellaneous	-	500	500	500
Transfers In	-	-	-	-
<b>TOTAL RECEIPTS</b>	<b>\$ 820,996</b>	<b>\$ 850,750</b>	<b>\$ 850,750</b>	<b>\$ 858,000</b>
Balance, January 1	226,221	287,758	261,810	330,090
<b>TOTAL RESOURCES AVAILABLE</b>	<b>\$ 1,047,217</b>	<b>\$ 1,138,508</b>	<b>\$ 1,112,560</b>	<b>\$ 1,188,090</b>

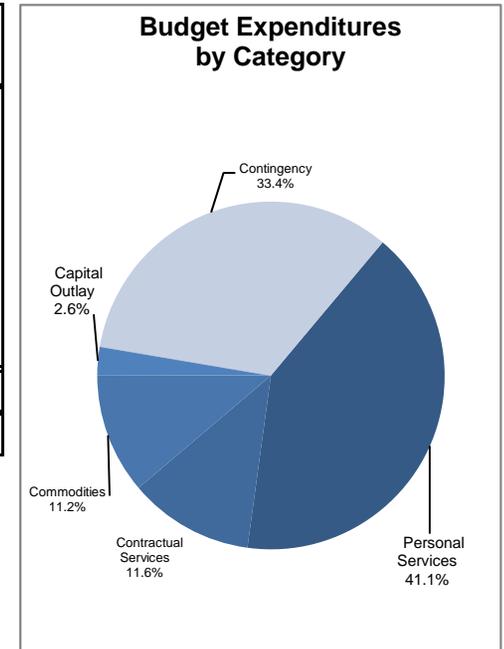
## REVENUE SOURCES - DESCRIPTIONS AND TRENDS

Revenue Sources - The Public Golf Course Fund is an Enterprise Fund used to account for the operations that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs of providing services (operations of the publicly owned Eagle Bend Golf Course) to the general public on a continuing bases is financed or recovered primarily through user charges. The primary revenue source for this fund is golf course fees.

Trends - As a weather-dependent entity, this fund sees fluctuations depending on the availability of good weather for golfers. To increase rounds of play during the week, decreases in fees were implemented for weekday rates in 2012, leaving weekend rates the same. Staff continues to monitor play and pricing. No changes are currently planned for 2014.

# Fund 506 - PUBLIC GOLF COURSE

<b>EXPENDITURES</b>	2012 Actual	2013 Adopted	2013 Estimated	2014 Budget
Personal Services	\$ 442,389	\$ 462,070	\$ 462,070	\$ 465,397
Contractual Services	143,652	132,300	132,300	131,900
Commodities	173,523	148,100	148,100	127,000
Capital Outlay	25,843	40,000	40,000	30,000
Debt Service	-	-	-	-
Transfer	-	-	-	-
Contingency	-	320,000	-	379,000
<b>TOTAL EXPENDITURES</b>	<b>\$ 785,407</b>	<b>\$ 1,102,470</b>	<b>\$ 782,470</b>	<b>\$ 1,133,297</b>
<b>FUND BALANCE FORWARD</b>	<b>\$ 261,810</b>	<b>\$ 36,038</b>	<b>\$ 330,090</b>	<b>\$ 54,793</b>



## EXPENDITURES - DESCRIPTIONS AND TRENDS

Personal Services - Personnel costs have continued to increase slightly in recent years due to increases in employee retirement and health care costs, as well as funding for merit increases for eligible employees.

Commodities - Expenses are somewhat weather dependent for maintenance/care of the grounds and continuing zoysia renovation.

Capital Outlay - Funds are needed to purchase equipment for the maintenance of the golf course, and fluctuate as needs change from year to year.

# Public Golf Course Fund

Public Golf Course

Division 4900

## PROFILE

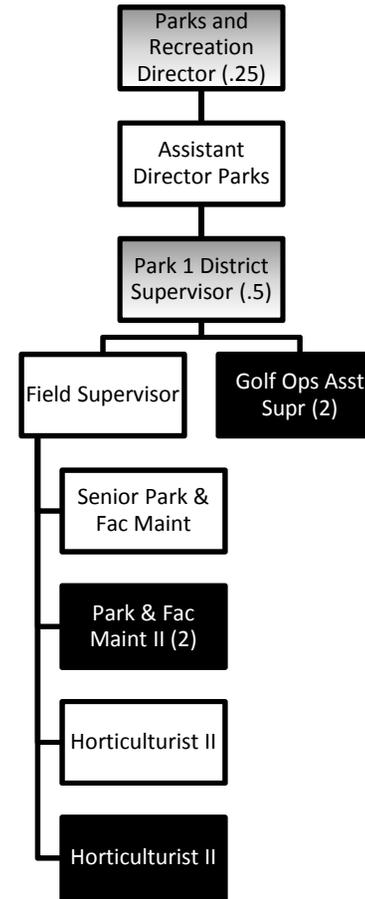
The municipal golf course division is responsible for the operation and maintenance of Eagle Bend Golf Course and related facilities. The \$3.2 million dollar, 18 hole municipal golf course, in its thirteenth year of operation, is located east of the Clinton Lake Dam in the southwest quadrant of the City.

Eagle Bend is designed along the Wakarusa River channel located below the Clinton Reservoir Dam. As a member of the Audubon Cooperative Sanctuary program for golf courses, Eagle Bend is dedicated to continuing the preservation of the environment and habitat of wildlife.

## CURRENT YEAR ACCOMPLISHMENTS

1. Continued fairway and tee renovation program that that increases playability and cuts cost on maintenance
2. Improved the volunteer program to maximize hours worked to improve customer service due to tight budgets.
3. Manage the budget to increase revenues and be profitable.
4. Renovation of cart barn to maintain electric carts to lower fuel and staff time consumption.

## ORGANIZATIONAL CHART



Solid fill indicates position is fully funded through this account. Gradient indicates position is partially funded through this account. No fill indicates position is not funded through this account.

## PERSONNEL SUMMARY

PERSONNEL	2012 Actual	2013 Adopted	2013 Estimate	2014 Budget
Authorized Positions	5.75	5.75	5.75	5.75

### EXPENDITURE SUMMARY

EXPENDITURES	2012 Actual	2013 Adopted	2013 Estimate	2014 Budget
<b>Personal Services</b>	\$ 442,389	\$ 462,070	\$ 462,070	\$ 465,397
<b>Contractual Services</b>	143,652	132,300	132,300	131,900
<b>Commodities</b>	173,523	148,100	148,100	127,000
<b>Capital Outlay</b>	25,843	40,000	40,000	30,000
<b>Debt Service</b>	-	-	-	
<b>Transfers</b>	-	-	-	
<b>Contingency</b>	-	320,000		379,000
<b>Total</b>	\$ 785,407	\$ 1,102,470	\$ 782,470	\$ 1,133,297

### PERFORMANCE INDICATORS

Indicator	2012 Actual	2013 Estimated	2014 Target
% of residents satisfied with the quality of Eagle Bend Golf Course*	64%	80%	100%
% of overall golf experience rated good or excellent*	91%	95%	100%

\*2011 Citizen Survey

### MAJOR GOALS AND OBJECTIVES FOR 2014

Constant evaluation of the playability of Eagle Bend Golf course, pricing and customer service is always foremost along with staying within the confines of the projected expenses and revenues.

### SIGNIFICANT ISSUES FOR 2014

1. Continue to operate the Eagle Bend Golf Course facility as an enterprise account of fees exceeding operating expenses.
2. Continue Zoysia renovation program as funds and nursery allow.
3. Maximize revenues while maintaining affordability with a high level of service.
4. Use social media as data base to attract and inform players.
5. Establish multi-year lease agreement with vendor to supply electric carts to replace gas powered.
6. To be the best value for golf courses in Northeast Kansas



City of Lawrence

PUBLIC GOLF COURSE



*City of* Lawrence

# CAPITAL IMPROVEMENT BUDGET

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*City of Lawrence*

# CAPITAL IMPROVEMENT BUDGET SUMMARY

## Introduction

The Capital Improvement Plan (CIP) is a tool to help City Commissioners look beyond year to year budgeting to determine what, when, where and how future public improvements will take place over the next six years. The Capital Improvement Budget is made of up capital projects contained in the City's Capital Improvement Plan.

## Capital Project Defined

A capital project is defined as a project with a minimum total cost of \$25,000 resulting in 1) the creation of a new fixed asset; or 2) enhancement to an existing fixed asset with a life expectancy of at least 20 years. Examples include construction or expansion of public buildings, new storm and sanitary sewers, water line upgrades and extensions, the acquisition of land for public use, planning and engineering costs, and street construction.

Vehicle replacements less than \$35,000 or projects considered as operational, recurring, or maintenance are not considered capital projects and are typically funded through the City's Operating Budget.

## Capital Improvement Process

Each year, capital project lists are submitted by various City departments, agencies, and the public. The projects are reviewed by the Capital Improvement Administrative Review Committee made up of representatives from several departments, as well as a City Commissioner and a member of the Planning Commission. The Committee uses the set of scoring criteria and the scoring matrix found on following pages to determine a score for every project submitted. The scores are translated into priority rankings.

The Administrative Review Committee then submits a draft Capital Improvement Plan to the Planning Commission, who reviews the Plan and ensures all projects included are consistent with the City's Comprehensive Plan, Horizon 2020. The draft Capital Improvement Plan is then submitted to the City Commission for approval.

## Capital Improvement Budget

Each year, a Capital Improvement Budget is prepared in conjunction with the City's Annual Operating Budget. The Capital Improvement budget has a number of revenue sources, including current revenues, state and federal grants, special assessment benefit districts, and the issuance of debt. The Capital Improvement Budget can be found on the following pages.

## Impact of Capital Budget on Operating Budget

The Capital Improvement Budget impacts the operating budget in several ways. For example, construction of a new roadway means additional snow removal that must be done, additional area that must be patrolled by police officers, and additional right of way that must be maintained. This can mean budgeting for more staff, equipment, contractual services, etc. Major improvements can also impact revenues. New road improvements can provide access to new commercial and residential developments, which when developed, can increase the property tax base and may generate additional sales tax.

# CAPITAL IMPROVEMENT PROJECT SCORING MATRIX

<b>Criteria</b>	<b>Possible Scores</b>		
	<b>0</b>	<b>1</b>	<b>2</b>
<b>consistency with community goals and plans</b>	project is inconsistent with City's Comprehensive Plan or does nothing to advance the City Commission's strategic goals	project is consistent the City's Comprehensive Plan but does little to advance the City Commission's strategic goals	project are directly consistent with the City's Comprehensive Plan and advances the strategic goals of the City Commission
<b>public health and safety</b>	project would have no impact on existing public health and/or safety status	project would increase public health and/or safety but is not an urgent, continual need or hazard	project addresses an immediate, continual safety hazard or public health and/or safety need
<b>mandates or other legal requirements</b>	project is not mandated or otherwise required by court order, judgment, or interlocal agreements	project would address anticipated mandates, other legal requirements, or interlocal agreements	project required by federal, state, or local mandates, grants, court orders and judgments; required as part of interlocal agreements
<b>maintains or improves standard of service</b>	project not related to maintaining an existing standard of service	project would maintain existing standard of service	project would address deficiencies or problems with existing services; would establish new service
<b>extent of benefit</b>	projects would benefit only a small percentage of citizens or particular neighborhood or area	project would benefit a large percentage of citizens or many neighborhoods or areas	project would benefit all of the citizens, neighborhoods, or areas
<b>related to other projects</b>	project is not related to other projects in the Capital Improvement Plan already underway	project linked to other projects in the Capital Improvement Plan already underway but not essential to their completion	project essential to the success of other projects identified in Capital Improvement Plan already underway
<b>public perception of need</b>	project has no public support or established voter appeal; is not identified by the citizenry as a need	project has been identified by the citizenry as a need in the community but lacks strong support	project has technical and strong political support, project was suggested by or even demanded by large number of citizens
<b>efficiency of service</b>	project would have no impact on the efficiency of service	project would result in savings by eliminating obsolete or inefficient facilities	project would result in significant savings by increasing the efficiency of the performance of a service or reducing the on-going cost of a service or facility
<b>supports economic development</b>	project would discourage or directly prevent capital investment, decrease the tax base, decrease valuation, or decrease job opportunities	project would have no impact on capital investment, the tax base, valuation, or job opportunities	project would directly result in capital investment, increased tax base, increased valuation, or improved job opportunities
<b>environmental quality</b>	project would have a negative effect on the environmental quality of the city	project would not effect the environmental quality of the city	project would improve the sustainability of the environment
<b>feasibility of project</b>	project is unable to proceed due to obstacles (land acquisition, easements, approval required)	minor obstacles exist, project is not entirely ready to proceed	project is entirely ready to proceed, no obstacles (land acquisition or easements, approvals required, etc.) exist
<b>opportunity cost</b>	if deferred, the increase in project costs would be less than the rate of inflation	if deferred, the increase in project costs would be equal to inflation	if deferred, the increase in project costs would be greater than the rate of inflation
<b>operational budget impact</b>	project would significantly increase debt service, installment payments, personnel or other operating costs or decrease revenues	project would neither increase or decrease debt service, installment payment, personnel or other operating costs or revenues	project would decrease debt service, installment payments, personnel or other operating costs or increase revenues

## 2014 CAPITAL IMPROVEMENT BUDGET

### City At Large Projects

Project	Cash								General Obligation Bonds		Water and Waterwater Revenue Bonds	Fed. or State Aid	Total
	Infrastructure Sales Tax	Reserve Funds	General Fund	Guest Tax Fund	Gas Tax Fund	Special Alcohol Fund	Water and Wastewater Fund	Stormwater Fund	Property Tax	Special Assmt.			
23rd and Iowa												\$ 1,700,000	1,700,000
Regional Rec Center Infrastructure									1,000,000				1,000,000
31st, Haskell to O'Connell phase I**									2,000,000				2,000,000
ECC Upgrade									1,000,000				1,000,000
Fire / Med Quint (replace unit 614)	500,000								777,200				1,277,200
Kasold, Harvard to BBP - Engineering and R/W	42,000						TBD						42,000
Wakarusa, Oread West to legends - phase I	2,500,000						TBD						2,500,000
Transit Transfer Facility		750,000											750,000
Maple Street Pump Station - Phase II	2,000,000						TBD						2,000,000
Santa Fe Station Renovation									350,000			700,000	1,050,000
George Williamns Way and Bob Billings Parkway Signalization									275,000				
Fiber/broadband/ITS grant match									400,000				400,000
Police Facility Site Acquisition/ design									1,500,000				1,500,000
													0
<b>Subtotal At Large Projects</b>	<b>\$ 5,042,000</b>	<b>\$ 750,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 7,302,200</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,400,000</b>	<b>\$ 15,219,200</b>

\*\*related to KDOT completion of K-10

### Water and Wastewater Utility Fund Projects

Project	Cash								General Obligation Bonds		Water and Waterwater Revenue Bonds	Fed. or State Aid	Total
	Infrastructure Sales Tax	Reserve Funds	General Fund	Guest Tax Fund	Gas Tax Fund	Special Alcohol Fund	Water and Wastewater Fund	Stormwater Fund	Property Tax	Special Assmt.			
Oread Storage - Phase 2													\$ 2,704,600
19th and Kasold Pump Station													\$ 411,000
Concrete Main Assessment													\$ 648,960
Water Main Replacement													\$ 2,432,100

## 2014 CAPITAL IMPROVEMENT BUDGET

### Water and Wastewater Utility Fund Projects (cont.)

Water Main Replacement for Road Projects														\$ 500,000
Small Water Main Replacement Program														\$ 1,007,200
Kaw WTP Structural, Electrical, Proces														\$ 811,200
Clinton Intake														\$ 1,297,900
Clinton Proces														\$ 108,200
Plant Maintenance														\$ 156,000
Taste & Odor and Microtoxins at Clinton and Kaw														\$ 17,900,000
Rapid I/I Reduction Program & I/I Removal														\$ 2,720,200
Sewer Rehab, Replacement, CIPP &MHs														\$ 432,600
Kansas River WWTP Co-generation & Backup Power														\$ 481,600
Wakarusa WWTP														\$ 14,892,800
Waste Water Treatment and Collection System Maintenance and Improvements														\$ 416,000
Sanitary Sewer Relocates														\$ 312,000
<b>Subtotal Water and Wastewater Projects</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 47,232,360

### Total All Projects

Project	Cash								General Obligation Bonds		Water and Wastewater Revenue Bonds	Fed. or State Aid	Total
	Infrastructure Sales Tax	Reserve Funds	General Fund	Guest Tax Fund	Gas Tax Fund	Special Alcohol Fund	Water and Wastewater Fund	Stormwater Fund	Property Tax	Special Assmt.			
At Large Projects	\$ 5,042,000	\$ 750,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,302,200	\$ -	\$ -	\$ 2,400,000	\$ 15,219,200
Water and Wastewater Utility Fund Projects	-	-	-	-	-	-	-	-	-	-	-	-	47,232,360
<b>TOTAL ALL PROJECTS</b>	<b>\$ 5,042,000</b>	<b>\$ 750,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 7,302,200</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,400,000</b>	<b>\$ 62,451,560</b>

## 2014 CAPITAL IMPROVEMENT BUDGET IMPACT ON CITY'S OPERATING BUDGET

The following capital improvement projects are new projected slated to be financed in 2014. Included are project costs and a description of any anticipated operating budget and/or related service impacts.

### **Emergency Communications Center Upgrade**

*Project Description:* Replacement of radio system which is approaching end of life and is inadequate given advances in current technologies. Impending state and federal mandates and changes have made it necessary to pursue alternatives to our current system which will expand our capabilities and ensure safe, secure and effective communications for emergency responders.

*City Cost:* \$1,000,000

*Operating Budget Impact:* An annual debt service payment will be required.

### **Regional Recreation Center Infrastructure**

*Project Description:* Discussion regarding development of a regional recreation center in conjunction with private interests and the University of Kansas has been ongoing through first half of 2012, with more detailed City Commission review anticipated later this summer. Public infrastructure (street, waterlines, sewer lines, storm water, etc.) costs are anticipated to be financed through general obligation debt.

*City Cost:* \$3,000,000

*Operating Budget Impact:* An annual debt service payment will be required. Operations of a facility would be supervised through the parks and recreation department and a budget for annual operations is being developed.

### **Street Maintenance**

*Project Description:* General obligation proceeds will be used to repair portions of streets throughout the City. Projects will be selected according to highest need.

*City Cost:* \$400,000

*Operating Budget Impact:* Reduced long term maintenance costs is anticipated through addressing repairs to streets before total reconstruction is required.

### **Bob Billings Parkway, Crestline to Kasold**

*Project Description:* Reconstruction of east bound lanes of Bob Billings Parkway from Crestline to Kasold. Improvements include full depth pavement and subgrade reconstruction.

*City Cost:* \$1,200,000

*Operating Budget Impact:* Reduced long term maintenance costs is anticipated through addressing repairs to streets before total reconstruction is required.

### **New Business Park Infrastructure**

*Project Description:* The City Commission will be considering a special assessment benefit district for improvements to the former Farmland property in order to have the property redeveloped as an attractive business park for future primary job employers.

*City Cost:* \$6,000,000

*Operating Budget Impact:* Special assessment benefit district financing.

### **Maple Street Pump Station**

*Project Description:* Construction of pump station at 5<sup>th</sup> and Maple Streets to alleviate flooding issues in north Lawrence.

*City Cost:* \$2,400,000

*Operating Budget Impact:* Funding will come from the City's Infrastructure Sales Tax.

## 2014 CAPITAL IMPROVEMENT BUDGET IMPACT ON CITY'S OPERATING BUDGET

### **Carnegie Building Renovations**

*Project Description:* This is the annual debt service payment for the renovation of this historic building into a public meeting and recreation space as well as home to the Lawrence Convention and Visitor's Bureau and the Freedom's Frontier National Heritage Area.

*City Cost:* \$50,000

*Operating Budget Impact:* A reduction in lease payments for office space currently used by Parks and Recreation and the CVB should be achieved.

### **Oread Water Tank Replacement**

*Project Description:* The two existing Oread water storage tanks and pump station were constructed in 1931 (1 million gallon) and 1954 (1.4 million gallon) and have reached the end of their useful lives due to corrosion of the tank shells and accessories. The Water Master Plan recommends replacement of the two existing tanks with a single 1.75 MG tank. This is Phase II of the funding to design and construct the new storage tank and booster pump station (BPS).

*City Cost:* \$2,554,400

*Operating Budget Impact:* Project performed by a contractor and would involve project monitoring by staff (plan/spec review, inspection, etc.). Potential for reduced frequent day-to-day maintenance of equipment (pumps, chemical feed equipment, etc.)

### **Harper Tank Booster Pump Station (BPS)**

*Project Description:* A small, at grade, BPS at Harper Tank will improve reliability and assure water turnover in the tank. The BPS will also increase system pressures in the areas around the tank.

*City Cost:* \$624,000

*Operating Budget Impact:* Project performed by a contractor and would involve project monitoring by staff (plan/spec review, inspection, etc.). There will be an increase in power consumption and maintenance costs associated with the pumps, drives, and electrical equipment.

### **Tower Coatings**

*Project Description:* Removal and replacement of internal and external tank coatings and repair of deteriorated areas on the Stratford tank.

*City Cost:* \$1,040,000

*Operating Budget Impact:* Project performed by a contractor and would involve project monitoring by staff (plan/spec review, inspection, etc.). Potential for reduced costs associated with the replacement of the tower if the deterioration is not mitigated.

### **16" Redundant Supply to North Lawrence**

*Project Description:* Water supply to North Lawrence is provided through a single 20" water main. The project would provide a 16" water main from the Kaw WTP to North 3<sup>rd</sup> Street to provide a looped water supply to North Lawrence.

*City Cost:* \$5,636,800

*Operating Budget Impact:* Project performed by a contractor and would involve project monitoring by staff (plan/spec review, inspection, etc.). Potential for reduced costs associated with the providing an emergency water supply to North Lawrence in the event the existing 20" water main is compromised.

### **Water main Replacement**

*Project Description:* The Utilities Department budgets a yearly fund for the replacement of existing water mains within the distribution system. The program is used to address the replacement of water mains due to pipe age, reliability, water quality and capacity issues. Department staff continuously evaluates the condition of the water distribution system based on main breaks, pipe material and age, capacity and fire protection needs. Based on these criteria, along with the criticality of the water main within the system and then number of services affected, water mains are targeted for replacements. Staff is currently reassessing the priority ranking based on the current waterline rehabilitation projects, as well as coordination with proposed mill and overlay/street rehabilitation projects. It also includes funding for water main relocation associated with road construction projects

## 2014 CAPITAL IMPROVEMENT BUDGET IMPACT ON CITY'S OPERATING BUDGET

*City Cost:* \$4,779,400

*Operating Budget Impact:* Project performed by a contractor and would involve project monitoring by staff (plan/spec review, inspection, etc.). Potential for reduced frequent day-to-day maintenance of equipment (pumps, chemical feed equipment, etc.)

### **Kaw Water Treatment Plant Structural Concrete Assessment and Repair**

*Project Description:* The concrete basins located at the Kaw Water Treatment Plant are over 50 years old and are beginning to experience a general deterioration. The Utility Department proposes to engage a consultant to evaluate the existing condition, conduct concrete testing and propose a scope and estimated cost for repair. An assessment of the concrete condition is essential in extending the useful life of these basins and preventing further deterioration. This project will fund the assessment and repair of some of the more deteriorated basin areas at the Kaw WTP.

*City Cost:* \$573,800

*Operating Budget Impact:* Project performed by a contractor and would involve project monitoring by staff (plan/spec review, inspection, etc.). Potential for reduced frequent day-to-day maintenance on equipment (pumps, motors, pipe repairs, etc.).

### **Kaw & Clinton WTP Process – Taste & Odor, Toxins, and Viral Reduction Study**

*Project Description:* Study to evaluate processes that would enhance removal of taste and odor compounds, micro toxins and viruses at the Clinton and Kaw water treatment plants. The scope of the work would perform the required water testing and analysis, evaluate existing plant processes, and provide conceptual process options and approximate costs and present worth value of options. Options will include, but not be limited to oxidation, filtration, and adsorption technologies as well as possibly changing the source of water to alleviate contaminants and reduce overall treatment costs. Work would proceed in coordination with the Kaw Plant's study to consider options to repair or replace source water intakes.

*City Cost:* \$150,000

*Operating Budget Impact:* Project performed by a contractor and would involve project monitoring by staff (plan/spec review, inspection, etc.). Increased chemical and electrical costs and maintenance on equipment (pumps, motors, pipe repairs, etc.) if a capital project is recommended to be constructed.

### **Regional Recreation Center Water & Wastewater Improvements**

*Project Description:* Extension of water and wastewater infrastructure to serve the recreation center at the northwest corner of 6<sup>th</sup> Street and K-10 Bypass.

*City Cost:* \$2,388,000

*Operating Budget Impact:* Project performed by a contractor and would involve project monitoring by staff (plan/spec review, inspection, etc.). Potential for increased maintenance on the water and wastewater infrastructure constructed.

### **Bowersock Dam Improvements**

*Project Description:* Construction of upstream dam maintenance improvements by Bowersock Mills & Power Company and the installation of a rubber dam system to impound water in the mill pond above the dam.

*City Cost:* \$425,000

*Operating Budget Impact:* Potential for increased maintenance associated with the rubber dam maintenance.

### **Water Treatment and Distribution System Maintenance Improvements**

*Project Description:* The projects are maintenance and rehabilitation projects to improve the reliability and extend the useful service life of the treatment plants and distribution system. Projects include variable frequency drive replacements, protective coatings, and mechanical equipment repair and replacement.

*City Cost:* \$150,000

*Operating Budget Impact:* Some projects will be performed by a contractor would involve project monitoring by staff (plan/spec review, inspection, etc.). Potential for reduced frequent day-to-day maintenance on equipment (pumps, motors, pipe repairs, etc.).

## 2014 CAPITAL IMPROVEMENT BUDGET IMPACT ON CITY'S OPERATING BUDGET

### **Pump Station 32 Expansion and Force Main**

*Project Description:* The existing pump station firm capacity of 0.7 MGD is exceeded by the 10-year design storm wet weather peak flows. The project will expand the firm pumping capacity of the station to 1.7 MGD to accommodate growth through 2030. The expanded pumping capacity requires the construction of a parallel 8-inch force main.

*City Cost:* \$832,000

*Operating Budget Impact:* Project would be performed by a contractor would involve project monitoring by staff (plan/spec review, inspection, etc.). Potential for reduced frequent day-to-day maintenance on equipment (pumps, motors, pipe repairs, etc.) with an increase in electrical costs due to expansion.

### **Pump Station 23 Expansion**

*Project Description:* The firm capacity of the existing pump station, 0.05 MGD, is exceeded by the 10-year design storm wet weather peak flows. The project will expand the firm pumping capacity of the station to 0.1 MGD to accommodate growth through 2030.

*City Cost:* \$208,000

*Operating Budget Impact:* Project would be performed by a contractor would involve project monitoring by staff (plan/spec review, inspection, etc.). Potential for reduced frequent day-to-day maintenance on equipment (pumps, motors, pipe repairs, etc.) with an increase in electrical costs due to expansion.

### **Rapid I/I Reduction Program and Inflow and Infiltration (I/I) Removal**

*Project Description:* The Rapid I/I Reduction Program is a multi-year project to reduce inflow and infiltration sources that are located in close proximity to the Kansas River WWTP. The objective of the program is an overall 35% reduction of I/I within the program area. The first year will include a Sanitary Sewer Evaluation Study prior to beginning rehabilitation work. I/I removal focuses on the rehabilitation of clay pipe and brick manholes throughout the city.

*City Cost:* \$2,288,000

*Operating Budget Impact:* Project performed by a contractor and would involve project monitoring by staff (plan/spec review, inspection, etc.). Potential for reduced wet weather flows to the Kansas River WWTP, day-to-day maintenance on equipment (pumps, motors, pipe repairs, etc.), and chemical and electrical costs.

### **Kansas River WWTP Co-generation & Backup Power**

*Project Description:* The project will construct micro turbines that use the biogas produced in the wastewater treatment process to generate electricity and recover the waste heat from the exhaust for use in process heating. The electricity generated would reduce the WWTP energy demand and potentially provide limited backup power for plant operation in the event of total power loss. The project is a 2 year project.

*City Cost:* \$600,000

*Operating Budget Impact:* Project performed by a contractor and would involve project monitoring by staff (plan/spec review, inspection, etc.). Potential for reduced electrical costs but an increase in maintenance costs associated with the new equipment.

### **Wakarusa Waste Water Treatment Plant Conveyance Corridor, Pump Station Location, and Easement Acquisition**

*Project Description:* Design of the 2.0 MGD Wakarusa WWTP, 11 MGD influent pump station and conveyance piping, associated roadway, utility, and wet weather storage.

*City Cost:* \$4,107,000

*Operating Budget Impact:* Project would be performed by a contractor and require significant staff involvement in plan review and easement acquisition. Construction of the plant will increase operating costs for personnel, energy, chemical, and maintenance.

### **Wastewater Treatment and Collection System Maintenance Improvements**

## 2014 CAPITAL IMPROVEMENT BUDGET IMPACT ON CITY'S OPERATING BUDGET

*Project Description:* The projects are maintenance and rehabilitation projects to improve the reliability and extend the useful service life of the treatment plant and collection system. Projects include variable frequency drive replacements, protective coatings, and pump station modifications for emergency conditions.

*City Cost:* \$700,000

*Operating Budget Impact:* Some projects will be performed by a contractor would involve project monitoring by staff (plan/spec review, inspection, etc.). Potential for reduced frequent day-to-day maintenance on equipment (pumps, motors, pipe repairs, etc.).

# APPENDIX

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*City of Lawrence*

# LAWRENCE AT A GLANCE\*

## Demographics

\*Information from Lawrence Chamber of Commerce, 2010 ACS U.S. Census, Kansas Dept. of Labor, and U.S. Dept. of Labor

### Population

1970	45,698
1980	52,738
1990	65,657
2000	80,098
2010	87,643

### Ethnic Composition

African American	4.7%
American Indian	3.1%
Asian	4.5%
Hispanic or Latino	5.7%
Other	1.6%
Two or more races	4.1%
White	82.0%

### Educational Attainment (over age 25)

9-12, No Diploma	3.4%
High School Diploma	17.2%
Some College	19.4%
Associates Degree	6%
Bachelor's Degree	28.6%
Graduate Degree	24.2%

### Population by Gender

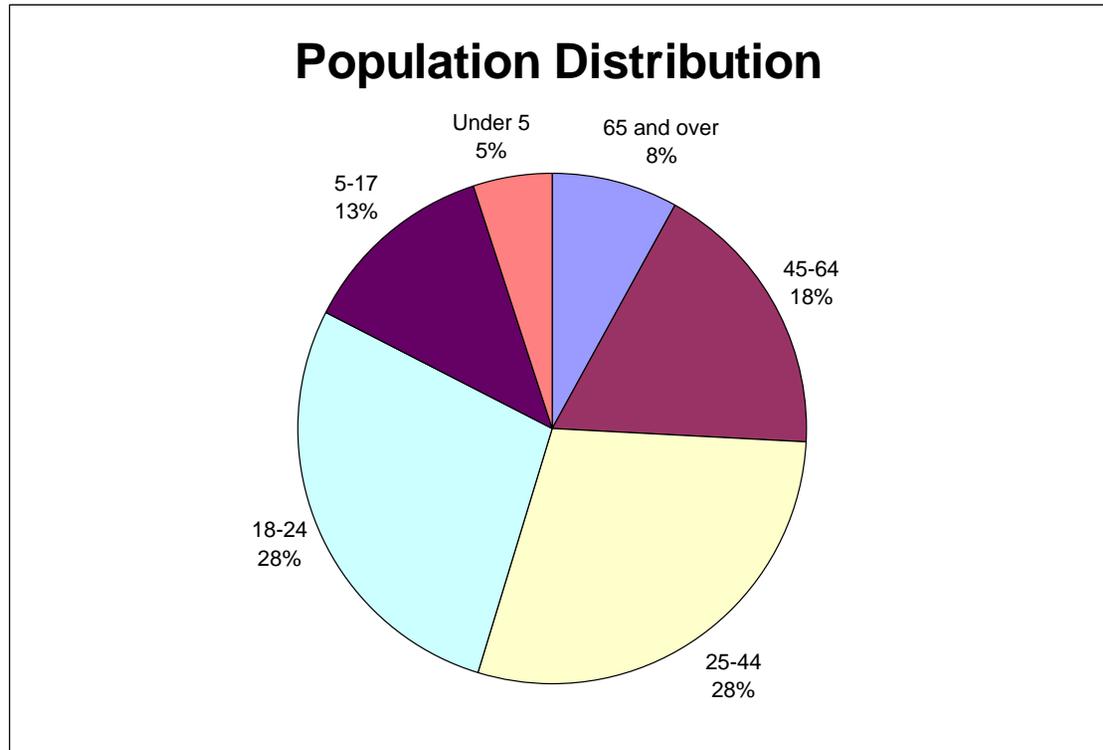
Male	50.2%
Female	49.8%

### Median Age

26.7

### Population Distribution

65 and over	8.0%
45-64	18.5%
25-44	27.4%
20-24	21.4%
6-19	19.3%
Under 5	5.5%



# LAWRENCE AT A GLANCE

## Form of Government

The City of Lawrence, established in 1854, is governed by a Commission-Manager form of government in which five Commissioners are elected at large. The City Manager is appointed by the Commission.

## Tax Information

### 2012 Mill Levies

City of Lawrence	29.534
Douglas County	35.769
School District	58.005
State of Kansas	1.5
<b>Total</b>	<b>124.808</b>

### Tax Assessment Rates

Industrial/Commercial	25.00%
Machinery & Equipment	25.00%
Residential Property	11.50%

### 2012 Assessed Valuation

City of Lawrence	\$852,323,227
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### Sales Tax

State of Kansas	6.15%
City of Lawrence	1.55%
Douglas County	1.00%
<b>Total</b>	<b>8.70%</b>

## City Services

### Building Permits

Single Family	68
Duplex	6
Multi-Family	23

## Fire / Medical

Stations	6
Numbers of Calls	10,348
Staff	143
Number of Inspections	5,522
Fire Insurance Rating	2

## Water System

Plants	2
Miles of water mains	499.4
Service connections	32,718
City owned Fire hydrants	3,269

## Parks & Recreation

Recreation Centers	6
Parks	54
Park Acreage	3,800
Public Pools	4
Public Tennis Courts	8
Trails (miles)	70

## Sanitary Sewer

Plants	1
Miles of sewers	435.7
Service connections	40,468
Average daily treatment	8.73 MGD
Pump stations	33

## Police

Stations	2
Police Officers	147
Patrol Units	30
Calls for Service	112,464

## Crime

### Crime Indices (per 1,000)

Violent Crime Index	4.2
Property Crime Index	42.5
<b>Total Crime Index</b>	<b>46.7</b>

## Services Provided By Other Governmental Units

### Education

Unified School District #497  
University of Kansas  
Haskell Indian Nations University

### Hospital

Lawrence Memorial Hospital

### Library Services

Lawrence Public Library

### Public Employment Agency

Kansas Job Service Center

### Public Housing

Lawrence-Douglas County  
Housing Authority

## Transportation

### Location

Lawrence is located 37 miles west of Kansas City, Missouri, and 25 miles east of Topeka. It enjoys access to Interstate 70 and Hwy 10, and is located a short distance from Hwy 435, Hwy 635 and Interstate 35.

### Mean Travel Time to Work

18.5 minutes

# LAWRENCE AT A GLANCE

Income Statistics – 2010 (U.S. Bureau of Economic Analysis accessed June 20, 2013, 2010 U.S. Census, 2010 American Community Survey)

**Personal Income per Capita**

\$24,614

**Median Household Income**

\$42,761

**Median Family Income**

\$67,326

Employment Statistics (Kansas Department of Labor and U.S. Bureau of Labor Statistics )

<b><u>Unemployment Rate</u></b>	<b><u>2007</u></b>	<b><u>2008</u></b>	<b><u>2009</u></b>	<b><u>2010</u></b>	<b><u>2011</u></b>	<b><u>2012</u></b>	<b><u>2013</u></b>
City of Lawrence	3.7%	3.9%	5.4%	6.2%	5.4%	5.2%	7.6%
State of Kansas	4.1%	4.4%	6.7%	7.0%	6.7%	6.1%	6.4%
United States	4.6%	5.8%	9.3%	9.6%	8.7%	7.7%	8.7%

Top Ten Largest Employers (Source: Lawrence Chamber of Commerce)

<b><u>Employers</u></b>	<b><u>Number of Employees</u></b>	<b><u>Employers</u></b>	<b><u>Number of Employees</u></b>
The University of Kansas	9,881	Berry Plastics	739
Lawrence Public Schools	1,650	Hallmark Cards, Inc.	525
General Dynamics	1,500	Baker University	496
City of Lawrence	1,455	Amarr Garage Doors	461
Lawrence Memorial Hospital	1,322	Douglas County	435

## GLOSSARY OF TERMS

<b>ACCRUAL BASIS OF ACCOUNTING</b>	The method of accounting under which debits and credits are recorded at the time they are incurred. The accrual basis of accounting is used for Enterprise Funds such as the Water and Sewer Fund.
<b>AD VALOREM</b>	Latin term meaning “from the value”. It is used to refer to property taxes.
<b>AD VALOREM TAXES - CURRENT</b>	Taxes on real and personal property, except motor vehicles. Calculated by multiplying the assessed value by the mill levy.
<b>AD VALOREM TAXES - DELINQUENT</b>	Property taxes that are not paid by either December 20th or June 20th. Kansas statutes allow property owners the right to pay half their tax on December 20th and the second half on June 20th.
<b>APPRAISED VALUE</b>	An amount determined by the County Appraiser’s office as to what a property is worth. In Kansas, property is appraised at 100% of market value.
<b>AQUATIC PROGRAMS</b>	All fees collected for programs conducted at the outdoor and indoor aquatic centers in Fund 211, the Recreation Fund.
<b>ASSESSED VALUATION</b>	A valuation set upon real estate or other property by the County Assessor and the State as a basis for levying ad valorem property taxes. In Kansas, the percentages are: Residential (11.5%); Commercial (30%); and Personal (20%).
<b>BALANCED BUDGET</b>	An operating budget in which the operating revenues plus beginning fund balance are equal to, or exceed, operating expenditures.
<b>BONDS</b>	Debt instruments representing a promise to pay a specified amount of money at a specified time and at a specified periodic interest rate. Bonds are used to finance major capital projects or adverse judgments.

## GLOSSARY OF TERMS

<b>BUDGET</b>	A financial plan for a specified period of time of the governmental operation that matches all planned revenues and expenditures with the services provided to the residents of the city.
<b>BUDGET MESSAGE</b>	A general outline of the proposed budget, which includes comments regarding the financial status of the government at the time of the message and recommendations regarding the financial policy for the coming period.
<b>BUILDING RENTAL</b>	All fees collected for the use of community centers and outdoor park shelters in Fund 211, the Recreation Fund.
<b>CAPITAL IMPROVEMENT PROGRAM (CIP)</b>	A multi-year plan for capital expenditures needed to maintain and expand the public infrastructure. It projects the infrastructure needs for a set number of years and is updated annually to reflect the latest priorities, cost estimates, or changing financial strategies.
<b>CAPITAL IMPROVEMENTS</b>	Expenditures related to the acquisition, expansion or rehabilitation of an element of the City's infrastructure.
<b>CAPITAL OUTLAY</b>	Equipment valued at more than \$1,000 and having a useful life of more than one year.
<b>CASH BASIS RESERVE</b>	An amount of funds set aside to insure that sufficient cash is available to pay principal and interest payments in case the receipt of property taxes is delayed in Fund 301, the Bond and Interest Fund.
<b>CLASS ENROLLMENT</b>	Revenue collected for providing class instruction in Fund 211, the Recreation Fund.
<b>COMMISSION / POSTAGE</b>	Expenses related to bond issuance including attorney fees, printing fees, and financial advising in Fund 301, the Bond and Interest Fund.
<b>COMMODITIES</b>	Consumable goods, such as office supplies, that are used by the City.

## GLOSSARY OF TERMS

<b>CONCESSIONS</b>	Revenues generated from the sale of concession products at parks and recreation facilities in Fund 211, the Recreation Fund.
<b>CONTRACTUAL SERVICES</b>	Services provided to the City by firms, individuals, or other City departments.
<b>DEBT SERVICE</b>	Payment of interest and principal on an obligation resulting from the issuance of bonds.
<b>DEVELOPMENT CHARGES</b>	Charges levied at the time building permits are required, to help offset the costs for increased capacity in the water and/or wastewater systems in Fund 501, the Water and Wastewater Fund.
<b>ENCUMBRANCE</b>	A transaction designed to set aside money for a specific future use. Funds can be encumbered by a purchase order or contract.
<b>ENCUMBRANCE ACCOUNTING</b>	Encumbrance accounting is employed as an extension of formal budgetary integration in the General Fund, Special Revenue Funds, and Capital Projects Funds. Encumbrances outstanding at year-end are reported as reservations of fund balances since they do not constitute expenditures or liabilities under generally accepted accounting principles.
<b>ENTERPRISE FUND</b>	A type of Fund, which is accounted for in a manner similar to a private business enterprise. Usually the governmental entity intends for enterprise funds to fully recover their costs through user fees.
<b>EXPENDITURES</b>	Current cash operating expenses and encumbrances.
<b>EXTRA PICKUPS, MISCELLANEOUS</b>	Fees for service to the University of Kansas, polycart rental fees, and revenue from the sale of collected newspaper and cardboard in Fund 502, the Solid Waste Fund.

## GLOSSARY OF TERMS

<b>FARE BOX RECEIPTS</b>	Fares collected from transit system users placed in Fund 210, the Public Transportation Fund.
<b>FEES</b>	Revenues collected for Adult and Youth Sports Programs as well as fees for programs and classes at the Nature Center in Fund 211, the Recreation Fund.
<b>FIELD RENT</b>	Fees collected from rental of ball diamonds, soccer fields, and multipurpose fields to the public in Fund 211, the Recreation Fund.
<b>FISCAL YEAR</b>	A twelve-month period to which the operating budget applies. In the City of Lawrence, this period is from January 1 to December 31.
<b>FRANCHISE FEES</b>	An amount charged to a utility in exchange for the rights to provide utility services within the City and to operate within the public right-of-way.
<b>FUND</b>	An independent governmental accounting entity with a self-balancing group of accounts including assets, liabilities, and fund balances.
<b>FUND BALANCE</b>	The excess of fund's assets over its liabilities and reserves.
<b>GENERAL OPERATING FUND</b>	Often referred to as the General Fund, this Fund accounts for the revenues and expenditures associated with all services traditionally associated with local governments, except for those services that are required to be accounted for in some other fund. Examples include police and fire services, park maintenance, planning, and building inspection/code enforcement services.
<b>GENERAL OBLIGATION BOND</b>	Long-term debt payable from the full faith and credit of the City. Typically such bonds are payable from property taxes.
<b>GENERAL OBLIGATION BOND - PRINCIPAL</b>	The money owed as long-term debt payable from the full faith and credit of the City.

## GLOSSARY OF TERMS

<b>GENERAL OBLIGATION BOND - INTEREST</b>	The charge for issuing long-term debt payable from the full faith and credit of the City.
<b>GOAL</b>	A statement of broad direction, purpose, or intent based on the needs of the community.
<b>GOVERNMENTAL FUND</b>	A Fund used to account for the acquisition, use and balances of expendable financial resources and the related current liabilities - except those account for in proprietary or fiduciary funds. There are four types of governmental funds: general, special revenue, debt service, and capital projects.
<b>GRANTS</b>	Contributions or gifts of cash or other assets from another governmental unit (typically state or federal) to be used or expended for a specified purpose, activity, or facility.
<b>INFRASTRUCTURE</b>	The physical assets of the city (e.g. streets, water/sewer lines, public buildings, and parks).
<b>INTEREST ON INVESTMENTS</b>	Revenue received from the purchase of securities including certificates of deposit, treasury notes and federal agency notes.
<b>INTERFUND TRANSFER</b>	Transfer of resources between funds that are not recorded as revenues to the fund receiving or expenditures to the fund providing.
<b>INTERGOVERNMENTAL REVENUE</b>	Grants or distributions received from other governments including distributions from the countywide sales tax as well as statutory transfers from the State.
<b>LAVTR</b>	“Local Ad Valorem Tax Reduction”. Revenues received from the State to help reduce local property taxes.
<b>LINE ITEM</b>	An individual expenditure category listing in the budget (personal services, commodities, contractual services, etc.)

## GLOSSARY OF TERMS

<b>MILL LEVY</b>	The tax rate to apply when calculating property taxes. A mill represents 1/10 of 1 cent. The mill levy is typically expressed as an amount per \$1000 of assessed valuation, (i.e., a mill levy of 1.00 would result in a tax of \$1.00 per each \$1,000 in assessed valuation.)
<b>MODIFIED ACCRUAL BASIS OF ACCOUNTING</b>	Under this method of accounting, revenues are recognized when they are both measurable and available within a certain time period. Expenditures, other than interest on long-term debt, are recorded as liabilities when incurred. The General Fund and Special Revenue Funds follow this method of accounting.
<b>OPERATING BUDGET</b>	The budget that applies to all expenditures except capital improvement projects.
<b>PAYMENT-IN-LIEU-OF TAXES</b>	An amount charged enterprise operations equivalent to the City property taxes that would be due on a plant or equipment if the enterprise operations were for profit companies.
<b>PERSONAL SERVICES</b>	Cost of wages, salaries, retirement, and other fringe benefits for City employees.
<b>PROGRAM</b>	A group of related activities performed by one or more organizational unit for the purpose of accomplishing a function for which the City is responsible.
<b>RESERVES</b>	An account used to indicate that a portion of a fund balance is restricted or set aside for emergencies or unforeseen expenditures not otherwise budgeted for.
<b>REVENUE</b>	Income for the fiscal year. The major categories of revenue include taxes, state shared revenues, fees and charges, interest on investments, and fines and forfeits.
<b>REVENUE BONDS</b>	Long-term debt payable from a designated revenue source such as water revenue or sales tax revenue.
<b>ROLL OFF</b>	Fees for roll-off services including container charges, delivery and pick up fees, as well as landfill charges in Fund 502, the Solid Waste Fund.

## GLOSSARY OF TERMS

<b>SANITATION SERVICE CHARGE</b>	Normal solid waste collection fees for industrial and commercial dumpster services and residential solid waste collection in Fund 502, the Solid Waste.
<b>SPECIAL ASSESSMENTS</b>	Property taxes incurred by property owners within a designated area for improvements that benefit the area. A majority of the affected property owners must approve the formation of the benefit district.
<b>SPECIAL POPULATIONS</b>	Fees collected for recreation programs provided for special needs populations in Fund 211, the Recreation Fund.
<b>SPECIAL REVENUE FUNDS</b>	A type of Fund used to account for the proceeds of specific revenue sources that are restricted by law or administrative action to expenditures for specified purposes.
<b>STATE GRANTS</b>	Moneys received through the Kansas Department of Health and Environment Solid Waste Implementation Grant awarded on a project specific basis in Fund 502, the Solid Waste Fund.
<b>STATE-SHARED REVENUES</b>	Revenues levied and collected by the State but shared on a predetermined basis with local governments.
<b>TAX LEVY</b>	The total amount to be raised by general property taxes for the purposes specified in the approved city budget.
<b>TAX RATE</b>	The amount of tax levied for each \$1,000 of assessed valuation.
<b>USER FEES</b>	The payment of a fee for direct receipt of a public service by the party benefiting from the service.
<b>WATER AND SEWER CHARGES</b>	The charge to customers receiving water and sewer services provided by the city's treatment, distribution, and collection systems, which pay for operational and capital costs in Fund 501, the Water and Wastewater Fund.

## GLOSSARY OF TERMS

### **WATER TAPS**

Charges paid, according to size of connection, by developers / property owners for connection to the city's existing water mains in Fund 501, the Water and Wastewater Fund.

### **WATER MAIN EXTENSIONS**

Charges for materials, labor, and equipment related to the extension of the city's water distribution system (up to and including twelve inch water mains), typically paid by developers and/or property owners in Fund 501, the Water and Wastewater Fund.

## LIST OF ACRONYMS

<b>BTBC</b>	Bioscience Technology Business Center
<b>CASA</b>	Court Appointed Special Advocate
<b>CC</b>	City Commission
<b>CIP</b>	Capital Improvement Plan
<b>CVB</b>	Lawrence Convention and Visitors Bureau
<b>DCCCA</b>	Douglas County Citizens Committee on Alcoholism
<b>DOT</b>	Department of Transportation
<b>DMI</b>	Destination Management Inc.
<b>EECBG</b>	Energy Efficiency & Conservation Block Grant Program
<b>ERC</b>	Employee Relations Committee
<b>ERU</b>	Equivalent Residential Unit
<b>FAA</b>	Federal Airport Administration
<b>FEMA</b>	Federal Emergency Management Agency
<b>FTE</b>	Full Time Equivalent
<b>GASB</b>	Government Accounting Standards Board
<b>GFOA</b>	Government Finance Officers Association
<b>GIS</b>	Geographic Information System
<b>GO Bonds</b>	General Obligation Bonds
<b>GPS</b>	Global Positioning System
<b>HHW</b>	Household Hazardous Waste
<b>HUD</b>	Housing and Urban Development
<b>IAFF</b>	International Association of Fire Fighters
<b>ITC</b>	Investigative Training Center
<b>KDOT</b>	Kansas Department of Transportation
<b>KU</b>	University of Kansas

<b>LDCBA</b>	Lawrence Douglas County Biosciences Authority
<b>LDCHD</b>	Lawrence Douglas County Health Department
<b>LEAP</b>	Lawrence Excellence Award Program
<b>LEC</b>	Lawrence Douglas County Law Enforcement Center
<b>LHBA</b>	Lawrence Home Builders Association
<b>LKPD</b>	Lawrence, Kansas Police Department
<b>LPOA</b>	Lawrence Police Officers Association
<b>NELAP</b>	National Environmental Laboratory Accreditation Program
<b>NPDES</b>	National Pollutant Discharge Elimination System
<b>PILOT</b>	Payment In Lieu of Taxes
<b>PIRC</b>	Public Incentives Review Committee
<b>RCPRC</b>	Rock Chalk Park Recreation Center
<b>RFP</b>	Request For Proposals
<b>ROW</b>	Right of Way
<b>SCADA</b>	Supervisory Control and Data Acquisition
<b>SLT</b>	South Lawrence Trafficway
<b>SWAN</b>	Solid Waste Annex North
<b>TDD</b>	Transportation Development District
<b>T2025</b>	Transportation 2025
<b>T2030</b>	Transportation 2030
<b>TIF</b>	Tax Increment Financing
<b>USD497</b>	Unified School District 497
<b>WWTP</b>	Wastewater Treatment Plant



*City of Lawrence*

# BUDGET POLICIES

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*City of Lawrence*

# Budgetary Policies and Procedures Introduction

## THE BUDGET DEVELOPMENT PROCESS

Early each year, each department submits a budget request including payroll projections, capital outlay requests, and program improvement decision packages.

A number of study sessions are held throughout the year with city staff and the City Commissioners to discuss various elements of the budget. A goal setting session is held, giving the Commissioners an opportunity to determine priorities for the budget year. Staff in the various departments can then work toward accomplishment of those goals through their daily operations. The City Commission goals can be found later in this document. Other sessions are held to discuss the multi-year Capital Improvement Plan, to review Debt, and to provide the City Manager and staff with direction for allocation to contractual agencies.

The first opportunity for public comment on the budget is in June. The City Manager then prepares a recommended budget that is reviewed and revised by the Commissioners. A summary is published in the Lawrence Journal World and the recommended budget is available on the City's website. A second opportunity for public comment is held in early August. A final budget is then adopted by the City Commission and filed per state statute with the County Clerk in late August.

## STATE STATUTES RELATED TO THE BUDGET

Kansas law prescribes the policies and procedures by which the City prepares its annual budget. The City maintains budgetary controls to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the City's governing body. The annual budget contains an itemized estimate of the anticipated revenue and the proposed expenditures necessary to meet the City's financial needs, detailed by program and object of expenditures. The annual budget must be balanced so that total resources equal obligations. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established at the fund level. The City also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Encumbered amounts not disbursed are carried over as a designation of fund balance for the following year.

Kansas Statutes (K.S.A. § 79-2927 et seq.) require that an annual operating budget be legally adopted for the General Fund, Special Revenue Funds (unless specifically exempted by statute), Debt Service Funds, and certain Enterprise Funds.

A legal annual operating budget is not required for the Capital Projects Fund or Trust Funds and the following Special Revenue Funds:

Airport Improvement Fund	Guest Tax Reserve Fund	Law Enforcement Grant Fund
Outside Agency Fund	Community Development Fund	Transportation Planning Fund
Capital Improvement Reserve Fund	Liability Reserve Fund	Worker's Compensation Reserve Fund
Wee Folks Scholarship Fund	Rehabilitation Escrow Fund	Law Enforcement Trust Fund
Equipment Reserve Fund	Sales Tax Reserve Fund	
Fair Housing Assistance Fund	Home Program Fund	
Summer Youth Fund		

## BUDGET CALENDAR

The state statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

- a) Preparation of budget for the succeeding calendar year on or before August 1 of each year.
- b) Publication of proposed budget and notice of public hearing on or before August 5 of each year.

# Budgetary Policies and Procedures Introduction

- c) Public hearing on or before August 15 of each year, but at least ten days after public notice.
- d) Adoption of final budget on or before August 25 of each year.

In addition to state statutes, an annual budget calendar is developed according to an administrative policy. The 2014 budget process calendar can be found later in the appendix.

The state statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication, the hearing may be held and the governing body may amend the budget at that time.

The statutes permit management to transfer budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds (the legal level of budgetary control). Budget comparison statements are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

## **BUDGET POLICIES**

The City has a number of budget related policies that help direct budget development. These policies can be found on the following pages but include the following:

- Investment and Cash Management Policy
- Mid-year Funding Request Policy
- Governmental Accounting Policy
- Debt Management Policy
- Debt Issuance Guidelines
- General Fund Balance Policy

In addition to written administrative policies, there are a number of departmental procedures and practices that impact the budget. For instance, there are unwritten policies for the replacement of city vehicles as well as computer hardware.

## **BASIS OF ACCOUNTING**

All governmental and fiduciary funds are reported using the modified accrual basis of accounting. Revenues are recognized when they become both measurable and available to pay current liabilities in a particular period. Expenditures are recognized when the related liability is current (the encumbrance method of accounting.) Interest on unmatured general long-term debt is recognized when due.

The enterprise funds are reported on the accrual basis of accounting.

## **BASIS OF BUDGETING**

The City budgets for governmental funds, which include the General Fund, Special Revenue Funds, Debt Service Funds, and Capital Projects Fund, based on the modified accrual basis of accounting. Under this method, revenues (income) are recognized in the period they become measurable and available to finance expenditures of the period. Expenditures (expenses) are recorded when incurred with the exception of principal and interest on long term debt, which are recorded when due.

Exceptions to the modified accrual basis of accounting are as follows:

- Encumbrances are treated as expenditures in the year they are encumbered, not when the expenditure occurs.

The budgets for all proprietary funds, which include Enterprise Funds and Internal Service Funds, are prepared using the accrual basis of accounting, with exceptions listed below. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

# Budgetary Policies and Procedures Introduction

- Capital outlay is budgeted as an expenditure in the year purchased.
- Depreciation is not budgeted.
- Encumbrances are treated as expenditures in the year they are encumbered, not when the expense occurs.
- Grants obtained for the construction of assets are considered to be revenues, not capital contributions.
- Gains or losses on the early retirement of debt are considered to increase or decrease the funds available in the year in which they occur and are not capitalized and amortized over the life of the bonds.

Operating expenditures are controlled at the fund level and may not exceed appropriations at that level. Capital project expenditures are controlled at the fund, department and project levels and may not exceed appropriations at any of those levels. Budget transfers within a department may be made with administrative approval provided that the transfer is within the same fund. Increases in total appropriations require City Commission approval by ordinance.

Spending in funds which are not subject to the legal annual operating budget requirement is controlled by federal regulations, other statutes, or by the use of internal spending limits established by the City.

## **CITY COMMISSION GOALS, ADMINISTRATIVE POLICIES, DEPARTMENT POLICIES, AND OTHER PLANS USED TO DEVELOP THE BUDGET**

### *City Commission Goals*

The City Commission has established a set of strategic goals to guide the work of City Staff. The departments use these goals, as well as their own goals, to prepare the budget each year. The goals of the various departments can be found throughout this budget document. The City Commission Goals are provided below.

**ECONOMIC DEVELOPMENT:** Promoting the economic development of Lawrence to provide varied work and business opportunities.

**PLANNED GROWTH:** Encouraging growth that protects our environment, neighborhoods, and cultural features while benefiting all of our citizens.

**COMMUNITY BUILDING:** Creating social capital and celebrating our heritage.

**ENVIRONMENT ISSUES:** Integrating the environment into our decisions as we work towards a sustainable city.

**NEIGHBORHOOD QUALITY:** Improving the livability of all Lawrence neighborhoods.

**TRANSPORTATION:** Improving access for all citizens.

**DOWNTOWN DEVELOPMENT:** Enhance the vitality of downtown while maintaining it as a unique community treasure.

**SERVICE DELIVERY:** Provide excellent city services consistent with resources available.

### *Other Plans*

Horizon 2020 is the City's Long Range Comprehensive Plan. It is used, along with other long range and strategic plans by the various city departments to forecast future staffing, equipment, and facility needs and the costs associated with them based on growth and population projections. This allows city staff to estimate the revenue that will be needed to meet these needs, to what amount the issuance of debt will be necessary, if fee and rate increases will be required, etc.

The Water and Wastewater Master Plans, adopted in 2013, are used to determine how and when to make improvements to our water distribution and wastewater collections systems. These projects are used to determine the rates to charge customers for water and sewer services. The Storm Water Master Plan, which was completed in 1996, identified 41 capital projects needed to improve storm water management throughout the City. It determined how much debt to issue as well as the monthly storm water utility fee necessary to generate sufficient funding for the projects in the plan. Our Fire Medical Department prepared a Strategic Plan in 1997. This plan provides the goals that the department uses to decide how to allocate their resources each year. An Infrastructure Sales Tax plan was developed to identify projects to be funded with the 0.3% sales tax adopted in 2008.

# CITY OF LAWRENCE

## INVESTMENT AND CASH MANAGEMENT POLICY

### **1.0 Scope**

This policy applies to the cash management and investment activities of the City of Lawrence, Kansas, except for the debt service funds, reserve funds and other financial assets held by various fiscal agents and trustees as provided by the appropriate bond ordinance shall not be subject to this policy but shall be administered according to the requirements of the respective Ordinances. The financial assets of all other funds shall be administered in accordance with the provisions of this policy.

### **2.0 Authority**

Responsibility for the management of the City's investment portfolio is delegated to the Director of Finance by the City Manager. The Director of Finance hereby establishes written procedures and policies for the operation of the cash management and investment program. Such procedures shall include explicit delegation of authority to persons responsible for investment transactions. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Director of Finance who shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials.

### **3.0 Objectives**

The cash investments of the City of Lawrence shall be undertaken in a manner that seeks to maximize investment income while ensuring the preservation of capital in the portfolio. To attain this objective, diversification is required so that potential losses on individual securities do not exceed the income generated from the remainder of the portfolio. The investment portfolio shall be designed to attain at a minimum, a market-average rate of return throughout budgetary and economic cycles, taking into account the City's investment risk constraints and the cash flow characteristics of the portfolio.

### **4.0 Prudence**

The standard of prudence to be used by investment officials shall be the "prudent person", which states, "Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived" and shall be applied in the context of managing the entire portfolio.

Investment officers acting in accordance with written procedures and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

### **5.0 Legal Authority and Limitations on Investment Instruments**

All investments purchased under this policy shall be governed by K.S.A. 12-1675, et. seq. and all revisions thereto, as may be made by the Kansas Legislature. Below is a summary of acceptable investments under the current law:

## CITY OF LAWRENCE INVESTMENT AND CASH MANAGEMENT POLICY

- 5.1 Collateralized Public Deposits (Negotiable Certificates of Deposit) -- Instruments issued by banks or savings & loans that state specified sums have been deposited for specified periods of time and at specified rates of interest. Certificates of deposit are required to be backed by acceptable collateral securities as dictated by Kansas Statutes.
- 5.2 Repurchases Agreements--Contractual agreements between the City and commercial banks, trust companies, state or federally chartered savings and loan associations of federally chartered savings banks. The repurchase agreement (repo) issuer receives cash and, in turn, provides securities to the City as collateral for the cash. There exists a contractual agreement for the City to resell the securities back to the issuer on a specific future date, at the original purchase price, plus a negotiated interest payment.
- 5.3 U. S. Treasury bills or notes--These obligations must mature within six months from date of purchase and are guaranteed as to principal by the United States government.
- 5.4 Temporary notes of the City of Lawrence.
- 5.5 Commercial bank savings accounts.

Other types of investments may be added to this list as changes to the statutes governing such investments are revised.

### **6.0 Contracts with Financial Institutions**

The City of Lawrence may invest funds with depositories having offices located in the City of Lawrence as provided by K.S.A. 9-1401. All depositories of the City of Lawrence shall execute a contract bi-annually with the City of Lawrence which shall designate the requirements of serving as a depository for the City, including collateralization of City funds invested at such depository and the related safekeeping requirements of the pledged securities. The City shall have a separate contract with the "operating bank" which will execute a contract once every three years in accordance with the practice of bidding banking services every three years.

- 6.1 Safekeeping of Securities--Collateral for certificates of deposits and repurchase agreements will be registered in the City's name. The Finance Director will hold all safekeeping receipts of pledged securities used as collateral for certificates of deposits and repurchase agreements. A third party institution will hold pledged securities in trust on behalf of the City's financial institution.

Safekeeping receipts of pledged securities may be "Faxed" to the City in order to accommodate timely and legal investment transactions. The financial institution will mail the original safekeeping receipt of pledged securities on the day the facsimile is sent.

- 6.2 Collateralization--The City requires full collateralization of all City investments other than obligations of the United State government as stated in the State statute. The City will not allow the use of FDIC coverage as part of the calculation of full collateralization. Peak period agreements permitted under K.S.A. 9-1403 as amended, will not be accepted by the City and are not included as part of the depository contracts with the financial institutions.

The City will accept as collateral for certificates of deposit securities as listed in K.S.A. 9-1403. Collateral underlying repurchase agreements is limited to obligations of the U.S. government and its agencies.

# CITY OF LAWRENCE

## INVESTMENT AND CASH MANAGEMENT POLICY

The Finance Director will weekly monitor the adequacy of collateralization. The City requires monthly reports with market values of pledged securities from all financial institutions with which the City has certificates of deposits or repurchase agreements.

### **7.0 Investment Liquidity**

The City's demand for cash shall be projected using reliable cash forecasting techniques. To ensure liquidity, the appropriate maturity date and investment option available will be chosen.

7.1 Repurchase agreements--The maximum maturity for repurchase agreements shall be 91 days. Repurchase agreements will normally be used when Certificates of Deposits for less than 91 days are not used, or when the rates offered on the repurchase agreements are greater than those offered on 91 day CDs.

7.2 General City Funds--The maximum maturity for City investments shall be one year. The Investment Review Committee will monitor the maturity level and recommend changes as appropriate.

7.3 Bond & Interest Fund--No investment shall have a maturity exceeding the next principal and /or interest payment date unless the obligation is fully funded.

### **8.0 Investment Return Objectives**

Consistent with State law, the City shall seek to optimize return on investments within the constraints of this policy.

### **9.0 Bidding Procedures**

Investment bids will be taken by the Director of Finance or person designated by the Director of Finance at times when investments of idle funds would be in the best interest of the City or as required by federal regulations regarding arbitrage rebate on bond proceeds. Such bids requests will be made orally and confirmed in writing with the investment instrument and related collateral being forwarded to the City no later than 24 hours after bids are taken.

### **10.0 Investment Limitation Per Institution**

In order to protect the City from the failure of any one financial institution, the City shall not invest more than 30% of idle funds with any one institution. The 30% limitation does not apply to U.S. Treasury obligations held in safekeeping by an institution on behalf of the City. These obligations are backed by the U.S. Government and do not require collateral as described in section 6.0(2). The 30% limitation shall be determined prior to the bids. If an institution goes over the 30% limitation after the bids have been awarded, no further bids will be accepted from the financial institution until sufficient maturities have occurred to reduce their share of the portfolio to under 30%.

### **11.0 Investment Review Committee**

The City Manager shall appoint an investment review committee. The Committee shall consist of one person from the City Manager's Office, one person from the Finance Department not directly involved with the day to day investing of public funds, and the City Clerk. This Committee shall meet at least quarterly to review the investment reports from the Finance Department and to review earnings of idle funds. The Committee shall make a

# CITY OF LAWRENCE

## INVESTMENT AND CASH MANAGEMENT POLICY

report to the City Manager within fourteen days after each meeting. Any irresponsible or illegal acts shall be reported immediately and confidentially to the City Manager.

### **12.0 Daily Cash Management Practices and Policies**

It is the policy of the City of Lawrence Finance Department that all departments collecting cash receipts, whether in cash or other forms of payment, must turn in such receipts to the Finance Department on a daily basis together with records required to verify the accuracy of such collections. No receipts will be held overnight at any location for any reason. All receipts shall be deposited daily by the Department of Finance. Investment of any idle funds will be made in accordance with section 5.0 of this policy. Any violation of this section of this policy by any employee of the City may result in disciplinary action.

### **13.0 Separate Provisions of Policy and Conflicts with Kansas Laws**

The above policies shall remain in full force and effect until revoked by the City Commission. If, after adoption of this policy, there is any conflict of this policy with Kansas laws and/or statutes current law shall dictate.

# CITY OF LAWRENCE

## GOVERNMENTAL ACCOUNTING POLICY

### 1.0 Policy

The City of Lawrence has established a uniform system of accounting maintained to reflect compliance with the applicable laws of the State of Kansas. Financial statements are presented after applying memorandum adjustments, where applicable, to record accrued revenue, inventories, property and equipment and related depreciation resulting in financial statements presented on a modified accrual or accrual basis of accounting, as appropriate.

Accounting and Reporting Capabilities:

A governmental system, such as the City of Lawrence, is charged with the duties of reporting and fully disclosing its financial position and financial results of operation in conformity with generally accepted accounting principles. Further, such an entity must demonstrate compliance with finance-related legal and contractual provisions within the system's financial activities.

### 2.0 Fund Accounting Systems

The City of Lawrence is organized and operates on a fund basis. In governmental accounting, a fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restriction, or limitations.

The following types of funds comprise the financial activities of the City:

#### 1. Governmental Funds

- A. General Fund - to account for all unrestricted resources except those required to be accounted for in another fund.
- B. Special Revenue Funds - to account for the proceeds of specific revenue sources (other than special assessments or major capital projects) that are restricted by law or administrative action to expenditure for specified purposes.
- C. Capital Project Funds - to account for financial resources segregated for the acquisition of major capital facilities (other than those financed by Enterprise Funds).
- D. Debt Service Funds - to account for the accumulation of resources for and the payment of, interest and principal and related costs, on general long-term debt, and the financing of special assessments which are general obligations of the City.

#### 2.0 Proprietary Funds

- A. Enterprise Funds - to account for operations that are financed and operated in a manner similar to private business enterprises where the stated intent is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges or where periodic determination of revenues earned, expenses incurred, and/or net income is deemed appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

# CITY OF LAWRENCE

## GOVERNMENTAL ACCOUNTING POLICY

- B. Internal Service Funds - to account for the financing of goods and services provided by one department to other departments of the City on a cost reimbursement basis.

### 3.0 **Basis of Accounting**

All governmental and fiduciary funds are reported on the modified accrual basis of accounting. Revenues are recognized in the accounting period in which they become susceptible to accrual, that is when they become both measurable and available to finance expenditures of the fiscal period. Expenditures are recognized when the related liability is current (the encumbrance method of accounting). Interest on unmatured general long-term debt is recognized when due.

The enterprise funds are reported on the accrual basis of accounting.

### 4.0 **General Long-Term Account Group**

This account, which is not a fund, provides a place to record long-term debt of the City. Long-term debt for proprietary funds are recorded in those funds and not in the general long-term debt account group.

### 5.0 **General Fixed Assets Account Group**

This account group is not a fund. It is an account where all fixed assets of the City except those belonging to the proprietary funds are recorded. Proprietary fund fixed assets are recorded in those funds.

# CITY OF LAWRENCE

## MID- YEAR FUNDING REQUEST POLICY

### 1.0 **Policy:**

To establish policy and guidelines for the consideration of funding requests from outside agencies during the year after the completion of the annual budget process.

### 2.0 **Guidelines:**

Once the budget process is completed for each fiscal year, non-budgeted funding requests shall be handled as follows. Outside agencies requesting funding from the City of Lawrence (that falls outside the schedule established for the annual budget process) shall describe in their application for funding how the project, program, etc. accomplishes the following:

- Fills an existing gap in City services.
- Meets a City Commission or community goal.
- Provides for a need in the community that is otherwise unmet.
- Helps leverage outside funds.

### 3.0 **Assessment Methods:**

In considering funding requests outside the annual budget process, the City Commission will utilize the following guidelines in the decision-making process:

- Is the request a high enough priority to justify the allocation of contingency funds?
- What are the long-range implications (annual request? related costs? etc.)

# CITY OF LAWRENCE DEBT MANAGEMENT POLICY

## 1.0 Purpose

The Debt Management Policy Statement sets forth comprehensive guidelines for the financing of capital expenditures.

## 2.0 Policy

It is the objective of the policies that (1) the City obtain financing only when desirable, (2) the process for identifying the timing and amount of debt financing be as efficient as possible and (3) the most favorable interest rate and other related costs be obtained.

Debt financing, to include general obligation bonds, special assessment bonds, revenue bonds, temporary notes, lease/purchase agreements, and other City obligations permitted to be issued or incurred under Kansas law, shall only be used to purchase capital assets that will not be acquired from current resources. The useful life of the asset or project shall exceed the payout schedule of any debt the City assumes. This allows for a closer match between those who benefit from the asset and those that pay for it.

To enhance creditworthiness and prudent financial management, the City is committed to systematic capital planning, intergovernmental cooperation and coordination, and long-term financial planning. Evidence of this commitment to capital planning will be demonstrated through adoption and periodic adjustment of the City's Capital Improvement Plan and the annual adoption of a multi-year Capital Improvement Budget.

## 3.0 Procedure

### 3.1 RESPONSIBILITY FOR DEBT MANAGEMENT

The primary responsibility for making debt-financing recommendations rests with the Director of Finance. In developing such recommendations, the Finance Director shall be assisted by other City staff. The responsibilities of City staff shall be to:

- Consider the need for debt financing and assess progress on the current Capital Improvement Budget and any other program/improvement deemed necessary by the City Manager;
- Test adherence to this policy statement and to review applicable debt ratios listed in the Debt Issuance Guidelines,
- Review changes in federal and state legislation that affect the City's ability to issue debt and report such findings to the City Manager as appropriate;
- Review annually the provisions of ordinances authorizing issuance of general obligation bonds of the City;
- Review the opportunities for refinancing current debt; and,
- Recommend services by a financial advisor, bond trustees, bond counsel, paying agents and other debt financing service providers when appropriate.

In developing financing recommendations, the City staff shall consider:

- Options for interim financing including short term and inter-fund borrowing, taking into consideration federal and state reimbursements;
- Effects of proposed actions on the tax rate and user charges;
- Trends in bond markets structures;
- Trends in interest rates; and,
- Other factors as deemed appropriate.

# CITY OF LAWRENCE DEBT MANAGEMENT POLICY

## 3.2 **USE OF DEBT FINANCING**

Debt financing will not be considered appropriate for any recurring purpose such as current operating and maintenance expenditures. The City will use debt financing only for one-time capital improvement projects and unusual equipment purchases under the following circumstances:

- The project is included in the City's capital improvement budget and is in conformance with the City's general plan;
- The project is the result of growth-related activities within the community that require unanticipated and unplanned infrastructure or capital improvements by the City;
- The project's useful life, or the projected service life of the equipment, will be equal to or exceed the term of the financing;
- There are revenues sufficient to service the debt, whether from future property taxes, user fees, or other specified and reserved resources, debt supported by user fees, special assessments or special charges shall be preferred,
- The debt shall be primarily used to finance capital projects with a relatively long life, typically ten years or longer.
- The equipment is an item that is purchased infrequently, has an expected useful life of at least five years, and costs in excess of \$100,000.

## 3.3 **STRUCTURE AND TERM OF DEBT FINANCING**

Debt will be structured to match projected cash flows, minimize the impact on future property tax levies, and maintain a relatively rapid payment of principal. As a benchmark, the City shall strive to repay at least 50% of the initial principal amount within ten years.

### *General Obligation Bonds*

The City shall use an objective analytical approach to determine whether it desires to issue new general obligation bonds. Generally, this process will compare ratios of key economic data. The goal will be for the City to maintain or enhance its existing credit rating.

These ratios shall include, at a minimum, debt per capita, debt as a percent of statutory debt limit, debt as a percent of appraised valuation, debt service payments as a percent of governmental expenditures, and the level of overlapping net debt of all local taxing jurisdictions. A set of ratios shall be adopted and itemized in the City's Debt Issuance Guidelines.

The decision on whether or not to issue new general obligation bonds shall, in part, be based on (a) costs and benefits, (b) the current conditions of the municipal bond market, and (c) the City's ability to issue new general obligation bonds as determined by the aforementioned benchmarks.

### *Revenue Bonds*

For the City to issue new revenue bonds, projected annual revenues as defined by the ordinance authorizing such issuance, shall be a minimum of 125% of the issue's average annual revenue bond service or at a higher amount if required by the bond indentures. If necessary, annual adjustments to the City's rate structures will be considered in order to maintain the required coverage factor. Revenue bonds will be the preferred financing option for enterprise funds.

### *Special Assessment Bonds*

The City shall maintain a watchful attitude over the issuance of special assessment bonds for benefit district improvements. The City's share of any benefit district project may not exceed more than 95% of any proposed costs related to a benefit district. The developer shall be required to deposit 25% of the costs allocated to the benefit district prior to authorization. In most cases, the debt will have a maximum term of ten years, however, a longer term may be allowed provided it does not exceed the life of the improvements included in the benefit district. The

# CITY OF LAWRENCE DEBT MANAGEMENT POLICY

benefit district will be assigned costs such as administration, engineering, financing and legal associated with the formation of the district and issuance of any debt.

## *Debt Issuance With Intergovernmental Agencies*

The City will typically not use of its debt capacity for projects by entities or other special purpose units of government that have the ability to issue tax exempt debt. The City's issuance of debt will be made only (1) after the prior commitment of the full assets and resources of the authority to debt service; (2) if project revenues, or development authority revenues pledged to debt service, are at least 115% of debt service; (3) if debt service reserves provided by the authority's own resources are equal to at least six months debt service; and, (4) if all other viable means financing have been examined. The City will also enter into arrangements with other governmental entities where a portion of the project costs will be reimbursed by the other government. An agreement as to how the project costs will be allocated and reimbursements made must be approved by the governing bodies.

## *Structure of Debt Obligations*

The City normally shall issue bonds with an average life of 10 years or less for general obligation and special assessment bonds and 10-20 years for revenue bonds. The typical structure of general obligation bonds will result in even principal and interest payments over the term of the debt. There shall be no "balloon" bond repayment schedules, which consist of low annual payments and one large payment of the balance due at the end of the term. There shall always be at least interest paid in the first fiscal year after a bond sale. In cases where related revenues may not occur for several years, it may be desirable to capitalize the interest by increasing the size of the issue and deferring the principal payments so that only interest is paid on the debt for the first few years.

## *Call Provisions*

Call provisions for bond issues will be evaluated based upon current market conditions. All bonds shall be callable only at par.

## *Variable Rate Long-Term Obligations*

The City may choose to issue bonds that pay a rate of interest that varies according to pre-determined formula or results from a periodic remarketing of the securities, consistent with state law and covenants of pre-existing bonds, and depending on market conditions.

### 3.4 **DEBT ADMINISTRATION AND FINANCING**

#### *Capital Improvement Budget*

A Capital Improvement Budget shall be prepared and submitted to the City Commission annually. The budget shall provide a list of projects and the means of financing. The budget should cover a five-year period of time. The projects included in the budget should be part of the City's Capital Improvement Plan. Projects must be in either the Capital Improvement Budget or Plan to be authorized.

#### *Bond Fund*

Generally, payment of general obligation bonds and special assessment bonds shall be from the City's Bond & Interest Fund. However, in situations where General Obligation bonds are to be paid from user fees or sales taxes, bond payments should be made from the fund that receives the revenue. The minimum fund balance in the Bond & Interest Fund will be maintained at a level equal to or greater than 50% of the total principal and interest payable from that Fund for the upcoming year.

#### *Reserve Funds*

## CITY OF LAWRENCE DEBT MANAGEMENT POLICY

Adequate operating reserves are important to insure the functions of the City during economic downturns. The City shall budget a contingency reserve in the General Fund of no less than \$150,000. The City will maintain working capital in an enterprise fund sufficient to finance 120 days of operations, if the fund supports debt payments. In addition, all reserves specified by bond indentures must be maintained. The Equipment Reserve Fund will be funded sufficiently to ensure that adequate funds are available to purchase replacement equipment on a timely basis.

### *Finance Department*

It shall be the responsibility of the Finance Department to prepare the Preliminary and final Official Statements. The City Clerk is responsible for collecting and maintaining all supporting documentation such as minutes of the City Commission meetings and relevant resolutions and ordinances. In the case of general obligation bonds, an estimate of the mill levy required to pay off the debt should be provided to the City Commission. The department will also be responsible following applicable secondary disclosure requirements.

### *Investments*

The bond proceeds will be invested in accordance with the City's investment policy. Adherence to the guidelines on arbitrage shall be followed, which at times, may require that the investment yield be restricted. In most cases, the investment will be selected to maximize interest with the assumption that the City will meet the IRS spend down requirement that allows for an exemption from arbitrage calculations.

### *Bond Counsel*

The City will utilize external bond counsel for all debt issues. All debt issued by the City will include a written opinion by Bond Counsel affirming that the City is authorized to issue the debt, stating that the City has met all Federal and State constitutional and statutory requirements necessary for issuance, and determining the debt's federal income tax status. The City's Bond Counsel will be selected on a competitive basis.

### *Underwriter's Counsel*

City payments for Underwriters Counsel will be authorized for negotiated sales by the Department of Finance on a case-by-case basis depending on the nature and complexity of the transaction and the needs expressed by the underwriters.

### *Financial Advisor*

The City may utilize an external financial advisor. The utilization of the financial advisor for debt issuance will be at the discretion of the Director of Finance on a case-by-case basis. For each City bond sale, the financial advisor will provide the City with information on structure, pricing and underwriting fees for comparable sales by other issuers. The Financial Advisor will be selected on a competitive basis for a period not to exceed five years.

### *Temporary Notes*

Use of short-term borrowing, such as temporary notes, will be undertaken until the final cost of the project is known or can be accurately projected. In some cases, projects might be funded with internal funds that will be reimbursed with bond funds at a future date.

### *Credit Enhancements*

Credit enhancement (letters of credit, bond insurance, etc.) may be used if the costs of such enhancements will reduce the debt service payments on the bonds or if such an enhancement is necessary to market the bonds.

# CITY OF LAWRENCE DEBT MANAGEMENT POLICY

## *Competitive Sale of Debt*

The City, as a matter of policy, shall seek to issue its temporary notes, general and revenue bond obligations through a competitive sale. In such instances where the City, through a competitive bidding for its bonds, deems the bids received as unsatisfactory or does not receive bids, it may, at the election of the City Commission, enter into negotiation for sale of the bonds. In cases where the circumstances of the bond issuance are complex or out of the ordinary, a negotiated sale may be recommended if allowed by State statute.

### 3.5 **REFUNDING OF DEBT**

Periodic reviews of all outstanding debt will be undertaken to determine refunding opportunities. Refunding will be considered (within federal tax law constraints) if and when there is a net economic benefit from the refunding or the refunding is needed in order to modernize covenants essential to operations and management or to restructure the payment of existing debt.

City staff and the financial advisor shall monitor the municipal bond market for opportunities to obtain interest savings by refunding outstanding debt. As a general rule, the present value savings of a particular refunding will exceed 3%.

Refunding issues that produce a net present value savings of less than 3% percent will be considered on a case-by-case basis. Refunding issues with negative savings will not be considered unless there is a compelling public policy objective.

### 3.6 **CONDUIT FINANCINGS**

The City may sponsor conduit financings in the form of Industrial Revenue Bonds for those activities (i.e., economic development, housing, health facilities, etc.) that have a general public purpose and are consistent with the City's overall service and policy objectives as determined by the City Commission.

All conduit financings must insulate the City completely from any credit risk or exposure and must first be approved by the City Manager before being submitted to the City Commission for consideration. The City should review the selection of the underwriter and bond counsel, require compliance with disclosure and arbitrage requirements, and establish minimum credit ratings acceptable for the conduit debt. Credit enhancement, such as insurance, may be required for certain issues.

### 3.7 **ARBITRAGE LIABILITY MANAGEMENT**

Federal arbitrage legislation is intended to discourage entities from issuing tax-exempt obligations unnecessarily. In compliance with the spirit of this legislation, the City will not issue obligations except for identifiable projects with good prospects of timely initiation. Temporary notes and subsequent general obligation bonds will be issued timely so that debt proceeds will be spent quickly.

Because of the complexity of arbitrage rebate regulations and the severity of non-compliance penalties, the City will engage outside consultants to calculate potential arbitrage liability.

### 3.8 **CREDIT RATINGS**

#### *Rating Agency Relationships*

The Director of Finance shall be responsible for maintaining relationships with the rating agencies that assign ratings to the City's debt. This effort shall include providing periodic updates on the City's general financial condition along with coordinating meetings and presentations in conjunction with a new debt issuance.

# CITY OF LAWRENCE DEBT MANAGEMENT POLICY

## *Use of Rating Agencies*

The City will obtain a rating from Moody's Investors Service. The Finance Director will recommend whether or not an additional rating shall be requested on a particular financing and which of the major rating agencies shall be asked to provide such a rating.

## *Rating Agency Presentations*

Full disclosure of operations and open lines of communication shall be made to rating agencies used by the City. The Finance Director, with assistance of City staff, shall prepare the necessary materials and presentation to the rating agencies.

## *Financial Disclosure*

The City is committed to full and complete financial disclosure, and to cooperating fully with rating agencies, institutional and individual investors, City departments and agencies, other levels of government, and the general public to share clear, comprehensible, and accurate financial information. The City is committed to meeting secondary disclosure requirements on a timely and comprehensive basis.

### 3.9 **STANDARDS**

Official statements accompanying debt issues, Comprehensive Annual Financial Reports, and continuous disclosure statements will meet (at a minimum), the standards articulated by the Government Accounting Standards Board (GASB), the National Federation of Municipal Analysts, and Generally Accepted Accounting Principles (GAAP). The Finance Director shall be responsible for ongoing disclosure to established national information repositories and for maintaining compliance with disclosure standards promulgated by state and national regulatory bodies.

## **DEBT MANGEMENT POLICY APPENDIX**

### **Terminology**

**Arbitrage.** Arbitrage refers to the rebate amount due to the Internal Revenue Service where funds received from the issuance of tax-exempt debt have been invested and excess interest earnings have occurred.

**General Obligation Bonds.** Bonds backed by the full faith and credit of the City. The taxing power may be an unlimited ad valorem tax or a limited tax, usually on real estate and personal property. A special tax rate levied for the Bond & Interest Fund annually to pay for general obligation LTO service. Because it is secured by an unlimited tax levy, this structure has strong marketability and lower interest costs.

**Revenue Bonds.** Bonds secured by revenues generated by the facility from dedicated user fees. Planning for such issues generally are more complex because future costs and revenues directly affect each other. Credit enhancements (e.g., insurance or letter of credit) may be needed because of the limited source of LTO service payments that may be available in outlying years.

**Special Assessment Bonds.** Bonds issued to develop facilities and basic infrastructure for the benefit of properties within the assessment district. Assessments are levied on properties benefited by the project. The issuer's recourse for nonpayment is foreclosure and the remaining LTO becomes the City's direct obligation.

**Temporary Notes.** Notes are issued to provide temporary financing, to be repaid by long-term financing. This type of bridge financing has a maximum maturity of four years under Kansas law.

## CITY OF LAWRENCE DEBT ISSUANCE GUIDELINES

The City of Lawrence adopts the following guidelines for the issuance of debt:

- Ratio of General Obligation Bonds Outstanding to Appraised Valuation will not exceed 2.2%
- Ratio of General Obligation Bonds and Temporary Notes Outstanding to the Statutory Debt Limit will not exceed 60%
- Ratio of Debt Service payments from the Bond and interest Fund will not exceed 15% of governmental expenditures
- Amount of General Obligation Bonds Outstanding per population will not exceed \$1,100
- Amount of overlapping General Obligation Bonds Outstanding per population will not exceed \$2,500
- Bond and Interest mill levy will not exceed 10 mills

The City will review and consider the following before any debt is issued:

- Adherence to the Capital Improvement Budget
- Adherence to the Capital Improvement Plan
- Impact on the mill levy
- Potential impact on other revenue sources such as increased property taxes and sales taxes

# CITY OF LAWRENCE GENERAL FUND BALANCE POLICY

## 1.0 Purpose

The purpose of establishing a policy on the unrestricted balance in the General Fund is to provide a guideline for budgeting decisions and to insure that adequate reserves are established to fund operations by providing sufficient working capital, protection against uncollected taxes, shortfalls from municipal revenue sources, and cutbacks in distributions from the state or federal government. The General Fund is the primary operating fund of the City for its non-utility related operations. In addition, the City of Lawrence desires to maintain its current debt rating. Rating agencies are concerned about a government's creditworthiness and the level of unreserved General Fund balance is part of their evaluation.

There is no formula for determining an appropriate fund balance. Items to consider include the timing of revenue collections, the local and national economic environment, the volatility of the major revenue sources, and the degree of protection desired to mitigate current and future financial risks. The City of Lawrence obtains a substantial portion of its revenue from sales taxes and franchise fees. Sales tax collections are derived from local retail sales. In Lawrence, these collections are very dependent upon both the local and national economies. The collection of franchise fees, particularly those based upon sales of electricity and natural gas, vary widely depending upon local weather conditions. As a result, the desired level of unreserved General Fund balance is higher than the minimum level designated by the Government Finance Officers Association recommended practice on the Appropriate Level of Unreserved Balance in the General Fund.

## 2.0 Policy

The City should budget for current year General Fund revenues to be sufficient to finance current year expenditures.

Due to the volatility of some of the major revenue sources, a minimum unreserved General Fund balance of 15% of actual expenditures is recommended.

To avoid a balance in excess of the level deemed sufficient for prudent fiscal management, a maximum unreserved General Fund balance of 30% of actual expenditures is recommended.

The unreserved General Fund balance does not include reservations of fund balance for the payment of encumbrances nor designations for purposes that are allowed under generally accepted accounting principles.

If the General Fund balance falls outside of the above parameters, budgeted revenues will be either greater or less than budgeted expenditures in subsequent years to bring the General Fund balance into compliance with this policy.

**DRAFT**  
**(SUBJECT TO CHANGE)**

**2014 Budget Process Calendar**

Friday, February 15	County Treasurer annual report due	Monday, July 1	Budget information from County Clerk and Treasurer should be received
Friday, March 15	4 <sup>th</sup> Quarter 2012 Report	<b>Wednesday, June 26</b>	<b>Budget Distributed to City Commission and posted on website</b>
Monday, April 1	Letter mailed to vendor / social service agencies and application materials posted on the web	<b>Tuesday, July 9</b>	<b>City Commission Study Session (4:00 pm) @ City Hall</b>
Friday, April 19	Budget Priorities/ Budget Kick off Memo distributed Run Baseline Payroll Projection	<b>Tuesday, July 9</b>	<b>City Commission authorizes publication of Budget</b>
Thursday, April 25	County provides revenue estimates	Wednesday July 10 – Noon	Budget material provided to Journal World for publication 07/13/13 ( ten days notice)
Tuesday, April 30	1 <sup>st</sup> Quarter 2013 Report	<b>Tuesday, July 23</b>	<b>Public Hearing on Budget – Budget Ordinance first reading (no later than 8/15)</b>
<b>Friday, May 3</b>	<b>Requests Due from social service agencies and vendor services</b>		<b>Utility Rate Ordinances</b>
<b>Wednesday, May 8</b>	<b>Department Budget Information Submitted to City Manager’s Office</b>	<b>Tuesday, August 13</b>	<b>Budget adopted by City Commission – Budget Ordinance second reading</b>
Friday, May 10	Budget Information provided to Douglas County for Fire Med and Planning	Wednesday August 14 – Noon	Budget ordinance provided to Journal World for publication 08/17/2014
<b>Tuesday, May 21</b>	<b>Motor, Recreational, and 16/20 vehicle tax estimates due from County</b>	<b>Wednesday, August 21</b>	<b>Budget, along with certified copy of ordinance, filed with County Clerk (at least ten days from hearing)</b>
<b>Friday, May 31</b>	<b>Receive recommendations from social service funding advisory board</b>	Sunday, August 25	Statutory deadline for budget submittal
	<b>Department Summary Pages updated in “Pages to Publish” folder on network</b>	Friday, September 27	Adopted Budget posted on the web
<b>Tuesday, June 4</b>	<b>City Commission Study Session (3:30 – 5:30 pm) @ City Hall:</b>	Tuesday, November 12	Budget submitted to GFOA for review (90 days following adoption)
	<b>Budget Overview</b>	Sunday, December 1	County Clerk submits all budgets to State A&R
	<b>Goal Setting</b>		
<b>Tuesday, June 4</b>	<b>Public Comment on CC Regular Agenda</b>		
	State Assessed numbers released		
<b>Tuesday, June 18</b>	<b>CC Agenda Item – Budget Information/ Update</b>		
<b>Wednesday, June 26</b>	<b>Budget Distributed to City Commission and posted on website</b>		