



# 2016

Recommended Operating and Capital Improvement

# BUDGET

City of Lawrence, Kansas



# 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, 2015**

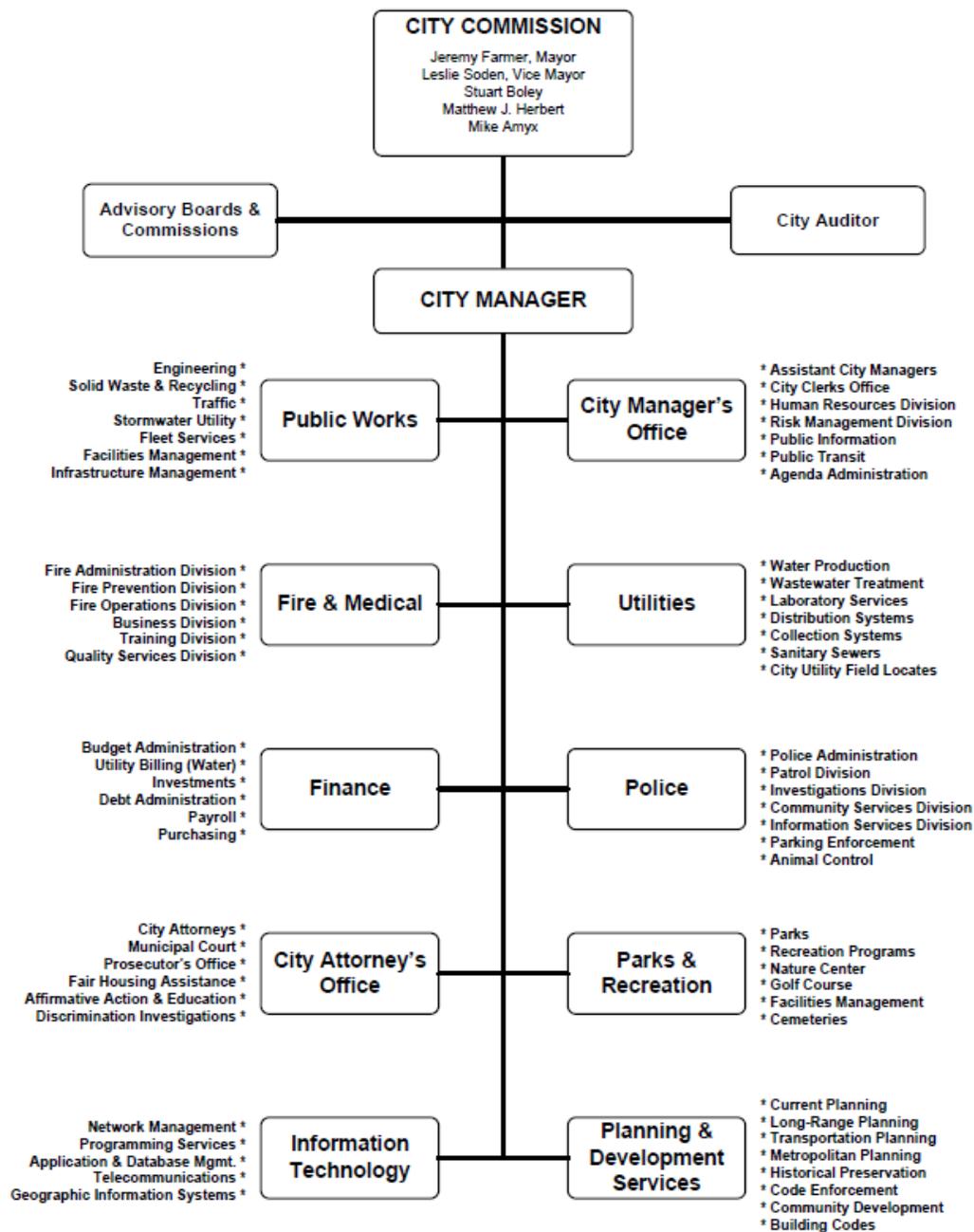
A handwritten signature in cursive script, reading "Jeffrey R. Emswiler".

Executive Director

The Government Finance officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the City of Lawrence, Kansas for its annual budget for the fiscal year beginning January 1, 2015. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.

The City of Lawrence has received this award for 13 consecutive years. We believe the current budget continues to conform to the program's requirements and we are submitting it to GFOA to determine its eligibility for another award.

# CITY OF LAWRENCE, KANSAS



## City of Lawrence Elected Officials

JEREMY FARMER, Mayor

LESLIE SODEN, Vice Mayor

STUART BOLEY, Commissioner

MIKE AMYX, Commissioner

MATTHEW HERBERT, Commissioner

## City of Lawrence Executive Staff

DIANE STODDARD, Interim City Manager

CASEY TOOMAY, Assistant City Manager

BRANDON MCGUIRE, Assistant to the City Manager

MEGAN GILLILAND, Communications Manager

DIANE BUCIA, City Clerk

MARK BRADFORD, Fire Medical Chief

ERNIE SHAW, Interim Parks and Recreation Director

TARIK KHATIB, Chief of Police

CHUCK SOULES, Public Works Director

SCOTT MCCULLOUGH, Planning and Development

DAVE WAGNER, Utilities Director

Services Director

TONI WHEELER, City Attorney

BRYAN KIDNEY, Finance Director

JAMES WISDOM, Information Technology Director

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*City of Lawrence*



# City of Lawrence

## CITY MANAGER'S OFFICE

DIANE STODDARD  
INTERIM CITY MANAGER

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6 East 6<sup>th</sup> St  
785-832-3000  
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### CITY COMMISSION

**MAYOR**  
JEREMY FARMER

**COMMISSIONERS**  
LESLIE SODEN  
STUART BOLEY  
MATTHEW J. HERBERT  
MIKE AMYX

July 2, 2015

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

Dear Mayor and City Commissioners:

Along with the City's executive team and budget team, I am pleased to present the 2016 Operating and Capital Improvement Budget which I believe addresses City Commission and community goals and priorities, including the continuance of quality city services and programs. I would like to thank the City Commission for its work and guidance on the 2016 budget preparation to date. Also, I would like to express my appreciation to a number of the City's advisory boards, community organizations, and citizens who have been very engaged in the budget process, providing valuable input and recommendations and helping to guide the priorities for 2016.

Our community has recently added a number of valuable assets and made key investments that will serve the citizens for years to come. These projects include the beautiful Lawrence Public Library, Sports Pavilion Lawrence, Peaslee Tech, the expanded Bioscience and Technology Business Center (BTBC), and Lawrence VenturePark to name a few. Additionally, the 2016 completion of the South Lawrence Trafficway and the new interchange at K-10 and Bob Billings Parkway to be completed in late 2015, will yield significant economic impact to the community. With these important strategic investments made, the recommended budget reflects attention to maintaining our ability to support current programs, services and facilities by continuing to reinvest in our employees and address deferred equipment needs. However, we continue to have substantial facility needs, including a new facility for the Police Department. This recommended budget does not include any specific funding for the police facility, as the City Commission continues its dialogue about the facility size and scope. A placeholder for the project has been added to the proposed 2016 Capital Improvement Program without an associated cost or funding plan as the issue awaits further City Commission deliberations and direction.



### **Overview of the 2016 Recommended Budget**

The total 2016 recommended City budget is \$207,305,104. In order to fund this budget, a 1.057 mill increase is recommended. As we have done for several years, I believe that departments have demonstrated a good ability to monitor expenditures and make reductions as necessary in order to balance the budget. The budget team met with each department to discuss budget requests for 2016.

### **Need For Additional Resources**

As presented at our June 16, 2015 study session, a mill increase is not necessary to fund the baseline City budget for 2016 and some increases for employee compensation were outlined within the baseline budget. However, as outlined in this letter, I am recommending a total mill levy increase of 1.057 mills for 2016 in order to provide additional resources for employee compensation and benefits and to address one of the Commission priorities for 2016, mental health, and funding to restore a much-needed GIS Analyst position within the General Fund.

The total baseline and additional funding for employee compensation and benefits will enable the City to fund an increased merit pool of approximately 3% for City employees, along with targeted market adjustments for the primary pay plan and the police and fire MOU groups, and funds to help address pay compression between exempt and non-exempt positions in the police and fire pay plans. Attention to employee compensation is important related to our goal of being able to recruit and retain high quality staff and maintain our competitiveness with the salary market.

In addition, \$350,000 is recommended to restore funding for the Bert Nash WRAP program, providing mental health services in the schools. Prior City funding for this program was redirected to other City priorities in 2008. Prior City Commission discussion has identified this item as a priority in order to make progress on the issue of addressing mental health service needs.

Several of these items are further discussed in this transmittal.

### **Property Tax and Mill Levy Recommended for 2016 Budget**

Description	Property Tax Revenue	Mill Levy
Additional Resources for Employee Compensation and Benefits (including MOU groups)	\$509,500	0.585
Reinstatement of a GIS Analyst Position in Information Technology	\$61,100	0.070
City Support for the WRAP program	\$350,000	0.402
TOTAL ADDITIONAL PROPERTY TAX AND MILL LEVY RECOMMENDED FOR 2016	\$920,600	1.057
TOTAL CITY MILL LEVY RECOMMENDED FOR 2016		32.531

## **Areas of Focus for 2016**

*Reinvestment in City Employees and Deferred Equipment and Maintenance for Current Operations and Facilities:* This recommended budget focuses on maintaining our current operations and facilities by beginning to address our deferred equipment needs and providing for continuing reinvestment in our city employees by providing for market and merit related compensation adjustments. These items are further addressed in this transmittal and were the main priorities for funding in 2016.

*Infrastructure Reinvestment.* The 2016 recommended budget provides continued funding to reinvest in our community infrastructure, including street maintenance and water and wastewater infrastructure. The 2016 budget funds \$8.7 million in residential street maintenance and major street projects from the General Fund, infrastructure sales tax, gas tax revenues, and general obligation bonds. This amount reflects the city-share only of these projects and does not include the East Ninth project costs or the funding for design of Wakarusa Drive improvements. This amount is approximately \$1.4 million over 2015 budget. Regarding water and wastewater utility infrastructure, the 2016 recommended budget includes \$38.3 million in reinvestment in water main and sanitary sewer infrastructure (relocation, rehabilitation and replacement), plant improvements, continued funding for Wakarusa Wastewater Treatment Plant, taste and odor improvements, and other utility improvements. This funding is part of the overall 2013-2017 capital plan for investment in our utility systems.

*Sidewalks, Bike Lanes and Traffic Calming.* Over the past several years, there has been a particular desire to address the community's needs in the area of enhanced pedestrian and bicycle facilities. There has also been significant discussion over the past year regarding our lengthy list of approved but unfunded traffic calming requests. The city has provided ongoing funding for sidewalk reinvestment with an emphasis in filling sidewalk gaps. The recently formed Pedestrian-Bicycle Issues Task Force will soon commence its work in reviewing the city's practices for funding and prioritizing sidewalk and bicycle improvements and maintenance for all Lawrencians, including those with disabilities and school children. It will be making recommendations to the City Commission in these areas toward the end of 2015. Additionally, the significant backlog of approved traffic safety projects, some of which involve pedestrian and bicycle issues, has been an area of discussion during 2015.

In order to help address these issues more extensively, \$200,000 annually has been placed in the Capital Improvements Program to help provide a funding source for improvements, grant match, etc. for sidewalk and bicycle improvements. Another \$200,000 annually has been placed in the Capital Improvements Program toward traffic calming projects. It is envisioned that this funding can be prioritized on an annual basis to address projects of the greatest importance over time. While these funds may not solve the issues immediately, they begin to provide an ongoing revenue source to provide attention in these important areas.

### **Public Safety.**

*Police Resources.* This budget continues recent efforts to provide increased resources for the Police Department. These items include \$43,000 for additional training, salary and wage issues, and making progress toward replacement of vehicles previously deferred. In 2015, the mill levy was increased in order to provide funding for one additional sergeant in the Police Department. In 2014, the mill levy was increased to provide additional funding for overtime expenses. In 2013, the mill levy was increased in order to provide \$300,000 of additional equipment for the department.

Though these resources have been added, there remains additional unfunded Police Department needs that require attention. Of course, one of the remaining needs is a new police facility, which remains a top priority. City staff looks forward to continued discussions with the City Commission on this important topic. Another top unfunded priority is additional police investigative positions. Creation of an evening shift for Investigations would greatly increase the Department's ability to continue to work complex cases and do so more effectively during hours that many occur. In order to fund this total \$1.22 million need (for investigations personnel along with the associated vehicle needs), additional mill levy of 1.401 mills would be required.

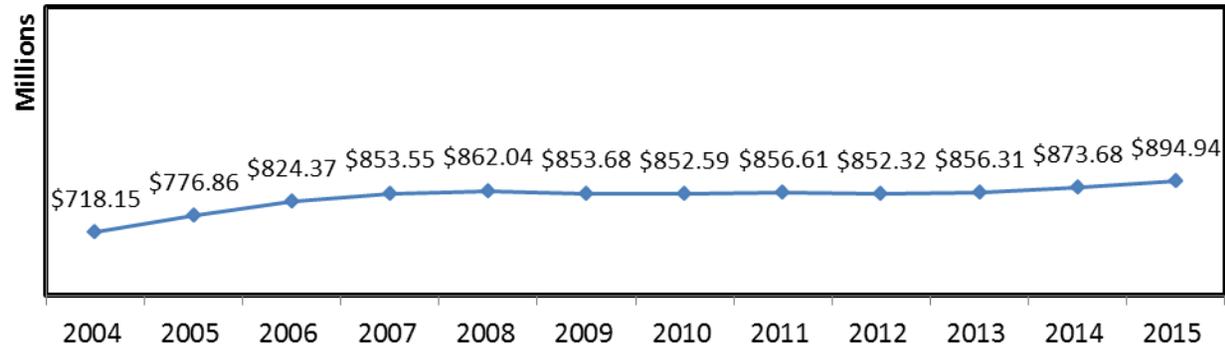
*Fire/Medical Resources.* The 2016 recommended budget includes funding for continued support for our Fire/Medical Department. Significant investment was made in the 2015 budget to replace Self Contained Breathing Apparatus. The 2016 budget includes \$150,000 in funding to replace seven (7) mobile computers in primary service apparatus and \$160,000 in funding for thermal imaging cameras and facility security investments.

*Economic Development.* The recommended budget includes continued level funding for economic development activities including the contract with the Lawrence Chamber of Commerce, the joint community and university efforts of the Bioscience and Technology Business Center (BTBC), and Peaslee Tech. These investments enable the community to grow and retain local businesses, recruit new businesses, encourage entrepreneurial activities, leverage our valuable university assets, and provide training for quality workforce in response to needs of local employers.

### **2016 Revenue Highlights**

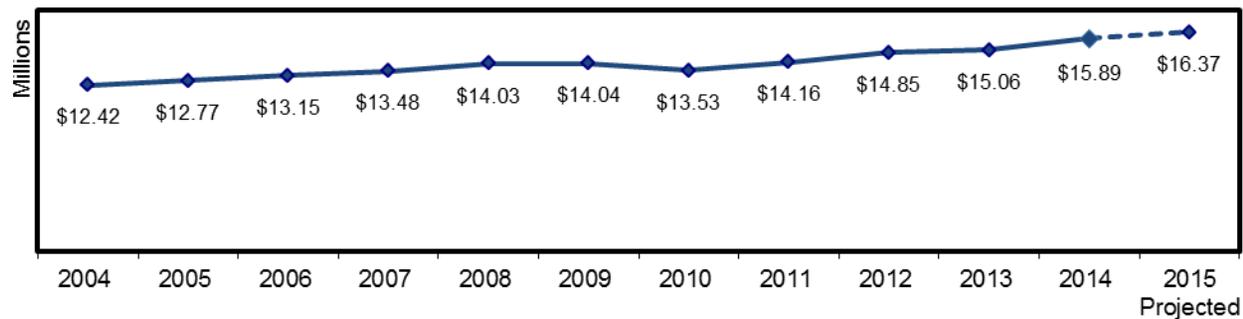
*Property Tax.* The assessed valuation used to build the 2016 budget is \$894,944,702. This reflects an approximately 2.4% increase over the assessed valuation used to build the 2015 budget. This means that one mill will generate approximately \$894,944. As shown below, this is the second consecutive year that assessed valuation has grown at least two percent after remaining relatively flat since 2007. During the 2015 legislative session, the Kansas Legislature implemented a property tax lid for local governments to be effective January 1, 2018. The lid will require increases in year over year property tax revenue, adjusted for various allowed exemptions, to be within the consumer price index or increases will require voter referendum to approve. Looking forward, this will require the City to closely examine its revenue sources and service levels.

**Assessed Valuation 2004 – 2015**



*Sales Tax.* Another of the City's largest revenue sources is sales tax proceeds. The proceeds from the 1% City Sales Tax are shown below. The City has seen fairly steady growth in this revenue source over the past ten years and the 2016 budget assumes growth of 3% over our revised 2015 projection.

**Proceeds from the City 1% Sales Tax – 2004 –2015 Projected**



**Additional Positions for 2016**

*GIS Analyst, Information Technology Department:* Since 2007, the City support for geographic information systems (GIS) has decreased from six FTEs to two. In the same time period, the City's use of GIS has been increasing as multiple departments rely on hundreds of layers of GIS data for day to day tasks. It is time to restore a GIS Analyst. This position is a top priority for the Information Technology Department and the Public Works Department. It was also a key priority identified by the City's executive team as the all needed positions were discussed. The addition of this position in 2016 is \$61,100 including benefits. In order to fund this position on an ongoing basis, 0.070 mill in the General Fund is being proposed.

*Administrative Support III Position, Municipal Court:* The workload in Municipal Court has increased commensurate to the number of sworn police officers increasing by nine since 2012. Additional administrative assistance will help prosecutors keep victims apprised of case updates and assist with their expanded docket schedule. The addition of this position in 2016 is \$44,230. The position has no mill levy impact as a result of moving an administrative position into the Parking Fund and replacing the position with this new position.

Communications Specialists, City Manager's Office/eXplore Lawrence (CVB): As suggested by staff's plan related to the Convention & Visitors' Bureau, two full-time shared Communications Specialist positions have been added to provide both general city marketing and communications support, and support to the Convention & Visitors' Bureau related to marketing for Lawrence. These positions will enable continuation of strong social media efforts and video production. Funding for these positions, \$53,900 each including benefits, has been budgeted in the Guest Tax Fund for 2016. This will also enable the temporary part-time General Fund-supported communications positions to free up hours to enable the addition of live broadcast of Planning Commission meetings in 2016. Broadcast and taping of these important meetings will further the City's efforts at increased transparency and public engagement. These positions have no mill levy impact.

Utility Operators (2), Water and Wastewater: These positions are needed to ensure operational readiness for the new Wakarusa River Wastewater Treatment Plant. The two positions require \$120,000 in funding in 2016, including benefits, equipment and training. These positions have no mill levy impact.

These proposed positions do not address all of the needs for additional staffing, which are further outlined later in this transmittal and have previously been outlined by City departments.

### **Employee Compensation and Benefits**

City employees are our greatest asset and continued reinvestment in our employees is a key focus in this recommended budget. Without their hard work, dedication, and expertise, the city would be unable to provide the high quality services it provides to its residents.

Negotiations with our two employee groups – International Association of Firefighters, Local 1596 and the Lawrence Police Officers Association - were conducted in 2015. Tentative agreements have been reached with these groups on terms for multi-year contracts, subject to approval by the membership groups and the City Commission in the coming weeks. In response to analysis of salary data from of our market cities, which showed our current pay plan needed to be more competitive at the top of the pay scale, additional steps will be added to the top of each pay plan. This means there will be opportunities for salary growth in 2016 for those employees currently at the top of the pay scale. Four additional steps (1.25% steps) will be added to the top of the Fire Plan. One additional step (2.5%) will be added to the top of the Police Pay Plan for Officers.

Market data analysis also revealed that adjustments to specific positions in the primary pay plan were appropriate in order to attract and retain quality employees in other city departments. The 2016 budget includes funding to make some of these targeted adjustments. In addition, funding is included for a merit pool of approximately 3% for all other city employees. As previously mentioned, this funding will enable the City to maintain market competitiveness.

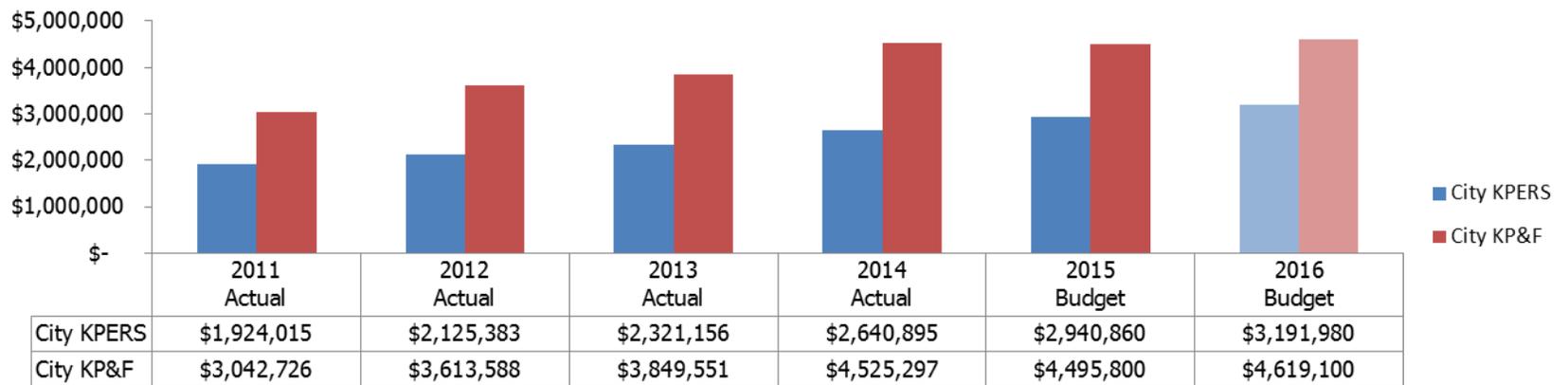
In addition, funding for discretionary longevity payments for eligible employees at the rate of \$48 per year of service is included in the budget, along with modest funding for expansion of the longevity program to the city's regular part-time employees. The expansion of

the longevity program to include these regular part-time employees was a recommendation provided by the city's Employee Relations Council (ERC), which I also support.

Contributions to employee healthcare from all City funds will increase a total of \$313,811, or 4%. A 4% increase in total employee contributions is also planned for 2016. The healthcare plan will include increases to employee deductibles for 2016, but no further plan coverage changes are planned. I am thankful to Lori Carnahan, Human Resources Manager, and Michelle Spreer, Benefits Specialist, for their work in managing the employee healthcare program and I also appreciate the extensive work of the employee Healthcare Committee in reviewing plan status and making recommendations for the coming budget cycle.

City contributions to employee retirement are increasing modestly over the 2015 budget. The 2016 budget includes an increase of \$251,120, or 8.5%, for contributions to the Kansas Public Employee Retirement System (KPERS) and \$123,300, or 2.7%, for contributions to the Kansas Police and Fire Retirement System (KP&F).

**City Contributions to KPERS and KP&F**



**Unfunded Items in this Recommended Budget**

The Commission received a number of requests for 2016 funding from City departments and advisory boards, economic development agencies, social service agencies, and other community groups. Many of these requests are included in this recommended budget, but some are not.

The following is a partial list of major city budget requests not included or not completely funded in this recommended budget:

**Unfunded or Partially Funded 2016 City Requests**

Department	Description	Annual Cost (\$)	mill levy equivalent
Police	Increased cost of overtime	192,398	0.22
	Additional crime analyst position	67,000	0.08
	Additional Investigations positions (1 sergeant, 6 detectives, 2 officers)	992,992	1.14
	Admin position	58,737	0.07
	Additional vehicles - New investigation positions	168,500	0.19
	Replace previously deferred vehicles	94,000	0.11
Municipal Court	Prosecutor position	76,625	0.09
Fire Medical	Additional firefighter positions	125,086	0.14
	Replace previously deferred vehicles	36,000	0.04
Public Works	Fiber Tech/ R/W Manager position	95,000	0.11
	Yearly Cartegraph software replacement (streets/traffic work order system)	50,000	0.06
	Parking Maintenance position	43,290	0.05
	Increased salt reserve for weather related response	64,000	0.07
	Video detection cameras at intersections	160,000	0.18
Parks and Rec	Forestry position - Emerald Ash Borer	45,000	0.05
	Maintenance positions	90,000	0.10
	Accelerated vehicle and equipment replacement	228,000	0.26
Planning and Development Services	Replace previously deferred vehicles	95,000	0.11
Information Technology	Additional Telecommunications/ VoIP Specialist	76,630	0.09
	Additional Administrative Support III Position	44,230	0.05
CMO - Human Resources	Additional .25 FTE Management analyst position	21,680	0.02
	Human Resources Specialist position	61,000	0.07

The budget does not include funding for a Comprehensive Housing Study, which staff believes would be beneficial and provide strong data to guide future funding for affordable housing, serve as a market analysis to leverage developer resources, as well as provide ideas for various possible revenue streams and incentives for affordable housing.

An increase of \$10,000 for the Lawrence Humane Society is included in the 2016 recommended budget, making their annual total \$360,000. However, the recommended budget does not include the Humane Society's request for a contribution to their capital campaign. The Humane Society is planning a \$5 million capital campaign for reconstructing and expanding its current facility. \$2.5 million has been requested over a two year period from the City of Lawrence to participate in the construction. Staff believes that it is important to learn more details from the Humane Society, particularly how plans relate to the care of stray animals. The unique partnership between the City and the Humane Society over the years has yielded mutual benefits related to a service that otherwise would have to be provided by the City at significant cost. Since this request was just received by the City the fourth week of June, staff recommends further discussions with the Humane Society on this project.

*It is important to note that there remains a number of worthy agency requests and important projects that remain partially or wholly unfunded in this recommended budget. The City Commission may wish to further discuss these items and provide further direction. Additional funding allocations will require additional resources, or cuts to current programs/services to accomplish.*

**Social Service Agency Funding Allocations**

The Social Service Funding Advisory Board reviewed the applications for 2016 social service funding. Their recommendations for how to allocate the funds assuming level funding for social service agencies are included in this recommended budget as follows:

Recommended Budget	
GENERAL OPERATING FUND	2016
Ballard Community Center	\$ 13,210
Bert Nash City Homeless Outreach Team	\$ 153,208
Big Brothers Big Sisters	\$ 17,580
Boys & Girls Club of Lawrence	\$ 119,328
Communities in Schools	\$ 2,280
Douglas County CASA, Inc.	\$ 22,780
Douglas County Dental Clinic	\$ 13,670
GaDugi SafeCenter	\$ 8,200
Health Care Access	\$ 24,410
Housing & Credit Counseling	\$ 15,580
Lawrence Community Food Alliance	\$ 6,830
Lawrence Farmers Market	\$ 9,110
The Shelter, Inc.	\$ 29,150
Success By 6 Coalition	\$ 25,050
TFI Family Services	\$ 6,380
Van Go Mobile Arts, Inc.	\$ 31,890

Recommended Budget	
GENERAL OPERATING FUND (cont'd)	2016
Warm Hearts of Douglas County	\$ 5,470
Willow Domestic Violence Center	\$ 5,470
Willow - Bus Pass / Work Clothes	\$ 3,640
<b>Total</b>	<b>\$ 513,236</b>
Recommended Budget	
SPECIAL ALCOHOL FUND	2016
Big Brothers Big Sisters	\$ 8,710
Boys & Girls Club of Lawrence	\$ 95,710
DCCCA	\$ 93,534
DCCCA d/b/a First Step House	\$ 37,180
Lawrence Alcoholic Recovery House	\$ 7,500
Heartland Community Health Center	\$ 30,000
Van Go Mobile Arts, Inc.	\$ 26,273
Willow Domestic Violence Center	\$ 17,710
<b>Total</b>	<b>\$316,617</b>

### **Library Fund**

The Library requested \$3,750,000 in funding in 2016, which is included in the 2016 recommended budget. This represents an increase of \$200,000, or 5.6%. The increased funding will be taken from fund balance, rather than a mill levy increase. It should be noted that this will not be sustainable past 2016 due to lowering fund balance. It appears that in 2017 either the mill levy may require adjustment, or expenditures reduced. This issue will become even more important as the recently adopted tax lid becomes effective January 1, 2018.

### **Guest Tax Fund**

Destination Management, which oversees eXplore Lawrence (Convention & Visitors' Bureau) and Freedom's Frontier National Heritage Area, requested \$940,000 funding for 2016, which is included as part of the recommended budget. Guest Tax funds will also be used to fund two (2) Communications Specialist positions that will report to the Communications Manager and jointly support the city's outreach and marketing efforts as well as support those functions of the convention and tourism bureau. The Guest Tax will also support two parks and recreation positions which provide beautification and numerous amenities specific to downtown and the attraction of guests to the heart of our entertainment district. These positions were reallocated to the Guest Tax Fund from the Parking Fund. Other expenses include following through on commitments to Theatre Lawrence, and \$30,000 funding for continued support for the Watkins Museum's third floor core permanent exhibit on the history of Lawrence and Douglas County.

The recommended budget provides for the establishment of an annual Transient Guest Tax Grant Program, funded at \$150,000 per year that will be administered from the City Manager's Office to assist in event marketing and event creation/collaboration with other local organizations. Establishment of such a fund was a request of Destination Management and the Lawrence Cultural Arts Commission. Guidelines for this grant program will be developed later this fall in conjunction with various stakeholders and consideration by the City Commission. This process will enable all requests to be considered utilizing established guidelines and recommendations from an advisory group charged with reviewing the applications with the City Commission making the final determinations on grant allocations.

The 2016 recommended budget proposes the merging of the Guest Tax Fund with the Guest Tax Reserve Fund. Previously, 25% of the guest tax annual revenues were placed into the reserve fund. Merging the two funds enables the City Commission, staff and the public a better long-term view of this important funding source and enables improved future planning for the fund.

### **Transit Fund**

The 2016 transit budget includes continued support for transit operations and activities. A new transit hub will be funded from proceeds from the transit sales taxes and the location of the hub will be an important issue for the City Commission in the remaining months of 2015. Amenities, such as bus shelters, are also an important priority and staff will be providing plans for enhanced amenities in the short-term and also as the decision about the hub location is made. Depending upon the size and scope of the hub facility and related infrastructure, it may be necessary to issue debt which would be supported by these funds.

In 2015, the City Commission authorized the payment of \$120,000 for the City share of the Johnson County Transit operated K-10 Connector. The recommended 2016 budget includes \$120,000 as a local contribution to this service. While this amount is less than what has been requested by Johnson County Transit to support the service, it attempts to strike a balance between assisting with

funding for the service and keeping local route needs a priority, which is the suggestion of the city's Public Transit Advisory Committee. It is unknown at this point what potential impact keeping this contribution level may create and we will continue to be in contact with Johnson County Transit on the issue.

### **Recreation Fund**

The Recreation Fund provides funding for a broad cross-section of recreation programs and services that meet the needs of the citizens of Lawrence. The division is directly responsible for staffing, scheduling, operating and programming of four recreation centers, two historic buildings, four swimming facilities, a nature center and lake, softball, baseball, soccer, football complexes and a wide variety of multipurpose play areas. Additionally, this fund also provides maintenance funding for two our biggest operations, which are the four aquatic facilities and Sports Pavilion Lawrence at Rock Chalk Park. This account is funded primarily by user fees as well as through a transfer from the City's share of the countywide sales tax, which is recommended to be increased in 2016.

### **Special Recreation Fund**

The Special Recreation Fund provides funding for various recreation activities. Additionally, funding is provided for scholarships for the Lawrence Arts Center, the Lawrence Alliance which organizes the community's Festival of Cultures, and the Lawrence Cultural Arts Commission (LCAC). The recommended budget includes the requested increase to \$25,000 for the community art grant program which is administered by the LCAC. The previous budget for the program had remained flat for years at \$7,000 though total funding requests were routinely well above \$20,000. The increase in funding will also enable small arts related requests to go through a competitive process with established guidelines and recommendations through this advisory committee. The request from the LCAC for designated funding for arts related festivals has been addressed with the addition of the Transient Guest Tax Grant Program, previously mentioned.

### **Water and Wastewater Fund**

In 2013, the City Commission adopted new Master Plans for the Water and Wastewater Utilities along with the 2013-2017 Capital Improvement Program. 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, including a substantial commitment to repair and maintain existing facilities. The multi-year plan includes construction of a new Wastewater Treatment Plant, which was approved earlier in 2015. The plan also accompanied a five year rate plan to provide continued funding for reinvestment in the utility infrastructure. Continuance of this plan will require rate adjustments for 2016 and 2017. For typical residential customer usage of 4,000 gallons water and sewer, proposed 2016 and 2017 rates represent a \$3.64 total annual cost increase (or 6.6% increase) between current 2015 and proposed 2016 rates and a \$4.40 total annual cost increase (or 7.4% increase) between proposed 2016 and proposed 2017 rates. It is recommended that the City Commission authorize a rate ordinance to enable these rate adjustments for 2016 and 2017, concurrent with the consideration of the 2016 budget. Also in 2016, staff is planning on implementing acceptance of credit card payments from utility customers without the current administrative fee. We believe that this will increase the ease of the public with paying by credit card, as well as decrease delinquency rates.

## **Parking Fund**

The Parking Fund continues to experience growth in expenditures while revenues remain flat. As previously mentioned, the 2016 recommended budget moves expenditures and staffing related to beautification and numerous amenities specific to downtown to the Guest Tax Fund, reducing on-going expenditures in this fund. It is also recommended that a Municipal Court Clerk position currently funded in the General Operating Fund be moved into this fund as much of the work in municipal court is related to processing and collection of overdue parking fines.

## **2015 Capital Improvement Projects**

The 2016 recommended Capital Improvement Budget contains the 2016 capital projects as outlined in the City's multi-year Capital Improvement Plan (CIP.) The plan reflects capital priorities for the community. As discussed at study sessions relating to the 2016 budget process, staff plans a significantly more robust capital improvement planning process to begin in the fall of 2015, building up to the 2017 budget process.

*Street Maintenance:* The 2016 recommended Capital Improvement Budget includes a total of \$3.5 million for residential street maintenance and major street projects. Added to the funds allocated from the General Fund, Gas Tax Fund and Stormwater Funds, the total 2016 budget for street maintenance and major street projects is \$8.7 million, not including the East Ninth project or funding for the Wakarusa Drive project design. As previously mentioned, this total is up from 2015 funding levels.

*Queens Road Project:* The Queens Road (6<sup>th</sup> Street to Wakarusa) project has been moved up from 2017 to the 2016 capital plan due to pace of development occurring in the area. Two million of the city's share of the project, along with a planned \$2 million benefit district will fund the project. In order to move the Queens Road project up to 2016, the planned 19<sup>th</sup> Street project, which will improve 19<sup>th</sup> Street from Harper Street east to VenturePark Drive, back to 2017. The current pace of the 19<sup>th</sup> Street project will not allow it to be constructed prior to 2017 and the Queens Road project is seen as a more direct pressing need for 2016.

*East Ninth Project:* The Lawrence Arts Center received a \$500,000 grant from ArtPlace for integrated art in conjunction with public improvements along the 9<sup>th</sup> Street corridor from Massachusetts Street to Delaware Street. Discussions regarding the design for this project are underway this year, utilizing significant public involvement, neighborhood involvement, public workshops and guidance from the Citizen Advisory Committee established for the project. The 2016 plan includes a total of \$2.75 million for the project.

*Kasold Drive (6th Street to Bob Billings Parkway) Project:* The 2016 plan includes \$2.55 million in infrastructure sales tax funds for the construction of Phase 1 of improvements to Kasold Drive, from 6<sup>th</sup> Street to Bob Billings Parkway. Public discussions regarding design options for the project are currently underway.

*Wakarusa Drive (Inverness/Legends to 6th Street) Design:* The 2016 plan includes \$400,000 in infrastructure sales tax for the design of improvements to Wakarusa Drive from Inverness/Legends Drive to 6<sup>th</sup> Street.

*Rehab of Fire Station No. 1:* Fire Station #1 (8<sup>th</sup> and Kentucky) opened in 1950 and needs substantial renovation, including mechanical systems, energy efficiency, sleeping and living room improvements, and roofing. The Capital Improvement Budget includes funding for

architect services to design the renovation of the facility. The design of this project is included in the 2015 program, but has not yet commenced. This project should proceed after a funding agreement is finalized with Douglas County for their appropriate share of this facility which houses the Lawrence-Douglas County Fire Medical Department. While construction is in the planning document for 2016, it may require adjustment depending upon commencement of the design.

*Bicycle Pedestrian Improvements:* The 2016 Plan includes the first of \$200,000 in annual allocation toward bicycle and/or pedestrian improvements. This funding will enable some funding toward needs identified by the Bicycle Pedestrian Issues Task Force, or the city. Funding could also be utilized for match for various grant opportunities.

*Traffic Calming Projects:* The 2016 Plan includes the first of \$200,000 in annual allocation toward traffic calming projects. The City has a significant backlog of approved but unfunded traffic calming projects. This funding will enable the city to move systematically through the list of approved projects to address these deferred needs. In a number of cases, these traffic calming projects may have overlap with bicycle/pedestrian improvements.

*11th and Mississippi Project:* This project will provide \$150,000 in infrastructure sales tax funds toward the city's share of improvements to 11<sup>th</sup> and Mississippi Street. Other project costs will be paid by the developer of the adjacent HERE Kansas project.

*2016 Connecting Links:* The 2016 plan includes \$400,000 in city funding to match \$200,000 in state funds for maintenance on various state designated routes through the city.

Parks and Recreation Capital Improvement projects are funded through the Sales Tax Reserve Fund. Annually, approximately \$500,000 is used to maintain and repair existing parks and recreation facilities.

It should be noted that we have substantial ongoing needs in the repair and renovation of City facilities. These issues, such as a one-stop shop for our Planning and Development Services and Public Works maintenance facilities remain unfunded.

Also, as previously mentioned, while the new facility for the Police Department is on the 2016 plan as a key priority, funding has not been identified for the project. The scope and details of the project remains an important ongoing discussion item for the City Commission.

### **Conclusion**

My recommended budget for 2016 emphasizes prioritization of employee investments and maintenance of city services and facilities. It also provides for some advancement on community priorities, such as bicycle/pedestrian improvements, funding for deferred traffic calming projects, and funding for mental health services in the schools.

I want to thank the department directors for their work preparing their 2016 budget requests. I also want to thank our budget team- Bryan Kidney, Ashley Lonnberg, Brandon McGuire, Kevyn Gero, and particularly Casey Toomay for their efforts in managing a successful budget process. This group has worked many long hours to bring this budget forward to this stage. As always, we look forward to implementing the City Commission's priorities in 2016.

Respectfully submitted,

A handwritten signature in cursive script that reads "Diane Stoddard".

Diane Stoddard  
Interim City Manager

# FUND OVERVIEW

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## OVERVIEW OF ALL BUDGETED FUNDS – REVENUES AND EXPENDITURES

### PROPERTY TAX SUPPORTED FUNDS

#### **General Operating Fund**

Budgeted property taxes comprise 24% of General Fund resources in 2016. The estimated assessed valuation of \$894,944,702, used to calculate the 2016 budget, represents a 2.4% increase over the estimated assessed valuation of \$873,683,647 used to calculate the 2015 budget. A single property tax mill is anticipated to generate approximately \$894,945 in 2016 compared to \$873,684 in 2015. Due to late payments and protests of property tax values, the budget assumes that only 97.3% of property tax revenues will be received. A mill levy increase of 1.057 mills is recommended to generate \$920,600 in additional property tax revenue in 2016. The mill levy will provide additional resources for employee compensation and benefits and to address one of the Commission priorities for 2016, mental health, and funding to restore a GIS Analyst position. Sales tax revenue, which comprises 41% of General Fund resources, is anticipated to increase 3% over projected collections for 2015. In total, General Fund revenues are expected to increase \$4,230,768 or 5.62%, over the 2015 estimated budget. Expenditures budgeted for 2016 represent an increase of 15.72%, or \$11,913,916 over the 2015 estimated budget.

#### **Public Library Fund**

The 2016 budget of \$3,750,000 represents a 5.63% increase in expenditures for Lawrence Public Library operations. In preparation and support of operations at the expanded Library facility, the Library Fund mill levy increased by 0.203 mills in 2012 and 0.049 mills in 2014. The remaining 0.248 mills of the 0.5 mill increase that was explained to voters during the successful 2010 campaign to fund the library renovation was implemented in the 2015 Adopted Budget. The Library's 2016 budgeted expenditures require spending down fund balance and the projected ending balance for 2016 is \$80,294.

#### **Bond and Interest Fund**

The Bond and Interest Fund mill levy remains flat at 8.50 mills for 2016 meaning revenues will increase proportionately with an increase in assessed valuation. Budgeted expenditures in 2016 are \$850,000 (5.44) percent less than 2015 estimated expenditures. Budgeted expenditures fluctuate year-to-year due to the timing of debt issuances and payments of principal and interest.

### SPECIAL REVENUE FUNDS

#### **Transient Guest Tax Fund**

The City collects a 6.0% transient guest tax on the gross receipts derived from or paid by guests for sleeping accommodations within the city. The 2016 budget reflects the deposit of the Guest Tax Reserve fund balance (\$700,115) in the Guest Tax Fund. Resulting from this deposit, 2016 budgeted guest tax revenue reflects a 140% increase compared to the 2015 estimated budget. Expenditures are also projected to increase significantly in 2016 due to the fund balance shift. Budgeted expenditures total \$2.6 million in 2016 compared 1.0 million in 2015, a 156% increase. Included in the 2016 increase are 4.0 FTE positions, totaling \$300,000, that were not previously funded out of the Guest Tax Fund. The 2016 budgeted ending fund balance is \$128,000.

#### **Public Transportation Fund**

The Public Transportation Fund is supported by a 0.20% local sales tax. The Fund is also supported by the transfer of \$500,000 from sales tax proceeds from the 0.05% sales tax, which supports transit service expansion. All proceeds from sales tax are deposited in the City's General Operating Fund then transferred into other funds. The 2016 adopted budget anticipates 8.3% growth in sales tax collections over the 2015

## OVERVIEW OF ALL BUDGETED FUNDS – REVENUES AND EXPENDITURES

estimated budget. Additionally, a 20.4% (\$68,613) increase in fare box revenue is budgeted in 2016. Budgeted expenditures will increase 90.8% in 2016 compared to 2015. Operational cost increases explain a portion of the increase. Primarily driving the increase is the Future Projects expenditure category which is budgeted in order to achieve maximum expenditure authority in the budget year.

An increase in recommended expenditures is attributed to cost increases in contracted transit service, fuel and motor vehicle repairs. The 2016 budget includes \$120,000 for support of the K-10 Connector Route which is operated by Johnson County Transit.

### **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 included an increase in the amount of sales tax proceeds transferred to the fund to support operations at the new Sports Pavilion Lawrence which opened in September 2014. Sales tax transfers will increase 4.0%, or \$89,000 in 2016 compared to 2015. Increased revenue from user charges for recreation classes, events, and activities is also anticipated. Total revenues are anticipated to increase 4.8% in 2016. An increase of 13.6% in expenditures is budgeted for 2016 due to increased operating costs and for the Future Projects expenditure category which enables the City to achieve maximum expenditure authority.

### **Special Alcohol Fund**

A slight increase in liquor tax collections, which are collected and distributed by the State, is expected in 2016 compared to 2015 estimates. The 2016 budget includes \$400,617 in expenditure appropriations to social service agencies. The Fund includes budget authority for the salary and benefits of 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 resulted in flat revenue for the Special Gas Tax fund in recent years. Revenue projections for this source are based on the Kansas League of Municipalities' projections, and are expected to decrease slightly in 2016. Expenditures for the City's street maintenance efforts from this Fund are expected to increase compared to the 2015 budget.

### **Special Recreation Fund**

This Fund is used primarily for operation and maintenance of the City's recreational facilities. A slight increase in liquor tax collections, which are collected and distributed by the State, is anticipated for 2016. Operational expenditures funded out of the Fund are budgeted to remain relatively flat compared to 2015. Operational costs, including contractual services and capital outlay, are budgeted to increase in 2016, and a \$130,500 increase is budgeted in the future projects expenditure category to achieve maximum expenditure authority.

## ENTERPRISE FUNDS

### **Water and Wastewater Fund**

Traditionally, the revenues for the Fund increase 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. In 2013, the City Commission adopted new Master Plans for the Water and Wastewater Utilities and the 2013 - 2017 Capital Improvement Program. The 2016 revenues for both water and wastewater are proposed to increase 6.5% and 2017 revenues are proposed to increase 8%. System development charges increased in 2015

## OVERVIEW OF ALL BUDGETED FUNDS – REVENUES AND EXPENDITURES

pursuant to a multi-year agreement with the home builders, however, revenues are estimated to continue to increase in 2016. Budgeted expenditures include increased operating and maintenance costs as well as capital projects.

### **Solid Waste Fund**

Anticipated revenue in the 2016 budget includes an increase in recycling rebates through the Material Recovery Facility. No rate change is planned in the 2016 budget. Cost increases in 2016 are largely related to curbside recycling, a 3.5% increase in landfill tonnage charges, and scheduled vehicle and equipment replacement.

### **Public Parking Fund**

Revenue in the Public Parking Fund is expected to increase slightly in 2016. Parking rate and fine increases were last implemented in 2010. Despite revenue trends, an increase in expenditures is budgeted for 2016. The Fund provides for staff from three separate departments involved in public parking operations: Police, Municipal Court and Public Works Facilities Maintenance.

### **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 2016. The charge will remain at \$4.00 per equivalent residential unit (ERU). Revenues for 2016 are projected at 2014 levels. A decrease in total expenditures is largely explained by a decrease in transfers to other funds and debt services.

### **Public Golf Course Fund**

As a weather-dependent entity, this fund sees fluctuations depending on the availability of good weather for golfers. A small increase in green fees was implemented in 2015. A slight increase in overall revenues is budgeted for 2016. Though an increase in personal services and contractual services is increasing, a decrease in total expenditures is budgeted in 2016.

## RESOURCES BY CLASSIFICATION AND EXPENDITURES BY CATEGORY ALL BUDGETED FUNDS 2014-2016

**Resources by Classification for all Budgeted Funds 2014-2016**

RESOURCES	2014 Actual	2015 Adopted	2015 Estimated	2016 Budget
Ad Valorem Taxes	\$ 28,388,242	\$ 29,645,474	\$ 30,066,047	\$ 31,563,748
Other Taxes	47,509,322	46,819,907	46,819,907	51,187,895
Licenses/Permits	974,690	1,506,500	1,506,500	1,044,819
Intergov. Revenue	818,646	828,000	828,000	749,061
Charges for Serv.	53,866,540	56,077,501	56,077,501	58,202,308
Fines /Forfeitures	3,177,454	3,170,000	3,170,000	2,986,807
Use of Money/Prop	610,894	1,104,800	1,104,800	1,384,601
Miscellaneous	5,143,423	5,244,251	5,244,251	5,664,550
Spec. Assessment	2,737,892	2,145,000	2,145,000	1,749,884
Transfers In	9,063,782	9,515,202	9,515,202	10,564,031
Fund Bal. Fwd.	53,687,310	40,612,983	57,309,568	52,554,309
<b>TOTAL RESOURCES</b>	<b>\$ 205,978,195</b>	<b>\$ 196,669,618</b>	<b>\$ 213,786,776</b>	<b>\$ 217,652,013</b>

**Expenditures by Category for all Budgeted Funds 2014 - 2016**

EXPENDITURES	2014 Actual	2015 Adopted	2015 Estimated	2016 Budget
Personal Services	\$ 67,090,517	\$ 70,084,771	\$ 70,084,771	\$ 74,084,174
Contractual Services	27,432,245	30,382,122	30,382,122	32,339,339
Commodities	11,181,119	11,287,236	11,287,236	11,855,007
Capital Outlay	2,734,471	3,126,400	3,126,400	3,118,824
Debt Service	19,201,322	24,978,177	24,978,177	27,130,471
Transfers Out	21,028,952	44,101,066	20,328,761	28,105,180
Future Projects/Contingency	-	21,239,263	1,045,000	30,672,109
<b>TOTAL EXPENDITURES</b>	<b>\$ 148,668,626</b>	<b>\$ 205,199,035</b>	<b>\$ 161,232,467</b>	<b>\$ 207,305,104</b>

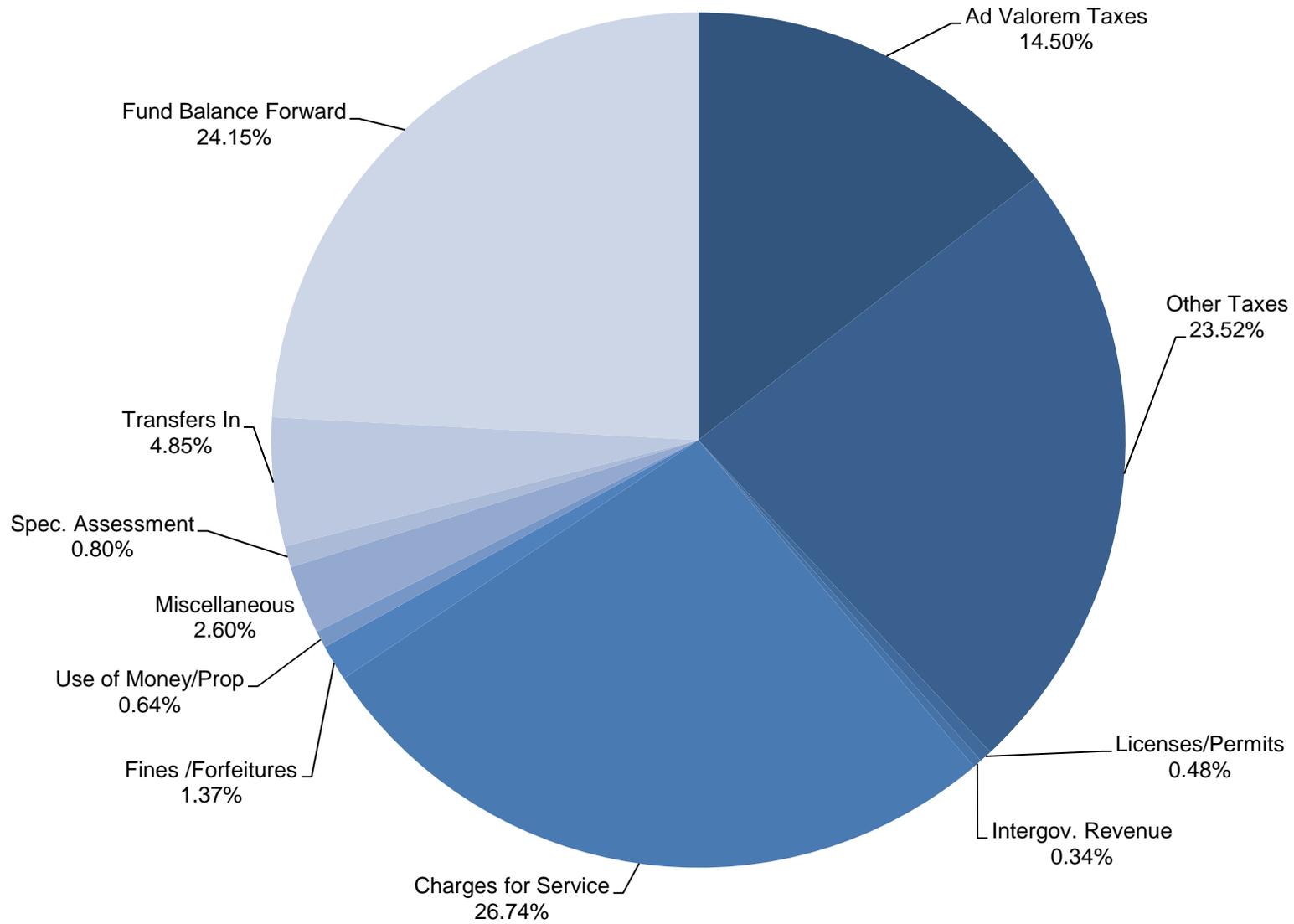
2016 Budget Fund Summary of Resources by Classification and Expenditures by Category

	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	19,770,141	3,614,057	8,179,550			-	
Other Taxes	45,583,017			1,649,260			707,809
Licenses/Permits	1,044,819						
Intergov. Revenue	749,061				-		
Charges for Service	502,732		135,000		404,289	2,003,945	
Fines /Forfeitures	2,986,807						
Use of Money/Prop	100,642		31,259		-	1,029,500	
Miscellaneous	5,129,250				-	3,400	
Spec. Assessment	-		1,749,884				
Transfers In	3,656,751	-	-	700,115	3,887,802	2,319,363	
Fund Balance Forward	12,661,914	216,237	5,354,367	336,197	3,932,276	825,181	158,732
<b>TOTAL RESOURCES</b>	<b>\$ 92,185,134</b>	<b>\$ 3,830,294</b>	<b>\$ 15,450,060</b>	<b>\$ 2,685,572</b>	<b>\$ 8,224,367</b>	<b>\$ 6,181,389</b>	<b>\$ 866,541</b>
<b>EXPENDITURES</b>							
Personal Services	47,261,763			300,014	104,537	4,201,601	297,085
Contractual Services	12,553,889	3,750,000		1,210,300	3,284,015	777,006	400,617
Commodities	4,723,423			30,300	1,109,721	370,539	-
Capital Outlay	791,800				-	50,000	-
Debt Service			13,383,035		-	-	-
Transfers Out	22,309,259						
Future Projects/Contingency	45,000		1,356,000	1,017,000	3,334,500	487,700	130,000
<b>TOTAL EXPENDITURES</b>	<b>\$ 87,685,134</b>	<b>\$ 3,750,000</b>	<b>\$ 14,739,035</b>	<b>\$ 2,557,614</b>	<b>\$ 7,832,773</b>	<b>\$ 5,886,846</b>	<b>\$ 827,702</b>
Fund Balance	\$ 4,500,000	\$ 80,294	\$ 711,025	\$ 127,958	\$ 391,594	\$ 294,543	\$ 38,839

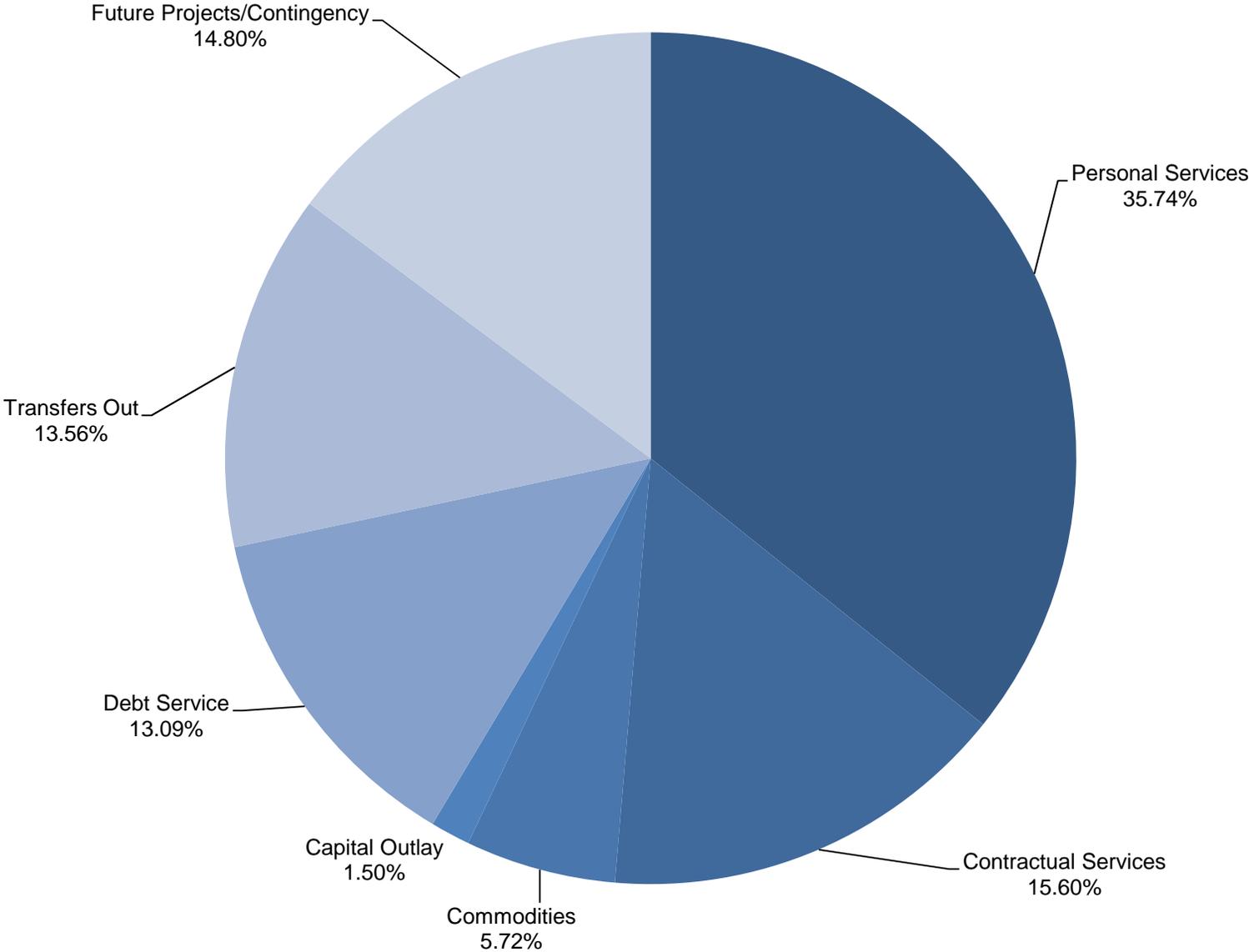
2016 Budget Fund Summary of Resources by Classification and Expenditures by Category (cont.)

Special Revenue Funds (cont.)		Enterprise Funds					TOTAL ALL FUNDS
Special Gas 214	Special Recreation 216	Water & Wastewater 501	Solid Waste 502	Public Parking 503	Storm Water 505	Public Golf 506	
2,540,000	707,809						31,563,748
							51,187,895
							1,044,819
							749,061
		37,945,252	12,028,925	1,288,779	3,036,686	856,700	58,202,308
		216,200	3,500	500	3,000	-	2,986,807
		520,900				11,000	1,384,601
							5,664,550
							1,749,884
							10,564,031
898,263	258,719	23,152,090	3,171,575	49,560	1,229,028	310,171	52,554,309
\$ 3,438,263	\$ 966,528	\$ 61,834,442	\$ 15,204,000	\$ 1,338,839	\$ 4,268,714	\$ 1,177,871	\$ 217,652,013
1,907,150	54,715	11,271,256	6,466,639	915,759	758,022	545,633	74,084,174
15,500	360,300	5,889,158	3,605,318	163,036	184,650	145,550	32,339,339
389,780	74,000	3,550,739	1,034,240	92,120	323,348	156,797	11,855,007
370,000	241,000	484,024	653,000	79,000	420,000	30,000	3,118,824
-	-	12,876,562	340,400	-	530,474	-	27,130,471
		4,934,896	411,025	-	450,000	-	28,105,180
592,000	190,500	19,881,609	1,970,000	25,200	1,398,800	243,800	30,672,109
\$ 3,274,430	\$ 920,515	\$ 58,888,244	\$ 14,480,622	\$ 1,275,115	\$ 4,065,294	\$ 1,121,780	\$ 207,305,104
\$ 163,833	\$ 46,013	\$ 2,946,198	\$ 723,378	\$ 63,723	\$ 203,420	\$ 56,091	\$ 10,346,909

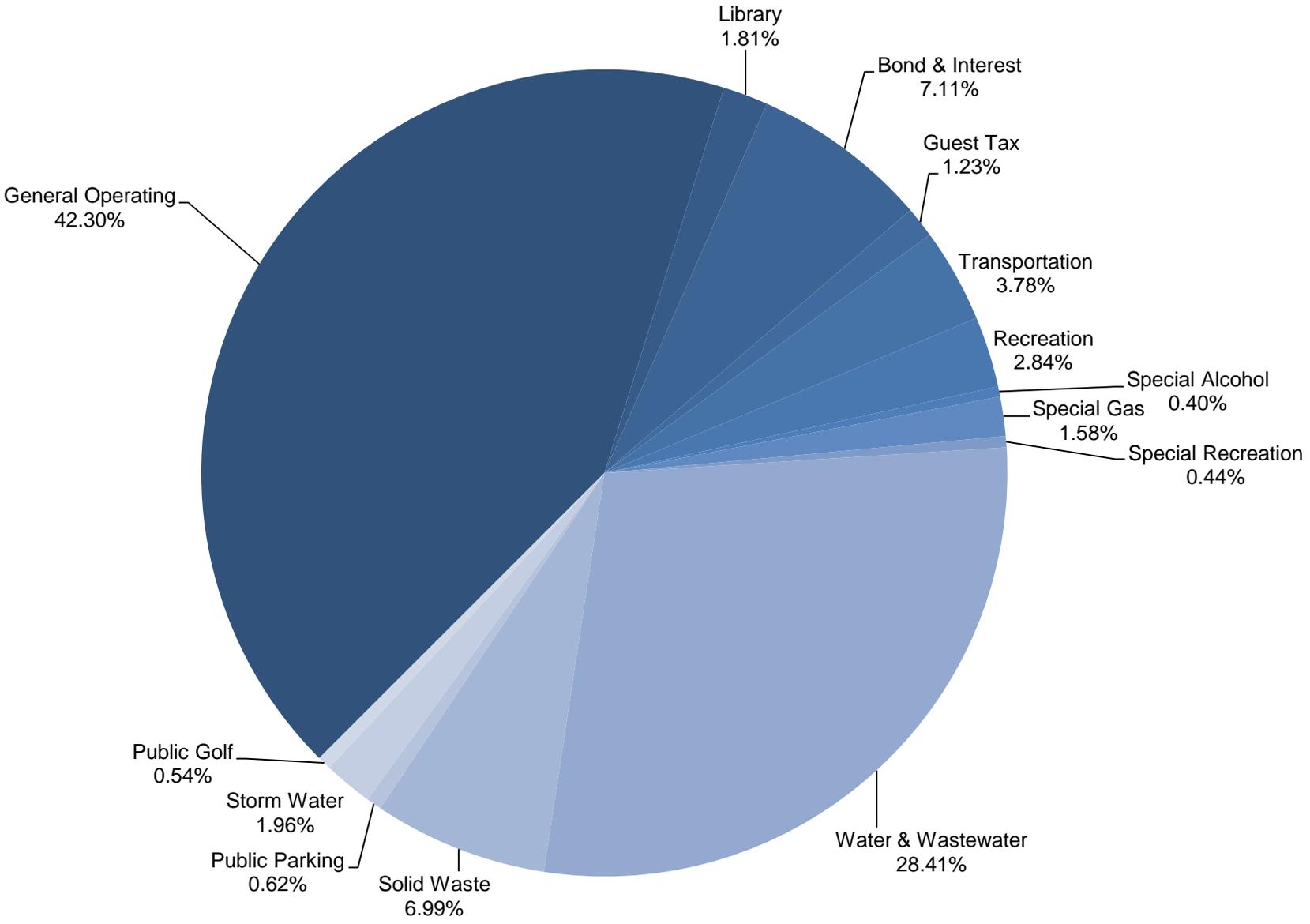
## 2016 Budgeted Resources by Classification



# 2016 Budgeted Expenditures by Category



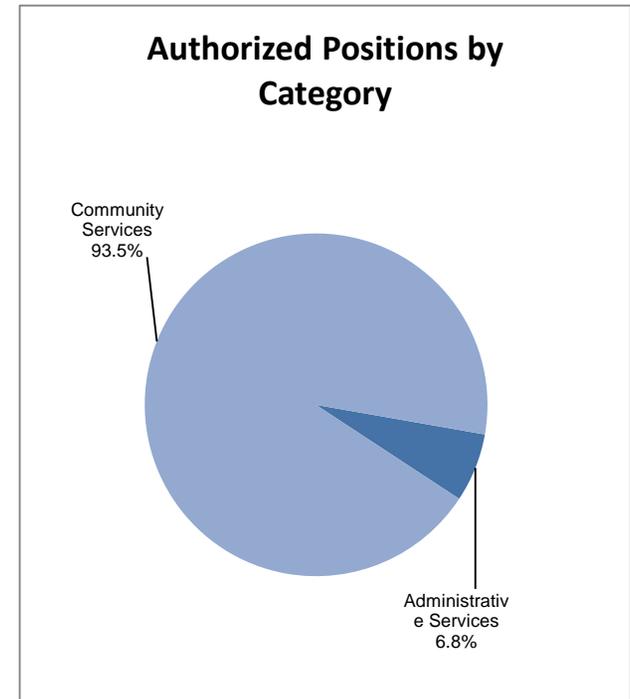
# 2016 Budgeted Expenditures by Fund



# CITY OF LAWRENCE PERSONNEL SUMMARY

## AUTHORIZED POSITIONS (FTEs)

DEPARTMENT	2014 Actual	2015 Adopted	2015 Estimated	2016 Rec.	Change in FTEs from 2015
City Commission	5.00	5.00	5.00	5.00	0.00
City Auditor	0.50	0.50	0.50	0.50	0.00
City Manager's Office	17.00	17.50	17.00	19.50	2.00
Planning and Development Services	29.96	31.10	31.82	31.81	0.71
Finance	4.13	4.13	4.13	4.13	0.00
Information Technology	6.00	6.00	6.00	7.00	1.00
City Attorney's Office	18.66	19.66	18.66	20.66	1.00
Police	184.00	185.00	185.00	185.00	0.00
Fire and Medical	143.00	143.00	143.00	143.00	0.00
Health Dpt. / Health Bldg. Maint.	1.00	1.00	1.00	1.00	0.00
Public Works	168.50	170.50	170.50	170.50	0.00
Parks and Recreation	78.78	79.28	79.28	79.28	0.00
Public Transit	0.61	0.61	0.61	0.61	0.00
Utilities	138.26	140.26	142.63	142.63	2.37
<b>TOTAL</b>	<b>795.40</b>	<b>803.54</b>	<b>805.13</b>	<b>810.62</b>	<b>7.08</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.

**Recommended additional positions in 2016 include:**

**City Manager's Office :** Two Communications Specialist positions (2.0 FTE) that will split time between the City Public Information office and eXplore Lawrence (Convention and Visitors Bureau).

**Information Technology :** One Geographic Information Systems (GIS) analyst (1.0 FTE) that will provide GIS support services to all City departments.

**City Attorney's Office:** One Administrative Support III position (1.0 FTE) in the City Attorney's Office, Municipal Court Division.

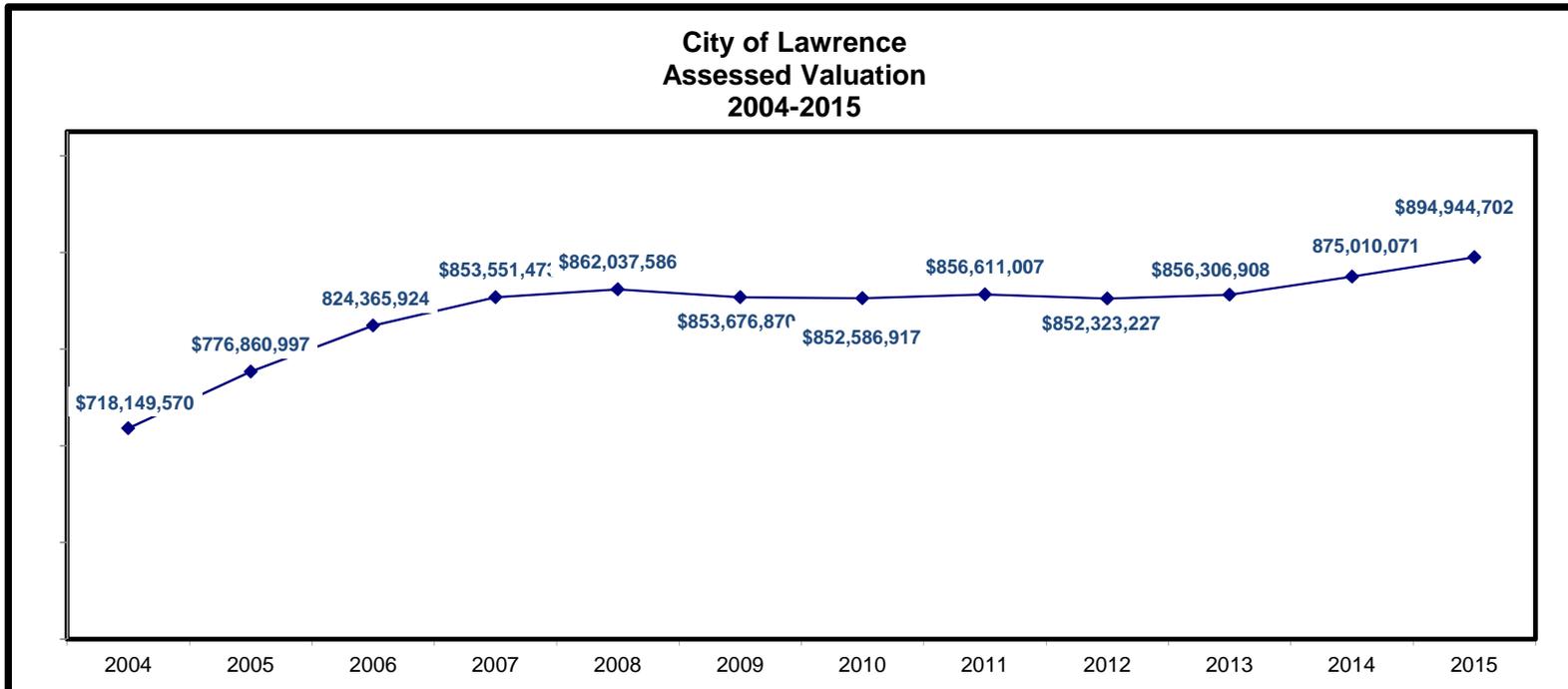
**Planning and Development Services:** A portion (0.71 FTE) of an existing position that is currently grant funded will be shifted to tax funds due to changes in the grant funding.

**Utilities:** Two Utility Operators 2.0 FTE that will ensure operational readiness for the new Wakarusa River Wastewater Treatment Plant. These positions are funded in the Water and Wastewater Utilities Fund. An additional 0.37 FTE is included in the 2015 Estimated Budget compared to the 2015 Adopted Budget, resulting in a total staffing increase of 2.37 FTE in 2016 compared to the 2015 Adopted Budget.

# COMPUTATION OF AD VALOREM TAX REQUIREMENTS AND MILL LEVY

2015 ESTIMATED ASSESSED VALUATION FOR 2016 BUDGET:           \$     894,944,702

FUND NUMBER	FUND	2016 REQUIREMENTS	2.7% DELIN- QUENT TAXES	AD VALOREM TAX AMOUNT	MILL RATE
<b>Property Tax Levy Funds</b>					
001	General Operating	18,146,117	477,064	17,669,053	20.276
209	Library	3,360,535	88,349	3,272,186	3.755
	<i>Sub Total Property Tax Levy Funds</i>	21,506,652	565,413	20,941,239	24.031
<b>Supplemental Tax Levy Funds</b>					
301	Bond and Interest	7,607,461	200,001	7,407,460	8.500
	<i>Sub Total Supplemental Tax Levy Funds</i>	7,607,461	200,001	7,407,460	8.500
	<b>GRAND TOTAL</b>	<b>29,114,114</b>	<b>765,415</b>	<b>28,348,699</b>	<b>32.531</b>



## FUND EXPENDITURE SUMMARY 2014-2016

Fund #	Fund Description	2014 Mill Levy*	Actual 2014 Expenditures	2015 Mill Levy*	Budget 2015 Expenditures	2016 Mill Levy	Budget 2016 Expenditures
<b>Property Tax Levy Funds</b>							
001	General Operating	18.017	\$ 73,499,035	19.219	\$ 79,693,821	20.276	87,685,134
209	Library	3.512	3,383,260	3.755	3,383,260	3.755	\$ 3,750,000
	<i>Sub Total Property Tax Levy Funds</i>	21.529	<b>\$ 76,882,295</b>	22.974	<b>\$ 83,077,081</b>	24.031	<b>\$ 91,435,134</b>
<b>Supplemental Tax Levy Funds</b>							
301	Bond and Interest	8.513	\$ 9,929,140	8.500	\$ 17,850,000	8.500	\$ 14,739,035
	<i>Sub Total Supplemental Tax Levy Funds</i>	8.513	<b>\$ 9,929,140</b>	8.500	<b>\$ 17,850,000</b>	8.500	<b>\$ 14,739,035</b>
<b>Non-Property Tax Levy Funds</b>							
206	Guest Tax		\$ 359,177		\$ 1,037,500		\$ 2,557,614
211	Recreation		4,607,262		5,296,007		\$ 5,886,846
210	Public Transportation		2,388,653		4,678,792		7,832,773
213	Special Alcohol		638,330		945,669		827,702
214	Special Gas Tax		2,656,117		2,716,039		3,274,430
216	Special Recreation		823,657		914,623		920,515
501	Water and Sewer		20,768,462		50,105,074		58,888,244
502	Solid Waste		11,707,198		12,835,157		14,480,622
503	Public Parking		1,343,676		1,324,613		1,275,115
505	Storm Water Utility		2,761,980		3,753,767		4,065,294
506	Public Golf Course		798,690		1,133,297		1,121,780
	<i>Sub Total Non-Property Tax Levy Funds</i>		<b>\$ 48,853,201</b>		<b>\$ 84,740,538</b>		<b>\$ 101,130,935</b>
<b>GRAND TOTAL</b>		<b>30.042</b>	<b>\$ 135,664,636</b>	<b>31.474</b>	<b>\$ 185,667,619</b>	<b>32.531</b>	<b>\$ 207,305,104</b>
<b>City Taxes per \$1000 Assessed Valuation</b>		<b>\$ 30.042</b>		<b>\$ 31.474</b>		<b>\$ 32.531</b>	

\* Certified Mill Levy

## VALUE OF YOUR CITY OF LAWRENCE PROPERTY TAX DOLLARS

**To estimate your City Property Tax bill for 2016:**

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

$$\begin{array}{r}
 \text{Market value of home} = 175,000.00 \\
 \times \quad \quad \quad 11.50\% \\
 \hline
 \text{assessed valuation} = \quad \quad \quad \$20,125
 \end{array}$$

Second, multiple your assessed valuation by the mill rate levied by the City for 2015 and divide by \$1,000:

$$\begin{array}{r}
 \text{assessed valuation} \quad \$ \quad 20,125 \\
 \times \text{ City mill rate} \quad \quad \quad 32.531 \\
 \hline
 \$ \quad 654,686.38 \quad / \quad 1,000 = \\
 \\
 \text{Estimated 2015 City Tax liability} = \quad \$ \quad \quad \quad 654.69
 \end{array}$$

Fair Market Value of Home	Assessed Valuation	Approximate City Tax Bill Mill Rate = 32.531
100,000	\$ 11,500.00	\$ 374.11
125,000	\$ 14,375.00	\$ 467.63
150,000	\$ 17,250.00	\$ 561.16
175,000	\$ 20,125.00	\$ 654.69
200,000	\$ 23,000.00	\$ 748.21
225,000	\$ 25,875.00	\$ 841.74
250,000	\$ 28,750.00	\$ 935.27
275,000	\$ 31,625.00	\$ 1,028.79
300,000	\$ 34,500.00	\$ 1,122.32
350,000	\$ 40,250.00	\$ 1,309.37
400,000	\$ 46,000.00	\$ 1,496.43
450,000	\$ 51,750.00	\$ 1,683.48
500,000	\$ 57,500.00	\$ 1,870.53

For residential property, the City tax bill equates to approximately \$3.62 for each \$1,000 of the fair market value.

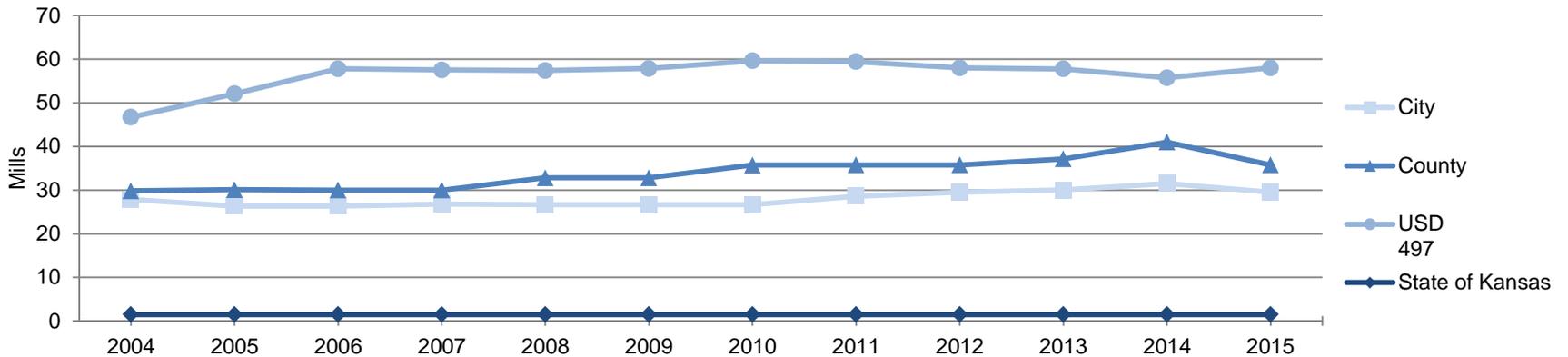
# TOTAL MILLS LEVIED IN CITY BY ALL UNITS 2004-2015

Levy Year	City	County	USD 497	State of Kansas	Total
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
2013	30.04	37.15	57.79	1.50	126.48
2014	31.52	41.01	55.75	1.50	129.78
2015	29.53	35.77	58.01	1.50	124.81

State of KS  
1%



### Comparison of Local Mill Levies 2004-2015



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

According to State statutes, the budgeted fund balance for any property tax supported fund cannot exceed 5% of the fund's total budgeted expenditures. As shown on the next page, the 2016 budget complies with this requirement. The budget also includes expenditure line items for future projects, which are not planned to be made in 2016 to allow the City to project for a greater fund balance. A brief explanation of the change in fund balance is provided below for each fund.

**General Operating Fund** –Revenue growth is not sufficient to keep up with growth in personnel costs or to fund support for the WRAP program. In addition future projects are budgeted that will not be made in 2016 to achieve a greater fund balance. As a result, fund balance at the end of 2016 is projected to be 5%.

**Library** – The limited growth in assessed valuation and increasing costs, including contributions to employee healthcare and retirement and increased costs of operating an expanded facility require spending down fund balance. The result is a 2% projected fund balance at the end of 2016.

**Transportation** – Increased costs for contractual services, including MV Transportation and support for the K-10 Connector, commodities and capital outlay will result in a projected fund balance of 5% at the end of 2016.

**Recreation** – Increases in the costs associated with operating recreation facilities, along with the addition of Sports Pavilion Lawrence will result in a projected 2016 ending fund balance of 5%.

**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 at the end of 2016 is 5% of the budgeted expenditures.

**Guest Tax** – Increased revenue will be offset by increased spending including an increase for the Convention and Visitor's Bureau, Sister Cities, and downtown beautification expenditures. This translates into a 2016 projected ending fund balance of 5% of budgeted expenditures.

**Special Alcohol** – Increased support for school resource officers despite little growth in revenue means the ending fund balance is projected to be 5% of 2016 expenditures.

**Special Gas** – Slightly increasing revenues are offset by increasing expenditures. The result is a projected fund balance of 5% in this fund at the end of 2016.

**Special Recreation** - Expenditures in 2016 are expected to exceed revenues, requiring a use of fund balance. The fund balance projected for the end of 2016 is 5% of budgeted expenditures.

**Water and Wastewater** - A number of water and wastewater capital projects will be financed with cash in 2016, resulting in a decrease in projected fund balance in 2016, to 5% of budgeted expenditures.

**Solid Waste** – Revenue is expected to slightly decrease, while expenditures are increasing requiring the use of fund balance. Projected fund balance in 2016 is 5% of budgeted expenditures

**Public Parking** - Slow revenue growth and continued increases in personnel costs were offset by moving downtown beautification to the guest tax fund. As a result fund balance is projected to increase to 5% at the end of 2016.

**Storm Water Utility** –Revenues are expected to slightly increase in addition to expenditures. This will result in a projected ending fund balance of 5% at the end of 2016.

**Public Golf** – Despite a recent increase in fees, the weather dependent nature of golf operations means revenue projections remain conservative for 2016. As a result, the projected fund balance at the end of 2016 is 5% of expenditures.

## CITY OF LAWRENCE, KANSAS PROJECTION OF FINANCIAL CONDITION

FUND	1/1/15 Balance	2015 Revenue	2015 Expenditures	12/31/15 Balance	Percent Fund Balance
General	\$13,140,680	\$75,292,452	\$75,771,218	\$12,661,914	17%
Library	168,856	3,597,381	\$3,550,000	\$216,237	6%
Transportation	4,074,315	3,963,970	\$4,106,009	\$3,932,276	96%
Recreation	893,585	5,112,457	\$5,180,861	\$825,181	16%
Bond/Interest	10,674,909	10,292,001	\$15,612,543	\$5,354,367	34%
Guest Tax	359,177	975,000	\$997,980	\$336,197	34%
Special Alcohol	134,920	689,864	\$666,052	\$158,732	24%
Special Gas Tax	922,108	2,519,620	\$2,543,465	\$898,263	35%
Special Recreation	173,570	689,864	\$604,715	\$258,719	43%
Water / Wastewater	20,768,462	36,145,100	\$33,761,472	\$23,152,090	69%
Solid Waste	3,161,177	12,151,499	\$12,141,101	\$3,171,575	26%
Public Parking	218,640	1,212,000	\$1,381,080	\$49,560	4%
Storm Water Utility	2,378,653	2,978,000	\$4,127,625	\$1,229,028	30%
Public Golf	240,517	858,000	\$788,346	\$310,171	39%
<b>TOTAL</b>	<b>\$57,309,568</b>	<b>\$156,477,208</b>	<b>\$161,232,467</b>	<b>\$52,554,309</b>	<b>33%</b>

FUND	1/1/16 Balance	2016 Revenue	2016 Expenditures	12/31/16 Balance	Percent Fund Balance
General	\$12,661,914	\$79,523,220	\$87,685,134	\$4,500,000	5%
Library	216,237	3,614,057	3,750,000	80,294	2%
Transportation	3,932,276	4,292,091	7,832,773	391,594	5%
Recreation	825,181	5,356,208	5,886,846	294,543	5%
Bond/Interest	5,354,367	10,095,693	14,739,035	711,025	5%
Guest Tax	336,197	2,349,375	2,557,614	127,958	5%
Special Alcohol	158,732	707,809	827,702	38,839	5%
Special Gas Tax	898,263	2,540,000	3,274,430	163,833	5%
Special Recreation	258,719	707,809	920,515	46,013	5%
Water / Wastewater	23,152,090	38,682,352	58,888,244	2,946,198	5%
Solid Waste	3,171,575	12,032,425	14,480,622	723,378	5%
Public Parking	49,560	1,289,279	1,275,115	63,723	5%
Storm Water Utility	1,229,028	3,039,686	4,065,294	203,420	5%
Public Golf	310,171	867,700	1,121,780	56,091	5%
<b>TOTAL</b>	<b>\$52,554,309</b>	<b>\$165,097,704</b>	<b>\$207,305,104</b>	<b>\$10,346,909</b>	<b>5%</b>

The 2016 funds shown above comply with the State law requirement that fund balance not exceed five percent of budgeted expenditures in property tax supported funds. The budget also includes expenditure line items for future projects, which are not planned to be made in 2016 to allow the City to project for a greater fund balance.

## 2016 SOCIAL SERVICE AGENCY FUNDING ALLOCATIONS

GENERAL OPERATING FUND	Budget 2015	Request 2016	Req. vs. 15 Budget	Rec. Budget 2016
Ballard Community Center	14,500	20,000	38%	13,210
Bert Nash City Homeless Outreach Team	168,114	177,888	6%	153,208
Big Brothers Big Sisters	19,300	45,000	133%	17,580
Boys & Girls Club of Lawrence	130,922	148,722	14%	119,328
Communities in Schools	2,500	6,000	140%	2,280
Community Village Lawrence	NA	2,665		-
Douglas County CASA, Inc.	25,000	25,000	0%	22,780
Douglas County Dental Clinic	15,000	15,000	0%	13,670
Douglas County Senior Services	NA	36,800		-
GaDugi SafeCenter	NA	9,000		8,200
Harvesters	NA	20,000		-
Health Care Access	26,800	26,800	0%	24,410
Heartland Medical Clinic, Inc.	NA	60,000		-
Hilltop Child Development Center	NA	12,000		-
Housing & Credit Counseling	17,100	17,100	0%	15,580
Jayhawk Area Agency on Aging	NA	7,400		-
Lawrence Community Food Alliance	7,500	38,120		6,830
Lawrence Farmers Market	10,000	12,500	25%	9,110
Loving Paws Animal Therapy	NA	12,620		-
The Shelter, Inc.	32,000	32,000	0%	29,150
Salvation Army	NA	15,000		-
Spencer Art Museum	NA	20,000		-
Success By 6 Coalition of Douglas County	27,500	55,000	100%	25,050
TFI Family Services	7,000	7,500	7%	6,380
Trinity In-Home Care, Inc.	NA	20,000		-
Van Go Mobile Arts	35,000	35,000	0%	31,890
Warm Hearts of Douglas County	6,000	6,000	0%	5,470
Willow Domestic Violence Center	6,000	6,000	0%	5,470
Willow - Bus Pass / Work Clothes	4,000	8,000	100%	3,640
Women's Fresh Start Project, Inc.	NA	38,000		-
<b>Total</b>	<b>\$ 513,236</b>	<b>\$ 976,115</b>	<b>90%</b>	<b>\$ 513,236</b>

SPECIAL ALCOHOL FUND	Budget 2015	Request 2016	Req. vs. 15 Budget	Rec. Budget 2016
Big Brothers Big Sisters	NA	10,000		8,710
Boys & Girls Club of Lawrence	97,000	106,278	10%	95,710
DCCCA	93,696	93,534	0%	93,534
DCCCA d/b/a First Step House	37,421	37,180	-1%	37,180
Lawrence Alcoholic Recovery House (Hearthstone)	7,500	7,500	0%	7,500
Heartland Community Health Center	30,000	30,000	0%	30,000
Van Go Mobile Arts, Inc.	32,000	32,000	0%	26,273
Willow Domestic Violence Center	19,000	19,000	0%	17,710
<b>Total</b>	<b>\$ 316,617</b>	<b>\$ 335,492</b>	<b>5.96%</b>	<b>\$ 316,617</b>

## 2016 VENDOR SERVICES, ECONOMIC DEVELOPMENT, CITY BOARDS AND OTHER OUTSIDE AGENCY FUNDING ALLOCATIONS

GENERAL OPERATING FUND	Budget 2015	Request 2016	Req. vs. 15 Budget	Rec. 2016
<i>Vendor Provided City Services</i>				
Lawrence Douglas County Health Department	\$ 666,102	\$ 671,401	1%	\$ 671,401
Larence Douglas County Health Department- Supplemental	NA	\$ 48,297		\$0
Lawrence Humane Society	\$ 350,000	\$ 360,000	3%	\$ 360,000
Lawrence Arts Center	\$ 110,000	157,634	43%	\$ 110,000
Lawrence Community Shelter	\$ 100,000	\$ 150,000	50%	\$ 100,000
<i>Economic Development</i>				
Bioscience and Technology Business Center	\$ 200,000	\$ 200,000	0%	\$ 200,000
BTBC Incubator	\$ 75,000	\$ 75,000	0%	\$ 75,000
Douglas County Senior Services	\$ 40,000	\$ 40,000	0%	\$ 40,000
Downtown Lawrence, Inc.	\$ 42,500	\$ 49,000	15%	\$ 42,500
Lawrence Chamber of Commerce	\$ 219,500	\$ 220,000	0%	\$ 220,000
Lawrence Creates Inc.	\$ -	\$ 60,000		\$0
Peaslee Center	\$ 100,000	\$ 100,000	0%	\$ 100,000

GUEST TAX FUND	Budget 2015	Request 2016	Req. vs. 15 Budget	Rec. 2016
Destination Management/CVB	\$ 860,000	\$ 860,000	0%	\$ 860,000
Destination Management/CVB (additional program improvements) <sup>1</sup>	NA	\$ 180,000		\$ 80,000
Sister Cities Advisory Board	\$ 7,500	\$ 8,000	7%	\$ 8,000
Lawrence Arts Center- Free State Festival <sup>2</sup>	NA	\$ 60,000		
Douglas County Historical Society - Watkins Museum	\$ 30,000	\$ 30,000	0%	\$ 30,000

PUBLIC TRANSPORTATION FUND	Budget 2015	Request 2016	Req. vs. 15 Budget	Rec. 2016
Lawrence Community Shelter	\$ 15,600	\$ 15,600	0%	\$ 15,600
K-10 Connector	\$ 120,000	\$ 200,000	67%	\$ 120,000

SPECIAL ALCOHOL FUND	Budget 2015	Request 2016	Req. vs. 15 Budget	Rec. 2016
Lawrence Community Shelter	\$ 84,000	\$ 184,500	120%	\$ 84,000

SPECIAL RECREATION FUND	Budget 2015	Request 2016	Req. vs. 15 Budget	Rec. 2016
Douglas County Special Olympics	\$ 250	\$ 500	100%	\$ 250
Lawrence Arts Center Scholarship	\$ 30,000	\$ 60,000	100%	\$ 30,000
Lawrence Children's Choir <sup>3</sup>	\$ 12,000	\$ 12,000	0%	
Lawrence Cultural Arts Commission <sup>4</sup>	\$ 23,000	\$ 125,500	446%	41,000
Lawrence Alliance	\$ 4,000	\$ 4,000	0%	\$ 4,000

BOND AND INTEREST FUND	Budget 2015	Request 2016	Req. vs. 15 Budget	Rec. 2016
BTBC Expansion Facility	\$ 66,540	\$ 118,790	78.52%	\$ 118,790

*This represents the estimated City share of this project*

OTHER FUNDING REQUESTS	Budget 2015	Request 2016	Rec. 2016
Boys and Girls Club Teen Center (2 yr. request)	NA	\$ 500,000	\$0
KU Student Involvement and Leadership-Hawk Night	NA	\$ 25,000	\$0
Lawrence Arts Center Capital Request	NA	\$ 47,634	\$0
Lawrence Humane Society Capital Request (2 yr. request)	NA	\$ 2,500,000	\$0
Sustainability Action Network - Non-Motorized Transportation <sup>5</sup>	NA	\$ 2,000,000	
Sustainability Action Network - Amur Honeysuckle	NA	\$ 390,000	\$0
Van Go Vendor Request	NA	\$ 50,000	\$0

1. Grant program portion of request funded at \$150,000 in Transient Guest Tax Fund.
2. Suggest application through new Transient Guest Tax Grant Program in 2016.
3. Suggest application through expanded Community Arts Grants program in 2016.
4. Grant program portion of request funded at \$150,000 in Transient Guest Tax Fund.
5. \$200,000 annual allocation included in 2016 Capital Improvements Program for bicycle/pedestrian improvements.



*City of Lawrence*

# GENERAL OPERATING FUND

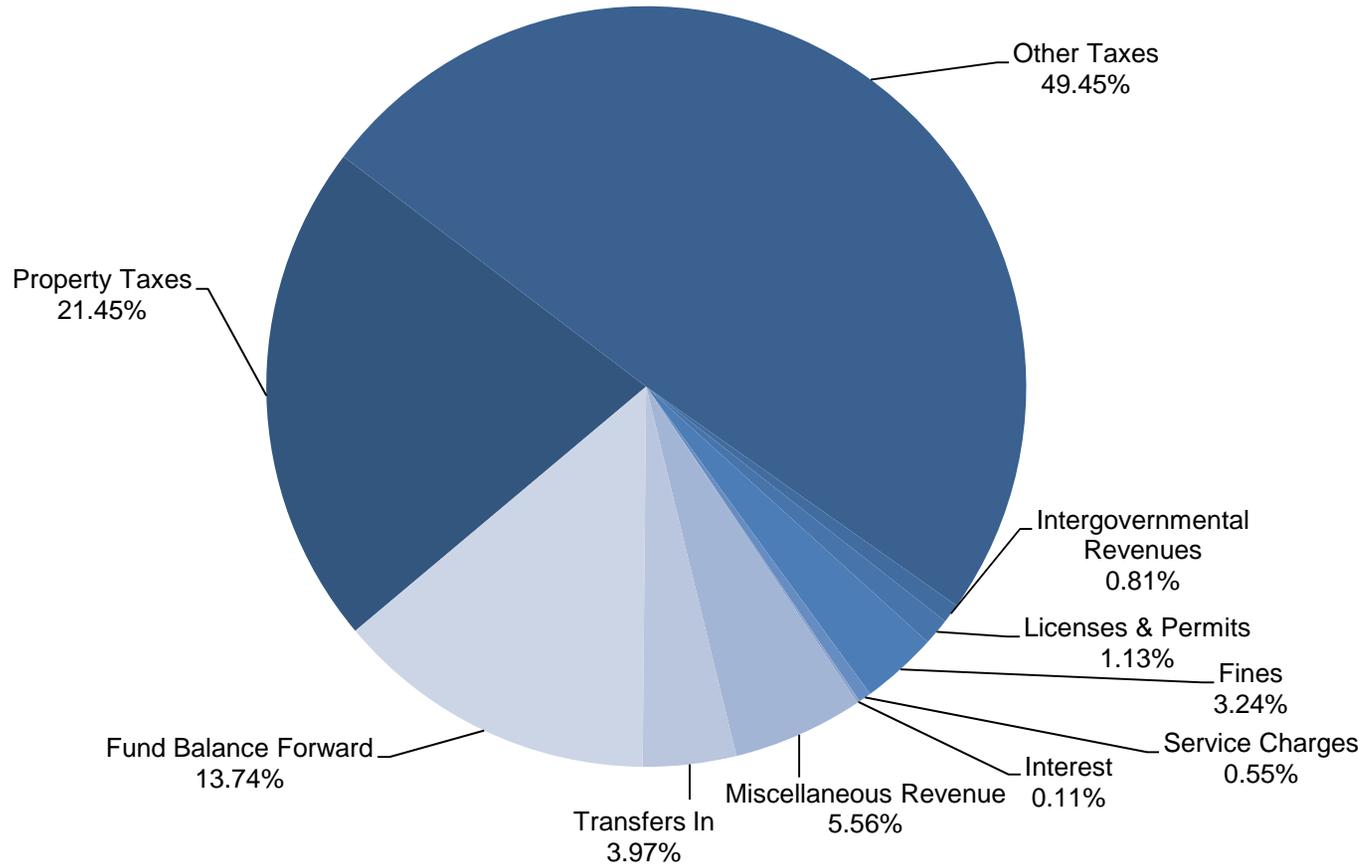
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City of Lawrence

# Fund 001 - GENERAL OPERATING

## General Operating Fund Resources by Classification



## Fund 001 - GENERAL OPERATING

<b>RECEIPTS</b>	<b>2014 Actual</b>	<b>2015 Adopted</b>	<b>2015 Estimated</b>	<b>2016 Budget</b>
Property Taxes	\$ 17,080,266	\$ 18,144,964	\$ 18,479,165	\$ 19,770,141
Franchise Fees	7,645,920	7,325,000	7,325,000	7,956,496
Sales / Use Taxes	-	-	-	-
1% City	15,893,674	15,891,468	15,891,468	17,189,008
0.3% Infrastructure	4,768,102	4,767,440	4,767,440	5,156,702
0.2% transit	3,178,735	3,178,294	3,178,294	3,437,802
0.05% transit expanded	794,684	794,573	794,573	859,450
1% County wide	10,155,857	9,988,784	9,988,784	10,983,559
subtotal	34,791,052	34,620,559	34,620,559	37,626,521
Intergovernmental Revenue	818,646	828,000	828,000	749,061
Licenses & permits	974,690	1,506,500	1,506,500	1,044,819
Fines	3,177,454	3,170,000	3,170,000	2,986,807
Service Charges	461,222	691,526	691,526	502,732
Interest	98,659	75,000	75,000	100,642
Miscellaneous Revenue	4,948,486	4,939,951	4,939,951	5,129,250
Transfers In	3,656,141	3,656,751	3,656,751	3,656,751
<b>TOTAL REVENUES</b>	<b>73,652,536</b>	<b>74,958,251</b>	<b>75,292,452</b>	<b>79,523,220</b>
Balance, January 1	12,987,179	10,822,663	13,140,680	12,661,914
<b>TOTAL RESOURCES AVAILABLE</b>	<b>\$ 86,639,715</b>	<b>\$ 85,780,914</b>	<b>\$ 88,433,132</b>	<b>\$ 92,185,134</b>
<b>TOTAL EXPENDITURES</b>	<b>\$ 73,499,035</b>	<b>\$ 81,680,914</b>	<b>\$ 75,771,218</b>	<b>\$ 87,685,134</b>
<b>FUND BALANCE FORWARD</b>	<b>\$ 13,140,680</b>	<b>\$ 4,100,000</b>	<b>\$ 12,661,914</b>	<b>\$ 4,500,000</b>

## REVENUE SOURCES - DESCRIPTIONS AND TRENDS

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

# Fund 001 - GENERAL OPERATING

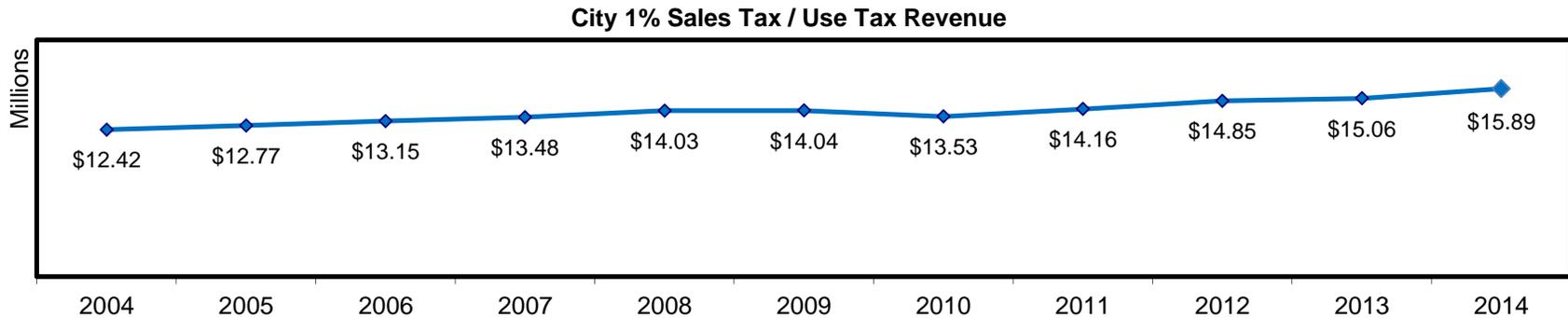
## Major Revenue Source - Descriptions, Assumptions and Trends

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 41 percent of total resources in 2016 from five different sales taxes. Budgeted sales and use tax revenue for 2016 is 3.0% greater than mid-year projections for 2015 sales tax collections.

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. Consistent growth has been recorded in the city retailer's sales tax collections since 1991 although a downward trend was recorded between 2008 and 2010. The following graph depicts the trend in this revenue source since 2004. Revenue from the 1.0% city retailers sales tax is budgeted at \$17,189,008 for 2016.



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 expansion, 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. Revenue from these three sales taxes is budgeted at \$9,453,954 in 2016.

The county-wide sales tax of one percent was approved in a November 1994 election and took effect in 1995. The 2016 budget anticipates \$10,983,559 from the City's share of the county-wide sales tax, which represents a 3.0% increase over projections for 2015 collections.

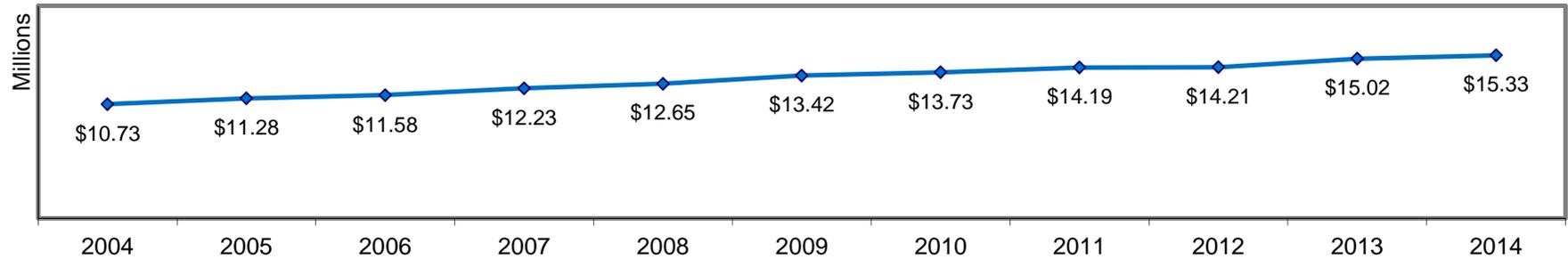
# Fund 001 - GENERAL OPERATING

## Major Revenue Source - Descriptions, Assumptions and Trends (cont.)

### Property Tax

Budgeted property taxes comprise 24% of General Fund resources in 2016. The estimated assessed valuation of \$894,944,702, used to calculate the 2016 budget represents a 2.4% increase over the estimated assessed valuation of \$873,683,647 used to calculate the 2015 budget. A single property tax mill is anticipated to generate approximately \$894,945 in 2016 compared to \$873,684 in 2015. Due to late payments and protests of property tax values, the budget assumes that only 97.3% of property tax revenues will be received. A mill levy increase of 1.057 mills is recommended to generate \$920,600 in additional property tax revenue in 2016. The mill levy will provide additional resources for employee compensation and benefits and to address one of the Commission priorities for 2016, mental health, and funding to restore a GIS Analyst position.

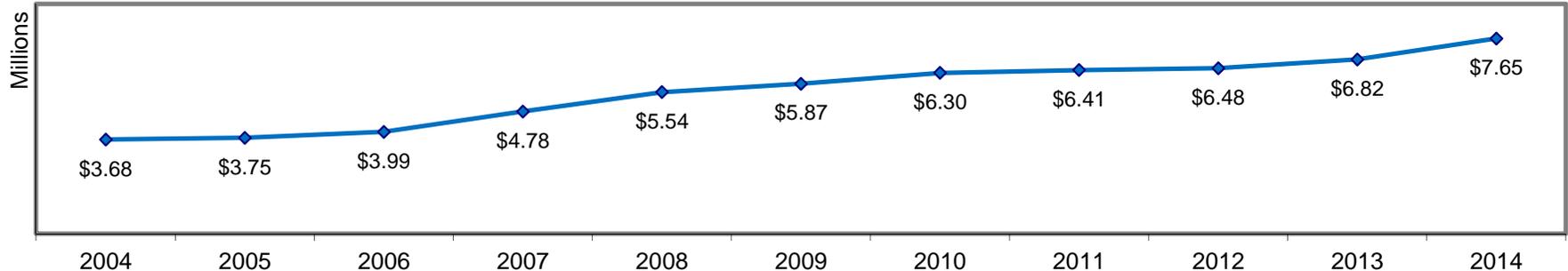
General Fund Ad Valorem Property Tax Revenue



### 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 10.1% of General Fund resources in 2016. Franchise agreements with investor owned utilities are presently at a 5% level for electricity, cable, and telecommunications. Natural gas franchise fees are currently calculated based on the volume of consumption, which is different than the market-based calculation for the electric utility franchise fee. Despite relatively flat market factors, mild weather trends, and a reduction in the use of land line telephones, franchise fee revenue has increased over time due to increased electric rates. An increase of 2.0% is anticipated over 2015 revenue projections for this category.

Franchise Fee Revenue

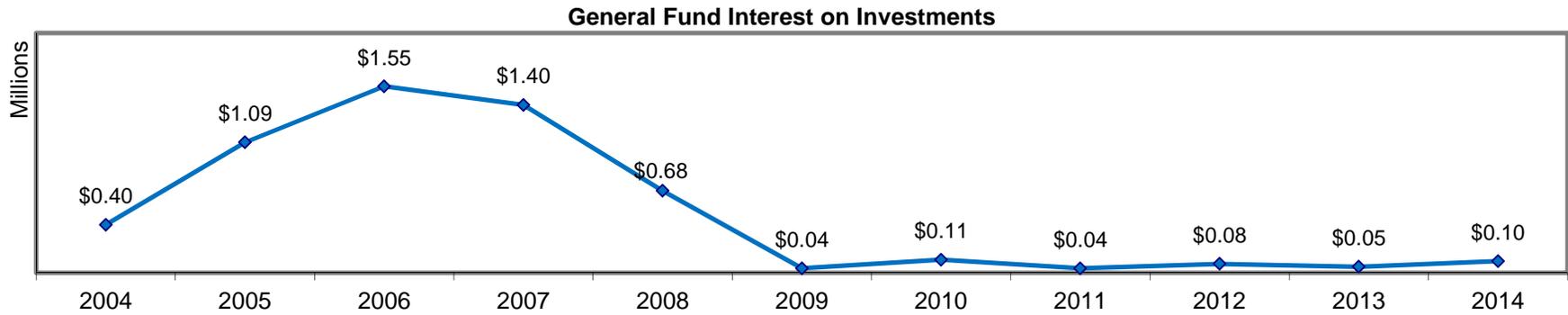


# Fund 001 - GENERAL OPERATING

## Major Revenue Source - Descriptions, Assumptions and Trends (cont.)

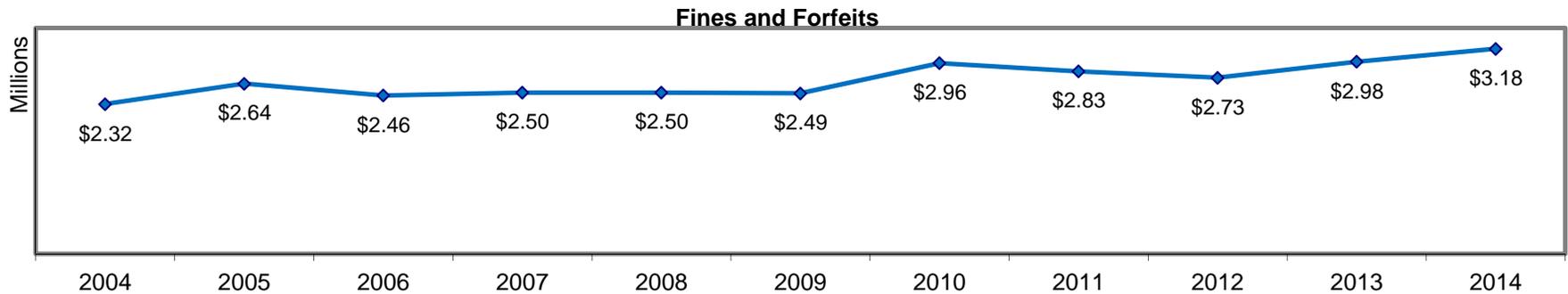
### General Fund Interest on Investments

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 illustrates the up and down trend for the past 10 years. Earnings in 2014 totaled \$98,659. A 1.0% increase in this revenue source is budgeted for 2016 compared to the 2015 budget.

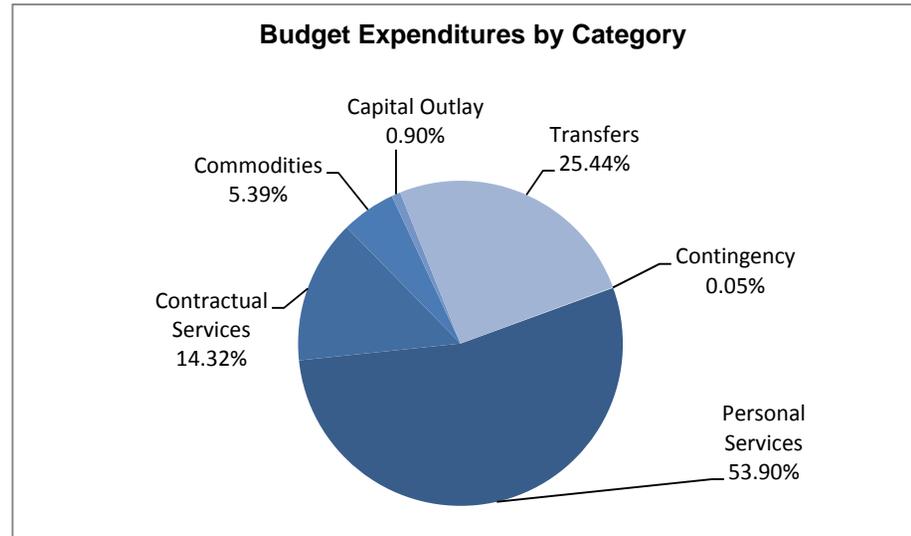


### Fines and Forfeits

Traffic fines and municipal court fees comprise 3.8% of 2016 budgeted General Fund resources. In 2015, the City Commission repealed a City Code provision that authorized the recoupment of jail fees incurred by the City. The 2016 budget reflects an anticipated 6.1% decrease in this category compared to the 2015 budget.



# Fund 001 - GENERAL OPERATING



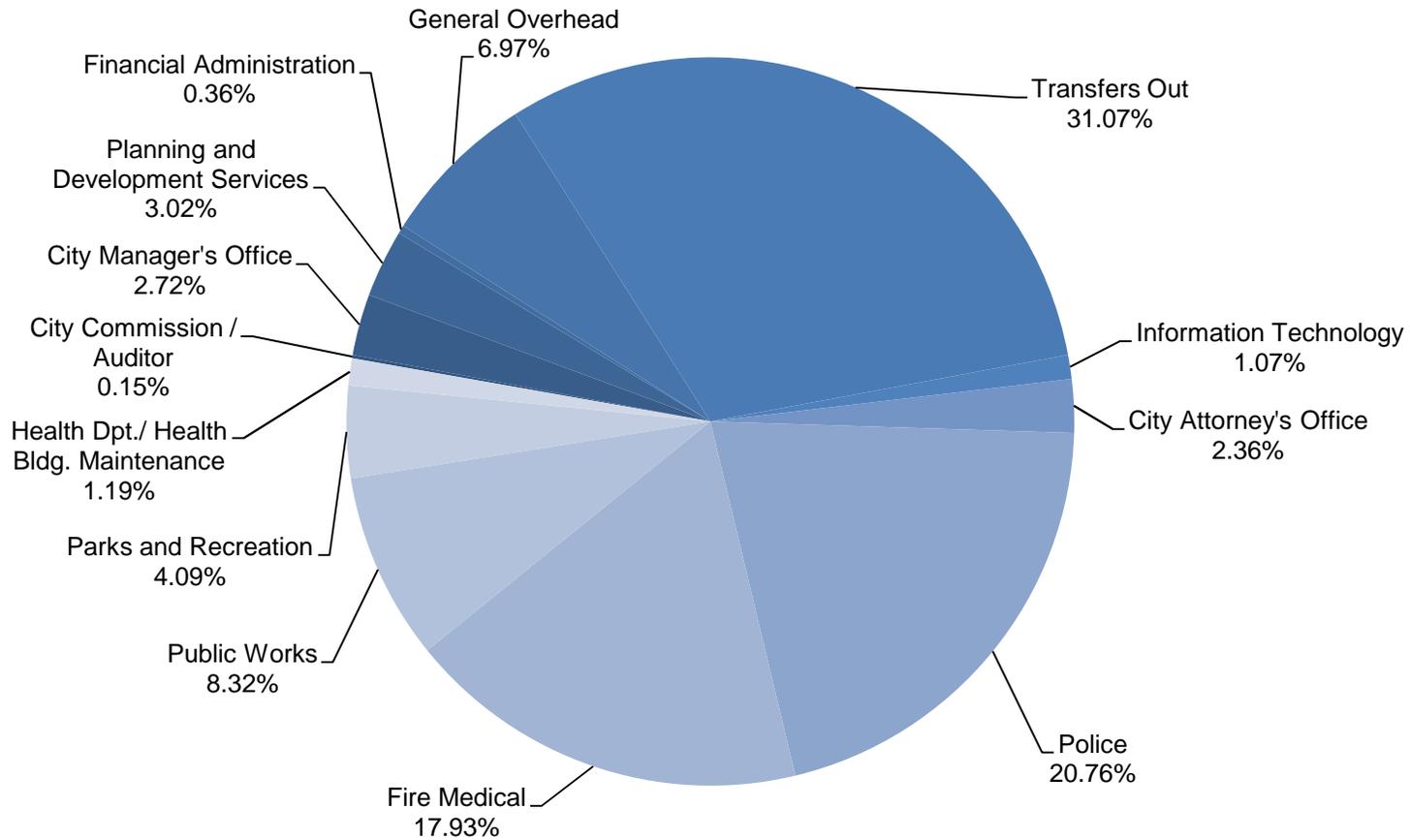
Expenditures	2014 Actual	2015 Adopted	2015 Estimated	2016 Budget
Personal Services	\$ 43,192,838	\$ 44,710,765	\$ 44,710,765	\$ 47,261,763
Contractual Services	11,336,936	11,595,130	11,595,130	12,553,889
Commodities	3,864,372	4,455,613	4,455,613	4,723,423
Capital Outlay	696,857	831,800	831,800	791,800
Transfers	14,408,031	20,062,606	14,152,910	22,309,259
Contingency	-	25,000	25,000	45,000
<b>TOTAL EXPENDITURES</b>	<b>\$ 73,499,035</b>	<b>\$ 81,680,914</b>	<b>\$ 75,771,218</b>	<b>\$ 87,685,134</b>
<b>FUND BALANCE FORWARD</b>	<b>\$ 13,140,680</b>	<b>\$ 4,100,000</b>	<b>\$ 12,661,914</b>	<b>\$ 4,500,000</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	2014 Actual	2015 Adopted	2015 Estimated	2016 Budget
1010	City Commission	\$ 70,122	\$ 70,460	\$ 70,460	\$ 71,590
1015	City Auditor	55,751	62,080	62,080	60,850
1020	City Manager	627,123	713,444	713,444	718,184
1025	Public Information	197,169	191,040	191,040	216,340
1030	Planning and Development	1,011,643	1,131,000	1,131,000	1,213,540
1032	Code Enforcement	541,146	758,170	758,170	766,090
1034	Building Inspection / Plan Review	656,277	675,650	675,650	669,200
1050	City Clerk	223,526	279,092	279,092	273,002
1053	Human Resources	476,913	497,510	497,510	512,495
1054	Risk Management	431,996	561,490	561,490	660,830
1060	Financial Administration	300,491	311,661	311,661	315,331
1065	General Overhead	3,883,373	4,354,168	4,354,168	6,115,168
1068	Transfers				
	to Health Insurance Fund	4,573,788	4,750,825	4,750,825	4,930,290
	to Equip Reserve Fund	350,000	(50,000)	(50,000)	100,000
	to Cap Improv Reserve Fund		350,000	350,000	200,000
	to achieve 5% fund balance		5,909,696		7,353,496
	to Sales Tax Reserve	2,702,604	2,897,446	2,897,446	2,897,446
	to Recreation Fund	2,230,157	2,230,157	2,230,157	2,319,363
	0.20% sales tax	3,177,484	3,128,294	3,128,294	3,387,802
	0.05% sales tax	794,684	794,573	794,573	859,450
	0.30% sales tax	4,768,102	4,767,440	4,767,440	5,156,702
	to Liability and Workers Comp Reserves	35,000	35,000	35,000	35,000
1070	Information Technology	937,372	865,740	865,740	936,840
1080	City Attorney's Office	750,708	874,756	874,756	883,016
1085	Human Relations	5,884	9,730	9,730	9,730
1090	Municipal Court / Prosecutor's Office	1,426,770	1,174,987	1,174,987	1,177,827
2100	Police	17,429,957	17,523,064	17,523,064	18,202,112
2200	Fire and Medical	14,830,465	15,292,434	15,292,434	15,720,678
3000	Street Maintenance	2,841,663	3,122,556	3,122,556	3,329,522
3010	Engineering	999,068	1,002,273	1,002,273	1,025,775
3020	Traffic Engineering	732,040	768,348	768,348	765,988
3030	Airport Maintenance	194,405	186,794	186,794	147,404
3040	Building Maintenance	888,990	938,748	938,748	943,930
3060	Street Lights	870,073	814,000	814,000	885,460
3070	Levee Maintenance	195,012	197,690	197,690	198,240
4500	Parks / Facility Maintenance	3,282,465	3,452,619	3,452,619	3,582,765
5100	Health Dept. / Health Bldg. Maintenance	1,006,814	1,037,979	1,037,979	1,043,678
	<b>TOTAL EXPENDITURES</b>	<b>\$ 73,499,035</b>	<b>\$ 81,680,914</b>	<b>\$ 75,771,218</b>	<b>\$ 87,685,134</b>
	<b>FUND BALANCE FORWARD</b>	<b>\$ 13,140,680</b>	<b>\$ 4,100,000</b>	<b>\$ 12,661,914</b>	<b>\$ 4,500,000</b>

# General Operating Fund

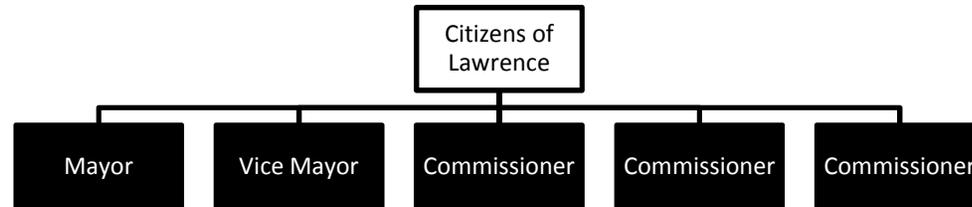
City Commission  
Division 1010

## 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.

## 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	2014 Actual	2015 Adopted	2015 Estimate	2016 Budget
Authorized Positions	5.00	5.00	5.00	5.00

## EXPENDITURE SUMMARY

EXPENDITURES	2014 Actual	2015 Adopted	2015 Estimate	2016 Budget
<b>Personal Services</b>	\$ 51,496	\$ 53,860	\$ 53,860	\$ 54,990
<b>Contractual Services</b>	17,290	16,000	16,000	16,000
<b>Commodities</b>	1,336	600	600	600
<b>Capital Outlay</b>	-		-	
<b>Debt Service</b>	-		-	
<b>Transfers</b>	-		-	
<b>Contingency</b>	-		-	
<b>Total</b>	<b>\$ 70,122</b>	<b>\$ 70,460</b>	<b>\$ 70,460</b>	<b>\$ 71,590</b>

## CURRENT YEAR ACCOMPLISHMENTS (cont.)

1. Adopted a fiber optic policy which provides a structure to lease city-owned dark fibers in order to increase high-speed internet for citizens and businesses.
2. Approved the development of a new waste water treatment plant that will support the community's future growth and future environmental protection requirements.



## MAJOR GOALS AND OBJECTIVES FOR 2016

Following the 2014 election and 2015 swearing in of newly elected city commissioners, the commissioners identified the following priorities to guide the work of the City Commission.

- Affordable housing
- Economic development
- Infrastructure, transit and non-motorized transportation
- Public safety
- Mental health

**CITY COMMISSION**

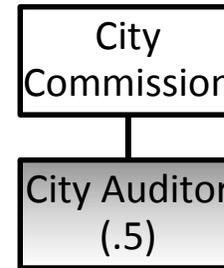
# General Operating Fund

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. The City Auditor publicly releases all performance audit products.

## ORGANIZATIONAL CHART



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## PERSONNEL SUMMARY

PERSONNEL	2014 Actual	2015 Adopted	2015 Estimate	2016 Budget
Authorized Positions	0.50	0.50	0.50	0.50

### EXPENDITURE SUMMARY

EXPENDITURES	2014 Actual	2015 Adopted	2015 Estimate	2016 Budget
<b>Personal Services</b>	\$ 54,404	\$ 56,280	\$ 56,280	\$ 55,050
<b>Contractual Services</b>	1,347	5,800	5,800	5,800
<b>Commodities</b>	-	-	-	-
<b>Capital Outlay</b>	-	-	-	-
<b>Debt Service</b>	-	-	-	-
<b>Transfers</b>	-	-	-	-
<b>Contingency</b>	-	-	-	-
<b>Total</b>	\$ 55,751	\$ 62,080	\$ 62,080	\$ 60,850

### PERFORMANCE INDICATORS

Recommendations Implemented	59 percent
Recommendations In-progress	33 percent
Recommendations Not implemented	2 percent
Recommendations Undetermined/Pending/Not Yet Followed-Up	6 percent

### CURRENT YEAR ACCOMPLISHMENTS

The City Auditor presented the following audit products to the City Commission in 2014:

RCP Infrastructure Monitoring  
 Audit Recommendation Follow-Up Reports  
 Financial Indicators  
 2014 Sidewalk Data

### MAJOR GOALS AND OBJECTIVES FOR 2016

The City Auditor plans to complete and publicly release six performance audit products.



City of Lawrence

CITY AUDITOR

# General Operating Fund

City Manager's Office  
Division 1020

## PROFILE

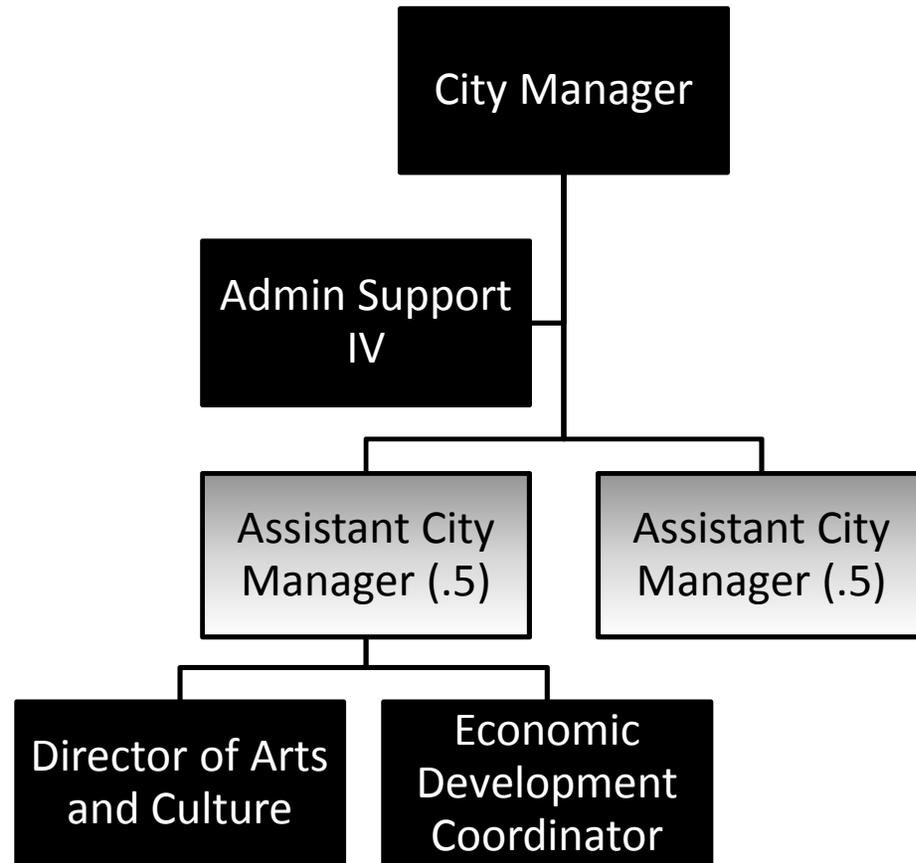
The City Manager is the City's Chief Administrative Officer and is responsible for ensuring the provision of efficient, effective, equitable and timely municipal services to the citizens of Lawrence. The City Manager is appointed by and serves at the pleasure of the City Commission. The Commission is responsible for establishing City policies, and 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 abilities;
- (2) ensures that laws and ordinances are enforced;
- (3) informs 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 and 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 City operations.

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 City Manager's primary responsibilities.

## ORGANIZATIONAL CHART



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## PERSONNEL SUMMARY

PERSONNEL	2014 Actual	2015 Adopted	2015 Estimate	2016 Budget
Authorized Positions	4.50	5.00	4.50	5.00

## EXPENDITURE SUMMARY

EXPENDITURES	2014 Actual	2015 Adopted	2015 Estimate	2016 Budget
<b>Personal Services</b>	\$ 543,684	\$ 638,765	\$ 638,765	\$ 639,005
<b>Contractual Services</b>	77,558	68,397	68,397	72,897
<b>Commodities</b>	5,881	6,282	6,282	6,282
<b>Capital Outlay</b>	-	-	-	-
<b>Debt Service</b>	-	-	-	-
<b>Transfers</b>	-	-	-	-
<b>Contingency</b>	-	-	-	-
<b>Total</b>	<b>\$ 627,123</b>	<b>\$ 713,444</b>	<b>\$ 713,444</b>	<b>\$ 718,184</b>

## PERFORMANCE INDICATORS

Indicator	2014 Actual	2015 Estimated	2016 Target
Citizens satisfied or very satisfied with overall quality of City Services	76%*	78%**	78%
Citizens indicating that City employees were courteous and polite	88%*	86**%	88%

\* 2011 Citizen Survey

\*\* 2015 Citizen Survey

## MAJOR GOALS AND OBJECTIVES FOR 2016

1. 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. Provide administrative direction and leadership necessary to assure implementation and coordination of all City policies.
3. Evaluate and facilitate policies and programs that provide a customer-friendly atmosphere throughout city government.
4. Maintain quality City services regardless of economic conditions and resource levels.

## CURRENT YEAR ACCOMPLISHMENTS

1. Continued efforts to further economic development throughout the community, including including the industrial, commercial, and retail sectors.

2. The City's new Venture Park officially opened in October of 2014, offering diverse opportunities for advanced manufacturing, logistics, mixed-use/back office, animal and life sciences, and other industrial and commercial uses.



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 engagement & 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 video programming for Channel 25 and social media. External and internal communication activities include developing and producing educational materials, video, 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



## CURRENT YEAR ACCOMPLISHMENTS

1. Worked with all city departments to develop outreach programs to educate and inform residents and key stakeholders of city goals, projects, services and accomplishments.

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## PERSONNEL SUMMARY

PERSONNEL	2014 Actual	2015 Adopted	2015 Estimate	2016 Budget
Authorized Positions	2.00	2.00	2.00	2.00

## EXPENDITURE SUMMARY

	2014	2015	2015	2016
EXPENDITURES	Actual	Adopted	Estimate	Budget
<b>Personal Services</b>	\$ 186,029	\$ 177,390	\$ 177,390	\$ 187,990
<b>Contractual Services</b>	5,152	6,000	6,000	6,500
<b>Commodities</b>	5,988	7,650	7,650	21,850
<b>Capital Outlay</b>	-	-	-	-
<b>Debt Service</b>	-	-	-	-
<b>Transfers</b>	-	-	-	-
<b>Contingency</b>	-	-	-	-
<b>Total</b>	\$ 197,169	\$ 191,040	\$ 191,040	\$ 216,340

## PERFORMANCE INDICATORS

Indicator	2014 Actual	2015 Estimated	2016 Target
Distributed News Releases	438	540	580
Duration of Website Traffic	2:24 min.	2:26 min.	2:28 min.
Number of Website Pageviews	1,061,534	1,080,000	1,200,000

## MAJOR GOALS AND OBJECTIVES FOR 2016

1. Work with the departments to develop database-driven technology that provides easy access to city services including utility billing, planning and development services and public works.
2. Continue to develop communications plans that utilize a broad range of tools and platforms to educate, inform and assist residents, businesses and Lawrence visitors.
3. Continue to increase organic and original video content on the city's website, television channel and social media. Work to find ways to increase views of video content.
4. Continue to develop ways for meaningful conversation and discussion about city programs and services. The city's recent addition of Open Town Hall is our chosen avenue and we will continue to develop conversations in that platform.

## CURRENT YEAR ACCOMPLISHMENTS

2. The city continues to place importance in digital and web resources for communicating with our citizens. Website traffic continues to grow (5.49% more sessions in 2014) and session time on the site is increasing (up 2.54%). Bounce rate is down by 5.37%, meaning people are spending more time exploring and finding information needed instead of visiting a single page and leaving). In July, staff changed analytics measurements to realistically understand how citizens are driven to the site.
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. The city launched Open Town Hall with the 2016 Budget cycle. Through the first uses, the city has seen triple-digit use of the service for viewing questions and an overall 92% satisfaction rating with use of the system.
5. The city increased site traffic to lawrenceks.org from social media sites by 553% in 2014. Social media and digital communications continue to be a focus of our efforts as we utilize emerging media to communicate with residents. The city began using Sprout Social as a social media management tool in 2014 and we are producing monthly reports on engagement and use of social media.

**PUBLIC INFORMATION OFFICE**

# General Operating Fund

## Planning and Development Services

### Division 1030

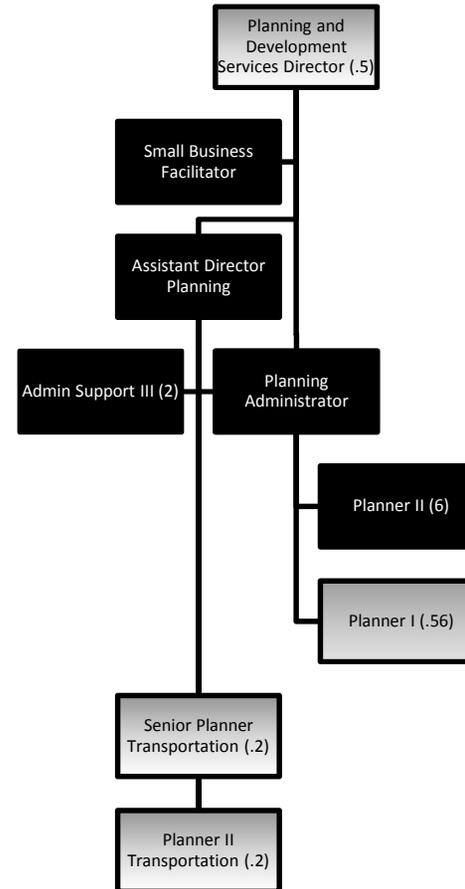
#### PROFILE

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; five 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, as well as the Small Business Facilitator. 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

	2014	2015	2015	2016
PERSONNEL	Actual	Adopted	Estimate	Budget
Authorized Positions	12.28	12.28	12.46	12.46

### EXPENDITURE SUMMARY

EXPENDITURES	2014 Actual	2015 Adopted	2015 Estimate	2016 Budget
<b>Personal Services</b>	\$ 917,987	\$ 1,052,800	\$ 1,052,800	\$ 1,082,540
<b>Contractual Services</b>	35,296	47,850	47,850	100,650
<b>Commodities</b>	47,543	30,350	30,350	30,350
<b>Capital Outlay</b>	10,817	-	-	-
<b>Debt Service</b>	-	-	-	-
<b>Transfers</b>	-	-	-	-
<b>Contingency</b>	-	-	-	-
<b>Total</b>	\$ 1,011,643	\$ 1,131,000	\$ 1,131,000	\$ 1,213,540

### PERFORMANCE INDICATORS

Indicator	2014 Actual	2015 Estimated	2016 Target
Percent of first round site plan reviews completed within 15 days	91%	>80%	80%
Percent of respondents satisfied or very satisfied with how well the City is planning growth	27%*	24%**	50%
Percent of respondents satisfied with quality of planning & code enforcement	39%*	33%**	50%

\*2011 Citizen Survey, \*\*2015 Citizen Survey

### MAJOR GOALS AND OBJECTIVES FOR 2016

1. Make significant progress on revising the comprehensive plan.
2. Complete and submit the Oread Design Guidelines for PC and CC consideration.
3. Continue implementing action items of the various Horizon 2020 chapters, sector plans, and neighborhood plans.
4. Provide training and professional development for commissions and staff.

### CURRENT YEAR ACCOMPLISHMENTS

1. Working on Design Guidelines for the Oread Neighborhood.
2. Working with County staff on Value Added Agriculture regulations.
3. Processing significant mixed use projects in the downtown area and near campus.
4. Completing phase 1 work of the *Horizon 2020* Steering Committee.
5. Processing comprehensive revisions to the parking regulations.

### SIGNIFICANT ISSUES FOR 2016

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

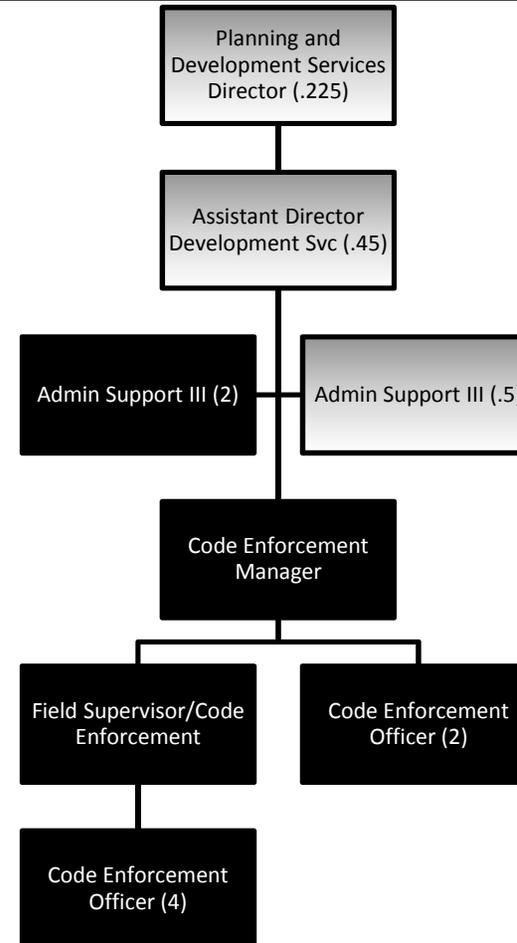
The primary responsibility of the Code Enforcement Division of the Planning and Development Services Department is to preserve the livability and integrity of residential and commercial districts and prevent deterioration and blighting influences within the community. The division oversees the rental 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 strive 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. Worked with the landlords and property managers on implementing the expanded rental registration program.
2. Processed several property violations resulting in multiple clean ups to the benefit of neighborhoods.
3. Built Innoprise case tracking system for the rental program.

### 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	2014 Actual	2015 Adopted	2015 Estimate	2016 Budget
Authorized Positions	10.03	11.03	11.18	11.18

### EXPENDITURE SUMMARY

EXPENDITURES	2014 Actual	2015 Adopted	2015 Estimate	2016 Budget
<b>Personal Services</b>	\$ 462,405	\$ 676,270	\$ 676,270	\$ 688,040
<b>Contractual Services</b>	39,866	49,850	49,850	59,000
<b>Commodities</b>	24,526	32,050	32,050	19,050
<b>Capital Outlay</b>	14,349	-	-	-
<b>Debt Service</b>	-	-	-	-
<b>Transfers</b>	-	-	-	-
<b>Contingency</b>	-	-	-	-
<b>Total</b>	\$ 541,146	\$ 758,170	\$ 758,170	\$ 766,090

### PERFORMANCE INDICATORS

Indicator	2014 Actual	2015 Estimated	2016 Target
Number of sidewalk snow cases	170	200	varies
Percent of residents surveyed who are satisfied with the livability of their neighborhood	87%*	86%**	90%
Number of property maint. cases	598	500	varies
Number of weed violations	557	600	varies
Number of Rental Units Inspected	125	600	varies

\*2011 Citizen Survey, \*\*2015 Citizen Survey

### MAJOR GOALS AND OBJECTIVES FOR 2016

1. Increase efforts on the most difficult property maintenance cases.
2. Review processes to ensure efficient resolution of enforcement cases.
3. Participate in any sign code and parking code revisions.

### CURRENT YEAR ACCOMPLISHMENTS (cont.)

4. Provided input on revising parking standards.
5. Implemented technologies in the field to improve inspections.

### SIGNIFICANT ISSUES FOR 2016

Continuing to provide appropriate customer responsiveness with the resources provided.



City of Lawrence

CODE ENFORCEMENT

# General Operating Fund

## Building Safety/Plan Review Division 1034

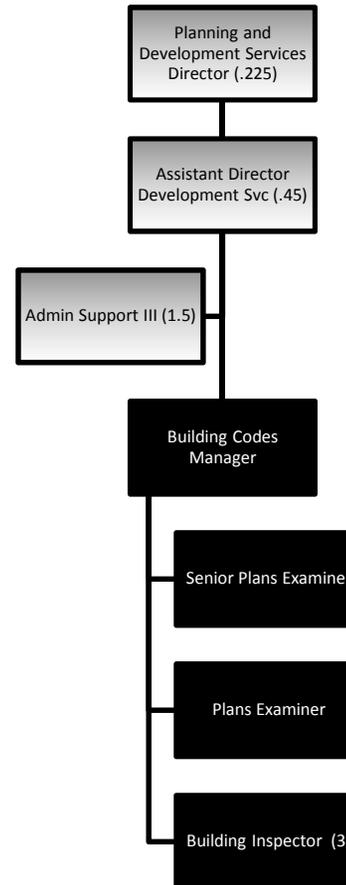
### PROFILE

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 new process for requiring pre-construction meeting for large projects to manage expectations.
2. Implemented new process for certificates of occupancy to ensure more efficient communication with permit holders.

### ORGANIZATIONAL CHART



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### PERSONNEL SUMMARY

PERSONNEL	2014 Actual	2015 Adopted	2015 Estimate	2016 Budget
Authorized Positions	7.65	7.79	8.18	8.18

### EXPENDITURE SUMMARY

EXPENDITURES	2014 Actual	2015 Adopted	2015 Estimate	2016 Budget
<b>Personal Services</b>	\$ 586,908	\$ 605,800	\$ 605,800	\$ 598,950
<b>Contractual Services</b>	42,670	46,350	46,350	46,750
<b>Commodities</b>	26,699	23,500	23,500	23,500
<b>Capital Outlay</b>	-	-	-	-
<b>Debt Service</b>	-	-	-	-
<b>Transfers</b>	-	-	-	-
<b>Contingency</b>	-	-	-	-
<b>Total</b>	\$ 656,277	\$ 675,650	\$ 675,650	\$ 669,200

### PERFORMANCE INDICATORS

Indicator	2014 Actual	2015 Estimated	2016 Target
% of residential permit applications with plan review completed within 5 days	96%	95%	95%
% of commercial permit applications with plan review completed within 15 days	96%	95%	95%
No. of inspections performed	6,962	7,000	7,000

### MAJOR GOALS AND OBJECTIVES FOR 2016

1. Educate staff and the development community on the 2015 ICC building codes.
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. Reviewing the 2015 ICC suite of building codes for consideration of adoption late in 2015.
4. Employing better monitoring of open permits to ensure permits get closed out in appropriate timeframes.
5. Worked with Fire Department to determine standards for residential solar photovoltaic systems.

### SIGNIFICANT ISSUES FOR 2016

1. Significant budget items include software license fees, fuel for vehicles, and replacement of aging vehicles.
2. The most significant operational issue will be implementing the 2015 building codes presuming their adoption in 2015.

### BUILDING SAFETY / PLAN REVIEW

# General Operating Fund

City Clerk  
Division 1050

## PROFILE

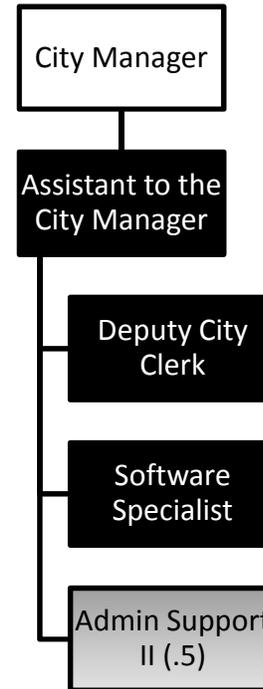
The City Clerk's Office administers various city licensing/ permitting processes and coordinates public notices, legal publications, and public bid openings.

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 Assistant to the City Manager oversees the City Clerk's Office and works on various projects at the direction of the City Manager.

## 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	2014 Actual	2015 Adopted	2015 Estimate	2016 Budget
Authorized Positions	3.50	3.50	3.50	3.50

## EXPENDITURE SUMMARY

EXPENDITURES	2014 Actual	2015 Adopted	2015 Estimate	2016 Budget
<b>Personal Services</b>	\$ 203,649	\$ 244,210	\$ 244,210	\$ 238,120
<b>Contractual Services</b>	13,903	28,250	28,250	28,250
<b>Commodities</b>	5,974	6,632	6,632	6,632
<b>Capital Outlay</b>	-	-	-	-
<b>Debt Service</b>	-	-	-	-
<b>Transfers</b>	-	-	-	-
<b>Contingency</b>	-	-	-	-
<b>Total</b>	\$ 223,526	\$ 279,092	\$ 279,092	\$ 273,002

## PERFORMANCE INDICATORS

Indicator	2014 Actual	2015 Estimated	2016 Target
Percent of City Commission minutes approved without correctional amendment	100	100	100
Total number of open records requests completed	66	70	70
Total number of licenses/permits issued	681	700	700
Total volume of stored city records managed by the City Clerk's Office	1,818	1,850	1,900
Total number of records services coordinated by the City Clerk's Office	750	775	800

## MAJOR GOALS AND OBJECTIVES FOR 2016

1. Improvement to the City's ability to effectively and efficiently respond to requests for public records.
2. Continue development of a new records management system to organize and manage records kept by the City Clerk's Office and to improve organizational access to records in the future.
3. Continue reviewing the City Code pertaining to business licensing and permitting in order to update code provisions to reflect current situations.

## CURRENT YEAR ACCOMPLISHMENTS

1. Placed over \$2.4 million in special assessments on property tax rolls.
2. Coordinated responses to 66 requests for public records.
3. Administered 681 licenses and permits.
4. Transcribed 1,654 pages of City Commission meeting minutes.

## SIGNIFICANT ISSUES FOR 2016

Customer service to internal and external customers is the City Clerk's Office's top priority. Meeting increasing demand for the services provided by the City Clerk's Office is a challenge. The Clerk's Office team is constantly evaluating the work of the Office for opportunities to improve, innovate and develop efficiencies in order to maximize the value of the Office with the resources provided.

**CITY CLERK**

# General Operating Fund

## Human Resources Division 1053

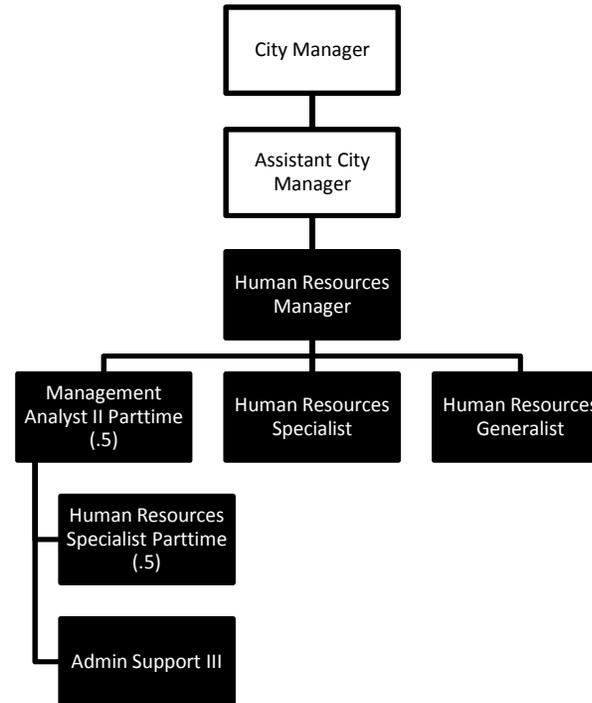
### PROFILE

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. Implemented KPERS changes.
2. Monitoring/modifying strategic plan for wellness program to reduce rate of increase to healthcare costs.
3. Converting the payroll system to Innoprise.

### ORGANIZATIONAL CHART



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### PERSONNEL SUMMARY

PERSONNEL	2014 Actual	2015 Adopted	2015 Estimate	2016 Budget
Authorized Positions	5.00	5.00	5.00	5.00

### EXPENDITURE SUMMARY

EXPENDITURES	2014 Actual	2015 Adopted	2015 Estimate	2016 Budget
<b>Personal Services</b>	\$ 383,948	\$ 394,131	\$ 394,131	\$ 405,121
<b>Contractual Services</b>	85,164	92,085	92,085	96,080
<b>Commodities</b>	7,801	11,294	11,294	11,294
<b>Capital Outlay</b>	-	-	-	-
<b>Debt Service</b>	-	-	-	-
<b>Transfers</b>	-	-	-	-
<b>Contingency</b>	-	-	-	-
<b>Total</b>	<b>\$ 476,913</b>	<b>\$ 497,510</b>	<b>\$ 497,510</b>	<b>\$ 512,495</b>

### PERFORMANCE INDICATORS

Indicator	2014 Actual	2015 Estimated	2016 Target
Percent of residents surveyed who were satisfied with the professional City service they received	87%*	85%**	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%

\*2011 Citizen Survey, \*\*2015 Citizen Survey

### MAJOR GOALS AND OBJECTIVES FOR 2016

1. Expand review/development of the city's compensation programs.
2. Centralization of organizational functions such as FMLA, ADA, FLSA and recruitment.
3. Expand the wellness programming for the healthcare plan wellness initiative in conjunction with Parks & Recreation.
4. Implement components of the Human Resources Information System, such as job applications and employee appraisals.

### CURRENT YEAR ACCOMPLISHMENTS (cont.)

4. Monitored market compensation trends as economic conditions changed.

### SIGNIFICANT ISSUES FOR 2016

1. Complete conversion of the job application software from PCRecruiter to Innoprise.
2. Implement an automated employee benefit enrollment module for integration with Human Resources Information System.
3. Provide the services desired by operational departments such as FMLA expertise and additional recruitment capacity.
4. Continually monitor the healthcare plan to include the healthcare health reimbursement account (HRA) and WellCare Clinic.

## HUMAN RESOURCES

# General Operating Fund

**Risk Management  
Division 1054**

## PROFILE

Risk Management identifies, recommends, and implements strategies to reduce adverse effects of accidental and business losses on the City of Lawrence. The division responsibly and efficiently manages and administers the City's risk management programs, utilizing industry best practices. The division serves as a resource to 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, public entity and law enforcement liability, fire-medical auto liability and workers' compensation re-insurance.

## CURRENT YEAR ACCOMPLISHMENTS

1. Evaluated the City's insurance policies and coverages and developed strategies to optimize coverage and control future cost increases.

## ORGANIZATIONAL CHART



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## PERSONNEL SUMMARY

	2014 Actual	2015 Adopted	2015 Estimate	2016 Budget
<b>PERSONNEL</b>				
Authorized Positions	2.00	2.00	2.00	2.00

### EXPENDITURE SUMMARY

EXPENDITURES	2014 Actual	2015 Adopted	2015 Estimate	2016 Budget
Personal Services	\$ 54,825	\$ 135,190	\$ 135,190	\$ 146,075
Contractual Services	372,449	420,300	420,300	508,755
Commodities	4,722	6,000	6,000	6,000
Capital Outlay	-	-	-	-
Debt Service	-	-	-	-
Transfers	-	-	-	-
Contingency	-	-	-	-
<b>Total</b>	<b>\$ 431,996</b>	<b>\$ 561,490</b>	<b>\$ 561,490</b>	<b>\$ 660,830</b>

### PERFORMANCE INDICATORS

Indicator	2014 Actual	2015 Estimated	2016 Projected
Number of General Liability Claims against the City	35	33	30
Number of Auto Liability Claims against the City	20	25	20
Number of Workers' Compensation Claims	103	90	90

### MAJOR GOALS AND OBJECTIVES FOR 2016

1. Continue evaluating City operations to identify, understand and develop strategies and programs that mitigate existing and emerging risks including those related to facility and employee safety and operational liability, and to control future cost increases.
2. Review the City's insurance and workers' compensation programs to develop funding strategies, processes to ensure regulatory compliance, and plans to optimize coverages versus costs.

### CURRENT YEAR ACCOMPLISHMENTS (cont.)

2. Coordinated reasonable suspicion training that was provided to all supervisors and managers in the organization.

### SIGNIFICANT ISSUES FOR 2016

Municipal services are risky and high contact by nature. Commercial liability exposure and risks for on-the-job injuries, along with regional and national market trends continue to drive up insurance premiums and reserve funding needs. Risk Management is developing and implementing strategies to improve employee training, facility and operational safety, and claims management. The division's objectives are to prevent accidents, get employees back to work following an injury, control future insurance premium increases and minimize future losses.

### RISK MANAGEMENT

# General Operating Fund

## Financial Administration

### Division 1060

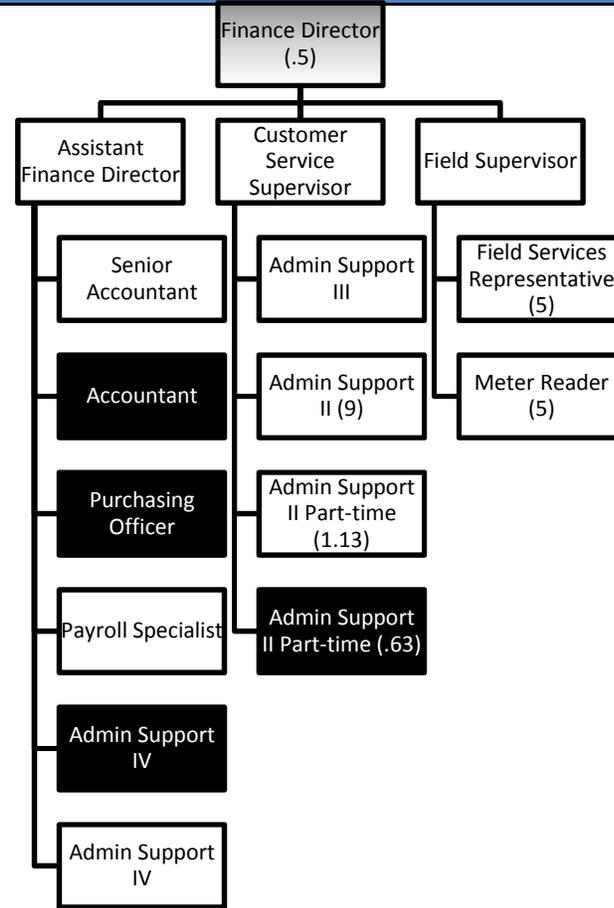
#### PROFILE

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



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#### PERSONNEL SUMMARY

PERSONNEL	2014 Actual	2015 Adopted	2015 Estimate	2016 Budget
Authorized Positions	4.13	4.13	4.13	4.13

### EXPENDITURE SUMMARY

EXPENDITURES	2014 Actual	2015 Adopted	2015 Estimate	2016 Budget
<b>Personal Services</b>	\$ 288,812	\$ 290,660	\$ 290,660	\$ 292,830
<b>Contractual Services</b>	5,353	12,125	12,125	13,625
<b>Commodities</b>	6,326	8,876	8,876	8,876
<b>Capital Outlay</b>	-	-	-	-
<b>Debt Service</b>	-	-	-	-
<b>Transfers</b>	-	-	-	-
<b>Contingency</b>	-	-	-	-
<b>Total</b>	\$ 300,491	\$ 311,661	\$ 311,661	\$ 315,331

### PERFORMANCE INDICATORS

Indicator	2014 Actual	2015 Estimated	2016 Target
Average rate of return on investment	0.12%	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 2016

1. Maintain the City's general obligation debt rating at Aa1.
2. Implement new accounting standards.
3. Complete Integration of Innoprise financial software and Innoprise payroll software.

### CURRENT YEAR ACCOMPLISHMENTS

1. Received a Certificate of Achievement from the GFOA for the 2013 Comprehensive Annual Financial Report.
2. Issued debt to finance several Water and Sewage system improvements.
3. Implemented a new agreement for Purchasing Card services.
4. Completed a review of the City's post issuance bond compliance.

### SIGNIFICANT ISSUES FOR 2016

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	2014 Actual	2015 Adopted	2015 Estimate	2016 Budget
Personal Services	\$ -	\$ 20,000	\$ 20,000	\$ 1,401,000
Contractual Services	3,837,059	4,194,317	4,194,317	4,554,317
Commodities	46,282	34,851	34,851	34,851
Capital Outlay	-	80,000	80,000	80,000
Refunds	32	-	-	-
Debt Service	-	-	-	-
Transfers	-	-	-	-
Contingency	-	25,000	25,000	45,000
<b>Total</b>	<b>\$ 3,883,373</b>	<b>\$ 4,354,168</b>	<b>\$ 4,354,168</b>	<b>\$ 6,115,168</b>

## PERSONNEL SUMMARY

PERSONNEL	2014 Actual	2015 Adopted	2015 Estimate	2016 Budget
Authorized Positions	NA	NA	NA	NA

## PROFILE

The budget for this division includes the cost of supplemental pay for military employees. The 2015 budget included merit pool costs for eligible General Fund positions not covered by Memorandums of Understanding. Actual compensation adjustments were recorded in each operating division budget in 2014. Also included in this division are overhead expenses like auditing services, emergency dispatch service, and office leases. The mill levy was increased for 2015 in order to fund the City's share of the operations of the Peaslee Center.

The allocations for vendor provided services, economic development agencies, and social service agencies included in the budget for 2016 are as follows:

Ballard Community Center	\$13,210	Downtown Farmers' Market	\$10,000	Peaslee Center	\$100,000
Bert Nash	\$153,208	Downtown Lawrence, Inc.	\$42,500	The Shelter, Inc.	\$29,150
Big Brothers Big Sisters	\$17,580	GaDugi SafeCenter	\$8,200	Success By 6 Coalition	\$25,050
Boys & Girls Club of Lawrence	\$119,328	Health Care Access	\$24,410	TFI Family Services	\$6,380
BTBC	\$275,000	Housing & Credit Counseling	\$15,580	Van Go Mobile Arts	\$31,890
The Chamber / KUSBDC	\$220,000	Lawrence Arts Center	\$110,000	Warm Hearts	\$5,470
Communities in Schools	\$2,280	Lawrence Comm. Food Alliance	\$6,830	Willow	\$5,470
Douglas County CASA, Inc.	\$22,780	Lawrence Farmers Market	\$9,110	Willow - Bus Passes / Clothes	\$3,640
Douglas County Dental Clinic	\$13,670	Lawrence Community Shelter	\$100,000	WRAP	\$350,000
Douglas County Senior Services	\$40,000	Lawrence Humane Society	\$360,000		

# General Operating Fund

## Transfers Account 001-1068

### EXPENDITURE SUMMARY

EXPENDITURES	2014 Actual	2015 Adopted	2015 Estimate	2016 Budget
Personal Services	\$ 4,573,788	\$ 4,750,825	\$ 4,750,825	\$ 4,930,290
Contractual Services	-	-	-	-
Commodities	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service	-	-	-	-
Transfers	14,058,031	20,062,606	14,152,910	22,309,259
Contingency	-	-	-	-
<b>Total</b>	<b>\$ 18,631,819</b>	<b>\$ 24,813,431</b>	<b>\$ 18,903,735</b>	<b>\$ 27,239,549</b>

### PERSONNEL SUMMARY

PERSONNEL	2014 Actual	2015 Adopted	2015 Estimate	2016 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 included in the Budget for 2015:

<u>Health Insurance Fund</u> - This fund is used for the city's contribution to annual health insurance costs for employees and their families.	\$4,930,290
<u>Equipment Reserve Fund</u> - A transfer of \$100,000 is budgeted to be made to this fund used to cover the cost of future repair and purchase of equipment as necessary. Also included is the transfer of \$750,000 from the 0.3% sales tax approved in 2008 to be used for the purchase of SCBA/PASS equipment for the Fire Medical Department in 2015.	\$100,000
<u>Capital Improvement Reserve Fund</u> - A transfer of \$200,000 is budgeted to be made to this fund for future capital improvement projects. Revenue from the City 0.30% infrastructure sales tax is also transferred to this fund. Some proceeds from the 0.05% transit sales tax will be transferred into this fund for the future transit hub. A transfer of \$7,353,496 is budgeted in order to meet the state fund balance requirement but will only occur if revenues meet or exceed projections in 2016.	\$13,090,353
<u>Sales Tax Reserve Fund</u> - This fund is historically reserved for capital projects related to Parks and Recreation throughout the year.	\$2,876,741
<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. This amount was increased beginning in 2014 to support operations of Sports Pavillion Lawrence.	\$2,319,363
<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. In 2015, \$500,000 of the 0.05% sales tax will also be transferred into the Transit Fund.	\$3,887,802

# 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.

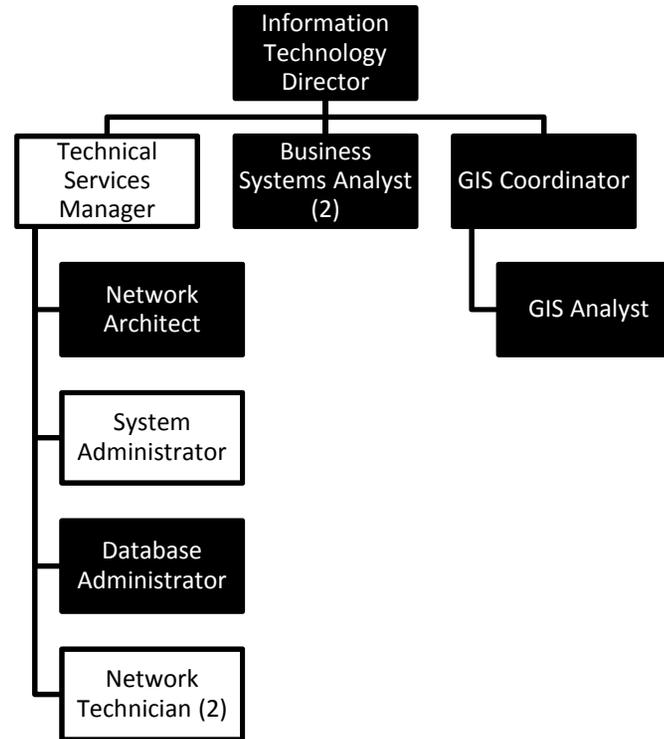
The department's employees provide technology support in these primary areas: network management, security, desktop and server management, database management, geographic information systems (GIS), ERP and Business applications support, document imaging, telecommunications, fiber projects, and eGovernment 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. Installed new VoIP Phone System at City Hall, began phone system migration to begin replacing legacy PBX Systems in other City buildings.
2. Implemented Video Conferencing System for Fire Department and improved video conferencing for other departments.
3. Installed technology needs for new City's Sports Pavilion Project.
4. Completed several fiber projects, and developed fiber sharing agreements with KU, Douglas County, and USD-497.

### ORGANIZATIONAL CHART



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### PERSONNEL SUMMARY

PERSONNEL	2014 Actual	2015 Adopted	2015 Estimate	2016 Budget
Authorized Positions	6.00	6.00	6.00	7.00

## EXPENDITURE SUMMARY

EXPENDITURES	2014 Actual	2015 Adopted	2015 Estimate	2016 Budget
<b>Personal Services</b>	\$ 580,910	\$ 574,860	\$ 574,860	\$ 645,960
<b>Contractual Services</b>	303,297	232,880	232,880	232,880
<b>Commodities</b>	38,810	48,000	48,000	48,000
<b>Capital Outlay</b>	14,355	10,000	10,000	10,000
<b>Debt Service</b>	-	-	-	-
<b>Transfers</b>	-	-	-	-
<b>Contingency</b>	-	-	-	-
<b>Total</b>	<b>\$ 937,372</b>	<b>\$ 865,740</b>	<b>\$ 865,740</b>	<b>\$ 936,840</b>

## PERFORMANCE INDICATORS

Indicator	2014 Actual	2015 Estimated	2016 Target
Percent of scheduled time systems are fully operational:			
Email	99.966	99.99	100
Network	100.000	100	100
Internet	99.980	99.99	100
E-Gov systems	99.980	99.99	100
Number of PCs supported per FTE	117	120	120
Percent of time telco system is fully operational	99.999	99.999	100

## MAJOR GOALS AND OBJECTIVES FOR 2016

1. Complete implementation of Innoprise's Payroll software system
2. Continue implementation of CISCO VoIP phone system to more City buildings.
3. Continue fiber projects and network connectivity improvements. Develop fiber partnering opportunities with other anchor institutions.

## CURRENT YEAR ACCOMPLISHMENTS (cont.)

5. Replacing legacy phone trunk lines with new SIP technology, improving capabilities with the new City VoIP System.

## SIGNIFICANT ISSUES FOR 2016

1. Address the critical issues involving the City's GIS support due to loss of previous positions and increased GIS workload.
2. Continue implementation of CISCO VoIP project to more City buildings replacing aging PBX units and legacy voice mail system.
3. Fiber related projects, implementing new leasing as part of the new fiber policy.
4. Completing ever-increasing project workloads after losing three technical positions since 2008 has affected the performance capabilities of the Information Technology Department, especially in the area of telecommunications.



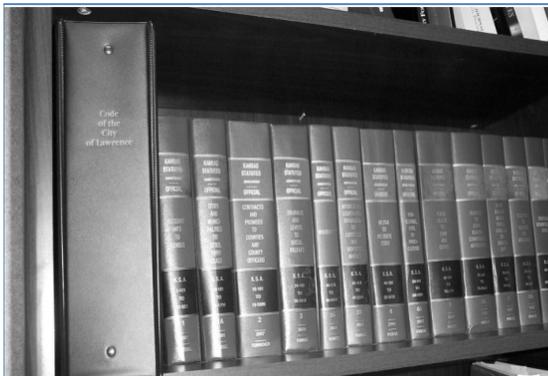
## INFORMATION TECHNOLOGY

# General Operating Fund

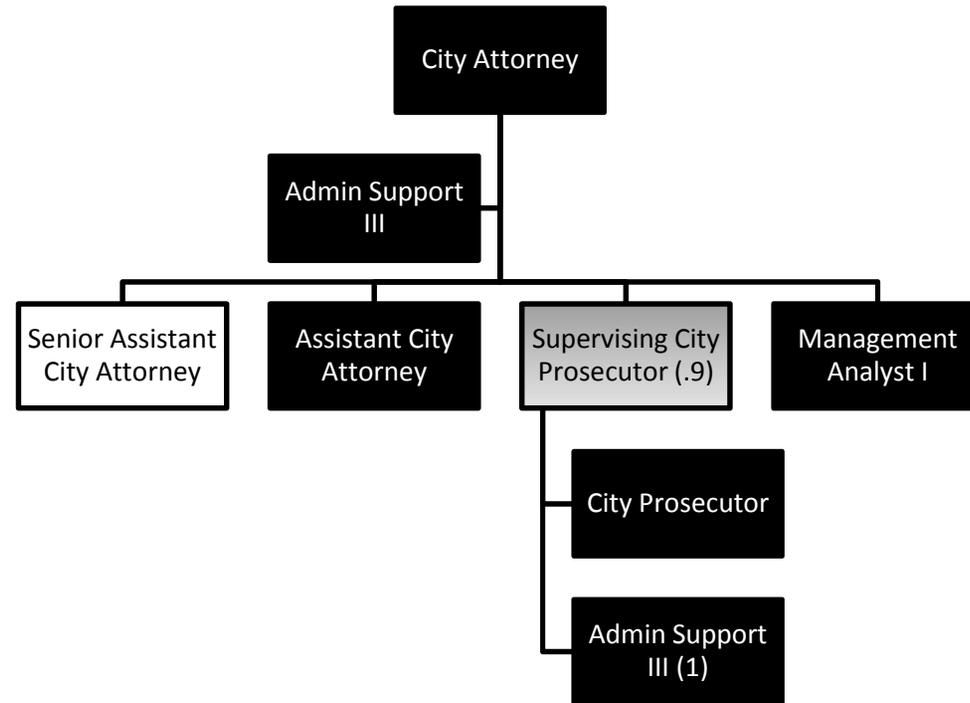
City Attorney's Office  
Division 1080

## PROFILE

The City Attorney's Office provides legal advice and support to the City Commission, City departments and city advisory 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



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## PERSONNEL SUMMARY

PERSONNEL	2014 Actual	2015 Adopted	2015 Estimate	2016 Budget
Authorized Positions	7.90	7.90	7.90	8.90

### EXPENDITURE SUMMARY

	2014	2015	2015	2016
EXPENDITURES	Actual	Adopted	Estimate	Budget
<b>Personal Services</b>	\$ 630,666	\$ 659,310	\$ 659,310	\$ 667,570
<b>Contractual Services</b>	115,523	201,196	201,196	201,196
<b>Commodities</b>	4,519	14,250	14,250	14,250
<b>Capital Outlay</b>	-	-	-	-
<b>Debt Service</b>	-	-	-	-
<b>Transfers</b>	-	-	-	-
<b>Contingency</b>	-	-	-	-
<b>Total</b>	<b>\$ 750,708</b>	<b>\$ 874,756</b>	<b>\$ 874,756</b>	<b>\$ 883,016</b>

### PERFORMANCE INDICATORS

Indicator	2014 Actual	2015 Estimated	2016 Target
Number of training sessions provided	8	35	35
Real property interests acquired for City projects	29	35	35
Number of ordinances prepared/reviewed	95	100	100

### MAJOR GOALS AND OBJECTIVES FOR 2016

1. Provide timely and effective legal guidance to the City Commission and City staff.
2. Effectively communicate relevant changes in laws and regulations affecting city operations.
3. Assist the City Commission and City Manager's office with implementation of the City Commission's work plan terms.
4. Fairly and effectively prosecute municipal offenses.

### CURRENT YEAR ACCOMPLISHMENTS

1. Continued monitoring the activities of the Kansas Legislature and state and federal courts for impacts to city operations.
2. Advised and assisted city staff in updating and revising city policies.
3. Acquired property interests for various city projects.
4. The City Prosecutors managed a high case load of misdemeanor offenses and city code violations.

### SIGNIFICANT ISSUES FOR 2016

Long-term planning for the facility and security needs for the Prosecutor's Office and Municipal Court should be a focus in 2016.

CITY ATTORNEY'S OFFICE

# General Operating Fund

**Human Relations**  
**Account 001-1085-541**

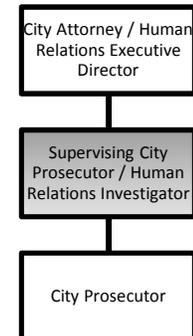
## EXPENDITURE SUMMARY

EXPENDITURES	2014 Actual	2015 Adopted	2015 Estimate	2016 Budget
<b>Personal Services</b>	\$ -	\$ -	-	\$ -
<b>Contractual Services</b>	1,648	4,450	4,450	4,450
<b>Commodities</b>	4,236	5,280	5,280	5,280
<b>Capital Outlay</b>	-	-	-	-
<b>Debt Service</b>	-	-	-	-
<b>Transfers</b>	-	-	-	-
<b>Contingency</b>	-	-	-	-
<b>Total</b>	\$ 5,884	\$ 9,730	\$ 9,730	\$ 9,730

## PERSONNEL SUMMARY

PERSONNEL	2014 Actual	2015 Adopted	2015 Estimated	2016 Budget
Authorized Positions	0.00	0.00	0.00	0.00

## ORGANIZATIONAL CHART



## PROFILE / SIGNIFICANT ISSUES FOR 2016

This division of the City Attorney's Office is responsible for investigating allegations of the City's anti-discrimination laws found in Chapter 10 of the City Code. The division also performs outreach to educate the community regarding the rights and responsibilities under Chapter X of the City Code.



*City of Lawrence*

# General Operating Fund

**Municipal Court  
Division 1090**

## PROFILE

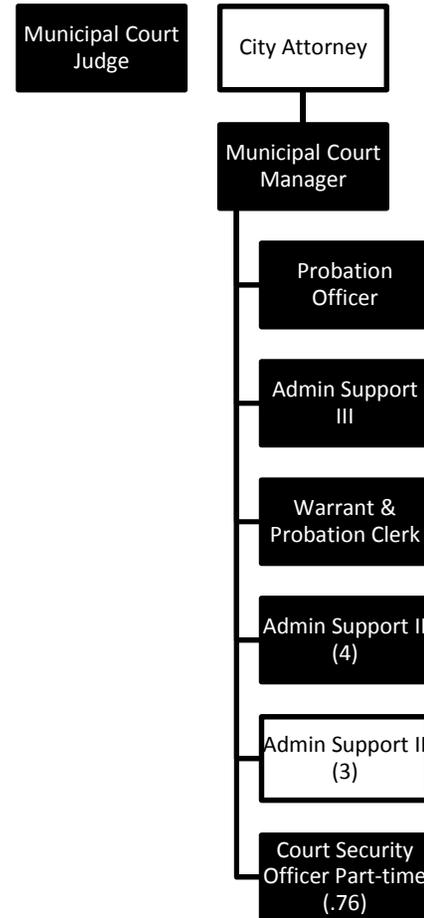
The purpose of the City of Lawrence Municipal Court is to file, manage and adjudicate alleged violations of City ordinances in a timely and professional manner. The division is dedicated to providing impartial customer service to attorneys, defendants and citizens while utilizing available resources 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. Continued improvements within the court management system to increase efficiency in probation monitoring, document imaging, case file storage and payment processing.
3. Matched registered owners with outstanding parking citations to eliminate backlog.
4. Implemented procedures to ensure that past-due parking notices are mailed within 1 week of the payment due date if registered owner information is available.

## 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

	2014	2015	2015	2016
PERSONNEL	Actual	Adopted	Estimate	Budget
Authorized Positions	7.76	8.76	7.76	7.76

### EXPENDITURE SUMMARY

EXPENDITURES	2014 Actual	2015 Adopted	2015 Estimate	2016 Budget
<b>Personal Services</b>	\$ 499,631	\$ 560,280	\$ 560,280	\$ 556,620
<b>Contractual Services</b>	899,664	596,502	596,502	603,002
<b>Commodities</b>	27,475	18,205	18,205	18,205
<b>Capital Outlay</b>	-	-	-	-
<b>Debt Service</b>	-	-	-	-
<b>Transfers</b>	-	-	-	-
<b>Contingency</b>	-	-	-	-
<b>Total</b>	<b>\$ 1,426,770</b>	<b>\$ 1,174,987</b>	<b>\$ 1,174,987</b>	<b>\$ 1,177,827</b>

### SIGNIFICANT ISSUES FOR 2016

Additional security measures are needed to ensure the safety of Court staff, City Prosecutor staff, and citizens who enter the Municipal Court building.

### PERFORMANCE INDICATORS

Indicator	2014 Actual	2015 Estimated	2016 Target
Percent of failure to appear notices mailed within 1 day of non-compliance	83%	90%	95%
Percent of warrants issued within 2 days of non-compliance	81%	85%	95%
Percent of drivers license suspensions issued within 35 calendar days of failure to appear notice	70%	80%	90%
Percent of case files retrieved within 15 minutes	85%	98%	100%

### MAJOR GOALS AND OBJECTIVES FOR 2016

1. Continue to develop and improve court procedures, staff training, records management and fines collection methods.
2. Ensure an appropriate and timely disposition on traffic and criminal cases through payment, 30-day notice or issuance of warrants within 90 days of issue date.
3. Continue to ensure timely notification to citizens of outstanding parking violations by obtaining registered owner information within 7 days of payment due date.
4. Continue to evaluate court's technology resources to ensure court is realizing maximum efficiency.



**MUNICIPAL COURT / PROSECUTOR**

# General Operating Fund

## Police Division 2100

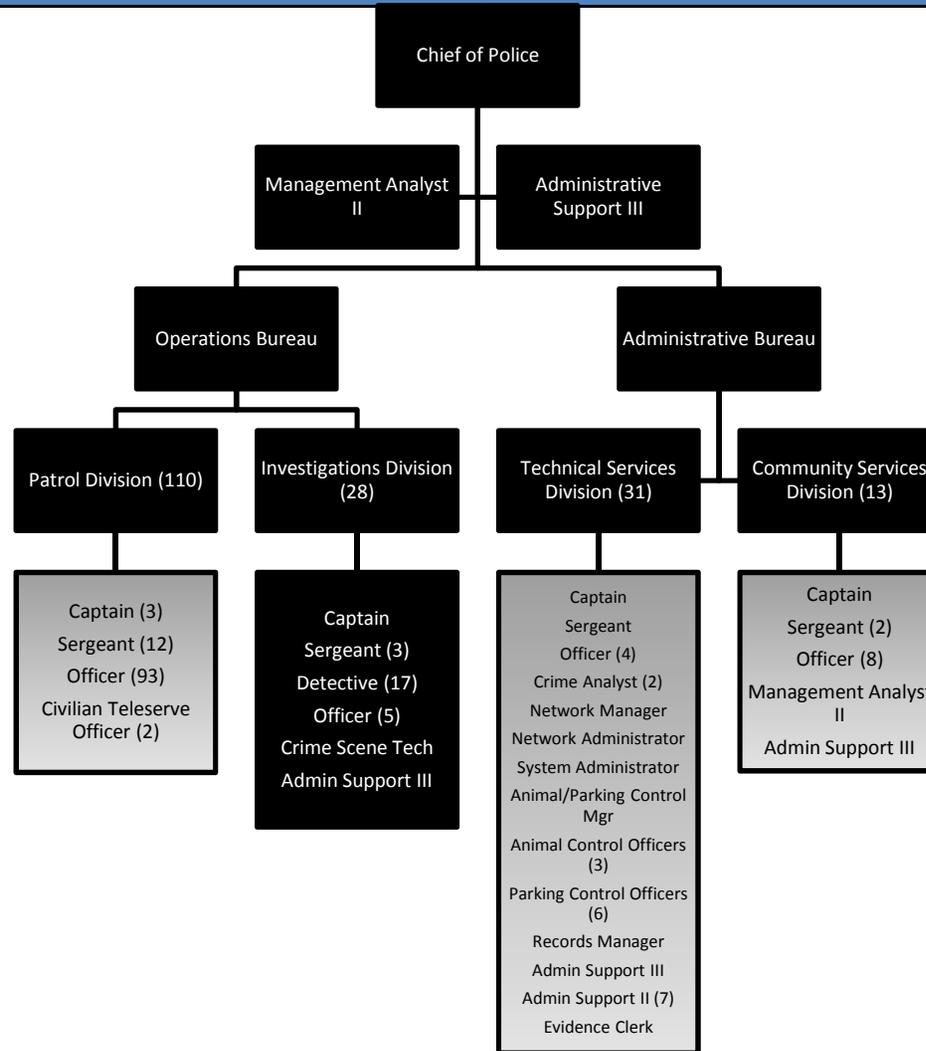
### PROFILE

The Lawrence Police Department currently operates with an authorized strength of 152 commissioned police officers and a 32 member civilian support staff. The department has three separate staffed 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

- In August of 2014, the Department went live with a new Computer Aided Dispatch system. This system has brought several challenges to users and hundreds of hours have been dedicated to implementation and the training of employees to ensure its success. Benefits are being seen in the areas of records and case management and reporting.
- Department wide training was held on Fair and Impartial Policing.

### 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	2014 Actual	2015 Adopted	2015 Estimate	2016 Budget
Authorized Positions	172.00	173.00	173.00	173.00

## EXPENDITURE SUMMARY

	2014	2015	2015	2016
EXPENDITURES	Actual	Adopted	Estimate	Budget
<b>Personal Services</b>	\$ 15,312,422	\$ 15,366,904	\$ 15,366,904	\$ 15,866,689
<b>Contractual Services</b>	818,201	772,012	772,012	868,169
<b>Commodities</b>	896,669	779,348	779,348	813,454
<b>Capital Outlay</b>	402,665	604,800	604,800	653,800
<b>Debt Service</b>	-	-	-	-
<b>Transfers</b>	-	-	-	-
<b>Contingency</b>	-	-	-	-
<b>Total</b>	\$ 17,429,957	\$ 17,523,064	\$ 17,523,064	\$ 18,202,112

## PERFORMANCE INDICATORS

Indicator	2014 Actual	2015 Estimated	2016 Target
Citizens satisfied or very satisfied with professionalism of officers	79%*	80%**	80%
Citizens satisfied or very satisfied with how quickly police respond to emergencies	75%*	77%**	77%
Citizens' Perceptions of feeling safe in Downtown Lawrence after dark	54%*	61%**	61%

\* 2011 Citizen Survey, \*\*2015 Citizen Survey

## MAJOR GOALS AND OBJECTIVES FOR 2016

1. Work with the community and it's leaders to educate them on the needs of the Police Department. From equipment needs to the need to fund additional personnel so that community expectations can continue to be met and exceeded.
2. Work with the community, City leaders, and experts to further refine the scope and costs associated with a new police facility.
3. Continue to develop our Crisis Intervention Program. We will continue to send officers to training as it becomes available so that we are better equipped to handle situations when mental health and behavioral health crisis arise.

## CURRENT YEAR ACCOMPLISHMENTS (cont.)

3. On June 1, 2015, 10 recruits and three DGSO deputies began the 36th Basic Recruit Academy. The academy consists of 24 weeks of intense training with most training done at the Investigations & Training Center.
4. Continuing to utilize funds from the 2013 0.5 mill levy increase, the Lawrence Police Department has been successful in replacement of the in-car video system as well as on-going replacement/improvement to mobile data computers, and existing IT infrastructure.
5. The Investigations Division has managed its limited resources to investigate an increased amount of major cases in 2014 to include six homicides.

## SIGNIFICANT ISSUES FOR 2016

1. The need still remains for a purpose built modern law enforcement facility.
2. Positively engage with the community and new City leadership to ensure the success of the Department.
3. Ability to provide Officer and Staff members with quality training opportunities that will maintain the needed levels of proficiency.
4. Additional Detective positions are needed to respond to the increased workload in the Investigations Division as seen in the number of major cases increasing substantially in

**POLICE**

# General Operating Fund

## Fire Medical Division 2200

### PROFILE

Fire Medical provides fire suppression, emergency medical, technical rescue, fire prevention and inspection, and public education services to Lawrence and Douglas County 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.

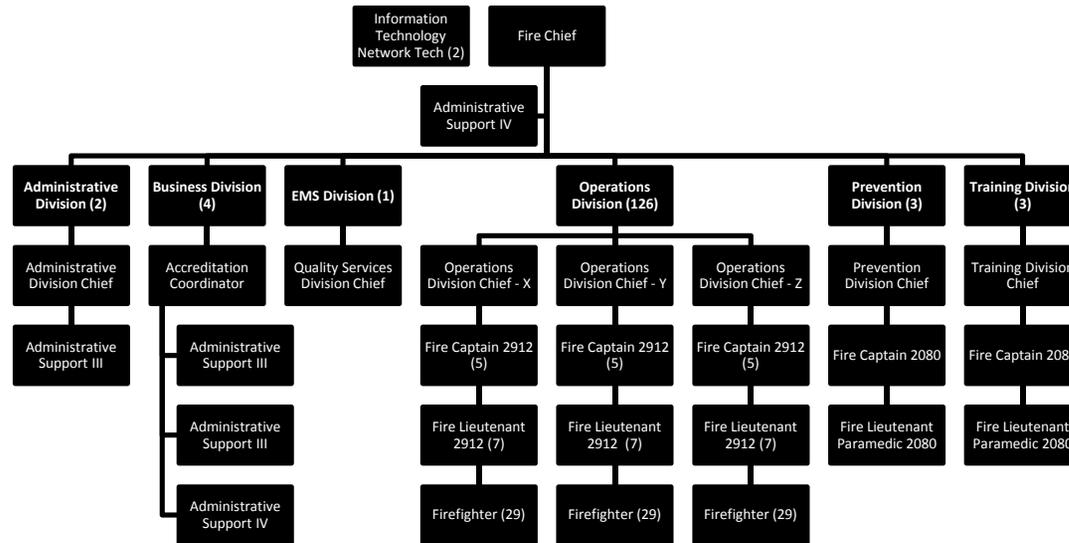
A joint Lawrence-Douglas County agreement establishes budget funding at 74.36% City, and 25.64% County. Fire services are provided to the City of Lawrence, while EMS and hazardous material responses are provided Countywide.

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

### 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

PERSONNEL	2014 Actual	2015 Adopted	2015 Estimate	2016 Budget
Authorized Positions	143.00	143.00	143.00	143.00

## EXPENDITURE SUMMARY

EXPENDITURES	2014 Actual	2015 Adopted	2015 Estimate	2016 Requested
<b>Personal Services</b>	\$ 13,299,839	\$ 13,717,730	\$ 13,717,730	\$ 14,023,950
<b>Contractual Services</b>	948,087	1,021,158	1,021,158	1,145,448
<b>Commodities</b>	487,370	509,546	509,546	551,280
<b>Capital Outlay</b>	95,168	44,000	44,000	-
<b>Refunds</b>	-	-	-	-
<b>Transfers</b>	-	-	-	-
<b>Contingency</b>	-	-	-	-
<b>Total</b>	\$ 14,830,465	\$ 15,292,434	\$ 15,292,434	\$ 15,720,678

## 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	2009-2014	2012	2013	2014
<b>Fire Baseline Results</b>	Composite 90%: 07:20	90%: 07:20	90%: 06:58	90%: 07:30

**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 AEMT) 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	2009-2014	2012	2013	2014
<b>EMS Baseline Results</b>	Composite 90%: Urban - 07:15 Rural - 17:04 Countywide - 10:26	90%: Urban - 07:52 Rural - 15:03 Countywide - 09:37	90%: Urban 06:40 Rural - 14:28 Countywide - 09:48	90% : Urban 07:36 Rural - 18:56 Countywide - 11:27

## MAJOR GOALS AND OBJECTIVES FOR 2016

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.

## PROFILE (cont.)

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.

## CURRENT YEAR ACCOMPLISHMENTS

1. Responded to 10,882 total incidents; 80.3% EMS.

## SIGNIFICANT ISSUES FOR 2016

1. Staffing Needs
2. Employee safety & training
3. Monitor response time for trends
4. Increasing demand for service
5. Diversity of workforce
7. Technology & apparatus

**FIRE MEDICAL**

# General Operating Fund

## Street Maintenance Division 3000

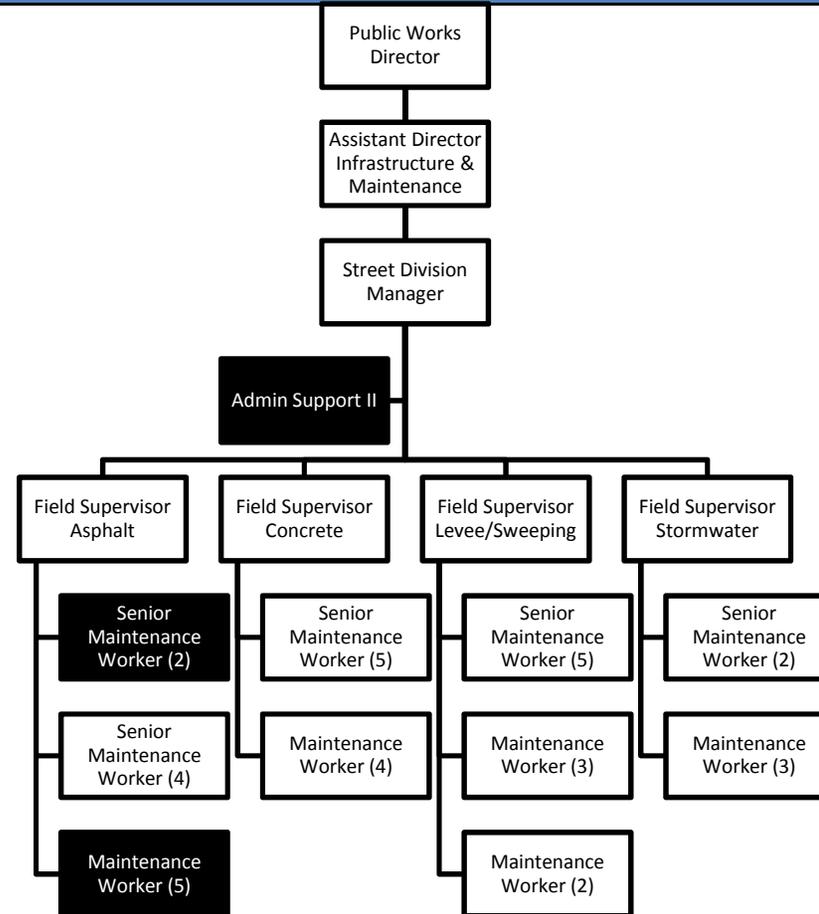
### PROFILE

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 336 centerline miles and over 837 lane 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	2014 Actual	2015 Adopted	2015 Estimate	2016 Budget
Authorized Positions	8.00	8.00	8.00	8.00

## EXPENDITURE SUMMARY

EXPENDITURES	2014 Actual	2015 Adopted	2015 Estimate	2016 Budget
<b>Personal Services</b>	\$ 398,187	\$ 401,800	\$ 401,800	\$ 412,920
<b>Contractual Services</b>	491,352	483,150	483,150	513,150
<b>Commodities</b>	1,548,124	2,237,606	2,237,606	2,403,452
<b>Capital Outlay</b>	54,000	-	-	-
<b>Debt Service</b>	-	-	-	-
<b>Transfers</b>	350,000	-	-	-
<b>Contingency</b>	-	-	-	-
<b>Total</b>	\$ 2,841,663	\$ 3,122,556	\$ 3,122,556	\$ 3,329,522

## PERFORMANCE INDICATORS

Indicator	2014 Actual	2015 Estimated	2016 Target
% of pavement rated as acceptable or			
Arterials	68.1%	72%	75%
Collectors	79.2%	80%	81%
Residential	86.7%	87%	88%
% of potholes on arterials filled within 24 hours (arterial streets)	68%	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 2016

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. Provided snow and ice control for 13 events.
3. Major crack-sealing and micro surfacing projects were completed. Over 67,600 pounds of crack sealer placed by City crews.
4. Examples of special projects include completion of a sidewalk gap project on 23rd Street, removal of BNSF tracks on 6th/Vermont/11th Streets, patching and street rehabilitation before mill and overlay, plus 960 feet of overflow pipe at 27th and Ridge Court.
5. Street sweeping for approximately 7,251 lane miles.
6. Demolition and clean-up at Lawrence VenturePark.

## SIGNIFICANT ISSUES FOR 2016

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

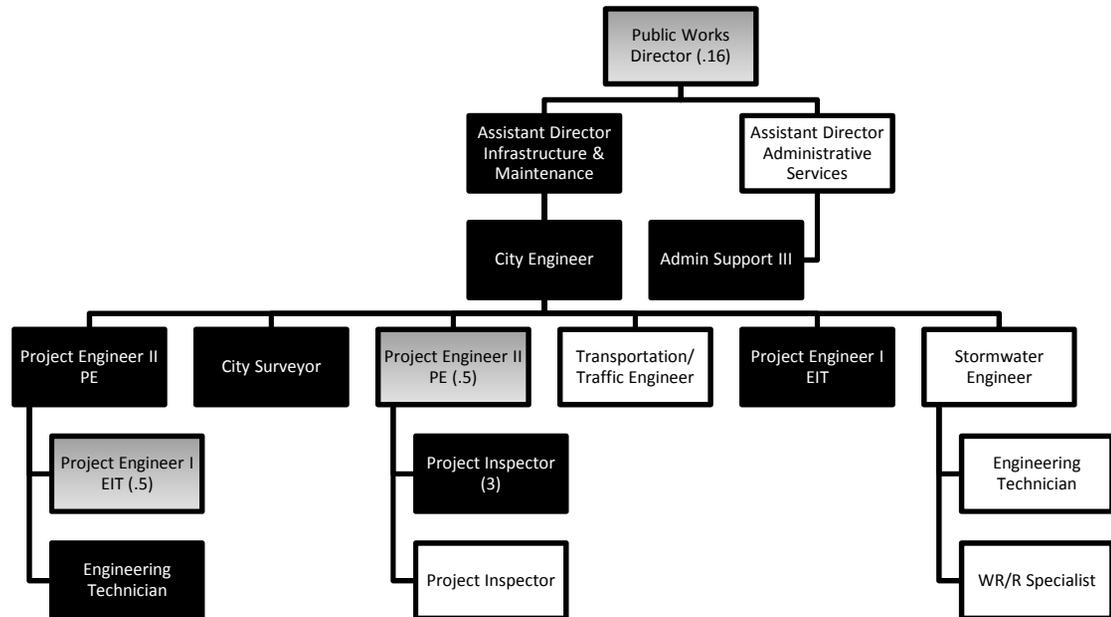
### PROFILE

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

	2014	2015	2015	2016
PERSONNEL	Actual	Adopted	Estimate	Budget
Authorized Positions	10.16	11.16	11.16	11.16

## EXPENDITURE SUMMARY

EXPENDITURES	2014 Actual	2015 Adopted	2015 Estimate	2016 Budget
<b>Personal Services</b>	\$ 867,817	\$ 885,620	\$ 885,620	\$ 907,830
<b>Contractual Services</b>	35,134	51,033	51,033	51,525
<b>Commodities</b>	51,155	55,620	55,620	56,420
<b>Capital Outlay</b>	44,962	10,000	10,000	10,000
<b>Debt Service</b>	-	-	-	-
<b>Transfers</b>	-	-	-	-
<b>Contingency</b>	-	-	-	-
<b>Total</b>	<b>\$ 999,068</b>	<b>\$ 1,002,273</b>	<b>\$ 1,002,273</b>	<b>\$ 1,025,775</b>

## PERFORMANCE INDICATORS

Indicator	2014 Actual	2015 Estimated	2016 Target
% of pavement rated as acceptable or better (PCI)			
Arterials	66.5%	70%	72%
Collectors	75.8%	78%	80%
Residential	86.5%	87%	88%
% of residents satisfied with street maintenance	39.4%	39.4%	39.4%
Street resurfacing completed by contract			
Overlay (lane miles)	11.9	15	20
Micro-surfacing (lane miles)	29.7	28	30
Concrete (square yards)	3,464	6,000	6,000
Curb & gutter (linear feet)	15,622	15,000	15,000

## MAJOR GOALS AND OBJECTIVES FOR 2016

1. Continue in-house engineering design services for small projects.
2. Complete the next 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 and geometric improvements at 23rd and Iowa intersection and portion of Wakarusa, including a new roundabout.
4. Oversight of major projects -- Lawrence VenturePark remediation and construction, Sports Pavilion Lawrence project, annual KLINK project; public improvements for Menards, Fox Chase, Langston Heights, and the brick street on Vermont.
5. In-house engineering design for project CDBG sidewalk gap projects  
9th Street  
Wakarusa north of BBP
6. Took over responsibility for right of way and event permits.

## SIGNIFICANT ISSUES FOR 2016

1. Limited resources have resulted in decreased engineering support of critical services including:  
  mapping / GIS system  
  project inspection capacity.
2. Refine driveway inspection program and right of way permitting.
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

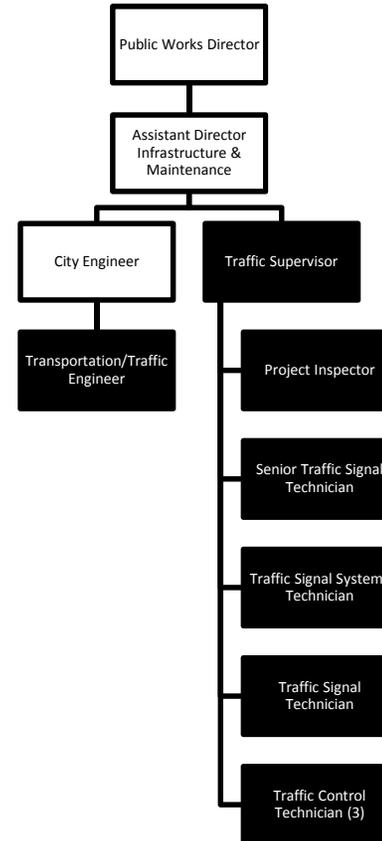
The Traffic Engineering Division reviews plats and site plans, street plans, analyzes traffic data, and provides professional and technical data to the Traffic Safety Commission. Field crews are responsible for signal maintenance, signal timing, street signs, and pavement markings. Crews also maintain 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 co locate with other street maintenance operations.

### 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	2014 Actual	2015 Adopted	2015 Estimate	2016 Budget
Authorized Positions	8.00	9.00	9.00	9.00

### EXPENDITURE SUMMARY

EXPENDITURES	2014 Actual	2015 Adopted	2015 Estimate	2016 Budget
<b>Personal Services</b>	\$ 536,370	\$ 576,480	\$ 576,480	\$ 574,120
<b>Contractual Services</b>	43,800	43,550	43,550	43,550
<b>Commodities</b>	151,870	138,318	138,318	138,318
<b>Capital Outlay</b>	-	10,000	10,000	10,000
<b>Debt Service</b>	-	-	-	-
<b>Transfers</b>	-	-	-	-
<b>Contingency</b>	-	-	-	-
<b>Total</b>	<b>\$ 732,040</b>	<b>\$ 768,348</b>	<b>\$ 768,348</b>	<b>\$ 765,988</b>

### PERFORMANCE INDICATORS

Indicator	2014 Actual	2015 Estimated	2016 Target
% of downed signs reinstalled within 3 days of completed locates	100%	100%	100%
% of intersections with video detection	60%	62%	65%
% of intersections with battery back up	75%	80%	85%
% of arterial and collector pavement markings in good condition, as rated by staff	N/A	60%	75%

### MAJOR GOALS AND OBJECTIVES FOR 2016

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. Oversight of major projects -- Lawrence VenturePark remediation and construction, Sports Pavilion Lawrence project, annual KLINK project.
4. Applied for and received grants to extend Intelligent Transportation System (ITS) on Clinton Parkway from Iowa to Wakarusa, and on Wakarusa from Clinton Parkway to 6th Street.
5. Completed 39 lane miles of long-line pavement marking in-house, plus cross walks at 2 intersections.

### SIGNIFICANT ISSUES FOR 2016

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

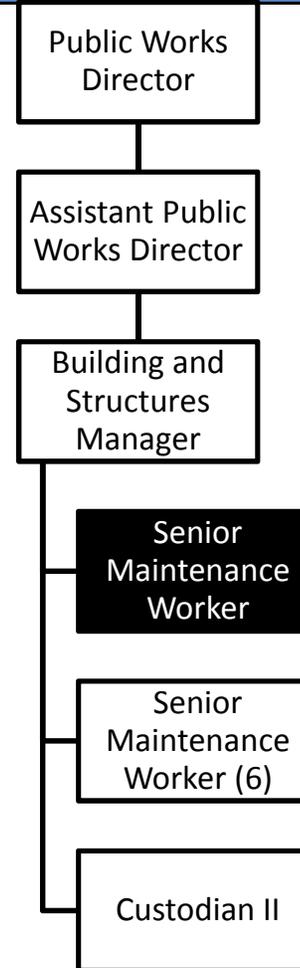
The Lawrence Municipal Airport is operated by a fixed base operator under agreement with the City. The Airport Manager function is shared by the Public Works Director (liaison to the Airport Advisory Board and the FAA) and the Building and Structures Manager (t-hangar leases and operational functions).

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



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	2014 Actual	2015 Adopted	2015 Estimate	2016 Budget
Authorized Positions	1.00	1.00	1.00	1.00

## EXPENDITURE SUMMARY

EXPENDITURES	2014 Actual	2015 Adopted	2015 Estimate	2016 Budget
<b>Personal Services</b>	\$ 65,979	\$ 66,490	\$ 66,490	\$ 67,100
<b>Contractual Services</b>	72,095	63,444	63,444	68,444
<b>Commodities</b>	17,944	11,860	11,860	11,860
<b>Capital Outlay</b>	38,387	45,000	45,000	-
<b>Debt Service</b>	-	-	-	-
<b>Transfers</b>	-	-	-	-
<b>Contingency</b>	-	-	-	-
<b>Total</b>	<b>\$ 194,405</b>	<b>\$ 186,794</b>	<b>\$ 186,794</b>	<b>\$ 147,404</b>

## PERFORMANCE INDICATORS

Indicator	2014 Actual	2015 Estimated	2016 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 2016

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. Sealed cracks and expansion joints at the community hangar.
2. Restoration of areas following sanitary sewer project.
3. Coordinated of the public events to increase awareness and familiarity with the municipal airport.
4. Wildlife management, including removal of overgrown brush and recording wildlife sightings.

## SIGNIFICANT ISSUES FOR 2016

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

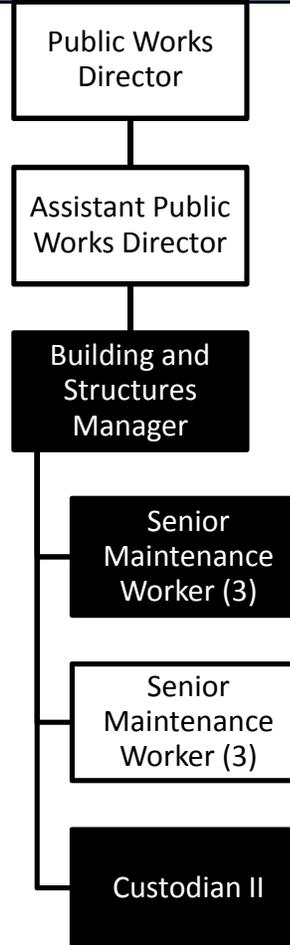
This division is responsible for building maintenance for municipal buildings except where such services are provided contractually. In addition to maintenance costs, utility costs for some buildings are paid out of this division's budget. The costs of operation of the Law Enforcement Center, which are 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. Monitored janitorial contract for contract for 13 buildings to improve quality control, standard of service, and manage costs.

### 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

	2014	2015	2015	2016
PERSONNEL	Actual	Adopted	Estimate	Budget
Authorized Positions	5.00	5.00	5.00	5.00

## EXPENDITURE SUMMARY

EXPENDITURES	2014 Actual	2015 Adopted	2015 Estimate	2016 Budget
<b>Personal Services</b>	\$ 334,939	\$ 340,970	\$ 340,970	\$ 333,490
<b>Contractual Services</b>	496,516	542,378	542,378	554,857
<b>Commodities</b>	57,535	55,400	55,400	55,583
<b>Capital Outlay</b>	-	-	-	-
<b>Debt Service</b>	-	-	-	-
<b>Transfers</b>	-	-	-	-
<b>Contingency</b>	-	-	-	-
<b>Total</b>	\$ 888,990	\$ 938,748	\$ 938,748	\$ 943,930

## PERFORMANCE INDICATORS

Indicator	2014 Actual	2015 Estimated	2016 Target
% of scheduled repairs completed on time	83%	90%	90%
% of emergency requests responded to within 2 hours	50%	96%	96%
% of respondents rating cleanliness of facilities as good or excellent	NA	92%	95%
% of respondents rating timeliness of repairs as good or excellent	94%	94%	95%

## MAJOR GOALS AND OBJECTIVES FOR 2016

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. Continued to update light fixtures in City Hall, the airport terminal, Fire Station #4, outside fixtures at lot 16, ITC, Street Division, and New Hampshire Parking Garage.
3. Made modifications for optimal operations, including lighting changes, for new Vermont Street Parking Garage.
4. Examples of projects for year:
  - Refreshed and reconfigured several office areas (City Hall);
  - High pressure sodium fixtures replaced by LEDs in North Lawrence tunnel;
  - Maintenance Garage remodel following installation of parts carousel;
  - Electrical and HVAC modifications at Fire 3 to improve situation for ambulances;
  - Lot maintenance work for train depot and parking lots.
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 2016

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	2014 Actual	2015 Adopted	2015 Estimate	2016 Budget
Personal Services	\$ -	\$ -	\$ -	\$ -
Contractual Services	870,073	814,000	814,000	885,460
Commodities	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service	-	-	-	-
Transfers	-	-	-	-
Contingency	-	-	-	-
<b>Total</b>	<b>\$ 870,073</b>	<b>\$ 814,000</b>	<b>\$ 814,000</b>	<b>\$ 885,460</b>

## PERSONNEL SUMMARY

PERSONNEL	2014 Actual	2015 Adopted	2015 Estimate	2016 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 2016

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

**STREET LIGHTS**



*City of Lawrence*

# General Operating Fund

## Levee Maintenance Division 3070

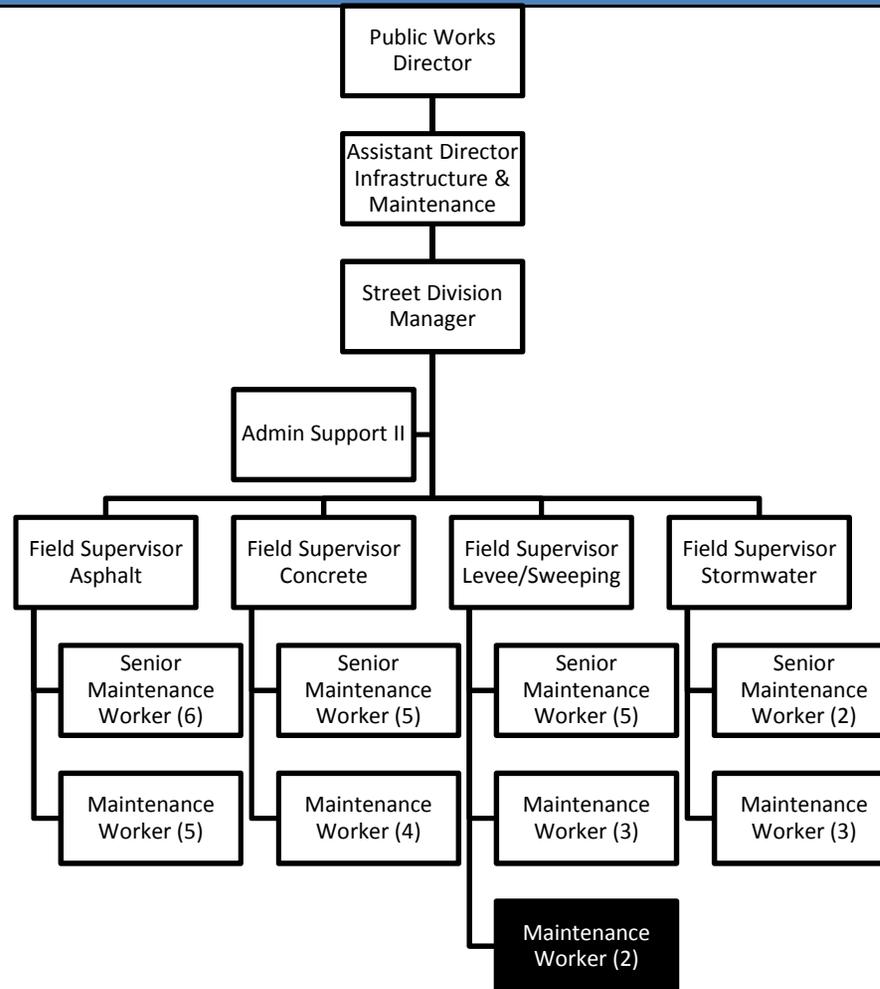
### PROFILE

The levee system covers 2600 acres and is approximately 13 miles. The levee protects North Lawrence and a large portion of farmland in Douglas County from the Kansas River and Mud Creek. The river levels are monitored by staff year round. Staff are the first to respond to rising river levels. Eight miles of levee top are maintained for recreation, and it is a popular place for walking, jogging, and bike riding.

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	2014 Actual	2015 Adopted	2015 Estimate	2016 Budget
Authorized Positions	2.00	2.00	2.00	2.00

## EXPENDITURE SUMMARY

EXPENDITURES	2014 Actual	2015 Adopted	2015 Estimate	2016 Budget
<b>Personal Services</b>	\$ 100,937	\$ 94,310	\$ 94,310	\$ 94,860
<b>Contractual Services</b>	67,107	80,080	80,080	80,080
<b>Commodities</b>	26,968	23,300	23,300	23,300
<b>Capital Outlay</b>	-	-	-	-
<b>Debt Service</b>	-	-	-	-
<b>Transfers</b>	-	-	-	-
<b>Contingency</b>	-	-	-	-
<b>Total</b>	<b>\$ 195,012</b>	<b>\$ 197,690</b>	<b>\$ 197,690</b>	<b>\$ 198,240</b>

## PERFORMANCE INDICATORS

Indicator	2014 Actual	2015 Estimated	2016 Target
# of events requiring flood gate closures	2	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 2016

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. Completed modifications to access gates.
4. Participated in major USACE inspection and prepared response to needed work items.
5. Improvements made based on 2012 inspection -- repair area inlet grates, removed trees adjacent to grade control structures (Mud Creek) and in two areas on the river side of the levee.

## SIGNIFICANT ISSUES FOR 2016

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.

Address deficiencies noted in last inspection, including deteriorating rock slope protection, levee embankment encroachments, unwanted vegetative growth, and unwanted erosion around discharge pipes.

## LEVEE MAINTENANCE

# General Operating Fund

## Parks / Facility Maintenance Division 4500

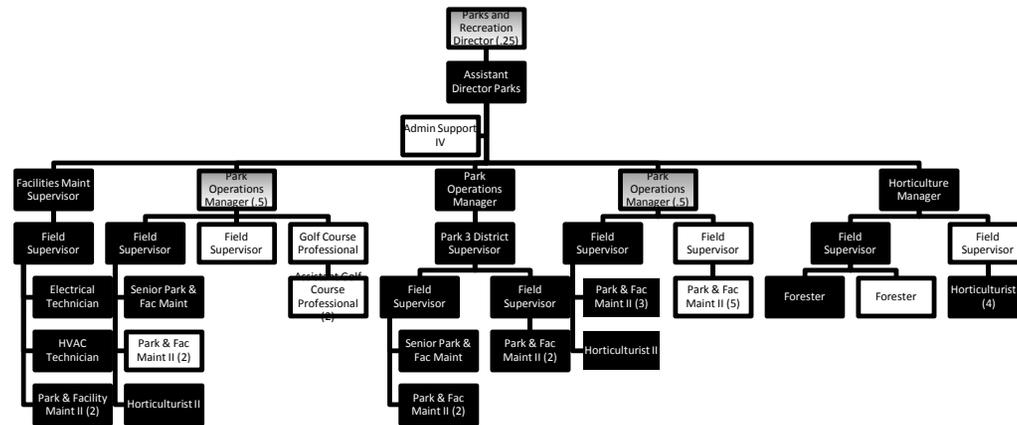
### PROFILE

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 high use parks such as South Park, Centennial Park, Watson Park in the north, central and east parts of town, this also include our three cemetery operations)
4. Parks District #3 (Management of Mowing Contracts/Roundabouts and Parks on West Side of Town)
5. Construction (oversees park construction, electric & HVAC. Maintenance of three recreation centers,
6. Horticulture (city-wide landscape/forestry maintenance and downtown streetscape/MSTP, Contract Management and manage municipal contract mowing. Com/Dev Plan Review Team)

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



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### PERSONNEL SUMMARY

PERSONNEL	2014 Actual	2015 Adopted	2015 Estimate	2016 Budget
Authorized Positions	31.75	32.25	32.25	32.25

### EXPENDITURE SUMMARY

EXPENDITURES	2014 Actual	2015 Adopted	2015 Estimate	2016 Budget
<b>Personal Services</b>	\$ 2,190,938	\$ 2,303,450	\$ 2,303,450	\$ 2,323,673
<b>Contractual Services</b>	716,338	747,361	747,361	833,343
<b>Commodities</b>	353,035	373,808	373,808	397,749
<b>Capital Outlay</b>	22,154	28,000	28,000	28,000
<b>Debt Service</b>	-	-	-	-
<b>Transfers</b>	-	-	-	-
<b>Contingency</b>	-	-	-	-
<b>Total</b>	<b>\$ 3,282,465</b>	<b>\$ 3,452,619</b>	<b>\$ 3,452,619</b>	<b>\$ 3,582,765</b>

### PERFORMANCE INDICATORS

Indicator	2014	2015	2016
	Actual	Estimated	Target
% 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 2016

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 within 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 2016

1. Increase funding needed in the following areas: Infrastructure Repair, Equipment and Vehicle Replacement, Contractual Service Lines for Mowing, tree removal and cleaning services.
2. Increasing part-time wages to allow us to compete with other businesses that employ these seasonal laborers. The department has requested replacement of three full-time maintenance positions that were cut over the past few years due to the recession. The FTE request is not reflected in the department's recommended budget pages.

### 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:

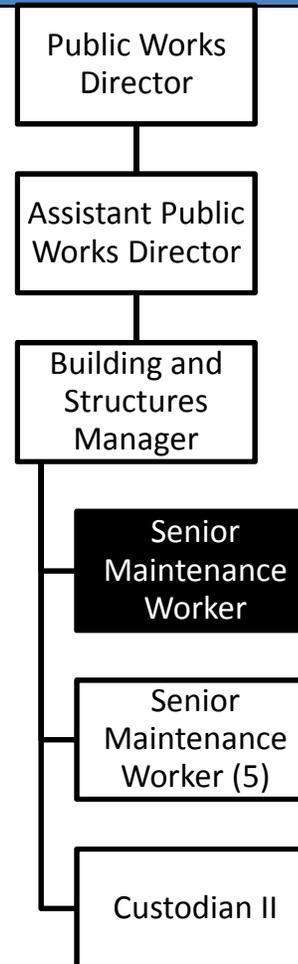
1. Safeguard community health through swift response to illness outbreaks.
2. Monitor the health of the community to recognize health trends and identify health problems.
3. Promote wellness by fostering community health initiatives.
4. Collaborate to protect health and control the costs associated with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

The 2016 budget includes \$671,401 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

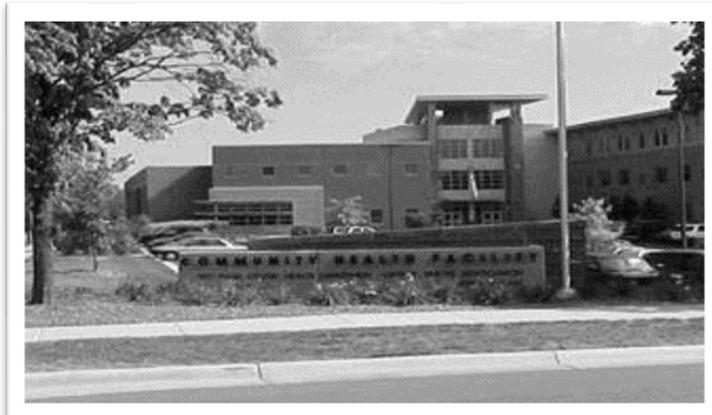
	2014 Actual	2015 Adopted	2015 Estimate	2016 Budget
<b>PERSONNEL</b>				
Authorized Positions	1.00	1.00	1.00	1.00

## EXPENDITURE SUMMARY

EXPENDITURES	2014 Actual	2015 Adopted	2015 Estimate	2016 Budget
<b>Personal Services</b>	\$ 66,268	\$ 66,380	\$ 66,380	\$ 66,980
<b>Contractual Services</b>	924,962	954,612	954,612	959,711
<b>Commodities</b>	15,584	16,987	16,987	16,987
<b>Capital Outlay</b>	-	-	-	-
<b>Debt Service</b>	-	-	-	-
<b>Transfers</b>	-	-	-	-
<b>Contingency</b>	-	-	-	-
<b>Total</b>	<b>\$ 1,006,814</b>	<b>\$ 1,037,979</b>	<b>\$ 1,037,979</b>	<b>\$ 1,043,678</b>

## PERFORMANCE INDICATORS

Indicator	2014 Actual	2015 Estimated	2016 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 2016

1. As a nationally accredited health department continue our quality improvement and community engagement efforts.
2. Reduce the burden of chronic disease by creating healthier environments and behaviors.
3. Prevent disease by protecting individuals of all ages against vaccine-preventable diseases.
4. Protect the health of the community by enforcing health and safety codes and regulations.
5. Provide communicable disease case investigation and follow-up in order to prevent or reduce the spread of disease.
6. Promote improved health outcomes for pregnant women and their infants by placing pregnant women into early
7. Promote health by helping teen parents become self-sufficient through goal setting and life skills development.
8. Promote health by helping mothers and pregnant women meet their nutritional needs and those of their children.
9. Provide care coordination to seniors focused on improved health and safety.

## HEALTH DEPARTMENT



*City of Lawrence*

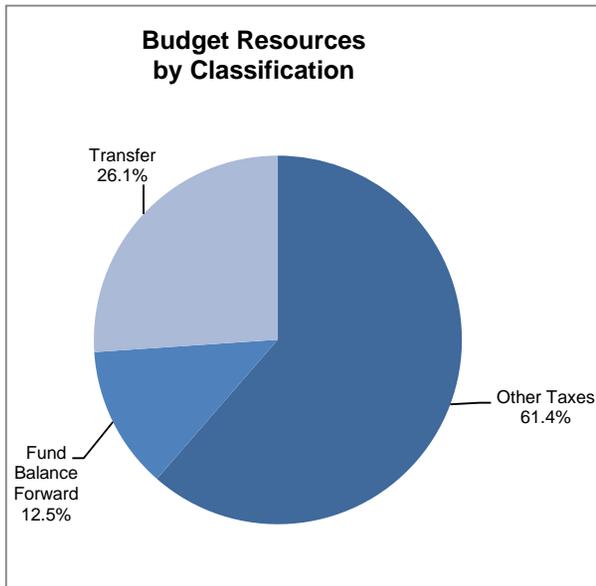
# GUEST TAX FUND

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*City of Lawrence*

## Fund 206 - GUEST TAX



	<b>2014 Actual</b>	<b>2015 Budget</b>	<b>2015 Estimated</b>	<b>2016 Budget</b>
<b>RECEIPTS</b>				
Guest Tax Income	\$ 1,123,093	\$ 975,000	\$ 975,000	\$ 1,649,260
Transfer - Guest Tax Reserve	-	-	-	700,115
<b>TOTAL RECEIPTS</b>	<b>1,123,093</b>	<b>975,000</b>	<b>975,000</b>	<b>2,349,375</b>
Balance, January 1	157,333	69,833	359,177	336,197
<b>TOTAL RESOURCES AVAILABLE</b>	<b>\$ 1,280,426</b>	<b>\$ 1,044,833</b>	<b>\$ 1,334,177</b>	<b>\$ 2,685,572</b>

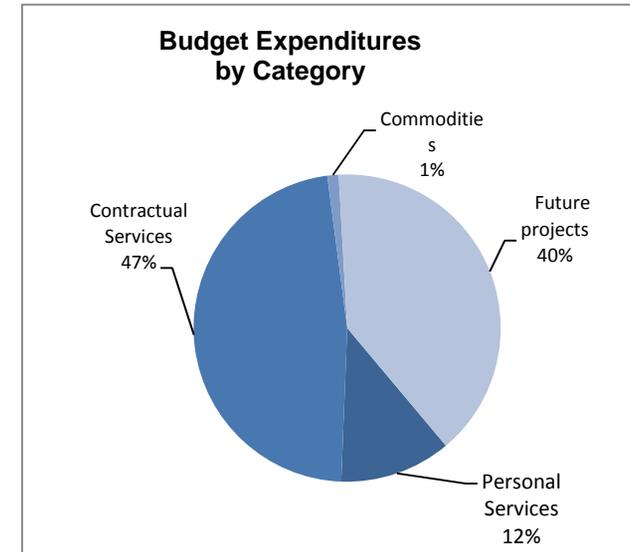
## REVENUE SOURCES - DESCRIPTIONS AND TRENDS

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 eXplore Lawrence (the Lawrence Convention and Visitors Bureau), continued growth in sleeping rooms as well as the development of signature and athletic events drawing visitors to town has had a positive effect on the Lawrence market. The 2016 budget reflects the deposit of the Guest Tax Reserve fund balance (\$700,115) in the Guest Tax Fund. Resulting from this deposit, 2016 budgeted guest tax revenue, reflects a 100% increase compared to the 2015 estimated budget.

## Fund 206 - GUEST TAX

<b>EXPENDITURES</b>	<b>2014 Actual</b>	<b>2015 Budget</b>	<b>2015 Estimated</b>	<b>2016 Budget</b>
Personal Services	\$ -	\$ -	\$ -	\$ 300,014
Contractual Services	921,249	997,980	997,980	1,210,300
Commodities	-	-	-	30,300
Future projects	-	-	-	1,017,000
<b>TOTAL EXPENDITURES</b>	<b>\$ 921,249</b>	<b>\$ 997,980</b>	<b>\$ 997,980</b>	<b>\$ 2,557,614</b>
<b>FUND BALANCE FORWARD</b>	<b>\$ 359,177</b>	<b>\$ 46,853</b>	<b>\$ 336,197</b>	<b>\$ 127,958</b>



### EXPENDITURES - DESCRIPTIONS AND TRENDS

Personal Services - This 2016 budget includes wages for two positions that will provide resources to both the city and CVB as well as two positions in Parks and Recreation responsible for the downtown beautification program. Prior to 2016 the Parks and Recreation positions were funded from the Parking Fund.

Contractual Services - Services provided to the City by firms, individuals, and other City departments. Included in this category for 2016 are the following:

DMI/CVB Contract*	\$940,000	Watkins Museum (2nd year of 3 year pledge)	30,000
Sister Cities Advisory Board**	8,000	Theatre Lawrence (last year of five year pledge)	20,000
Special Events Grant program	150,000	Other (exhibits, etc)	50,000
Parks & Recreation downtown beautification program	12,300	<b>TOTAL</b>	<b>\$1,110,300</b>

Commodities - Operating supplies utilized by Parks and Recreation including additional trees, seeds and plants for the downtown beautification program. Prior to 2016 these expenditures were funded from the Parking Fund.

Future Projects - In order to achieve maximum budget authority for 2016, this amount is included in the recommended budget.

\*DMI/CVB Contract - Under a contract between the City and 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. Beginning in 2015, the City's Communication Manager was named as Interim Director. A portion of her salary is included in the fund. For 2016, DMI has requested additional funding of \$80,000 for additional sales and marketing staff.

\*\*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 increased slightly in 2016.

# Guest Tax Fund

Tourism  
Division 8100

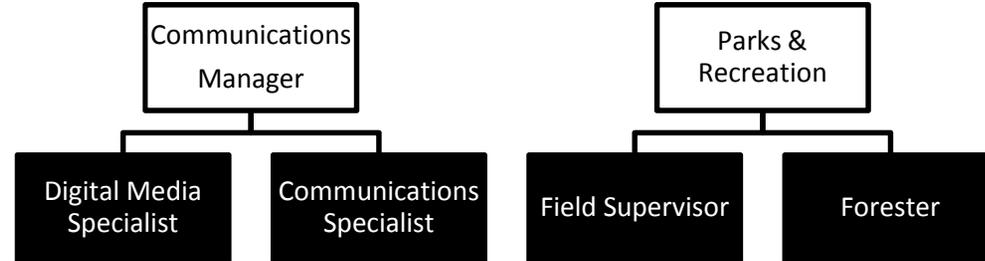
## PROFILE

The City of Lawrence collects a 6% tax on the rental of rooms, lodging, or other sleeping accommodations. In 2015, the local convention and visitors bureau (CVB) rebranded to eXplore Lawrence. Destination Management, Inc. receives \$940,000 for the operations of eXplore Lawrence and shared resources to support Freedom's Frontier National Heritage area headquarters. The city will continue to support the efforts to grow tourism and desination marketing of Lawrence by adding positions in the Public Information Office that provide resources to both the city and CVB including general marketing, outreach, digital media and publications efforts. This fund will also support two Parks and Recreation staff members with a primary function of providing provide beautification and numerous amenities specific to downtown and the attraction of guests to the heart of our entertainment district. A Transient Guest Tax Grant Program will be established at \$150,000 per year to assist in event marketing and event creation/collaboration with other local organizations.

## CURRENT YEAR ACCOMPLISHMENTS

The Guest Tax has seen a 30% increase in previous years due to the community's collective work to promote Lawrence as a destination.

## ORGANIZATIONAL CHART



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## PERSONNEL SUMMARY

PERSONNEL	2014 Actual	2015 Adopted	2015 Estimate	2016 Budget
Authorized Positions				4.00

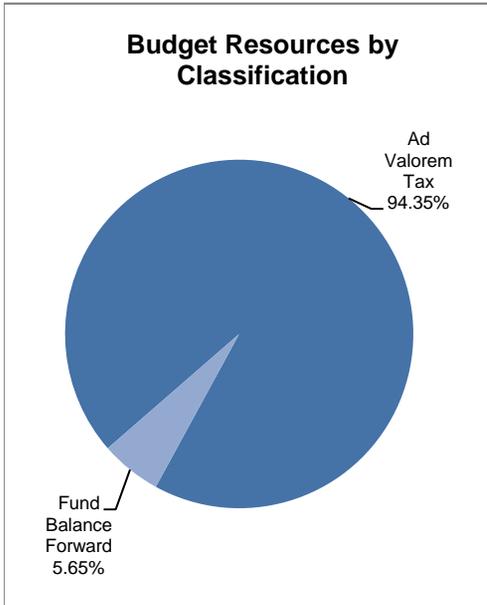
# LIBRARY FUND

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*City of Lawrence*

## Fund 209 - LIBRARY



<b>RECEIPTS</b>	<b>2014 Actual</b>	<b>2015 Adopted</b>	<b>2015 Estimated</b>	<b>2016 Budget</b>
Taxes - Current	\$ 2,988,573	\$ 3,198,949	\$ 3,285,321	\$ 3,272,186
Taxes - Delinquent	39,908	45,000	45,000	45,000
Motor Vehicle Taxes	287,011	267,060	267,060	296,871
Payment in Lieu of Taxes	-	-	-	-
Miscellaneous	-	-	-	-
Transfer In	-	-	-	-
<b>TOTAL RECEIPTS</b>	<b>\$ 3,315,492</b>	<b>\$ 3,511,009</b>	<b>\$ 3,597,381</b>	<b>\$ 3,614,057</b>
Balance, January 1	236,624	73,991	168,856	216,237
<b>TOTAL RESOURCES AVAILABLE</b>	<b>\$ 3,552,116</b>	<b>\$ 3,585,000</b>	<b>\$ 3,766,237</b>	<b>\$ 3,830,294</b>

## REVENUE SOURCES - DESCRIPTIONS AND TRENDS

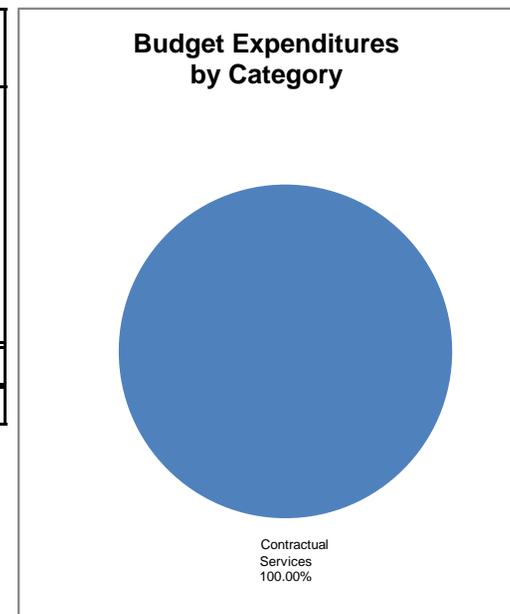
**Revenue Sources** - Under City Charter Ordinance No. 16, the Governing Body of the City of Lawrence shall annually levy ad valorem and motor vehicle property taxes for the equipping, operating and maintenance of the Free Public Library of the City of Lawrence. The tax is not to exceed 4.5 mills. The Lawrence Public Library anticipates receiving approximately 92.5% of its 2016 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** - When voters approved the debt issuance for construction of the Library expansion in 2010, the educational materials discussed the need for a 0.5 mill increase to support operations at the expanded facility. The mill levy was increased by 0.203 in the 2012 budget and 0.049 mill in the 2014 budget. To complete the 0.5 mill increase, a mill increase of 0.248 mill was included in 2015, which brought the mill levy for the Library to 3.755 mills.

It should be noted that the level of expenditures and revenue will not be sustainable past 2016 due to lowering fund balance. It appears that in 2017 either the mill levy may require adjustment, or expenditures reduced. This issue will become even more important as the recently adopted tax lid becomes effective January 1, 2018.

## Fund 209 - LIBRARY

<b>EXPENDITURES</b>	<b>2014 Actual</b>	<b>2015 Adopted</b>	<b>2015 Estimated</b>	<b>2016 Budget</b>
Personal Services	\$ -	\$ -	\$ -	\$ -
Contractual Services	\$ 3,383,260	\$ 3,550,000	\$ 3,550,000	\$ 3,750,000
Commodities	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service	-	-	-	-
Contingency	-	-	-	-
Transfer to Reserve	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>\$ 3,383,260</b>	<b>\$ 3,550,000</b>	<b>\$ 3,550,000</b>	<b>\$ 3,750,000</b>
<b>FUND BALANCE FORWARD</b>	<b>\$ 168,856</b>	<b>\$ 35,000</b>	<b>\$ 216,237</b>	<b>\$ 80,294</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 required increasing levels of support in recent years largely due to employee healthcare cost and increases in contributions to employee retirement. The expenditure trend is expected to continue in 2016 as it will be a full year for a pay plan that was implemented in 2015.

# Fund 209 - LIBRARY

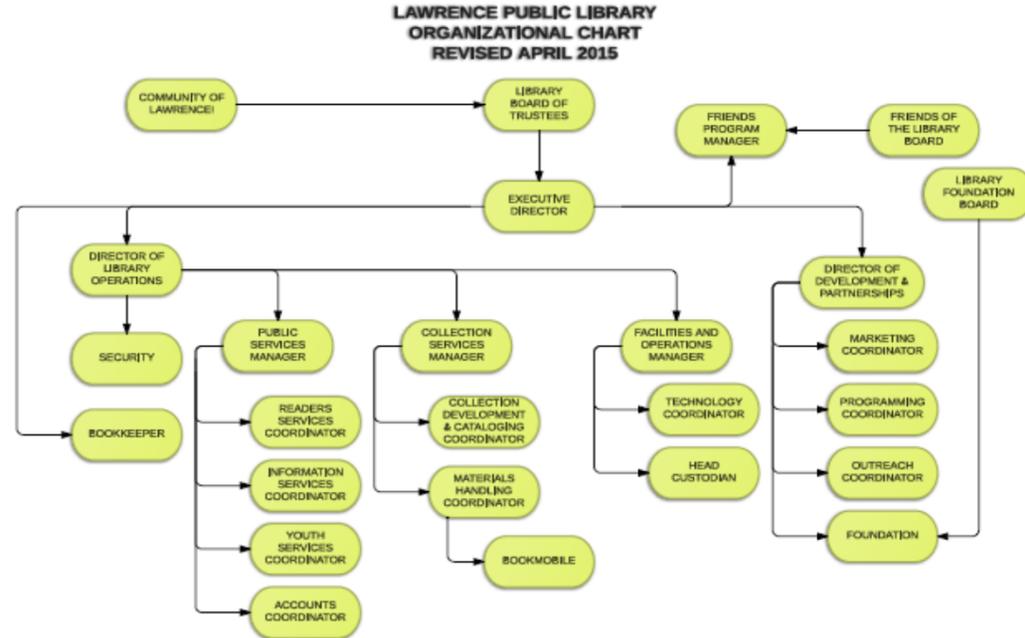
## PROFILE

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

## CURRENT YEAR ACCOMPLISHMENTS

1. Library visits up over 100% from 2014.
2. New library cards issued up 40% from 2014.
3. Implemented new salary schedule for staff (achieved 88% of market rate).

## ORGANIZATIONAL CHART



## PERSONNEL SUMMARY

	2014	2015	2015	2016
PERSONNEL	Actual	Adopted	Estimate	Budget
Authorized Positions	22.26	22.26	22.26	22.26

### EXPENDITURE SUMMARY

<b>EXPENDITURES</b>	<b>2014 Actual</b>	<b>2015 Adopted</b>	<b>2015 Estimated</b>	<b>2016 Budget</b>
Personal Services	\$ -	\$ -	\$ -	\$ -
Contractual Services	3,383,260	3,550,000	3,550,000	3,750,000
Commodities	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service	-	-	-	-
Contingency	-	-	-	-
Transfer to Reserve	-	-	-	-
<b>Total</b>	<b>\$ 3,383,260</b>	<b>3,550,000</b>	<b>3,550,000</b>	<b>\$ 3,750,000</b>

### SIGNIFICANT ISSUES FOR 2016

The most significant issue facing the library in 2016 is organizational capacity to keep up with user demand. The library is currently understaffed to meet the high expectations of our community.

Also, an issue that the library continues to address is pay inequity for library staff. Library staff continues to be paid at only 88% of 2014 market rates compared to peer public libraries, as well as similarly skilled jobs at the City.

### PERFORMANCE INDICATORS

<b>Indicator</b>	<b>2014 Actual</b>	<b>2015 Estimated</b>	<b>2016 Target</b>
Circulation	1,291,997	1,400,000	1,500,000
User Visits	308,168	650,000	600,000
Website Visits	252,985	275,000	300,000
Reference transactions	94,627	120,000	125,000

### MAJOR GOALS AND OBJECTIVES FOR 2016

1. Increase capacity and use of SOUND+VISION recording studio.
2. Develop robust volunteer program with new VISTA position.
3. Expand outreach to children in the community.



*City of Lawrence*

# **PUBLIC TRANSPORTATION FUND**

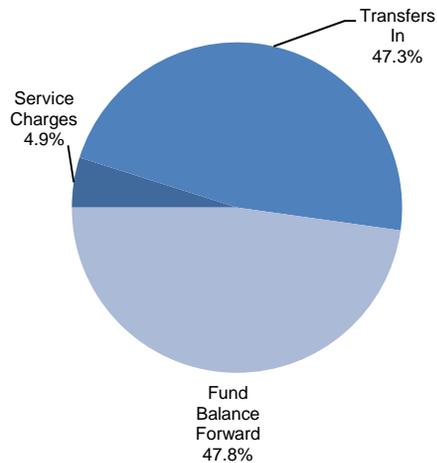
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*City of Lawrence*

## Fund 210 - PUBLIC TRANSPORTATION

**Budget Resources by Classification**



	2014 Actual	2015 Adopted	2015 Estimated	2016 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	392,514	335,676	335,676	404,289
Interest on Investments	-	-	-	-
Miscellaneous	-	-	-	-
Transfers In - 0.05% sales tax	-	500,000	500,000	500,000
Transfers In - 0.2% sales tax	3,177,484	3,128,294	3,128,294	3,387,802
<b>TOTAL RECEIPTS</b>	<b>\$ 3,569,998</b>	<b>\$ 3,963,970</b>	<b>\$ 3,963,970</b>	<b>\$ 4,292,091</b>
Balance, January 1	2,892,970	1,574,303	4,074,315	3,932,276
<b>TOTAL RESOURCES AVAILABLE</b>	<b>\$ 6,462,968</b>	<b>\$ 5,538,273</b>	<b>\$ 8,038,285</b>	<b>\$ 8,224,367</b>

### REVENUE RESOURCES - DESCRIPTIONS AND TRENDS

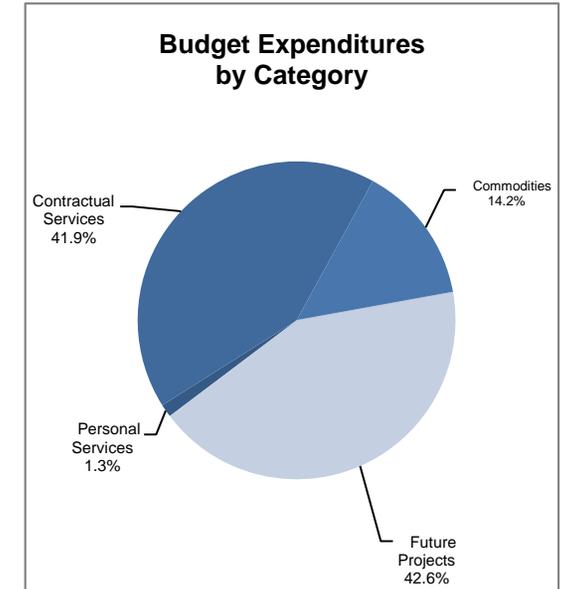
**Transfer In** – In 2008, voters approved a 0.20% local sales tax to fund the operations of existing transit service levels and an additional 0.05% sales tax to fund an expansion of transit service. Pursuant to State Statute, all sales tax proceeds are deposited in the City's General Operating Fund then transferred into other funds. In prior years, only those proceeds from the 0.20% sales tax were transferred into the Public Transportation Fund. Beginning in 2015, proceeds from the 0.05% sales tax will also be transferred into this Fund to support the operation of expanded service, including operations at a new transit hub. 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 in the Public Transportation Fund. Increased ridership is expected in 2016 resulting in a budgeted increase of fare revenue.

\* 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*	2014 Actual	2015 Adopted	2015 Estimated	2016 Budget
Personal Services	\$ 82,676	\$ 93,184	\$ 93,184	\$ 104,537
Contractual Services	1,431,380	3,015,732	3,015,732	3,284,015
Commodities	657,847	997,093	997,093	1,109,721
Capital Outlay	216,750	-	-	-
Debt Service	-	-	-	-
Contingency	-	600,000	-	-
Future Projects	-	500,000	-	3,334,500
<b>TOTAL EXPENDITURES</b>	<b>\$ 2,388,653</b>	<b>\$ 5,206,009</b>	<b>\$ 4,106,009</b>	<b>\$ 7,832,773</b>
<b>FUND BALANCE FORWARD</b>	<b>\$ 4,074,315</b>	<b>\$ 332,264</b>	<b>\$ 3,932,276</b>	<b>\$ 391,594</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.

Contractual Services – MV Transportation, Inc. (MV) was selected by the City and University of Kansas to provide transportation services from 2014 to 2018. Although the rates did not change dramatically, the 2016 budget assumes increases in service to accommodate the relocation of the transfer location.

Commodities –The increase in 2016 is attributed to expected increases in fuel usage resulting from additional service, as well as the cost of motor vehicle repairs. Commodities expenses have fluctuated over time based on needs and available resources.

Future Projects - In order to achieve maximum budget authority for 2016, this amount is included in the recommended budget

\* 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

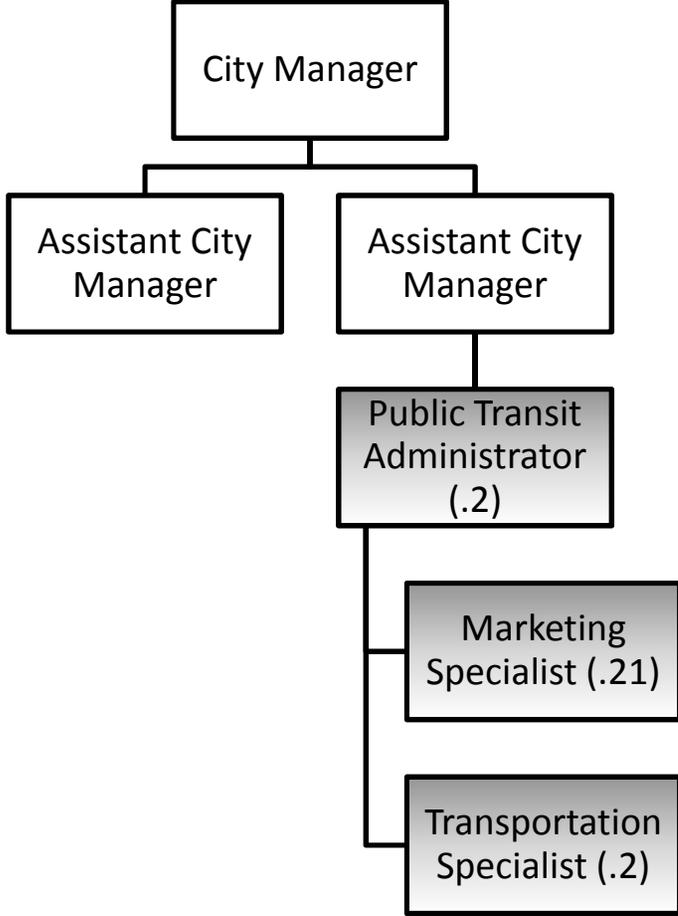
The Public Transit Department is responsible for all aspects of the City's transit program including providing safe, accessible and reliable transportation service in the community. The department primarily provides oversight activities of the public transit provider contract which operates our fixed 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 third year of the successful Summer Pass Program which markets to future "choice" riders.

## 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

	2014 Actual	2015 Adopted	2015 Estimate	2016 Budget
<b>PERSONNEL</b>				
Authorized Positions	0.61	0.61	0.61	0.61

### EXPENDITURE SUMMARY

Expenditures	2014 Actual	2015 Adopted	2015 Estimate	2016 Budget
<b>Personal Services</b>	\$ 82,676	\$ 93,184	\$ 93,184	\$ 104,537
<b>Contractual Services</b>	1,431,380	3,015,732	3,015,732	3,284,015
<b>Commodities</b>	657,847	997,093	997,093	1,109,721
<b>Capital Outlay</b>	216,750	-	-	-
<b>Debt Service</b>	-	-	-	-
<b>Contingency</b>	-	600,000	-	-
<b>Future Projects</b>	-	500,000	-	3,334,500
<b>Total</b>	\$ 2,388,653	\$ 5,206,009	\$ 4,106,009	\$ 7,832,773

### PERFORMANCE INDICATORS

Indicator	2014 Actual	2015 Estimated	2016 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 2016

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 KU.
3. Begin design and construction of a new transit center.

### CURRENT YEAR ACCOMPLISHMENTS (cont.)

2. Introduce additional programs to provide real time bus information for both operations management and users of the service.
3. Received three 29 foot heavy-duty vehicles and placed into service.
4. Responded to new development by providing service. This included Rock Chalk Park and the Peaslee Center.
5. Continued increases in ridership on City funded routes.

### SIGNIFICANT ISSUES FOR 2016

The critical issue for continued improvement of transit service is for the development of a transit center. Continued improvements to level of service provided to the community is dependant upon a final determination of this location and the re-networking of the entire system. Improved coordination of transit service between the City and with KU is also dependant on this issue.

### PUBLIC TRANSPORTATION



*City of Lawrence*

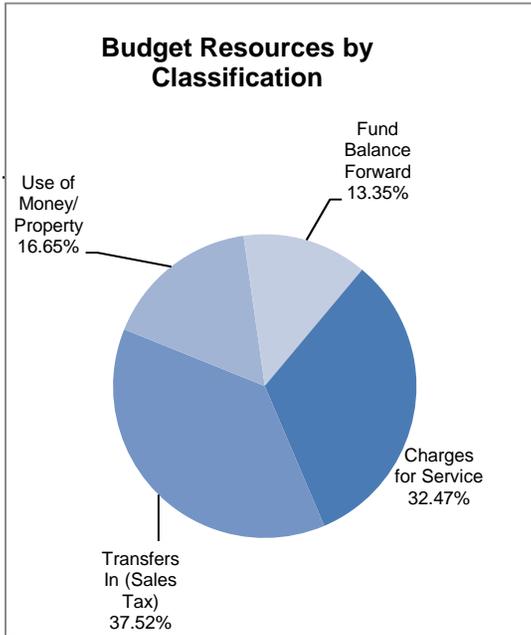
# RECREATION FUND

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*City of Lawrence*

## Fund 211 - RECREATION



<b>RECEIPTS</b>	<b>2014 Actual</b>	<b>2015 Adopted</b>	<b>2015 Estimated</b>	<b>2016 Budget</b>
Taxes - Current	\$ -	\$ -	\$ -	\$ -
Taxes -Delinquent	539	-	-	-
Motor Vehicle Taxes	-	-	-	-
Payment in Lieu of Taxes	-	-	-	-
Fees	595,798	606,500	606,500	621,443
Aquatic Programs	708,191	785,000	785,000	673,000
Sports Pavilion Lawrence	145,159	716,500	716,500	716,500
Concessions	23,631	16,000	16,000	22,000
Special Populations	66,439	118,000	118,000	121,002
Building / Field Rental	311,692	222,000	222,000	313,000
Class Enrollment	444,623	415,000	415,000	566,500
Miscellaneous	13,953	3,300	3,300	3,400
Transfer from General Fund	2,230,157	2,230,157	2,230,157	2,319,363
<b>TOTAL RECEIPTS</b>	<b>\$ 4,540,183</b>	<b>\$ 5,112,457</b>	<b>\$ 5,112,457</b>	<b>\$ 5,356,208</b>
Balance, January 1	960,664	622,114	893,585	825,181
<b>TOTAL RESOURCES AVAILABLE</b>	<b>\$ 5,500,847</b>	<b>\$ 5,734,571</b>	<b>\$ 6,006,042</b>	<b>\$ 6,181,389</b>

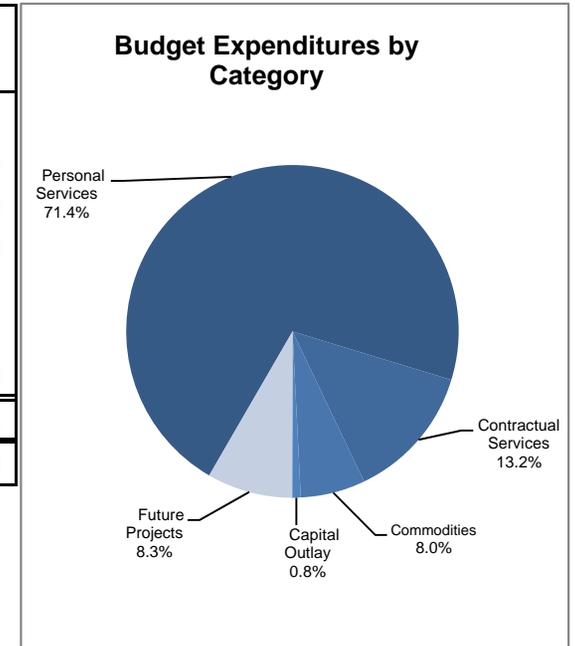
### REVENUE SOURCES - DESCRIPTIONS AND TRENDS

**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, Sports Pavilion Lawrence, the aquatic centers, and other miscellaneous sites and venues. Revenue from the county-wide sales tax is projected to increase and is transferred from the General Fund to the Recreation Fund in order to provide support for operations. Prior to 2012, property taxes were levied to support recreation activities.

**Trends** - Fee increases continue to be reviewed regularly for all programs and events and have been implemented when appropriate over time. The property tax mill levy for recreation was eliminated in 2012 and replaced with an increase in the transfer of county-wide sales tax proceeds. The amount of sales tax revenue transferred into the Fund increased beginning in 2014 to support operations at the new Sports Pavilion Lawrence and is budgeted to increase in 2016. Revenues from new programs and events associated with Sports Pavilion Lawrence are also reflected in the budget beginning in 2014, throughout 2015 and budgeted for 2016.

## Fund 211 - RECREATION

EXPENDITURES	2014 Actual	2015 Adopted	2015 Estimated	2016 Budget
Personal Services	\$ 3,529,426	\$ 3,928,316	\$ 3,928,316	\$ 4,201,601
Contractual Services	506,377	821,006	821,006	777,006
Commodities	564,938	371,539	371,539	370,539
Capital Outlay	6,520	60,000	60,000	50,000
Debt Service	-	-	-	-
Contingency	-	285,000	-	-
Future Projects	-	-	-	487,700
<b>TOTAL EXPENDITURES</b>	<b>\$ 4,607,262</b>	<b>\$ 5,465,861</b>	<b>\$ 5,180,861</b>	<b>\$ 5,886,846</b>
<b>FUND BALANCE FORWARD</b>	<b>\$ 893,585</b>	<b>\$ 268,710</b>	<b>\$ 825,181</b>	<b>\$ 294,543</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 Sports Pavilion Lawrence, results in budgeted expenditure increases for 2016.

Contractual Services - Services provided to the City by firms, individuals, and other City departments. The budget increased in 2015 for operations at the new Sports Pavilion Lawrence. Expenditures have fluctuated in order to meet revenue constraints over the years, but a reduction is budgeted in 2016.

Commodities - Fuel prices and the cost of electricity have created budget challenges in this expenditure category in recent years. Expenditures fluctuated in order to meet revenue constraints over the years and a slight reduction is budgeted in 2016.

Capital Outlay - Expenditures fluctuated based on needs and available revenue over the years. Compared to 2015, a slight decrease is budgeted in 2016.

Future Projects - In order to achieve maximum budget authority for 2016, this amount is included in the recommended budget.

# FUND 211 - RECREATION

## PROFILE

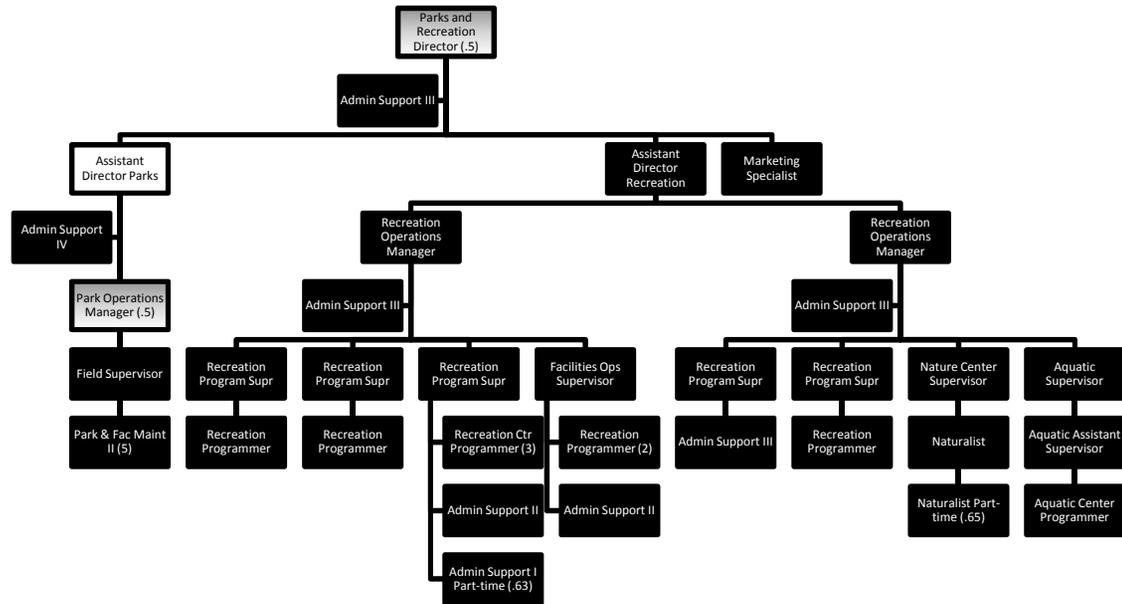
The Recreation Division of the Department of Parks and Recreation is responsible for providing a broad cross-section of recreation programs and services that meet the needs of the citizens of Lawrence. The division is directly responsible for staffing, scheduling, operating and programming of four recreation centers, two historic buildings, four swimming facilities, a nature center and lake, softball, baseball, soccer, football complexes and a wide variety of multipurpose play areas. A recent reorganization is improving production, communications and efficiencies within the Department.

This division provides programming to all populations including special needs that include: fitness, fine arts, crafts, dance, performance arts, sports, aquatics, special events, trips and leisure classes. The program's emphasis is to educate citizens on the effective use of leisure time and to provide a setting that will accommodate these needs. The Division coordinates and co-sponsors many of its activities with other public, private and civic organizations. These cooperative efforts have fostered the development of cost effective community projects and facilities.

## CURRENT YEAR ACCOMPLISHMENTS

1. Teamwork within the organization continues to be paramount with the budget constraints. Many staff have taken on additional responsibilities/hours to ensure the division continues to offer the activities and excellence that the community has come to expect over the years.

## 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

	2014	2015	2015	2016
PERSONNEL	Actual	Adopted	Estimate	Budget
Authorized Positions	38.28	38.28	38.28	38.28

## EXPENDITURE SUMMARY

EXPENDITURES	2014 Actual	2015 Adopted	2015 Estimated	2016 Budget
<b>Personal Services</b>	\$ 3,529,426	\$ 3,928,316	\$ 3,928,316	\$ 4,201,601
<b>Contractual Services</b>	506,377	821,006	821,006	777,006
<b>Commodities</b>	564,938	371,539	371,539	370,539
<b>Capital Outlay</b>	6,520	60,000	60,000	50,000
<b>Debt Service</b>	-	-	-	-
<b>Contingency</b>	-	285,000	-	-
<b>Transfer to Other Funds</b>	-	-	-	487,700
<b>TOTAL EXPENDITURES</b>	<b>\$ 4,607,262</b>	<b>\$ 5,465,861</b>	<b>\$ 5,180,861</b>	<b>\$ 5,886,846</b>

## PERFORMANCE INDICATORS

Indicator	2014 Actual	2015 Estimated	2016 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%*	78%**	100%
% residents satisfied with the City's indoor aquatic facility*	76%*	78%**	100%
% residents satisfied with the City's outdoor aquatic facilities*	73%*	76%**	100%

\*2011 Citizen Survey, \*\*2015 Citizen Survey

## MAJOR GOALS AND OBJECTIVES FOR 2016

1. Schedule a minimum of 30 tournament at Sports Pavilion Lawrence.
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.)

2. The Department constructed a winter-time skating rink at the Library Plaza offering skate rental and special event programming.
3. The Department completed construction of Sports Pavilion Lawrence, a 180,000 sq. ft. recreation center.
4. The Department added a full-time staff member to develop and implement recreation, fitness and social activities for older, active adults ages 50+.
5. The Department developed and introduced healthy food and beverage standards for all recreation venue concession stands.

## SIGNIFICANT ISSUES FOR 2016

1. Ability to internally develop and implement appropriate charges for facility rentals, classes, golf, recreation center usage and pool entrance fees.
2. The need for appropriate funding support to raise the minimum wage per hour for part-time seasonal employees.
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 increase safety and security at recreation centers by installing key card access system.

## RECREATION FUND



*City of Lawrence*

# SPECIAL ALCOHOL FUND

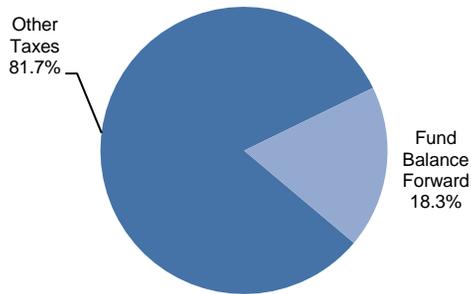
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City of Lawrence

## Fund 213 - SPECIAL ALCOHOL

**Budget Resources by Classification**



<b>RECEIPTS</b>	<b>2014 Actual</b>	<b>2015 Adopted</b>	<b>2015 Estimated</b>	<b>2016 Budget</b>
Liquor Tax	\$ 687,781	\$ 689,864	\$ 689,864	\$ 707,809
Miscellaneous	-	-	-	-
<b>TOTAL RECEIPTS</b>	<b>687,781</b>	<b>689,864</b>	<b>689,864</b>	<b>707,809</b>
Balance, January 1	85,469	179,300	134,920	158,732
<b>TOTAL RESOURCES AVAILABLE</b>	<b>\$ 773,250</b>	<b>\$ 869,164</b>	<b>\$ 824,784</b>	<b>\$ 866,541</b>

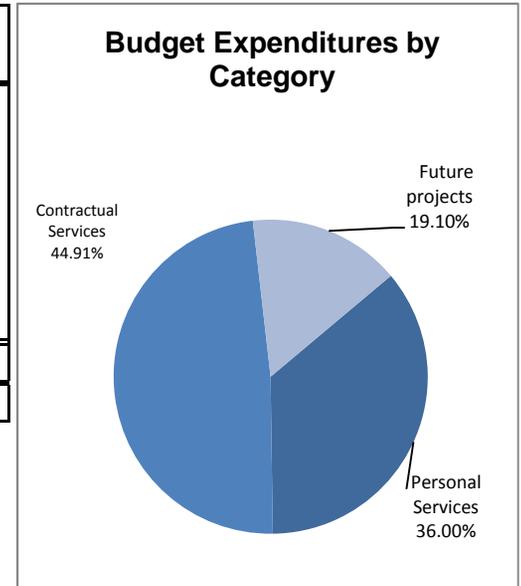
## REVENUE SOURCES - DESCRIPTIONS AND TRENDS

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 a leveling out in the total receipts collected by the state via the liquor tax however, a slight increase is budgeted for 2016 to better reflect recent trends.

## Fund 213 - SPECIAL ALCOHOL

<b>EXPENDITURES</b>	<b>2014 Actual</b>	<b>2015 Adopted</b>	<b>2015 Estimated</b>	<b>2016 Budget</b>
Personal Services	\$ 307,559	\$ 295,435	\$ 295,435	\$ 297,085
Contractual Services	327,994	370,617	370,617	400,617
Commodities	2,777	-	-	-
Capital Outlay	-	-	-	-
Debt Service	-	-	-	-
Contingency	-	-	-	-
Future projects	-	165,000	-	130,000
<b>TOTAL EXPENDITURES</b>	<b>\$ 638,330</b>	<b>\$ 831,052</b>	<b>\$ 666,052</b>	<b>\$ 827,702</b>
<b>FUND BALANCE FORWARD</b>	<b>\$ 134,920</b>	<b>\$ 38,112</b>	<b>\$ 158,732</b>	<b>\$ 38,839</b>



### EXPENDITURES - DESCRIPTIONS AND TRENDS

Personal Services - Expenditures related to the salary and benefits for three of the City's School Resource Officers, which provide drug and alcohol prevention training at Lawrence Public Schools, will be funded out of the Special Alcohol Fund. These costs increased due to general wage adjustments and merit increases provided to MOU covered employees, as well as the 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 recommendations for 2016 are shown below. More information can be found in the fund overview section of this document.

Big Brothers/Big Sisters	\$8,710	Heartland Community Health Center	\$30,000
Boys & Girls Club of Lawrence	\$95,710	Lawrence Community Shelter	\$84,000
DCCCA	\$93,534	Van Go Mobile Arts, Inc.	\$26,273
DCCCA d/b/a First Step House	\$37,180	Willow Domestic Violence Center	\$17,710
Hearthstone	\$7,500		

Future Projects - The 2016 budget includes a transfer to achieve the statutory limit on fund balance.



*City of Lawrence*

# SPECIAL GAS TAX FUND

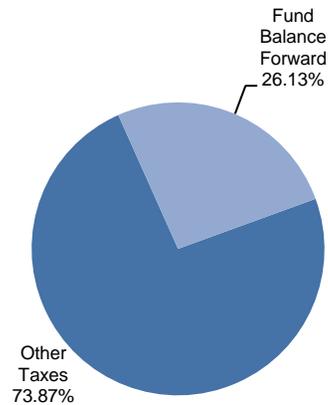
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City of Lawrence

## Fund 214 - SPECIAL GAS TAX FUND

**Budget Resources  
by Classification**



<b>RECEIPTS</b>	<b>2014 Actual</b>	<b>2015 Adopted</b>	<b>2015 Estimated</b>	<b>2016 Budget</b>
Fuel Tax	\$ 2,573,695	\$ 2,519,620	\$ 2,519,620	\$ 2,540,000
Miscellaneous	2,216	-	-	-
<b>TOTAL RECEIPTS</b>	<b>\$ 2,575,911</b>	<b>\$ 2,519,620</b>	<b>\$ 2,519,620</b>	<b>\$ 2,540,000</b>
Balance, January 1	1,002,314	838,425	922,108	898,263
<b>TOTAL RESOURCES AVAILABLE</b>	<b>\$ 3,578,225</b>	<b>\$ 3,358,045</b>	<b>\$ 3,441,728</b>	<b>\$ 3,438,263</b>

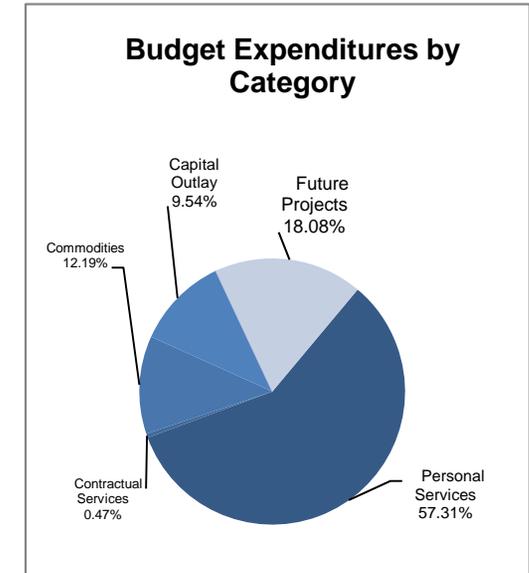
## REVENUE SOURCES - DESCRIPTIONS AND TRENDS

Revenue Sources - The fuel tax is 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 for the State apportionment of 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 repayment 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, more fuel efficient vehicles and less demand for fuel has resulted in little-to-no growth in this revenue source. Fuel tax revenue projections are based primarily on projections of the Kansas League of Municipalities and a slight increase is expected in 2016.

## Fund 214 - SPECIAL GAS TAX FUND

<b>EXPENDITURES</b>	<b>2014 Actual</b>	<b>2015 Adopted</b>	<b>2015 Estimated</b>	<b>2016 Budget</b>
Personal Services	\$ 1,854,529	\$ 1,833,185	\$ 1,833,185	\$ 1,907,150
Contractual Services	911	15,500	15,500	15,500
Commodities	515,184	389,780	389,780	389,780
Capital Outlay	285,493	305,000	305,000	370,000
Debt Service	-	-	-	-
Contingency	-	655,000	-	-
Future Projects	-	-	-	592,000
<b>TOTAL EXPENDITURES</b>	<b>\$ 2,656,117</b>	<b>\$ 3,198,465</b>	<b>\$ 2,543,465</b>	<b>\$ 3,274,430</b>
<b>FUND BALANCE FORWARD</b>	<b>\$ 922,108</b>	<b>\$ 159,580</b>	<b>\$ 898,263</b>	<b>\$ 163,833</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. Projected merit increases for eligible employees as well as increased employee retirement and health care costs are offset by reductions due to personnel changes resulting in a budgeted decrease in this category.

Contractual Services - Funding for part of the temporary labor hired contractually for the summer crack-sealing program. A limited jean allowance program is provided to 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 commodities items have increased, budgeted expenditures in this category are flat compared to 2015 due to available resources.

Capital Outlay - Cost of equipment used to repair streets and remove snow and ice. Funding for Capital Outlay has fluctuated to meet revenue constraints over the years. Small increase in 2016 request due to pieces of equipment scheduled for replacement. Equipment replacements are prioritized based on age, use, repair history, and function within operations, in collaboration with the Fleet Manager.

Future Projects - In order to achieve maximum budget authority for 2016, this amount is included in the recommended budget

# Fund 214 - SPECIAL GAS TAX

## PROFILE

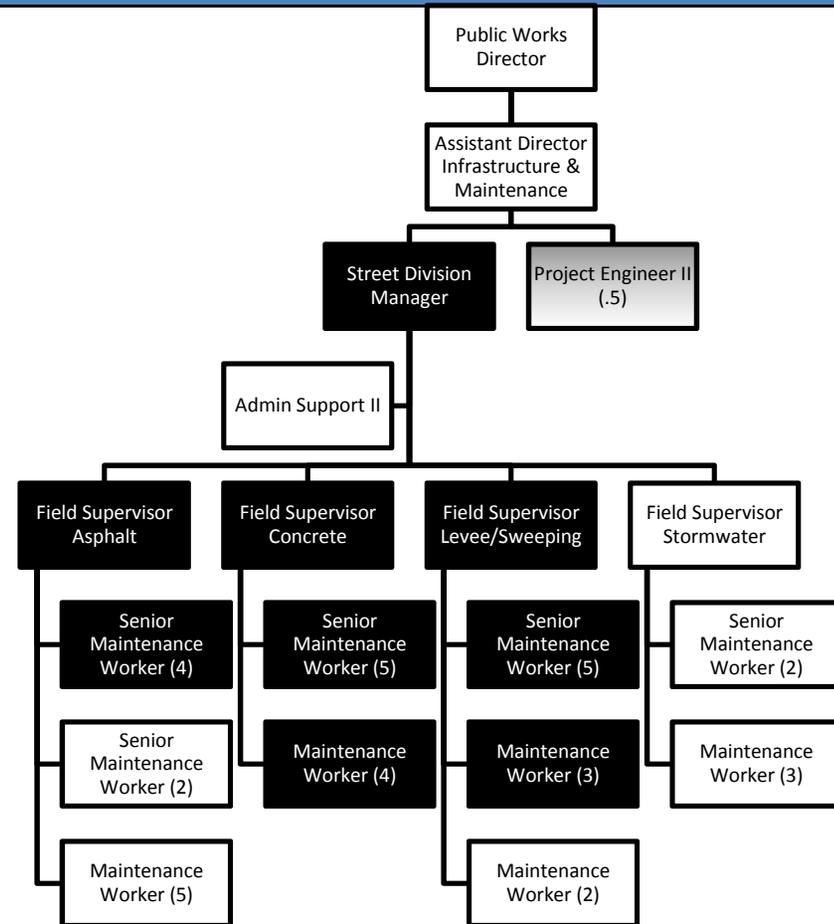
The City receives revenue generated by the state motor fuel tax and receives a share of Douglas County's receipts from property taxes collected on motor vehicles. These funds must be credited to a separate fund and used only for roadway maintenance. The activities are the same as those described in the 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	2014 Actual	2015 Adopted	2015 Estimate	2016 Budget
Authorized Positions	25.50	25.50	25.50	25.50

## EXPENDITURE SUMMARY

EXPENDITURES	2014 Actual	2015 Adopted	2015 Estimated	2016 Budget
<b>Personal Services</b>	\$ 1,854,529	\$ 1,833,185	\$ 1,833,185	\$ 1,907,150
<b>Contractual Services</b>	911	15,500	15,500	15,500
<b>Commodities</b>	515,184	389,780	389,780	389,780
<b>Capital Outlay</b>	285,493	305,000	305,000	370,000
<b>Debt Service</b>	-	-	-	-
<b>Contingency</b>	-	655,000	-	-
<b>Future Projects</b>	-	-	-	592,000
<b>Total</b>	<b>\$ 2,656,117</b>	<b>\$ 3,198,465</b>	<b>\$ 2,543,465</b>	<b>\$ 3,274,430</b>

## PERFORMANCE INDICATORS

Indicator	2014 Actual	2015 Estimated	2016 Target
% residents satisfied with snow removal on major city streets	74%*	80%**	80%
% residents satisfied with the condition of major city streets	39%*	52%**	52%
% residents satisfied with the timeliness of street maintenance repairs	29%*	33%**	33%

\*2011 Citizen Survey

\*\*2015 Citizen Survey

## MAJOR GOALS AND OBJECTIVES FOR 2016

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. Provided snow and ice control for winter season with 13 events.
3. Major crack-sealing and micro surfacing projects were completed. Over 67,600 pounds of crack sealer placed by City crews.
4. Examples of special projects include completion of a sidewalk gap project on 23rd Street, removal of BNSF tracks on 6th/Vermont/11th Streets, patching and street rehabilitation before mill and overlay, plus 960 feet of overflow pipe at 27th and Ridge Court.

## SIGNIFICANT ISSUES FOR 2016

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

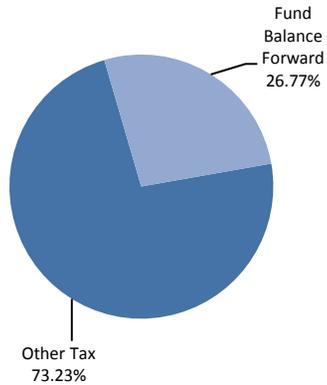
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*City of Lawrence*

## Fund 216 - SPECIAL RECREATION FUND

**Budget Resources  
by Classification**



<b>RECEIPTS</b>	<b>2014 Actual</b>	<b>2015 Adopted</b>	<b>2015 Estimated</b>	<b>2016 Budget</b>
Liquor Tax	\$ 687,781	\$ 689,864	\$ 689,864	\$ 707,809
Miscellaneous	-	-	-	-
<b>TOTAL RECEIPTS</b>	<b>687,781</b>	<b>689,864</b>	<b>689,864</b>	<b>707,809</b>
Balance, January 1	309,446	108,823	173,570	258,719
<b>TOTAL RESOURCES AVAILABLE</b>	<b>\$ 997,227</b>	<b>\$ 798,687</b>	<b>\$ 863,434</b>	<b>\$ 966,528</b>

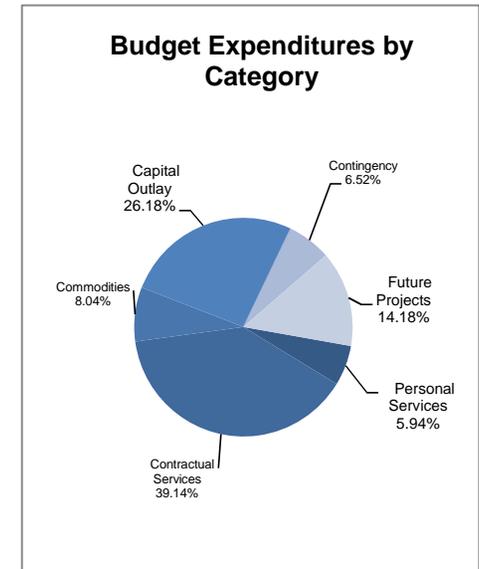
## REVENUE SOURCES - DESCRIPTIONS AND TRENDS

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 a leveling out in the total receipts collected by the state via the liquor tax however, a slight increase is budgeted for 2016 to better reflect recent trends.

## Fund 216 - SPECIAL RECREATION FUND

EXPENDITURES	2014 Actual	2015 Adopted	2015 Estimated	2016 Budget
Personal Services	\$ 19,576	\$ 54,715	\$ 54,715	\$ 54,715
Contractual Services	363,336	338,000	338,000	360,300
Commodities	251,956	71,000	71,000	74,000
Capital Outlay	188,789	141,000	141,000	241,000
Debt Service	-	-	-	-
Contingency	-	160,000	-	60,000
Future Projects	-	-	-	130,500
<b>TOTAL EXPENDITURES</b>	<b>\$ 823,657</b>	<b>\$ 764,715</b>	<b>\$ 604,715</b>	<b>\$ 920,515</b>
<b>FUND BALANCE FORWARD</b>	<b>\$ 173,570</b>	<b>\$ 33,972</b>	<b>\$ 258,719</b>	<b>\$ 46,013</b>



### EXPENDITURES - DESCRIPTIONS AND TRENDS

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

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

\$30,000	Lawrence Arts Center
\$41,500	Lawrence Cultural Arts Commission
\$4,000	Lawrence Alliance
<b>\$75,500</b>	<b>Total:</b>

Commodities - Operating supplies utilized by the 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 needs and available resources.

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 in 2016 is budgeted to replace necessary equipment.

Future Projects - In order to achieve maximum budget authority for 2016, this amount is included in the recommended budget

# 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 the 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 2016

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 2016

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

## PERFORMANCE INDICATORS

Indicator	2014 Actual*	2015 Estimated**	2016 Target
% of residents satisfied with appearance/cleanliness of City parks	78%	92%	92%
% of residents satisfied with the number of walking and biking trails	67%	68%	68%

\*Source: 2011 Citizen Survey, \*\*2015 Citizen Survey

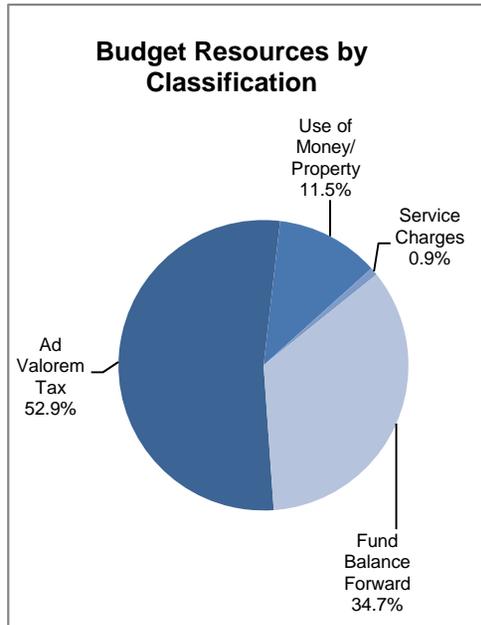
# BOND AND INTEREST FUND

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*City of Lawrence*

## Fund 301 - BOND AND INTEREST



<b>RECEIPTS</b>	<b>2014 Actual</b>	<b>2015 Adopted</b>	<b>2015 Estimated</b>	<b>2016 Budget</b>
Taxes - Current	\$ 7,191,493	\$ 7,242,122	\$ 7,242,122	\$ 7,407,460
Taxes - Delinquent	95,704	100,000	100,000	100,000
Motor Vehicle Taxes	704,748	647,379	647,379	672,090
Payment In Lieu of Taxes	-	-	-	-
Special Assessments	2,735,676	2,145,000	2,145,000	1,749,884
Intergovernmental Revenues	-	-	-	-
Interest on Investments	39,434	30,000	30,000	31,259
Airport Charges	111,438	127,500	127,500	135,000
Miscellaneous	66,158	-	-	-
Other Transfers	-	-	-	-
<b>TOTAL RECEIPTS</b>	<b>\$ 10,944,651</b>	<b>\$ 10,292,001</b>	<b>\$ 10,292,001</b>	<b>\$ 10,095,693</b>
Balance, January 1	9,659,398	6,070,042	10,674,909	5,354,367
<b>TOTAL RESOURCES AVAILABLE</b>	<b>\$ 20,604,049</b>	<b>\$ 16,362,043</b>	<b>\$ 20,966,910</b>	<b>\$ 15,450,060</b>

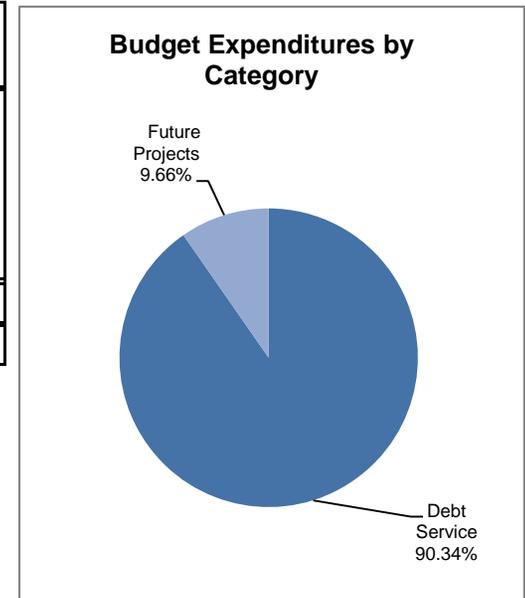
## REVENUE SOURCES - DESCRIPTIONS AND TRENDS

**Revenue Sources** - The Bond and Interest Fund is used to account for the accumulation of resources used 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 increase slightly for 2016, causing property taxes to increase over the prior year adopted budget. The current mill levy is 8.500 mills and no mill levy increase is budgeted for 2016. Low interest rates continue to mean reduced interest earned on the City's investments. Rent for airport hangars is expected to slightly increase in 2016.

## Fund 301 - BOND AND INTEREST

<b>EXPENDITURES</b>	<b>2014 Actual</b>	<b>2015 Adopted</b>	<b>2015 Estimated</b>	<b>2016 Budget</b>
GO Bonds - Principal	\$ 8,106,321	\$ 11,130,721	\$ 11,130,721	\$ 9,442,461
GO Bonds - Interest	1,822,819	3,781,822	3,781,822	2,540,574
Commission / Postage	-	700,000	700,000	700,000
Cash Basis Reserve	-	-	-	700,000
Future Projects	-	-	-	1,356,000
<b>TOTAL EXPENDITURES</b>	<b>\$ 9,929,140</b>	<b>\$ 15,612,543</b>	<b>\$ 15,612,543</b>	<b>\$ 14,739,035</b>
<b>FUND BALANCE FORWARD</b>	<b>\$ 10,674,909</b>	<b>\$ 749,500</b>	<b>\$ 5,354,367</b>	<b>\$ 711,025</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.

GO Bonds - Interest - An expense associated with long term debt. It is payable from the full faith and credit of the City.

Future Projects - In order to achieve maximum budget authority for 2016, this amount is included in the recommended budget

# Bond and Interest Fund

## Bond and Interest

### Account 301 - 1066

#### PROFILE

The Bond and Interest 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, 2015, the City's total general obligation debt was \$109,824,602. 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, 2015 can be computed as follows.

Assessed Valuation - January 1, 2014	\$ 951,413,530	
Debt Limitation (30% of assessed valuation)		285,424,059
Total Bonded Debt (including notes)	253,555,000	
Less Bonds Paid from Enterprise Funds	<u>(143,730,398)</u>	
Total Debt applicable to limitation		<u>\$ 109,824,602</u>
Legal Debt Margin		<u>\$ 175,599,457</u>

\* For more information related to debt, see the Debt Management Policy and Debt Issuance Guidelines, which can be found in the Appendix of this document.

#### EXPENDITURES

<b>EXPENDITURES</b>	2014 Actual	2015 Adopted	2015 Estimated	2016 Budget
<b>Personal Services</b>	\$ -	\$ -	\$ -	\$ -
<b>Commodities</b>	-	-	-	-
<b>Capital Outlay</b>	-	-	-	-
<b>Debt Service</b>	9,929,140	15,612,543	15,612,543	12,683,035
<b>Future Projects</b>	-	-	-	1,356,000
<b>Contingency</b>	-	-	-	700,000
<b>TOTAL EXPENDITURES</b>	<u>\$ 9,929,140</u>	<u>\$ 15,612,543</u>	<u>\$ 15,612,543</u>	<u>\$ 14,739,035</u>

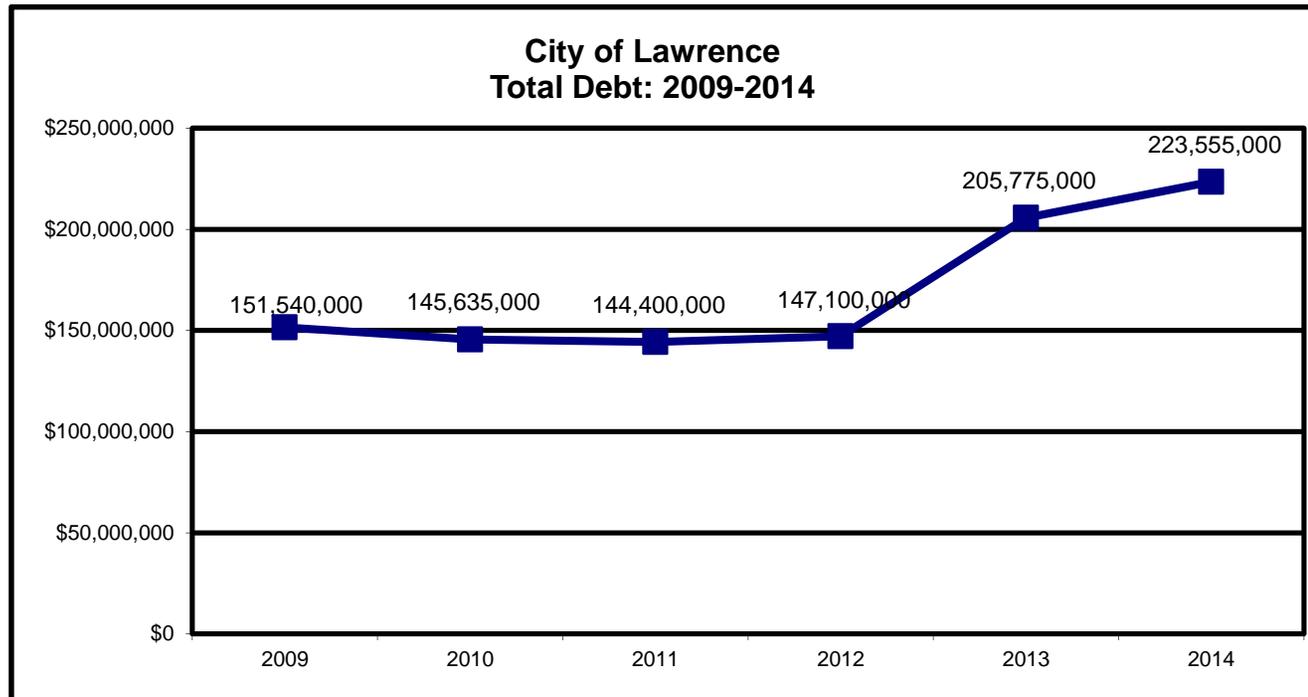
#### CURRENT YEAR ACCOMPLISHMENTS

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 01/01/2014	Retired in 2014	Issued in 2014	Outstanding 12/31/2014
General Obligation Bonds	\$ 67,610,000	10,520,000	\$ 43,505,000	100,595,000
Temporary Notes	91,775,000	91,775,000	78,930,000	78,930,000
<b>TOTAL</b>	<b>159,385,000</b>	<b>102,295,000</b>	<b>122,435,000</b>	<b>179,525,000</b>
Revenue Bonds	46,390,000	2,360,000	-	44,030,000
<b>TOTAL</b>	<b>46,390,000</b>	<b>2,360,000</b>	<b>-</b>	<b>44,030,000</b>
<b>TOTAL DEBT</b>	<b>\$ 205,775,000</b>	<b>\$ 104,655,000</b>	<b>\$ 122,435,000</b>	<b>\$ 223,555,000</b>



# Bond and Interest Fund

## Current Debt Issue

DESIGNATION	ORIGINAL AMOUNT	OUTSTANDING 1/1/2014	ISSUED AFTER 1/1/2014	RETIRED IN 2014	ESTIMATED OUTSTANDING 12/31/2014
<b>GENERAL OBLIGATION</b>					
Series 2002-C	920,000	100,000	-	100,000	-
Series 2003-C	2,905,000	280,000	-	280,000	-
Series 2003-D	3,145,000	655,000	-	320,000	335,000
Series 2004-A	3,520,000	645,000	-	315,000	330,000
Series 2004-B	10,600,000	2,990,000	-	960,000	2,030,000
Series 2004-C	1,600,000	455,000	-	145,000	310,000
Series 2005-A	11,095,000	4,130,000	-	980,000	3,150,000
Series 2006-A	17,130,000	7,955,000	-	1,480,000	6,475,000
Series 2007-A	11,345,000	6,265,000	-	950,000	5,315,000
Series 2008-A	11,890,000	8,335,000	-	1,070,000	7,265,000
Series 2009-A	3,250,000	2,265,000	-	255,000	2,010,000
Series 2010-A	2,975,000	2,975,000	-	-	2,975,000
Series 2010-B	8,920,000	6,850,000	-	705,000	6,145,000
Series 2010-C	8,305,000	6,500,000	-	615,000	5,885,000
Series 2011-A	3,895,000	3,300,000	-	300,000	3,000,000
Series 2012-A	7,710,000	6,880,000	-	835,000	6,045,000
Series 2012-B	3,480,000	2,625,000	-	860,000	1,765,000
Series 2013-A	4,405,000	4,405,000	-	350,000	4,055,000
Series 2014-A	-	-	25,065,000	-	25,065,000
Series 2014-B	-	-	18,440,000	-	18,440,000
Subtotal	\$ 117,090,000	\$ 67,610,000	\$ 43,505,000	\$ 10,520,000	\$ 100,595,000
<b>TEMPORARY NOTES</b>					
Temp Note 2013-I	36,300,000	36,300,000	-	36,300,000	-
Temp Note 2013-II	12,270,000	12,270,000	-	12,270,000	-
Temp Note 2013-III	43,205,000	43,205,000	-	43,205,000	-
Temp Note 2014-I	-	-	59,900,000	-	59,900,000
Temp Note 2014-II	-	-	5,560,000	-	5,560,000
Temp Note 2014-III	-	-	13,470,000	-	13,470,000
Subtotal	\$ 91,775,000	\$ 91,775,000	\$ 78,930,000	\$ 91,775,000	\$ 78,930,000
<b>REVENUE BONDS</b>					
Series 2005	25,910,000	14,460,000	-	1,740,000	12,720,000
Series 2007	19,800,000	19,095,000	-	135,000	18,960,000
Series 2008	4,270,000	3,475,000	-	175,000	3,300,000
Series 2009	10,385,000	9,360,000	-	310,000	9,050,000
Subtotal	\$ 60,365,000	\$ 46,390,000	\$ -	\$ 2,360,000	\$ 44,030,000

# Bond and Interest Fund

## Current Debt Service Schedule

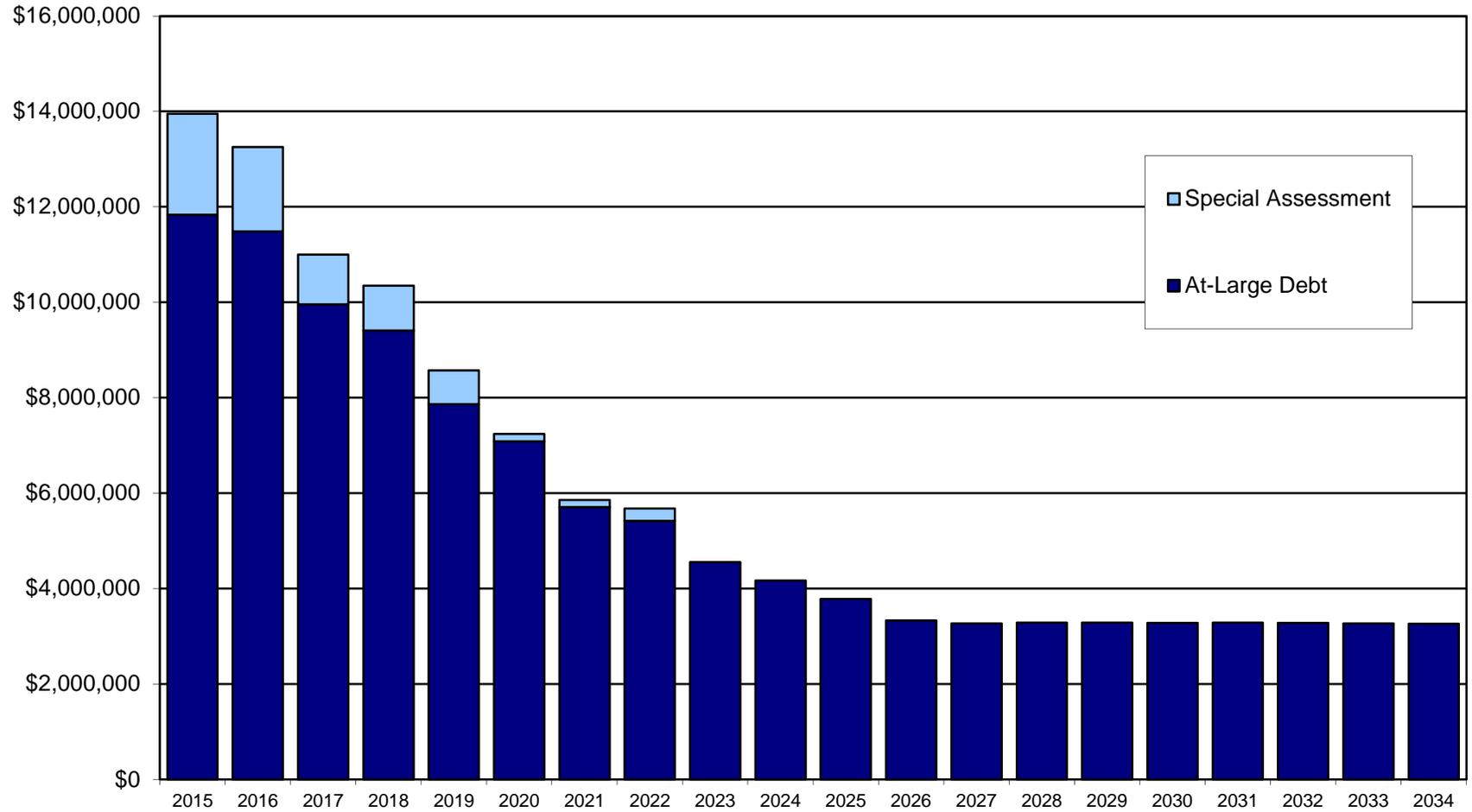
### GENERAL OBLIGATION BONDS AT-LARGE

### SPECIAL ASSESSMENT AMORTIZATION SCHEDULE

### DEBT SERVICE SCHEDULE FOR ALL BONDS

Year	Principal	Interest	Subtotal	Principal	Interest	Subtotal	Principal	Interest	Total
2015	8,887,458	2,946,691	11,834,149	1,938,263	176,311	2,114,574	10,825,721	3,123,002	13,948,723
2016	8,726,149	2,759,791	11,485,940	1,649,670	117,890	1,767,560	10,375,819	2,877,681	13,253,500
2017	7,509,367	2,448,739	9,958,106	970,212	70,607	1,040,819	8,479,579	2,519,346	10,998,925
2018	7,249,513	2,157,765	9,407,278	888,970	49,098	938,068	8,138,483	2,206,863	10,345,346
2019	5,976,645	1,885,229	7,861,874	683,355	30,257	713,612	6,660,000	1,915,486	8,575,486
2020	5,399,799	1,687,054	7,086,853	135,201	17,176	152,377	5,535,000	1,704,230	7,239,230
2021	4,189,800	1,519,703	5,709,503	135,200	15,165	150,365	4,325,000	1,534,868	5,859,868
2022	4,056,572	1,361,964	5,418,536	88,428	13,154	101,582	4,145,000	1,375,118	5,520,118
2023	3,351,571	1,202,080	4,553,651	88,429	11,838	100,267	3,440,000	1,213,918	4,653,918
2024	3,096,571	1,070,407	4,166,978	88,429	10,523	98,952	3,185,000	1,080,930	4,265,930
2025	2,820,000	964,155	3,784,155				2,820,000	964,155	3,784,155
2026	2,455,000	880,450	3,335,450				2,455,000	880,450	3,335,450
2027	2,465,000	806,463	3,271,463				2,465,000	806,463	3,271,463
2028	2,575,000	712,813	3,287,813				2,575,000	712,813	3,287,813
2029	2,670,000	614,950	3,284,950				2,670,000	614,950	3,284,950
2030	2,755,000	524,180	3,279,180				2,755,000	524,180	3,279,180
2031	2,855,000	430,530	3,285,530				2,855,000	430,530	3,285,530
2032	2,945,000	333,210	3,278,210				2,945,000	333,210	3,278,210
2033	3,045,000	225,845	3,270,845				3,045,000	225,845	3,270,845
2034	3,150,000	114,870	3,264,870	-	-	-	3,150,000	114,870	3,264,870
	<u>86,178,445</u>	<u>24,646,889</u>	<u>110,825,334</u>	<u>6,666,157</u>	<u>512,019</u>	<u>7,178,176</u>	<u>\$ 92,844,602</u>	<u>\$ 25,158,908</u>	<u>\$ 118,003,510</u>

## City Of Lawrence General Obligation Debt Service



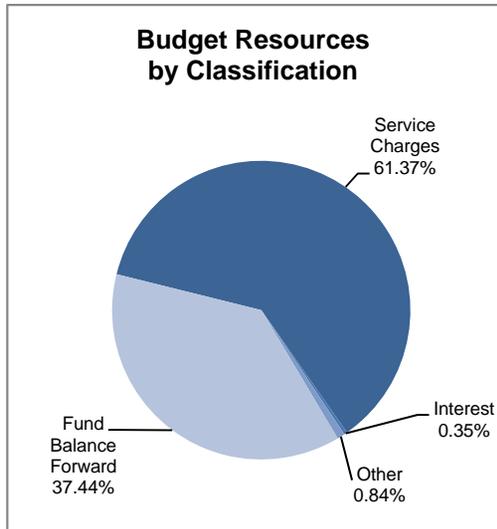
# **WATER AND WASTEWATER FUND**

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*City of Lawrence*

## Fund 501 - WATER AND WASTEWATER



<b>RECEIPTS</b>	<b>2014 Actual</b>	<b>2015 Adopted</b>	<b>2015 Estimated</b>	<b>2016 Budget</b>
Water and Sewer Charges	\$ 33,607,766	\$ 34,945,100	\$ 34,945,100	\$ 36,924,000
Interest on Investments	10,117	50,000	50,000	216,200
Development Charges	640,170	850,000	850,000	1,021,252
Miscellaneous & Other	108,994	300,000	300,000	520,900
<b>TOTAL RECEIPTS</b>	<b>\$ 34,367,047</b>	<b>\$ 36,145,100</b>	<b>\$ 36,145,100</b>	<b>\$ 38,682,352</b>
Balance, January 1	19,611,794	16,926,695	20,768,462	23,152,090
<b>TOTAL RESOURCES AVAILABLE</b>	<b>\$ 53,978,841</b>	<b>\$ 53,071,795</b>	<b>\$ 56,913,562</b>	<b>\$ 61,834,442</b>

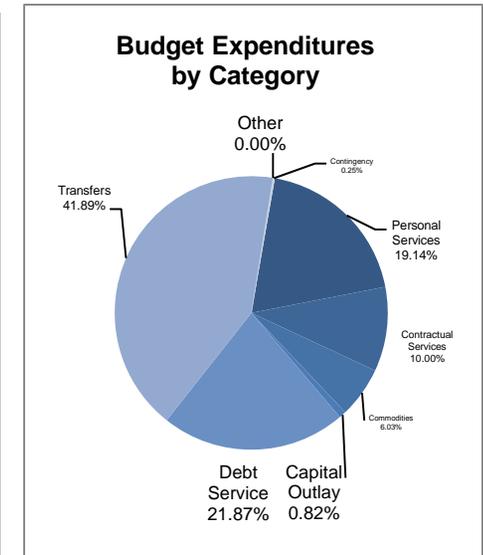
## REVENUE SOURCES - DESCRIPTIONS AND TRENDS

**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 the 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 of 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 the Fund increase 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. In 2013, the City Commission adopted new Master Plans for the Water and Wastewater Utilities and the 2013 - 2017 Capital Improvement Program. The 2016 revenues for both water and wastewater are proposed to increase 6.5% and 2017 revenues are proposed to increase 8%. System development charges increased in 2015 pursuant to a multi-year agreement with the home builders, however, revenues are estimated to continue to increase in 2016.

## Fund 501 - WATER AND WASTEWATER

EXPENDITURES	2014 Actual	2015 Adopted	2015 Estimated	2016 Budget
Personal Services	\$ 10,116,660	\$ 10,621,359	\$ 10,621,359	\$ 11,271,256
Contractual Services	5,689,390	5,683,220	5,683,220	5,889,158
Commodities	3,617,333	3,400,006	3,400,006	3,550,739
Capital Outlay	459,489	719,600	719,600	484,024
Debt Service	8,517,613	8,302,391	8,302,391	12,876,562
Transfers to General Fund	3,084,896	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	1,375,000	1,500,000	1,500,000	1,500,000
Future Projects	-	17,197,609	-	19,732,609
Contingency	-	100,000	100,000	149,000
<b>TOTAL EXPENDITURES</b>	<b>\$ 33,210,379</b>	<b>\$ 50,959,081</b>	<b>\$ 33,761,472</b>	<b>\$ 58,888,244</b>
<b>FUND BALANCE FORWARD</b>	<b>\$ 20,768,462</b>	<b>\$ 2,112,714</b>	<b>\$ 23,152,090</b>	<b>\$ 2,946,198</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 2016 due to the increased cost for electricity and gas.

Commodities - An increase in the 2016 budget is due to upward trending commodities costs, including chemicals and electricity.

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.

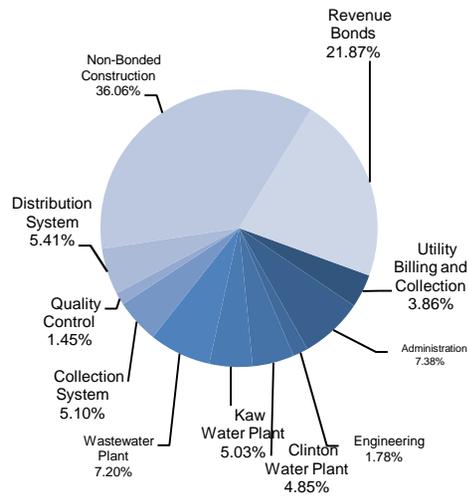
Debt Service - Annual debt service payments are reflected here. An increase is budgeted for 2016 in order to provide resources for projects outlined in the Water and Wastewater Master Plans that were adopted in 2013.

Transfers - Budgeted transfers in 2016 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.

Future Projects -

## Fund 501 - WATER AND WASTEWATER

**Budget Expenditures by Division**



<b>EXPENDITURES</b>	<b>2014 Actual</b>	<b>2015 Adopted</b>	<b>2015 Estimated</b>	<b>2016 Budget</b>
Utility Billing and Collection	\$ 2,053,652	\$ 2,177,537	\$ 2,177,537	\$ 2,274,707
Administration	3,961,961	4,201,668	4,201,668	4,343,852
Engineering	980,459	937,424	937,424	1,050,385
Clinton Water Plant	2,772,366	2,694,879	2,694,879	2,858,412
Kaw Water Plant	2,673,375	2,755,433	2,755,433	2,964,758
Wastewater Plant	3,444,083	3,769,681	3,769,681	4,238,718
Collection System	2,956,772	2,898,414	2,898,414	3,005,756
Quality Control	766,928	789,857	789,857	854,799
Distribution System	3,708,171	3,734,188	3,734,188	3,187,686
Non-Bonded Construction	1,375,000	18,697,609	1,500,000	21,232,609
<b>Debt Service</b>				
Temp Note Interest	-	-	-	-
Revenue Bonds	8,517,613	8,302,391	8,302,391	12,876,562
<b>TOTAL EXPENDITURES</b>	<b>\$ 33,210,379</b>	<b>\$ 50,959,081</b>	<b>\$ 33,761,472</b>	<b>\$ 58,888,244</b>
<b>FUND BALANCE FORWARD</b>	<b>\$ 20,768,462</b>	<b>\$ 2,112,714</b>	<b>\$ 23,152,090</b>	<b>\$ 2,946,198</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

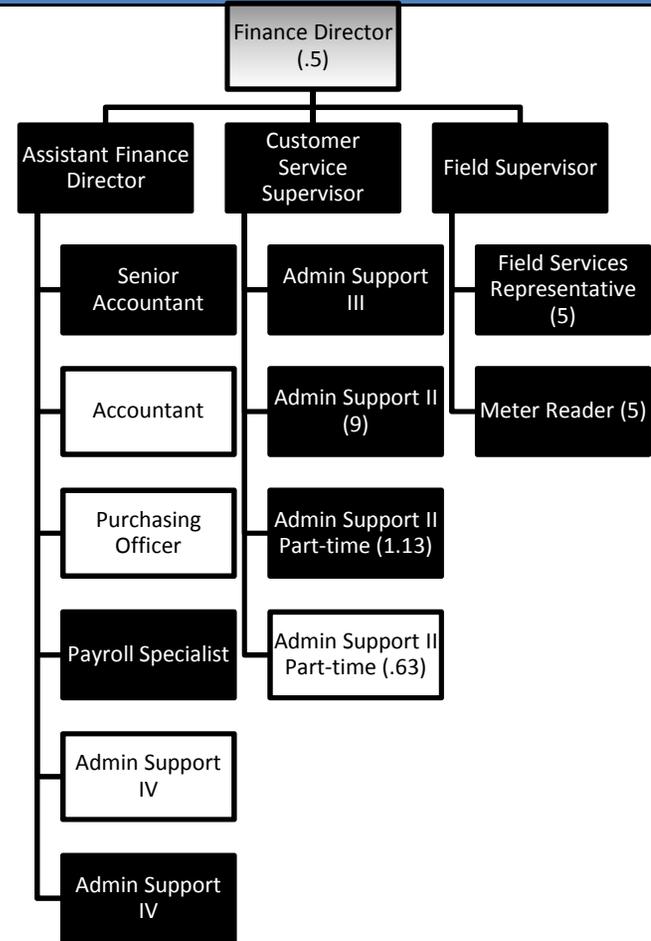
## PROFILE

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. Implemented Innoprise billing software.
3. Completed service orders in the field using tablets.

## 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

	2014 Actual	2015 Adopted	2015 Estimate	2016 Budget
PERSONNEL				
Authorized Positions	26.26	27.26	27.63	27.63

### EXPENDITURE SUMMARY

	2014 Actual	2015 Adopted	2015 Estimate	2016 Budget
<b>EXPENDITURES</b>				
<b>Personal Services</b>	\$ 1,476,732	\$ 1,601,817	1,601,817	\$ 1,682,899
<b>Contractual Services</b>	376,938	369,220	369,220	392,108
<b>Commodities</b>	51,294	92,050	92,050	85,250
<b>Capital Outlay</b>	57,239	23,000	23,000	23,000
<b>Debt Service</b>			-	
<b>Transfers</b>	91,450	91,450	91,450	91,450
<b>Total</b>	\$ 2,053,652	\$ 2,177,537	\$ 2,177,537	\$ 2,274,707

### SIGNIFICANT ISSUES FOR 2016

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

### PERFORMANCE INDICATORS

Indicator	2014 Actual	2015 Estimated	2016 Target
Percent of utility bills sent as scheduled	79.4	98.0	99.0
Percent of telephone calls abandoned	28.2	30.0	9.0
Percent of water meters needing reread	0.5	1.0	0.5
Percent of water meters read as scheduled	100.0	95.0	100.0

### MAJOR GOALS AND OBJECTIVES FOR 2016

1. Maintain the City's revenue bond debt rating at Aa2.
2. Improve the collection of past due utility accounts.
3. Enhance ability of customers to sign up and transfer service online.



**UTILITY BILLING**

<h1 style="margin: 0;">Water and Wastewater Fund</h1>	<b>Administration</b>
	<b>Division 7100</b>

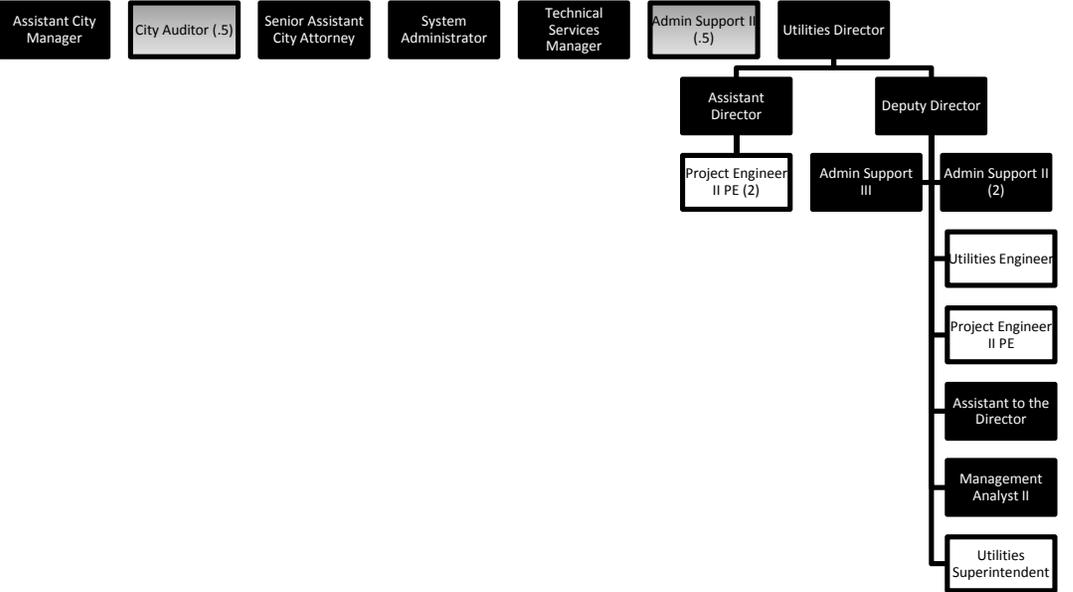
## PROFILE

The Administrative Division provides departmentwide direction, analysis, and support services for budgeting, management system, policy development, employee development, meter service requests, hydrant meter rentals, backflow prevention, wholesale water contracts, and public communications and other programs.

## CURRENT YEAR ACCOMPLISHMENTS

1. Public tours of treatment facilities by various staff.
2. Collaboration with Planning & Development Services on more customer friendly permit and water service application processes.
3. Expanded training programs for staff technical knowledge to meet changing regulations and technologies.
4. Customer service improvements, including an online service installation request form and increased customer accessibility to EcoFlow hotline.
5. Various presentations regarding Integrated Plan initiatives, including to EPA, National Association of Clean Water Agencies, Experts Forum on Public Health Impacts of Wet Weather Blending, and the KU Environmental Engineering Conference.
6. Over 95% accuracy in inventory tracking.

## ORGANIZATIONAL CHART



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

## PERSONNEL SUMMARY

	2014	2015	2015	2016
<u>PERSONNEL</u>	Actual	Adopted	Estimate	Budget
Authorized Positions	12.00	13.00	13.00	13.00

## EXPENDITURE SUMMARY

EXPENDITURES	2014 Actual	2015 Adopted	2015 Estimate	2016 Budget
<b>Personal Services</b>	\$ 1,264,382	\$ 1,386,858	\$ 1,386,858	\$ 1,436,042
<b>Contractual Services</b>	218,449	309,000	309,000	315,000
<b>Commodities</b>	173,389	100,000	100,000	97,000
<b>Capital Outlay</b>	(70)	90,000	90,000	175,000
<b>Debt Service</b>	-	-	-	-
<b>Transfers</b>	2,305,810	2,305,810	2,305,810	2,305,810
<b>Contingency</b>	-	10,000	10,000	15,000
<b>Total</b>	\$ 3,961,961	\$ 4,201,668	\$ 4,201,668	\$ 4,343,852

## PERFORMANCE INDICATORS

Indicator	2014 Actual	2015 Estimated	2016 Target
# GBA service request work orders entered	828	850	850
Lost time accidents	0	0	0

## MAJOR GOALS AND OBJECTIVES FOR 2016

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 2016

1. Maintain revenue to support operations, maintenance, regulatory requirements, and growth.
2. Continued investment in replacing aging capital equipment, including vehicles, large rolling equipment, basin drives, variable frequency drives and roofs.
3. Increasing regulatory requirements for water and wastewater operations.
4. Update policies and ordinances.
5. Timely replacement and modernization of computer equipment, with functional integration to other software applications and databases, including automated meter reading.
6. Identification of appropriate, sufficient structures to house department staff and store equipment and vehicles needed for various department operations.



## ADMINISTRATION

# Water and Wastewater Fund

Engineering  
Division 7110

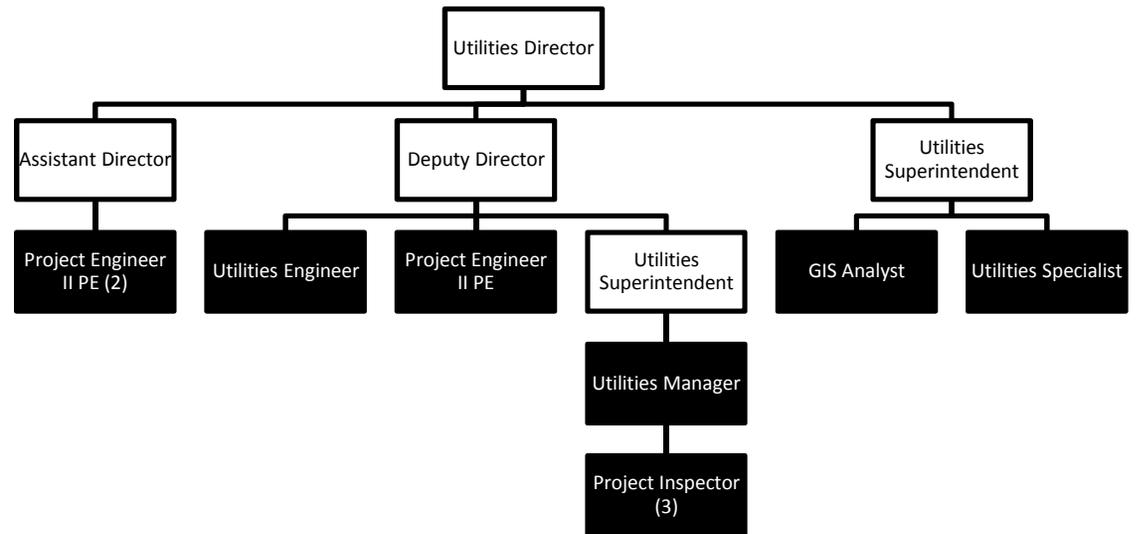
## PROFILE

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. CIP Projects: Wakarusa WWTP and Pump St PS10 and Forcemains; Watermain replacements - Michigan St, Avalon Rd, 8th Street, Lawrence Ave, Bob Billings Pkwy, 10th & NY, Cedarwood Ave, Arkansas St.; 2015 - 2016 Watermain Replacement Program Design Report; Kaw WTP MCC Replacement; Clinton Raw Water Pump Station Electrical Room Addition & Pump Replacement w/ 10MGD pump and VFD; Oread Tank Replacement; Water Booster Pump Station Replacements; Stratford Tank Evaluation; Kaw WTP and Clinton WTP Taste & Odor Improvements; Kaw WTP and Clinton WTP Roof Replacements; and Kaw WTP Field Operations Quarters Expansion.

## ORGANIZATIONAL CHART



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## PERSONNEL SUMMARY

PERSONNEL	2014 Actual	2015 Adopted	2015 Estimate	2016 Budget
Authorized Positions	9.00	9.00	10.00	10.00

## EXPENDITURE SUMMARY

EXPENDITURES	2014 Actual	2015 Adopted	2015 Estimate	2016 Budget
<b>Personal Services</b>	\$ 820,734	\$ 797,801	\$ 797,801	\$ 903,087
<b>Contractual Services</b>	19,829	34,250	34,250	49,450
<b>Commodities</b>	67,279	82,356	82,356	70,831
<b>Capital Outlay</b>	59,600	-	-	-
<b>Debt Service</b>	-	-	-	-
<b>Transfers</b>	13,017	13,017	13,017	13,017
<b>Contingency</b>	-	10,000	10,000	14,000
<b>Total</b>	\$ 980,459	\$ 937,424	\$ 937,424	\$ 1,050,385

## PERFORMANCE INDICATORS

Indicator	2014 Actual	2015 Estimated	2016 Target
% Water and Sewer Inspection testing passing 1 <sup>st</sup> time	89%	95%	95%
% of Public Improvement Plan Reviews Completed on Time	100%	100%	100%
Average number of projects in process (yearly average of each month's count)	25	20	20
Lost time accidents	0	0	0

## MAJOR GOALS AND OBJECTIVES FOR 2016

1. Generation of updated Engineering Services Agreements and Construction Contracts consistent with current industry best practices.
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. Continued implementation of the Rapid I&I Reduction Program and Private I&I Program.

## CURRENT YEAR ACCOMPLISHMENTS

2. Ongoing project management of numerous CIP projects, including Wakarusa WWTP.
3. Completion of the Kaw WTP Raw Water Intake and Transmission Main Projects.

## SIGNIFICANT ISSUES FOR 2016

1. Adequate resources in management of expanded Capital Improvements Program, including Wakarusa WWTP.
2. Implementation of Taste and Odor Report recommendations and increased watermain replacement projects.



**ENGINEERING**

# Water and Wastewater Fund

Clinton Water Treatment Plant

Division 7210

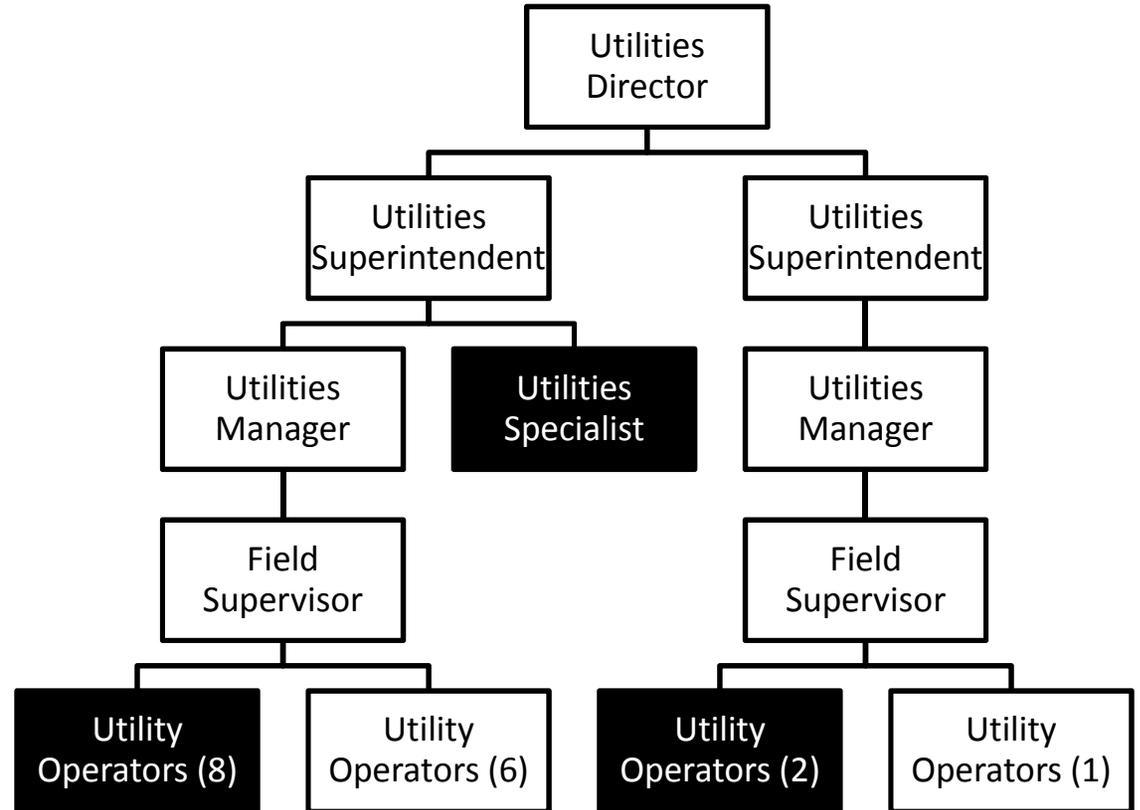
## PROFILE

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 20-million gallons per day capacity water treatment facility (subject to filter profiling).

## CURRENT YEAR ACCOMPLISHMENTS

1. Treated and pumped a combined total of 3.7 billion gallons of water in 2014 from Clinton and Kaw Plants combined.
2. Substantial progress with in-house SCADA system upgrade, including a flow-paced feed system and filter controls.
3. Ongoing installation of low distortion variable frequency drives to regulate pump speeds, high efficiency electric motors and LED fixtures for improved energy efficiency.
4. Significant reduction in water used for filter backwash following filter rehabilitation and other optimization improvements.
5. Electrical/mechanical improvements including replacement of aging MCC panels and replacement of the carbon building's raw water line and mag meter.
6. Clinton Raw Water Transmission Main assessment and inspection.

## ORGANIZATIONAL CHART



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## PERSONNEL SUMMARY

PERSONNEL	2014 Actual	2015 Adopted	2015 Estimate	2016 Budget
Authorized Positions	9.60	9.60	11.00	11.00

## EXPENDITURE SUMMARY

EXPENDITURES	2014 Actual	2015 Adopted	2015 Estimate	2016 Budget
<b>Personal Services</b>	\$ 776,443	\$ 761,925	\$ 761,925	\$ 842,910
<b>Contractual Services</b>	1,005,994	795,600	795,600	825,600
<b>Commodities</b>	968,675	1,081,100	1,081,100	1,128,648
<b>Capital Outlay</b>	-	25,000	25,000	25,000
<b>Debt Service</b>	-	-	-	-
<b>Transfers</b>	21,254	21,254	21,254	21,254
<b>Contingency</b>	-	10,000	10,000	15,000
<b>Total</b>	<b>\$ 2,772,366</b>	<b>\$ 2,694,879</b>	<b>\$ 2,694,879</b>	<b>\$ 2,858,412</b>

## PERFORMANCE INDICATORS

Indicator	2014 Actual	2015 Estimated	2016 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 2016

1. Implement Phase I of the Taste and Odor Study to address taste and odor concerns.
2. Continued maintenance of aging infrastructure.
3. Increased energy efficiency via lighting, vehicle use, equipment selection and operations.
4. Continued optimization of treatment chemical usage and plant processes.
5. Implement new SCADA HMI.

## SIGNIFICANT ISSUES FOR 2016

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

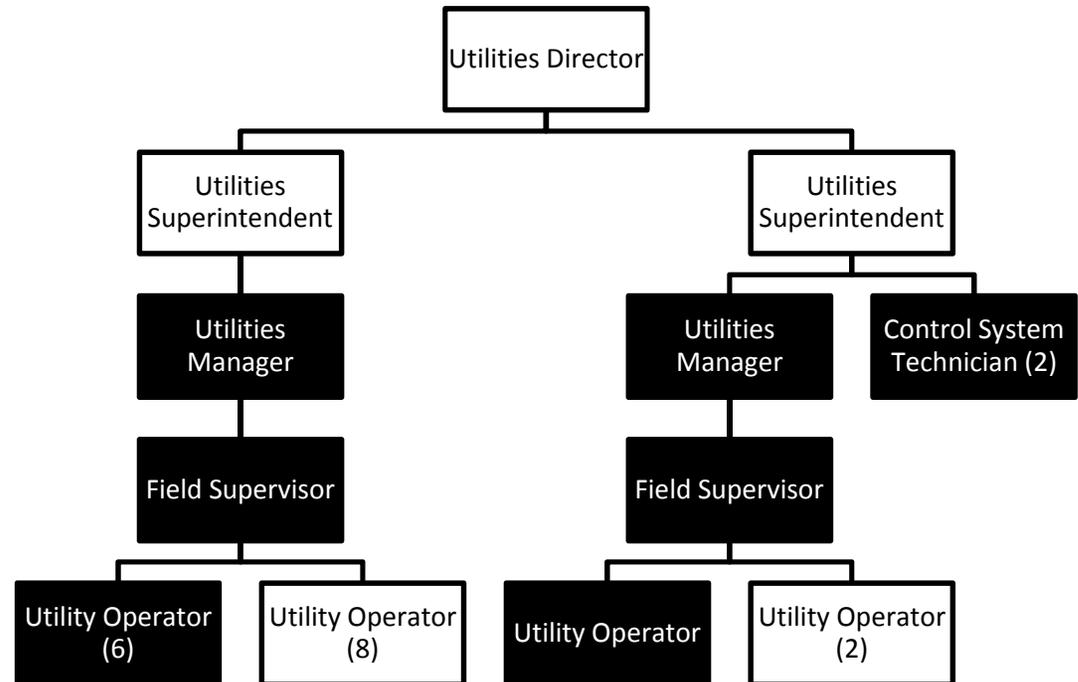
## PROFILE

The mission of the Kaw Water Treatment Plant 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 3.7 billion gallons of water in 2014 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. Ongoing installation of low distortion variable frequency drives to regulate pump speeds, high efficiency electric motors and LED fixtures for improved energy efficiency.
4. Installation of redundant line to north Lawrence and redundant intake crib, with other related improvements.
5. Process improvements based on Taste and Odor Study.

## ORGANIZATIONAL CHART



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## PERSONNEL SUMMARY

	2014	2015	2015	2016
PERSONNEL	Actual	Adopted	Estimate	Budget
Authorized Positions	12.60	12.60	14.00	14.00

## EXPENDITURE SUMMARY

EXPENDITURES	2014 Actual	2015 Adopted	2015 Estimate	2016 Budget
<b>Personal Services</b>	\$ 950,546	\$ 982,696	\$ 982,696	\$ 1,154,021
<b>Contractual Services</b>	1,090,509	1,094,450	1,094,450	1,123,450
<b>Commodities</b>	606,283	612,250	612,250	611,250
<b>Capital Outlay</b>	-	25,000	25,000	25,000
<b>Debt Service</b>	-	-	-	-
<b>Transfers</b>	26,037	26,037	26,037	26,037
<b>Contingency</b>	-	15,000	15,000	25,000
<b>Total</b>	\$ 2,673,375	\$ 2,755,433	\$ 2,755,433	\$ 2,964,758

## PERFORMANCE INDICATORS

Indicator	2014 Actual	2015 Estimated	2016 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 2016

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 and plant processes.
6. Implement new SCADA HMI.

## CURRENT YEAR ACCOMPLISHMENTS

6. Electrical/mechanical improvements, including onsite generator for moderate capacity plant operation.
7. Improved chemical feed reliability and SCADA monitoring.

## SIGNIFICANT ISSUES FOR 2016

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

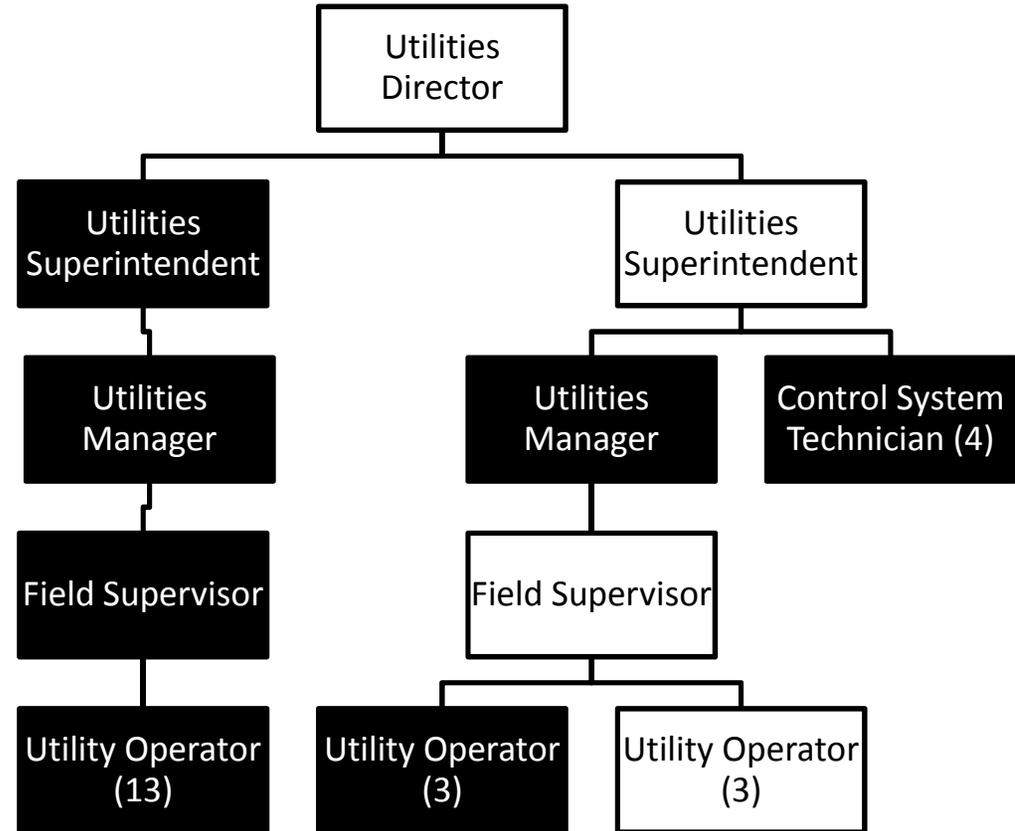
## PROFILE

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. Treated and released 3 billion gallons of wastewater to the Kansas River in 2014.
2. Integrated Plan ongoing implementation and NPDES permitting for Kansas WWTP and new Wakarusa WWTP.
3. Ongoing installation of low distortion variable frequency drives to regulate pump speeds, high efficiency electric motors and LED fixtures for improved energy efficiency.
4. Ongoing improvements to treatment process automation.
5. Pilot research programs and technical consultation with University of Kansas staff for technical improvements.
6. Ongoing collaboration with Parks and Recreation on using treated water for City properties with minimal public exposure as conservation measure.
7. Substantial progress on in-house SCADA system upgrades.
8. Beneficial reuse of an estimated 8,000 cubic yards of biosolids on agricultural land.

## 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	2014 Actual	2015 Adopted	2015 Estimate	2016 Budget
Authorized Positions	23.60	23.60	24.00	24.00

## EXPENDITURE SUMMARY

EXPENDITURES	2014 Actual	2015 Adopted	2015 Estimate	2016 Budget
<b>Personal Services</b>	\$ 1,497,018	\$ 1,705,270	\$ 1,705,270	\$ 1,880,797
<b>Contractual Services</b>	1,394,312	1,505,500	1,505,500	1,549,500
<b>Commodities</b>	469,485	485,850	485,850	550,360
<b>Capital Outlay</b>	50,207	25,000	25,000	200,000
<b>Debt Service</b>	-	-	-	-
<b>Transfers</b>	33,061	33,061	33,061	33,061
<b>Contingency</b>	-	15,000	15,000	25,000
<b>Total</b>	\$ 3,444,083	\$ 3,769,681	\$ 3,769,681	\$ 4,238,718

## PERFORMANCE INDICATORS

Indicator	2014 Actual	2015 Estimated	2016 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 2016

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. Change mechanical plant operations to maximize the level of nutrient removal consistent with permit goals.

## SIGNIFICANT ISSUES FOR 2016

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.
4. Implement a plan to address the new wastewater permit requirements on Nitrogen Removal.



**WASTEWATER TREATMENT PLANT**

# Water and Wastewater Fund

## Sanitary Sewer Collection Division 7410

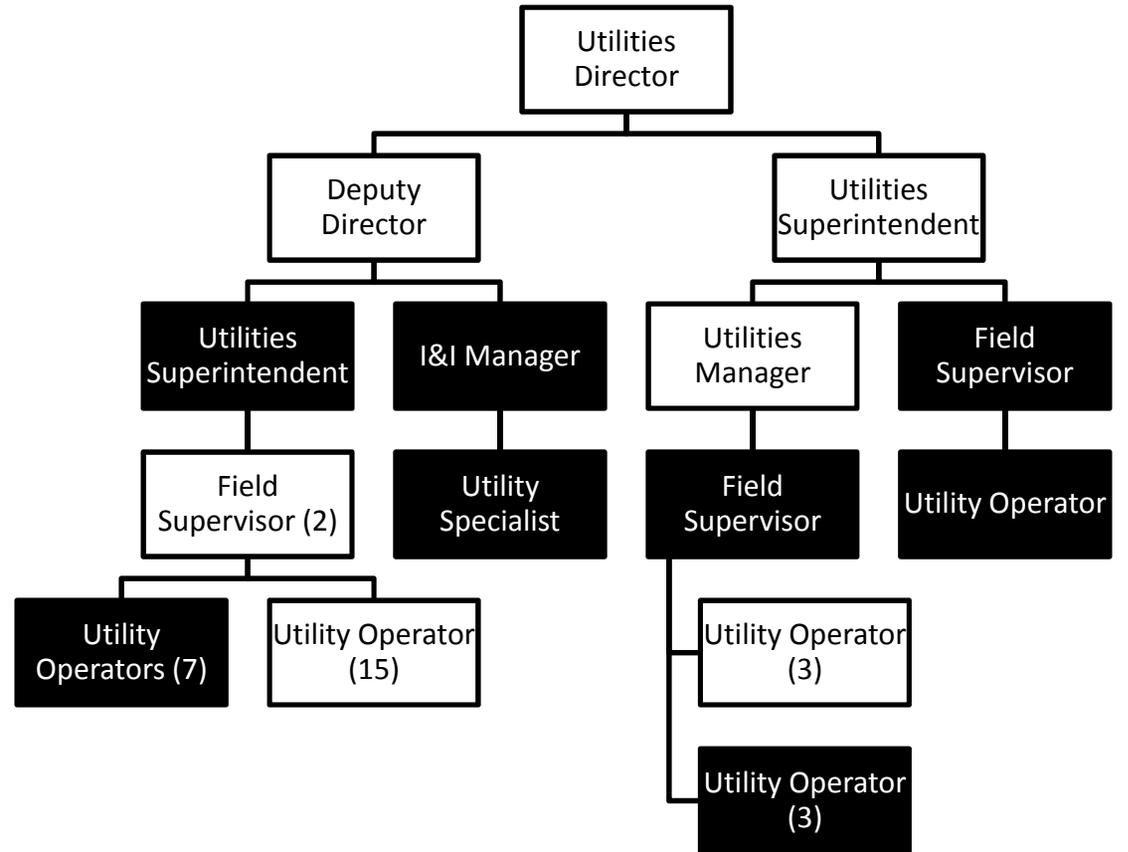
### PROFILE

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 417 miles of sanitary sewer gravity main, 28 miles of sanitary sewer force main, 10,536 manholes, and 1,500 clean outs.

### CURRENT YEAR ACCOMPLISHMENTS

1. Maintained the continued low number of sanitary sewer overflows.
2. Cleaned 1,087,679 feet and TV inspected 171,388 feet of sanitary sewer main.
3. Continued pump station improvements.
4. Ongoing progress with Rapid Inflow/Infiltration Reduction Program, including manhole inspection, smoke testing, and tv inspections of target areas within the Private I&I Program.

### 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	2014 Actual	2015 Adopted	2015 Estimate	2016 Budget
Authorized Positions	16.10	16.10	16.00	16.00

## EXPENDITURE SUMMARY

EXPENDITURES	2014 Actual	2015 Adopted	2015 Estimate	2016 Budget
<b>Personal Services</b>	\$ 1,150,028	\$ 1,203,760	\$ 1,203,760	\$ 1,256,102
<b>Contractual Services</b>	1,285,880	1,180,400	1,180,400	1,213,900
<b>Commodities</b>	185,439	174,300	174,300	190,800
<b>Capital Outlay</b>	25,471	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	20,000
<b>Total</b>	\$ 2,956,772	\$ 2,898,414	\$ 2,898,414	\$ 3,005,756

## PERFORMANCE INDICATORS

Indicator	2014 Actual	2015 Estimated	2016 Target
City Main Blockages	20	18	16
% Planned Maintenance Completed	107.7%	100%	100%
% Planned TV Inspection Completed	79.5%	100%	100%
Lift Station By-passes	0	0	0
Lost time accidents	0	0	0

## MAJOR GOALS AND OBJECTIVES FOR 2016

1. Maintaining 25% of the collection system through a four-year Section Cleaning Program and scheduled preventive maintenance.
2. Ongoing 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 replace aging equipment.
4. Reduce inflow and infiltration from public and private infrastructure through the Rapid I&I and EcoFlow Program.
5. Implement a more comprehensive Fats, Oils & Grease Program (FOG).

## SIGNIFICANT ISSUES FOR 2016

1. Continue to address deferred maintenance of sewer mains (wet weather capacity and CIPP) concurrently with system expansion of gravity sewer mains, water mains, treatment facilities, and pump stations.
2. Significant inflow and infiltration from the private and public infrastructure continues to cause capacity and treatment challenges.
3. Proposed implementation of a FOG (Fats, Oils, & Grease) program.



**SANITARY SEWER COLLECTION**

# Water and Wastewater Fund

Water Quality  
Division 7510

## PROFILE

The mission of the Water Quality 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.

## CURRENT YEAR ACCOMPLISHMENTS

1. Annual Compliance Summary for Industrial Pretreatment Program completed February 2015.
2. Industrial Pretreatment Permits, onsite inspections, and surveys of industrial facilities completed as required by City ordinance.
3. Water and Wastewater Compliance Reports submitted within established deadlines.
4. Laboratory accreditation under the National Environmental Laboratory Accreditation Program for Year 2015, including compliance testing at Venture Park and for MS4 permit.
5. 2015 Consumer Confidence Report completed and available to customers.

## 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

	2014 Actual	2015 Adopted	2015 Estimate	2016 Budget
<b>PERSONNEL</b>				
Authorized Positions	5.00	5.00	5.00	5.00

## EXPENDITURE SUMMARY

EXPENDITURES	2014 Actual	2015 Adopted	2015 Estimate	2016 Budget
<b>Personal Services</b>	\$ 445,882	\$ 433,702	\$ 433,702	\$ 470,794
<b>Contractual Services</b>	108,489	120,000	120,000	141,350
<b>Commodities</b>	198,152	201,750	201,750	213,250
<b>Capital Outlay</b>	-	10,000	10,000	-
<b>Debt Service</b>	-	-	-	-
<b>Transfers</b>	14,405	14,405	14,405	14,405
<b>Contingency</b>	-	10,000	10,000	15,000
<b>Total</b>	<b>\$ 766,928</b>	<b>\$ 789,857</b>	<b>\$ 789,857</b>	<b>\$ 854,799</b>

## PERFORMANCE INDICATORS

Indicator	2014 Actual	2015 Estimated	2016 Target
In-house Lab Analyses	9,233	10,000	10,000
Lab Analyses Outsourced	644	600	600
Lost time accidents	0	0	0
Industrial Pretreatment inspections	25	10	10

## MAJOR GOALS AND OBJECTIVES FOR 2016

1. Testing, reporting, technical support and other services to treatment 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. Continue laboratory testing support at the Lawrence VenturePark site and MS4 (storm water) to ensure permit compliance.
5. Continue participation in blue green algae studies in the Kaw River and the effect of water treatment on removal of algal by-products.

## SIGNIFICANT ISSUES FOR 2016

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.
3. High costs of addressing collection line and treatment impacts of fats, oils and grease.



## WATER QUALITY

# Water and Wastewater Fund

Water Distribution System  
Division 7610

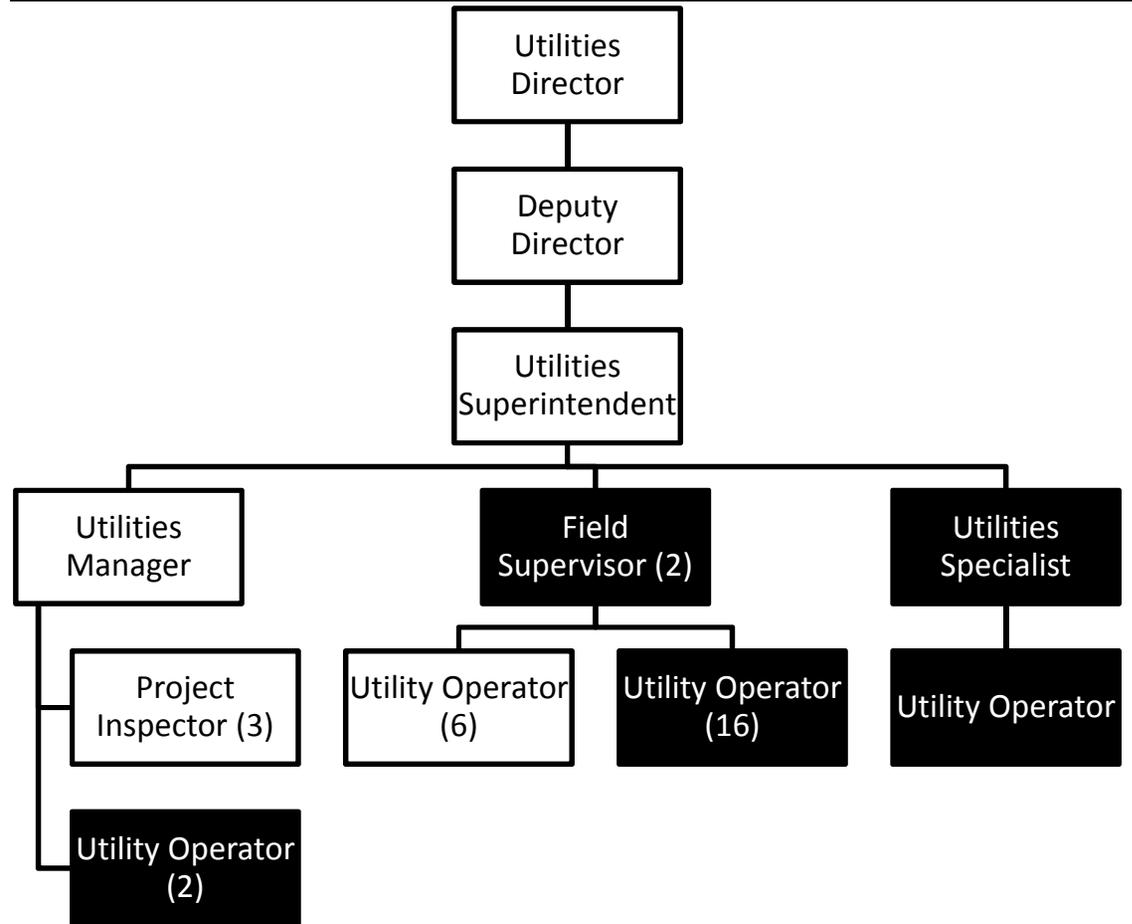
## PROFILE

The mission of the Water Distribution System 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 516 miles of water main, 13,320 valves, 3,430 fire hydrants and approximately 32,000 service connections. The system also provides water for fire protection.

## CURRENT YEAR ACCOMPLISHMENTS

1. Exercised and inspected 2,509 distribution system valves.
2. Distribution flow testing to ensure adequate fire protection.
3. Continued cross training for expanded staff expertise to assist in both emergency leak repairs and sanitary sewer overflow activities.
4. Repaired 123 water main leaks.
5. In-house installation of 8,348 feet of water mains.
6. Completed assessment and inspection of the concrete transmission mains.

## 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

	2014	2015	2015	2016
PERSONNEL	Actual	Adopted	Estimate	Budget
Authorized Positions	24.10	24.10	22.00	22.00

### EXPENDITURE SUMMARY

EXPENDITURES	2014 Actual	2015 Adopted	2015 Estimate	2016 Budget
<b>Personal Services</b>	\$ 1,734,895	\$ 1,747,530	\$ 1,747,530	\$ 1,644,604
<b>Contractual Services</b>	188,990	274,800	274,800	278,800
<b>Commodities</b>	897,337	570,350	570,350	603,350
<b>Capital Outlay</b>	267,041	506,600	506,600	21,024
<b>Debt Service</b>	-	-	-	-
<b>Transfers</b>	619,908	619,908	619,908	619,908
<b>Contingency</b>	-	15,000	15,000	20,000
<b>Total</b>	\$ 3,708,171	\$ 3,734,188	\$ 3,734,188	\$ 3,187,686

### PERFORMANCE INDICATORS

Indicator	2014 Actual	2015 Estimated	2016 Target
# Hydrants painted, inspected, repaired	1,800	1,736	1,750
# Lost time accidents	0	0	0
# Water services installed	123	150	150
# Water main breaks	123	110	100
Water Main Installed (feet)	8,348	10,000	10,000
# Valves Exercised	2,509	2,550	2,600
# Hydrant Flow Test	879	879	890

### MAJOR GOALS AND OBJECTIVES FOR 2016

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. Continue completion CIP related projects.

### SIGNIFICANT ISSUES FOR 2016

1. Large number of incidents of water distribution system leaks.
2. Aging and deteriorating distribution system.
3. Continuation of the small watermain replacement program.
4. Continue to address deferred maintenance of water mains with concurrent system expansion of gravity sewer mains, water mains, treatment facilities, and pumps stations.



### WATER DISTRIBUTION SYSTEM

## Water and Wastewater Fund

### Debt Service Account 501-7700

EXPENDITURES	2014 Actual	2015 Adopted	2015 Estimate	2016 Budget
Personal Services	\$ -	\$ -	\$ -	\$ -
Contractual Services	-	-	-	-
Commodities	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service	8,517,613	8,302,391	8,302,391	12,876,562
Transfers	-	-	-	-
Contingency	-	-	-	-
<b>Total</b>	<b>\$ 8,517,613</b>	<b>\$ 8,302,391</b>	<b>\$ 8,302,391</b>	<b>\$ 12,876,562</b>

## Water and Wastewater Fund

### Non-Bonded Construction Account 501-7800

EXPENDITURES	2014 Actual	2015 Adopted	2015 Estimate	2016 Budget
Personal Services	\$ -	\$ -	\$ -	\$ -
Contractual Services	-	-	-	-
Commodities	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service	-	-	-	-
Transfer to Non - Bonded Construction	1,375,000	1,500,000	1,500,000	1,500,000
Future Projects	-	17,197,609	-	19,732,609
Contingency	-	-	-	-
<b>Total</b>	<b>\$ 1,375,000</b>	<b>\$ 18,697,609</b>	<b>\$ 1,500,000</b>	<b>\$ 21,232,609</b>

# SOLID WASTE FUND

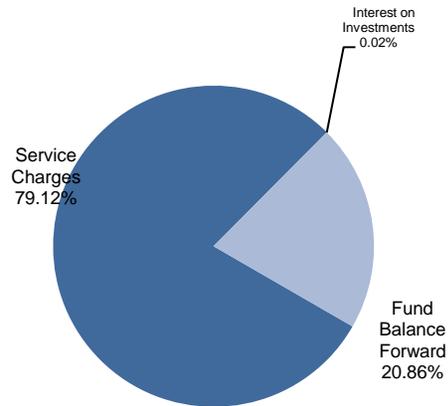
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City of Lawrence

## Fund 502 - SOLID WASTE

**Budget Resources by Classification**



<b>RECEIPTS</b>	2014 Actual	2015 Adopted	2015 Estimated	2016 Budget
Sanitation Service Charge	\$ 9,338,460	\$ 9,908,239	\$ 9,908,239	\$ 10,008,239
Roll Off	1,825,561	1,625,000	1,625,000	1,720,000
Extra Pickups, Miscellaneous	553,693	610,760	610,760	300,686
State Grants	-	-	-	-
Interest on Investments	3,425	7,500	7,500	3,500
<b>TOTAL RECEIPTS</b>	<b>\$ 11,721,139</b>	<b>\$ 12,151,499</b>	<b>\$ 12,151,499</b>	<b>\$ 12,032,425</b>
Balance, January 1	3,147,236	1,400,089	3,161,177	3,171,575
<b>TOTAL RESOURCES AVAILABLE</b>	<b>\$ 14,868,375</b>	<b>\$ 13,551,588</b>	<b>\$ 15,312,676</b>	<b>\$ 15,204,000</b>

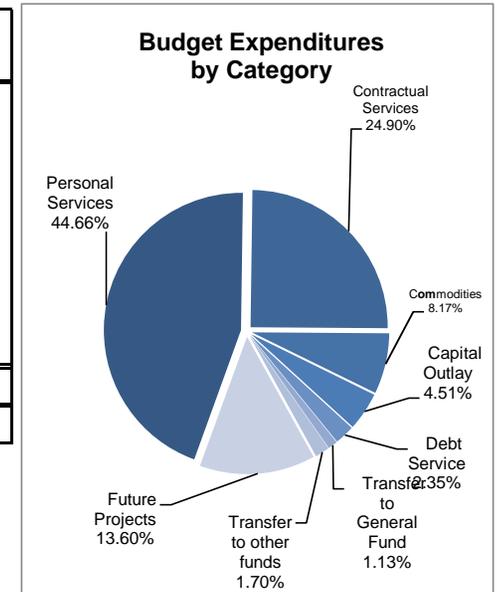
## REVENUE SOURCES - DESCRIPTIONS AND TRENDS

**Revenue Sources** - The Solid Waste Fund is an enterprise fund used to account for 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 went into effect in October 2014. Revenue is expected from recycling rebates through the Material Recovery Facility, dependent of recycling markets (which were severely depressed in 2015).

**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 trends in construction activity. The landfill rate per ton will increase in 2016 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. Rate changes went into effect in October 2014 for residential and multifamily curbside recycling. No rate changed is planned in the 2016 budget year.

## Fund 502 - SOLID WASTE

<b>EXPENDITURES</b>	2014 Actual	2015 Adopted	2015 Estimated	2016 Budget
Personal Services	\$ 5,775,515	\$ 6,276,598	\$ 6,276,598	\$ 6,466,639
Contractual Services	3,044,698	3,503,618	3,503,618	3,605,318
Commodities	1,078,704	1,025,860	1,025,860	1,034,240
Capital Outlay	515,367	584,000	584,000	653,000
Debt Service	31,889	340,000	340,000	340,400
Transfer to General Fund	164,245	164,245	164,245	164,245
Transfer to other funds	1,096,780	246,780	246,780	246,780
Future Projects	-	910,000	-	1,970,000
<b>TOTAL EXPENDITURES</b>	<b>\$ 11,707,198</b>	<b>\$ 13,051,101</b>	<b>\$ 12,141,101</b>	<b>\$ 14,480,622</b>
<b>FUND BALANCE FORWARD</b>	<b>\$ 3,161,177</b>	<b>\$ 500,487</b>	<b>\$ 3,171,575</b>	<b>\$ 723,378</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 2016. Expenses are planned for curbside recycling, including the tipping fee at the Material Recovery Facility. 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 2016.

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 stay flat.

Capital Outlay - Funds for scheduled vehicle and equipment replacement. The need to replace failing equipment and add additional equipment fluctuates, 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.

Future Projects - In order to achieve maximum budget authority for 2016, this amount is included in the recommended budget

# Solid Waste Fund

## Solid Waste Operations

### Division 3515

#### PROFILE

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

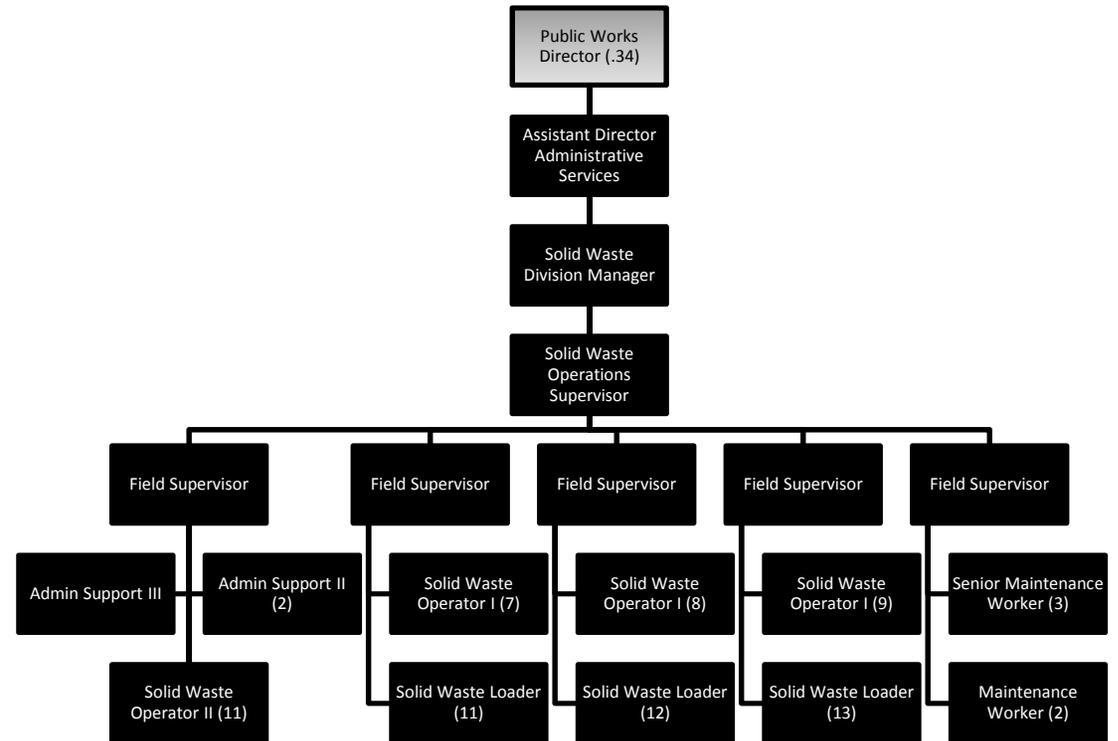
Residential services include trash collection once per week, single-stream recycling collection every-other-week (which began in October of 2014), and yard waste collection once per week (March to December, weather permitting). Other services include the collection of tires, bulky items, and appliances, as well as assistance with neighborhood and alley clean-ups.

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



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#### PERSONNEL SUMMARY

	2014	2015	2015	2016
PERSONNEL	Actual	Adopted	Estimate	Budget
Authorized Positions	87.34	87.34	87.34	87.34

## EXPENDITURE SUMMARY

	2014	2015	2015	2016
EXPENDITURES	Actual	Adopted	Estimate	Budget
<b>Personal Services</b>	\$ 5,144,708	\$ 5,545,565	\$ 5,545,565	\$ 5,709,148
<b>Contractual Services</b>	2,763,271	3,238,093	3,238,093	3,333,293
<b>Commodities</b>	766,059	932,960	932,960	939,460
<b>Capital Outlay</b>	515,367	584,000	584,000	653,000
<b>Debt Service</b>	-	340,000	340,000	340,400
<b>Transfers</b>	407,659	407,659	407,659	407,659
<b>Future Projects</b>	-	260,000	-	260,000
<b>Total</b>	\$ 9,597,064	\$ 11,308,277	\$ 11,048,277	\$ 11,642,960

## PERFORMANCE INDICATORS

Indicator	2014 Actual	2015 Estimated	2016 Target
% of residents satisfied or very satisfied with solid waste collection services	93.2%*	93.3%**	93.3%
% of residents satisfied or very satisfied with yard waste collection services	88.3%*	87.8%**	88.3%
pounds of municipal solid waste disposed per person per day <sup>1</sup>	3.7	3.6	3.5
tons of material managed per FTE	833	835	840

1. Includes all waste tonnage landfilled, using Planning Department population numbers of as July 1, 2014.

\*2011 Citizen Survey, \*\* 2015 Citizen Survey

## MAJOR GOALS AND OBJECTIVES FOR 2016

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 single-stream recycling collection service for commercial customers.

## 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. Implemented residential curbside recycling.
2. Re-routed residential trash routes into 4-day collection schedule.
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 2016

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. To expand and improve recycling services for commercial 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 Waste Reduction and Recycling section of the Solid Waste Division is responsible for programming recycling and waste reduction efforts of the City and conducting public education and awareness programs.

Residential services in this division include:

1. household hazardous waste program
2. glass and fibers recycling programs, such as the drop-off locations, collection, processing, and sale of materials: 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 are actively engaged in giving professional presentations to community and school groups, as well as presenting at state and national conferences.

### ORGANIZATIONAL CHART



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### PERSONNEL SUMMARY

	2014	2015	2015	2016
PERSONNEL	Actual	Adopted	Estimate	Budget
Authorized Positions	10.50	10.50	10.50	10.50

### EXPENDITURE SUMMARY

EXPENDITURES	2014 Actual	2015 Adopted	2015 Estimate	2016 Budget
Personal Services	\$ 630,807	\$ 731,033	\$ 731,033	\$ 757,491
Contractual Services	281,427	265,525	265,525	272,025
Commodities	312,645	92,900	92,900	94,780
Capital Outlay	-	-	-	-
Debt Service	31,889	-	-	-
Transfers	853,366	3,366	3,366	3,366
Future Projects	-	650,000	-	1,710,000
<b>Total</b>	<b>\$ 2,110,134</b>	<b>\$ 1,742,824</b>	<b>\$ 1,092,824</b>	<b>\$ 2,837,662</b>

### PERFORMANCE INDICATORS

Indicator	2014 Actual	2015 Estimated	2016 Target
% of municipal solid waste recycled	tbd	38%	39%
Pounds of municipal solid waste disposed per person per day	3.7	3.6	3.5
% of residents satisfied with the City's drop-off recycling sites	57%*	67%**	67%
% 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%*	60%**	60%

\*2011 Citizen Survey, \*\*2015 Citizen Survey

### MAJOR GOALS AND OBJECTIVES FOR 2016

1. Outreach development for the implementation of single-stream recycling collection services for commercial customers.
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 14,188 tons of material were recycled by the Solid Waste Division, including newspaper, mixed paper, cardboard, glass, metals, yard waste, and holiday trees.
2. Implemented residential single-stream recycling collection service.
3. Continued special education and outreach programs designed for effective and environmentally friendly management of waste. Major events included the Earth Day activities and America Recycles Day.
4. Launched Notify (reminder system for collection services), Recyclable Materials Directory (database search), and an updated Solid Waste Management website.
5. Began construction of a new Household Hazardous Waste (HHW) Facility.

### SIGNIFICANT ISSUES FOR 2016

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 Business Hazardous Waste program.
3. To increase amount of single-stream recyclable materials collected and decrease contaminants in the loads by continuing education and use of tagging program.

### WASTE REDUCTION/RECYCLING



*City of Lawrence*

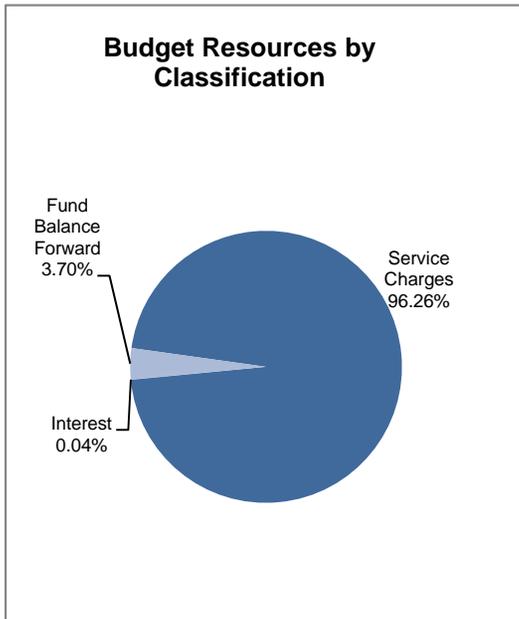
# PUBLIC PARKING SYSTEM FUND

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*City of Lawrence*

## Fund 503 - PUBLIC PARKING SYSTEM



<b>RECEIPTS</b>	<b>2014 Actual</b>	<b>2015 Adopted</b>	<b>2015 Estimated</b>	<b>2016 Budget</b>
Meter	\$ 610,048	\$ 600,000	\$ 600,000	\$ 610,048
Overtime Parking	499,110	475,000	475,000	499,110
Riverfront Garage	159,653	125,000	125,000	159,653
9th & New Hampshire Garage	11,468	11,500	11,500	11,468
Vermont Street Garage	7,025	-	-	8,500
Interest on Investments	-	500	500	500
Lease Payment	-	-	-	-
Miscellaneous	-	-	-	-
<b>TOTAL RECEIPTS</b>	<b>\$ 1,287,304</b>	<b>\$ 1,212,000</b>	<b>\$ 1,212,000</b>	<b>\$ 1,289,279</b>
Balance, January 1	275,012	235,899	218,640	49,560
<b>TOTAL RESOURCES AVAILABLE</b>	<b>\$ 1,562,316</b>	<b>\$ 1,447,899</b>	<b>\$ 1,430,640</b>	<b>\$ 1,338,839</b>

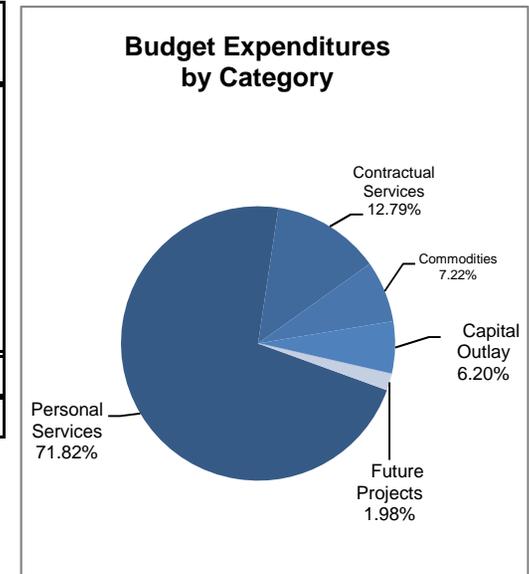
### REVENUE SOURCES - DESCRIPTIONS AND TRENDS

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 three garages (Riverfront, 9th/New Hampshire and Vermont Street) collect fees from parking permits and collection boxes.

Trends - Revenue in this fund has experienced little to no growth in recent years despite increases in the cost of metered parking and increased fines for overtime parking implemented in 2010. The new Vermont Street parking garage generated additional revenue beginning in 2014. An increase in revenue collected from overtime parking fines is expected for 2016. Overall, total revenues are projected to increase for 2016.

## Fund 503 - PUBLIC PARKING SYSTEM

<b>EXPENDITURES</b>	<b>2014 Actual</b>	<b>2015 Adopted</b>	<b>2015 Estimated</b>	<b>2016 Budget</b>
Personal Services	\$ 1,051,209	\$ 1,048,314	\$ 1,048,314	\$ 915,759
Contractual Services	192,924	174,516	174,516	163,036
Commodities	76,174	103,250	103,250	92,120
Capital Outlay	23,370	35,000	35,000	79,000
Debt Service	-	-	-	-
Transfer	-	-	-	-
Future Projects	-	20,000	20,000	25,200
<b>TOTAL EXPENDITURES</b>	<b>\$ 1,343,676</b>	<b>\$ 1,381,080</b>	<b>\$ 1,381,080</b>	<b>\$ 1,275,115</b>
<b>FUND BALANCE FORWARD</b>	<b>\$ 218,640</b>	<b>\$ 66,819</b>	<b>\$ 49,560</b>	<b>\$ 63,723</b>



### EXPENDITURES - DESCRIPTIONS AND TRENDS

Personal Services - This fund provides the funding for staff from three separate departments involved in public parking operations: three police officers, five parking control officers, a parking control technician, a maintenance worker, and four municipal court clerks. Cost of wages, salaries, retirement, and other fringe benefits for City employees continue to increase each year. A reduction in expenditures for 2016 are due to moving a field supervisor and forester into Guest Tax Fund.

Contractual Services - Cost of equipment repair, vehicle maintenance, as well as electricity and other utilities.

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

Capital Outlay - Expenditures fluctuate according to needs each year.

Future Projects - In order to achieve maximum budget authority for 2016, this amount is included in the recommended budget.

# Public Parking System Fund

Parking Control  
Division 2300

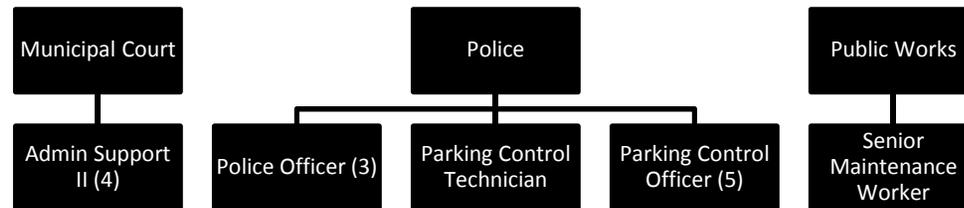
## PROFILE

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. The Public Works Department maintains the parking facilities.

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

	2014	2015	2015	2016
PERSONNEL	Actual	Adopted	Estimate	Budget
Authorized Positions	15.00	15.00	15.00	14.00

## EXPENDITURE SUMMARY

EXPENDITURES	2014 Actual	2015 Adopted	2015 Estimated	2016 Budget
<b>Personal Services</b>	\$ 1,051,209	\$ 1,048,314	\$ 1,048,314	\$ 915,759
<b>Contractual Services</b>	192,924	174,516	174,516	163,036
<b>Commodities</b>	76,174	103,250	103,250	92,120
<b>Capital Outlay</b>	23,370	35,000	35,000	79,000
<b>Debt Service</b>	-	-	-	-
<b>Transfer</b>	-	-	-	-
<b>Future Projects</b>	-	20,000	20,000	25,200
<b>Total</b>	\$ 1,343,676	\$ 1,381,080	\$ 1,381,080	\$ 1,275,115

## PERFORMANCE INDICATORS

Indicator	2014 Actual	2015 Estimated	2016 Target
% of residents satisfied with parking enforcement services*	60%	58%	60%
% of residents satisfied with the availability of parking downtown**	42%	53%	53%

\*2011 Citizen Survey

\*\*2015 Citizen Survey

## MAJOR GOALS AND OBJECTIVES FOR 2016

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 2016

Providing sufficient resources to fund operations (merit increases, employee healthcare and pension costs, etc.) despite little to no revenue growth continues to be an issue.



**PUBLIC PARKING**



*City of Lawrence*

# STORM WATER UTILITY FUND

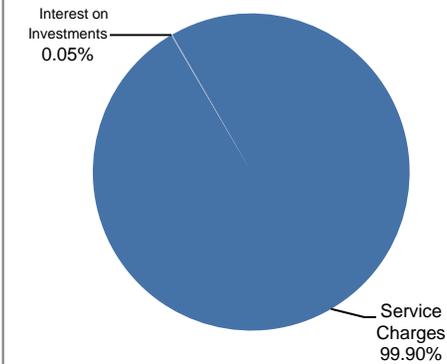
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City of Lawrence

## Fund 505 - STORM WATER UTILITY

**Budget Resources by Classification**



<b>RECEIPTS</b>	2014 Actual	2015 Adopted	2015 Estimated	2016 Budget
Storm Water Utility Charges	\$ 3,036,886	\$ 2,975,000	\$ 2,975,000	\$3,036,686
Interest on Investments	2,408	3,000	3,000	3,000
Miscellaneous	-	-	-	-
Debt Proceeds	-	-	-	-
<b>TOTAL RECEIPTS</b>	<b>\$ 3,039,294</b>	<b>\$ 2,978,000</b>	<b>\$ 2,978,000</b>	<b>\$3,039,686</b>
Balance, January 1	2,101,339	1,326,572	2,378,653	1,229,028
<b>TOTAL RESOURCES AVAILABLE</b>	<b>\$ 5,140,633</b>	<b>\$ 4,304,572</b>	<b>\$ 5,356,653</b>	<b>\$4,268,714</b>

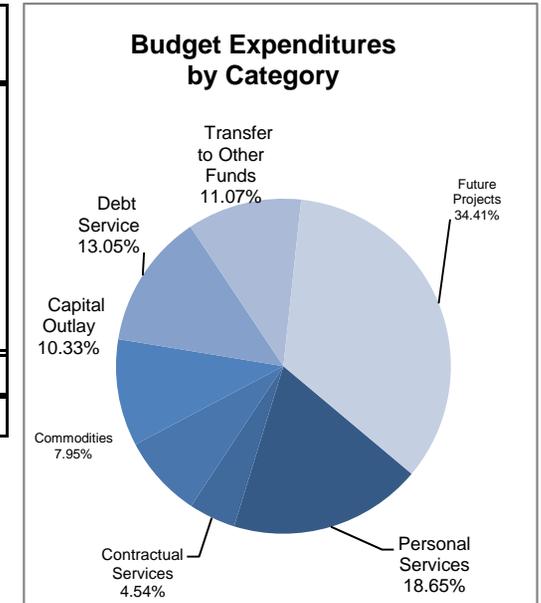
## REVENUE SOURCES - DESCRIPTIONS AND TRENDS

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 charge for storm water service which is calculated by assessing each property based on its impervious surface. The Storm Water Master Plan anticipates the projects and priorities for capital improvements to the infrastructure and recommends rates to be 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 2016 because revenues have been adequate to complete priority storm water projects. Revenues in 2016 are projected at 2014 levels.

## Fund 505 - STORM WATER UTILITY

<b>EXPENDITURES</b>	2014 Actual	2015 Adopted	2015 Estimated	2016 Budget
Personal Services	\$ 715,163	\$ 746,454	\$ 746,454	\$ 758,022
Contractual Services	91,943	184,650	184,650	184,650
Commodities	367,692	323,348	323,348	323,348
Capital Outlay	314,503	420,000	420,000	420,000
Debt Service	722,679	723,243	723,243	530,474
Transfer to Other Funds	550,000	829,930	829,930	450,000
Future Projects	-	900,000	900,000	1,398,800
<b>TOTAL EXPENDITURES</b>	<b>\$ 2,761,980</b>	<b>\$ 4,127,625</b>	<b>\$ 4,127,625</b>	<b>\$ 4,065,294</b>
<b>FUND BALANCE FORWARD</b>	<b>\$ 2,378,653</b>	<b>\$ 176,947</b>	<b>\$ 1,229,028</b>	<b>\$ 203,420</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 storm water 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 Compensation Reserve Fund. Amounts have fluctuated over time.

Future Projects - In order to achieve maximum budget authority for 2016, this amount is included in the recommended budget

# Stormwater Utility Fund

Storm Water Utility  
Division 3900

## PROFILE

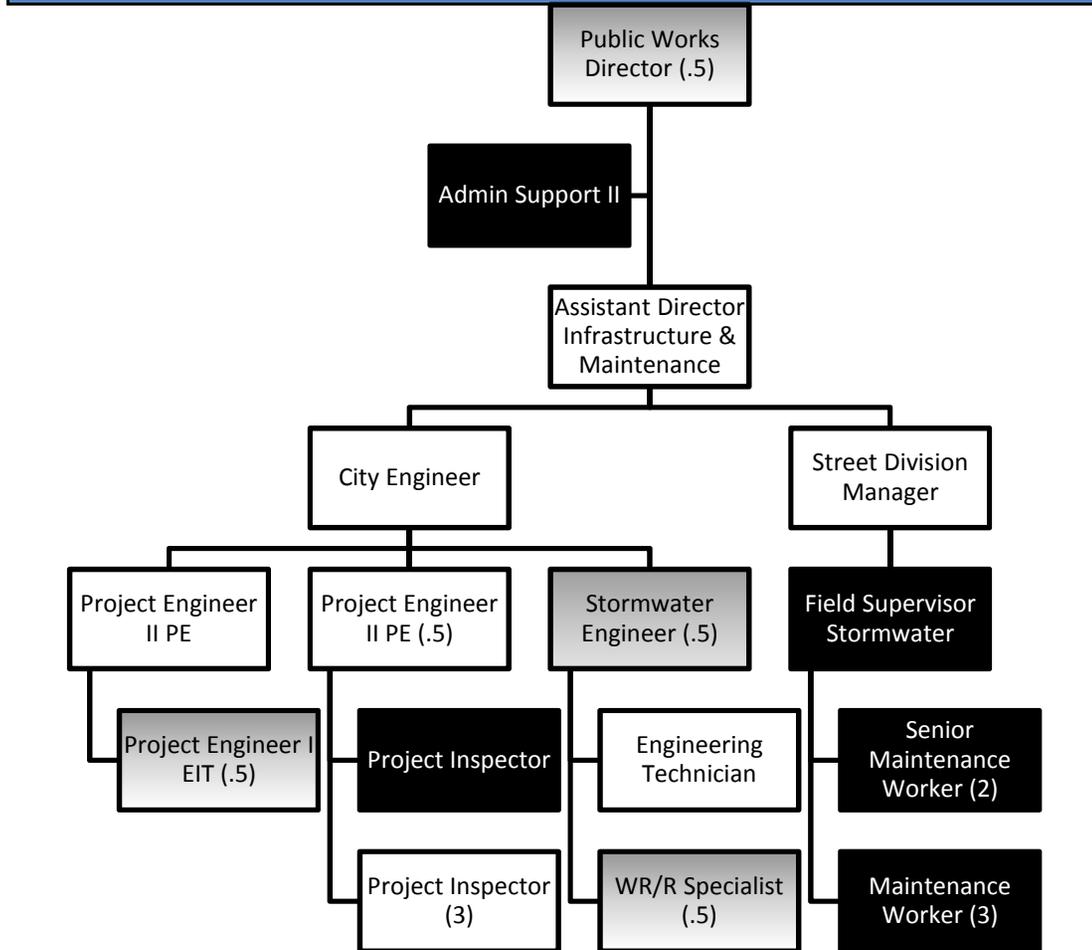
The Storm Water Engineering Division of the Department of Public Works is responsible for scheduled capital improvements to the storm drainage system, maintenance of the existing storm drainage system, review of drainage design in new development and compliance with federal water quality regulations. 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 1,142 linear feet of stormwater pipe, 1,872 catch basins, which included the rebuild of 23 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

	2014 Actual	2015 Adopted	2015 Estimate	2016 Budget
PERSONNEL				
Authorized Positions	10.00	10.00	10.00	10.00

### EXPENDITURE SUMMARY

	2014 Actual	2015 Adopted	2015 Estimate	2016 Budget
<b>EXPENDITURES</b>				
<b>Personal Services</b>	\$ 715,163	\$ 746,454	\$ 746,454	\$ 758,022
<b>Contractual Services</b>	91,943	184,650	184,650	184,650
<b>Commodities</b>	367,692	323,348	323,348	323,348
<b>Capital Outlay</b>	314,503	420,000	420,000	420,000
<b>Debt Service</b>	722,679	723,243	723,243	530,474
<b>Transfers</b>	550,000	829,930	829,930	450,000
<b>Future Projects</b>	-	900,000	900,000	1,398,800
<b>Total</b>	\$ 2,761,980	\$ 4,127,625	\$ 4,127,625	\$ 4,065,294

### PERFORMANCE INDICATORS

Indicator	2014 Actual	2015 Estimated	2016 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	32%	10%	10%
Number of storm water quality violations issued	31	25	25
Number of storm water education program participants	1,120	1,000	1,000

### MAJOR GOALS AND OBJECTIVES FOR 2016

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 cleaning and repair of storm detention.
3. Completed 960 linear feet of overflow pipe on Ridge Court.
4. Rebuilt the culvert and wing walls at Bob Billings Parkway and Lawrence Ave.
5. Assisted with the demolition and clean up at Lawrence VenturePark.
6. Focused staff time on education and outreach -- rain barrel workshops and Water Festival.

### SIGNIFICANT ISSUES For 2016

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*

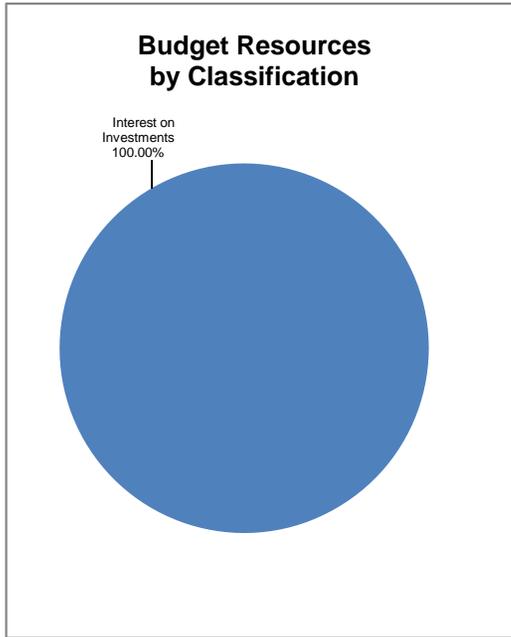
# PUBLIC GOLF COURSE FUND

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City of Lawrence

## Fund 506 - PUBLIC GOLF COURSE



<b>RECEIPTS</b>	2014 Actual	2015 Adopted	2015 Estimated	2016 Budget
Golf Course Fees	\$ 772,843	\$ 856,700	\$ 856,700	\$ 856,700
Interest on Investments	-	300	300	-
Miscellaneous	5,832	1,000	1,000	11,000
Transfers In	-	-	-	-
<b>TOTAL RECEIPTS</b>	<b>\$ 778,675</b>	<b>\$ 858,000</b>	<b>\$ 858,000</b>	<b>\$ 867,700</b>
Balance, January 1	260,532	364,234	240,517	310,171
<b>TOTAL RESOURCES AVAILABLE</b>	<b>\$ 1,039,207</b>	<b>\$ 1,222,234</b>	<b>\$ 1,098,517</b>	<b>\$ 1,177,871</b>

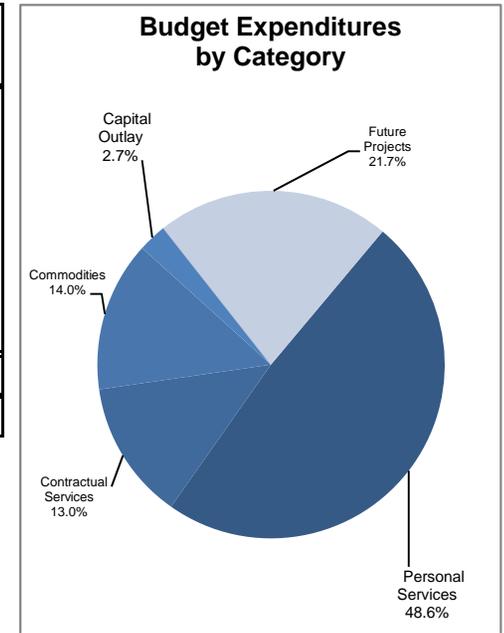
## REVENUE SOURCES - DESCRIPTIONS AND TRENDS

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. A small increase in green fees was implemented in 2015. A slight increase in overall revenues is budgeted for 2016.

## Fund 506 - PUBLIC GOLF COURSE

<b>EXPENDITURES</b>	2014 Actual	2015 Adopted	2015 Estimated	2016 Budget
Personal Services	\$ 445,367	\$ 476,446	\$ 476,446	\$ 545,633
Contractual Services	141,847	132,153	132,153	145,550
Commodities	184,142	149,747	149,747	156,797
Capital Outlay	27,334	30,000	30,000	30,000
Debt Service	-	-	-	-
Transfer	-	-	-	-
Future Projects	-	386,654	-	243,800
<b>TOTAL EXPENDITURES</b>	<b>\$ 798,690</b>	<b>\$ 1,175,000</b>	<b>\$ 788,346</b>	<b>\$ 1,121,780</b>
<b>FUND BALANCE FORWARD</b>	<b>\$ 240,517</b>	<b>\$ 47,234</b>	<b>\$ 310,171</b>	<b>\$ 56,091</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.

Future Projects - In order to achieve maximum budget authority for 2016, this amount is included in the recommended budget.

# Public Golf Course Fund

Public Golf Course

Division 4900

## PROFILE

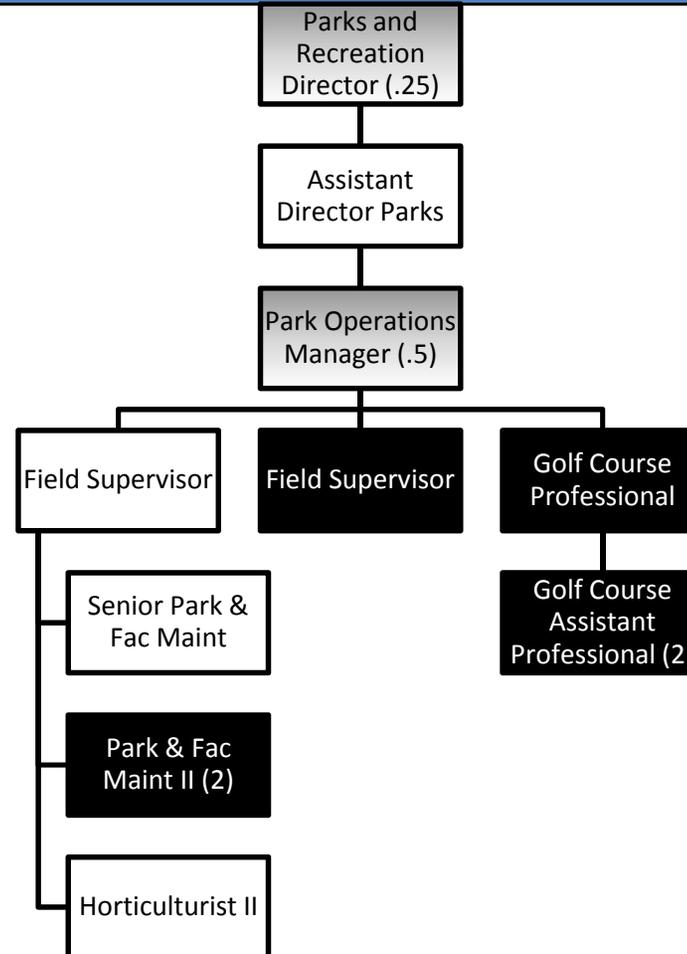
The municipal golf course division is responsible for the operation and maintenance of Eagle Bend Golf Course and related facilities. The \$3.2 million dollar, 18 hole municipal golf course, in its sixteenth year of operation, is located east of the Clinton Lake Dam in the southwest quadrant of the city.

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.
3. New landscaping and a rock wall for Hole No. 17.
4. Construction of a new short game area that includes an putting green/bunkers.

## 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

	2014	2015	2015	2016
PERSONNEL	Actual	Adopted	Estimate	Budget
Authorized Positions	6.75	6.75	6.75	6.75

## EXPENDITURE SUMMARY

	2014	2015	2015	2016
EXPENDITURES	Actual	Adopted	Estimate	Budget
<b>Personal Services</b>	\$ 445,367	\$ 476,446	\$ 476,446	\$ 545,633
<b>Contractual Services</b>	141,847	132,153	132,153	145,550
<b>Commodities</b>	184,142	149,747	149,747	156,797
<b>Capital Outlay</b>	27,334	30,000	30,000	30,000
<b>Debt Service</b>	-	-	-	-
<b>Transfers</b>	-	-	-	-
<b>Future Projects</b>	-	386,654	-	243,800
<b>Total</b>	\$ 798,690	\$ 1,175,000	\$ 788,346	\$ 1,121,780

## PERFORMANCE INDICATORS

Indicator	2014 Actual	2015 Estimated	2016 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 2016

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 2016

1. Continue to operate the Eagle Bend Golf Course facility as an enterprise account with 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 database to attract and inform players.
5. Increasing part-time wages to allow us to compete with other businesses that employ these seasonal laborers.
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*



*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 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 performed, additional roadway 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 revenue.

### Capital Projects Identified but Not Included

There are a number of capital improvement projects that have been identified but due to revenue constraints have not been included for funding in the 2016 Capital Improvement Plan, including a Police Facility, Consolidated Office Space/One Stop Shop, and a new Central Maintenance Garage. More projects can be found at [lawrenceks.org/assets/agendas/cc/2014/08-05-14/capital\\_budget\\_2015\\_2019.pdf](http://lawrenceks.org/assets/agendas/cc/2014/08-05-14/capital_budget_2015_2019.pdf).

## 2016 CAPITAL IMPROVEMENT PLAN

### City At Large Projects

Project	Cash									General Obligation Bonds		Water and Wastewater Revenue Bonds	Intergovernmental Aid	Total
	Infrastructure Sales Tax	Reserve Funds	General Fund	Guest Tax Fund	Gas Tax Fund	Special Alcohol Fund	Water and Wastewater Fund	Solid Waste Fund	Stormwater Fund	Property Tax	Special Assmt.			
Residential Street Maintenance	\$ 800,000													\$800,000
City Share Queens Rd., 6th to Wakarusa (for owner occupied East side of street) Construction										\$ 2,000,000	\$ 2,000,000			\$ 4,000,000
Cultural District 9th St. Corridor Improvements (including bike lanes and lighting)	250,000									2,500,000				\$2,750,000
Kasold, 6th to BBP - Phase I Construction	2,550,000													\$2,550,000
Wakarusa, Inverness/ Legends to 6th - Design	400,000													\$400,000
Rehab of Fire Station No. 1 (city facilities)										1,480,000			520,000	\$2,000,000
Bicycle Pedestrian improvements	200,000													\$200,000
Traffic Calming Projects										200,000				\$200,000
City share of 11th and Mississippi St. repair	150,000													\$150,000
2016 KLINK										400,000			200,000	\$600,000
Policy Facility														UNFUNDED
Transit Hub														TBD
<b>Subtotal At Large Projects</b>	<b>4,350,000</b>	-	-	-	-	-	-	-	-	<b>6,580,000</b>	<b>2,000,000</b>	-	<b>720,000</b>	<b>13,650,000</b>

## 2016 CAPITAL IMPROVEMENT PLAN

### Water and Wastewater Utility Fund Projects

Project	Cash									General Obligation Bonds		Water and Wastewater Revenue Bonds	Intergovernmental Aid	Total
	Infrastructure Sales Tax	Reserve Funds	General Fund	Guest Tax Fund	Gas Tax Fund	Special Alcohol Fund	Water and Wastewater Fund	Solid Waste Fund	Stormwater Fund	Property Tax	Special Assmt.			
Oread Storage & BPS Replacement														\$ 3,688,100
Watermain Relocation, Rehabilitation, and Replacement														3,760,800
Kaw Structural, Electrical, Process														166,700
Clinton Process Improvements														187,200
Water Plant Maintenance														624,000
Taste & Oder Phase I														4,500,000
Rapid I/I Reduction Program														2,000,000
Sewer Rehabilitation, Assessment, CIPP, Manholes														467,900
Wakarusa Wastewater Treatment Plant														22,593,600
Sanitary Sewer Relocations														337,500
<b>Subtotal Water and Wastewater Projects</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	<b>38,325,800</b>

### Total All Projects

Project	Cash									General Obligation Bonds		Water and Wastewater Revenue Bonds	Intergovernmental Aid	Total
	Infrastructure Sales Tax	Reserve Funds	General Fund	Guest Tax Fund	Gas Tax Fund	Special Alcohol Fund	Water and Wastewater Fund	Solid Waste Fund	Stormwater Fund	Property Tax	Special Assmt.			
At Large Projects	\$ 4,350,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,580,000	\$ 2,000,000	\$ -	\$ 720,000	\$ 13,650,000
Water and Wastewater Utility Fund Projects	-	-	-	-	-	-	-	-	-	-	-	-	-	38,325,800
<b>TOTAL ALL PROJECTS</b>	<b>\$ 4,350,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 6,580,000</b>	<b>\$ 2,000,000</b>	<b>\$ -</b>	<b>\$ 720,000</b>	<b>\$ 51,975,800</b>

## Impact of Capital Budget on Operating Budget

The following capital improvement projects are slated to be financed in 2016. Included are project costs and a description of any anticipated operating budget and/or related service impacts.

### **Residential Street Maintenance**

*Project Description:* Proceeds from the Infrastructure Sales Tax will be used to repair portions of streets throughout the City. Projects will be selected according to highest need.

*City Cost:* \$800,000

*Operating Budget Impact:* Repairing streets before they deteriorate to the point that total reconstruction is required enables the City to control long-term costs that associated with complete reconstruction.

### **City Share Queens Rd., 6<sup>th</sup> to Wakarusa**

*Project Description:* Construction of Queens Road from 6<sup>th</sup> Street to Wakarusa

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

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

### **Cultural District 9<sup>th</sup> Street Corridor Improvements**

*Project Description:* The 9<sup>th</sup> Street corridor area has been identified as an important connection between historic Downtown Lawrence, the East Lawrence Neighborhood, and the redeveloping Warehouse Arts District. The corridor is located in the City's recently designated Cultural District, an area with a high concentration of artistic, cultural, historic and natural amenities. This project will create a multi-modal connection utilizing accessible complete streets concepts and upgraded amenities. In addition, the public art component of the project will be designed in tandem with the infrastructure, developing platforms for visual and performing art and engaging local artists.

*City Cost:* \$2,750,000

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

### **Kasold, 6<sup>th</sup> to BBP – Phase I Construction**

*Project Description:* Construction of Kasold Street from 6<sup>th</sup> Street to Bob Billings Parkway.

*City Cost:* \$2,550,000

*Operating Budget Impact:* Infrastructure sales tax is budgeted to fund this project. The section needs to be rebuilt, and the rebuild will result in less intensive maintenance than is required for the current street.

### **Wakarusa, Inverness/Legends to 6<sup>th</sup> (Design)**

*Project Description:* This is the design phase of a project reconstruct Wakarusa Street from Inverness/Legends to 6<sup>th</sup> Street. Intersection improvements are included in the project.

*City Cost:* \$400,000

*Operating Budget Impact:* The impact of the design phase on future budgets is minimal.

### **Rehabilitation of Fire Station No. 1**

*Project Description:* The Fire Medical Station No. 1, located in downtown Lawrence, was built as the City's main fire station in 1950 and renovations are needed to bring it up to current day to day operational needs of the City's Fire Medical Department. There are also ADA compliance issues that need to be addressed.

*City Cost:* \$1,480,000 (city share)

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

## Impact of Capital Budget on Operating Budget

### **Bicycle Pedestrian Improvements**

*Project Description:* Proceeds from the Infrastructure Sales Tax will be used to make improvements to sidewalks as well as additional needs identified by the Bicycle Pedestrian Task Force and/or the city.

*City Cost:* \$200,000

*Operating Budget Impact:* The funding is budgeted in the infrastructure sales tax and is not allocated to a specific construction project at this point.

### **Traffic Calming**

*Project Description:* Funding for various approved and outstanding traffic calming projects throughout the City. Projects will be selected according to highest need.

*City Cost:* \$200,000

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

### **City Share 11<sup>th</sup> and Mississippi St. Repair**

*Project Description:* Reconstruction of 11th and Mississippi Streets

*City Cost:* \$150,000

*Operating Budget Impact:* Infrastructure sales tax is budgeted for this project.

### **2016 KLINK**

*Project Description:* Mill and overlay of Iowa Street from 23<sup>rd</sup> to 31<sup>st</sup>.

*City Cost:* \$400,000 (grant funding from state also expected)

*Operating Budget Impact:* The project will be debt funded and will result in reduced long-term maintenance costs from needed repairs to this section of road.

### **Oread Storage and BPS 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 and booster pump station (BPS).

*City Cost:* \$3,688,100

*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.

### **Watermain Relocation, Rehabilitation, and 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

*City Cost:* \$3,760,800

*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 of equipment (pumps, chemical feed equipment, etc.)

## Impact of Capital Budget on Operating Budget

### **Kaw Water Treatment Plant Structural Electrical Process**

*Project Description:* Ongoing project to address needed structural, electrical and process deficiencies throughout the Kaw Plant.

*City Cost:* \$166,700

*Operating Budget Impact:* Will address maintenance needs, improve system reliability and meet regulatory requirements.

### **Clinton Process Improvements**

*Project Description:* Process improvements to the Clinton Plant and intake.

*City Cost:* \$187,200

*Operating Budget Impact:* Will address regulatory and system reliability and transmission needs.

### **Water Plant Maintenance**

*Project Description:* Projects will include the assessment and repair of some of the major components of the Clinton and Kaw Water Treatment Plants on an as needed basis

*City Cost:* \$624,000

*Operating Budget Impact:* Regular maintenance should lengthen the life of these City facilities and reduce the likelihood for major and more costly repairs.

### **Taste & Odor Phase I**

*Project Description:* Construction on process improvements in response to the study on water taste and odor.

*City Cost:* \$4,500,000

*Operating Budget Impact:* Project performed by a contractor and would involve project monitoring by staff(plan/spec review, inspection, etc.).

### **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:* \$2,000,000

*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.

### **Sewer Rehabilitation, Assessment, CIPP, Manholes**

*Project Description:* Assess and rehabilitate sewer system infrastructure including the use of in place pipe (CIPP) technology.

*City Cost:* \$467,900

*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.)

### **Wakarusa Wastewater Treatment Plant Influent Pump Station/ Force Main**

*Project Description:* Continued work related to construction of a 2.5 MGD wastewater treatment plant on the Wakarusa River including the 11 MGD influent pump station and conveyance piping, associated roadway, utility, and wet weather storage.

*City Cost:* \$22,593,600

*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.

### **Sanitary Sewer Relocations**

*Project Description:* Relocations of sanitary sewers.

*City Cost:* \$337,500

*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.



*City of Lawrence*

# 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	16.9%
Some College	19.7%
Associates Degree	5.7%
Bachelor's Degree	28.6%
Graduate Degree	24.2%

### Population by Gender

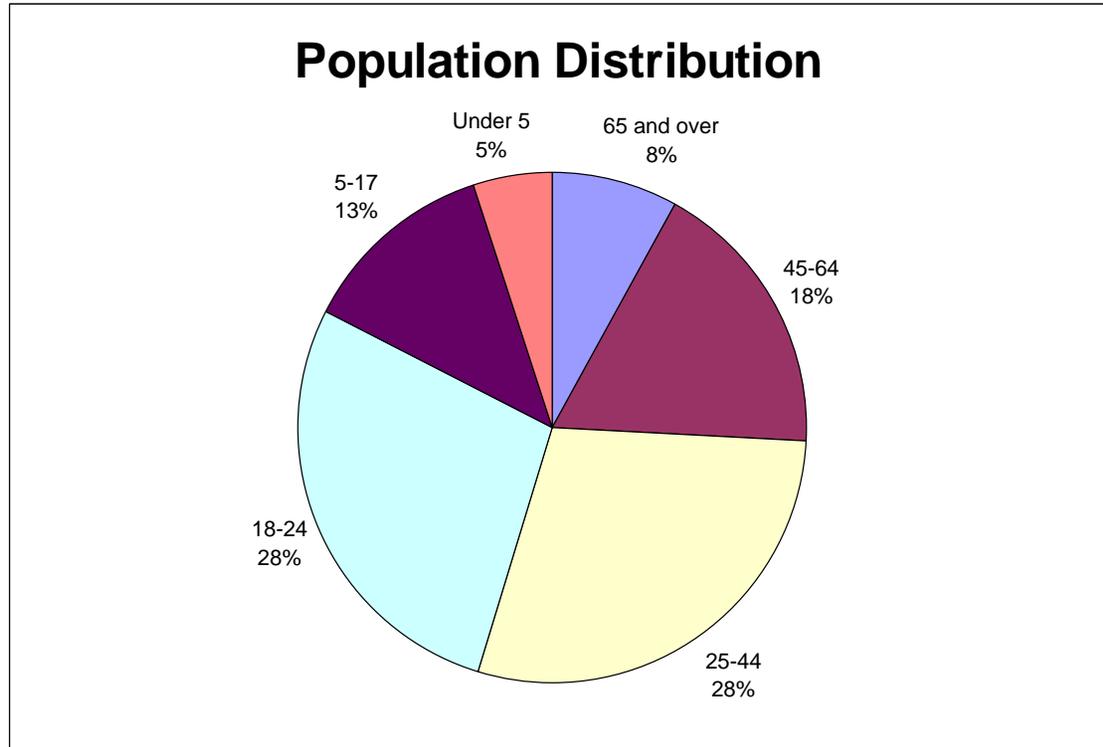
Male	50.2%
Female	49.8%

### Median Age

26.7

### Population Distribution

65 and over	8.0%
45-64	18.5%
25-44	27.5%
20-24	21.4%
5-19	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

### 2014 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%

### 2014 Assessed Valuation

City of Lawrence	\$894,944,702
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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	101
Duplex	15 (30 total units)
Multi-Family	6(143 total units)

## Fire / Medical

Stations	6
Numbers of Calls	10,882
Staff	143
Number of Inspections	4,326
Fire Insurance Rating	2

## Water System

Plants	2
Miles of water mains	516
Service connections	33,405
City owned Fire hydrants	3,413

## Parks & Recreation

Recreation Centers	7
Parks	56
Park Acreage	3,800
Public Pools	4
Public Tennis Courts	16
Trails (miles)	75

## Sanitary Sewer

Plants	1
Miles of sewers	443
Service connections	32,345
Average daily treatment	9.06 MGD
Pump stations	31

## Police

Stations	2
Police Officers	151
Patrol Units	30
Calls for Service	115,398

## Crime

### Crime Indices (per 1,000)

Violent Crime Index	3.1
Property Crime Index	30.6
<b>Total Crime Index</b>	<b>33.7</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

18.4 minutes

# LAWRENCE AT A GLANCE

## Income Statistics (U.S. Census Bureau, American Community Survey)

### Personal Income per Capita

\$25,322

### Median Household Income

\$45,574

### Median Family Income

\$69,081

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

<u>Unemployment Rate</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
City of Lawrence	4.2%	4.5%	6.1%	6.2%	5.9%	5.4%	4.8%	4.0%
State of Kansas	4.2%	4.6%	6.9%	7.1%	6.5%	5.8%	5.3%	4.5%
United States	4.6%	5.8%	9.3%	9.6%	8.9%	8.1%	7.4%	6.2%

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

<u>Employers</u>	<u>Number of Employees</u>	<u>Employers</u>	<u>Number of Employees</u>
The University of Kansas	9,872	Hallmark Card, Inc	814
Lawrence Public Schools	1,831	World Company	680
General Dynamics	1,500	Berry Plastics	665
City of Lawrence	1,431	Amarr Garage Doors	480
Lawrence Memorial Hospital	1,251	DCCA Center	475



*City of Lawrence*

## 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

# 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 2016 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*

During the 2016 budget process, the City Commission has identified a set of strategic goals to guide the work of City Staff. The goals of the various departments can be found throughout this budget document. The City Commission Identified Goals are provided below.

#### **ECONOMIC DEVELOPMENT**

#### **INFRASTRUCTURE**

#### **PUBLIC SAFETY**

#### **MENTAL HEALTH**

#### **AFFORDABLE HOUSING**

#### **NON-MOTORIZED TRANSPORTATION/PUBLIC TRANSIT**

### *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*

# 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 Net Direct Debt Outstanding to Appraised Valuation will not exceed 1.5%
- Ratio of General Obligation bonds and Temporary Notes Outstanding to the Statutory Debt Limit will not exceed 60%.
- Ratio of Governmental funds Debt Service payments as percentage of total Governmental Funds expenditures will not exceed 15%.
- Amount of Net Direct Debt Outstanding per population will not exceed \$1,500.
- Amount of Overlapping Net Direct Debt Outstanding to Appraised Valuation will to exceed 3.5%.
- Bond and Interest mill levy should 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*

# 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.

## 2016 BUDGET PROCESS CALENDAR

Tuesday, April 21	City Commission Study Session (3:00 – 5:15 pm) @ City Hall Orientation Dept. Presentations
Tuesday, April 28	City Commission Study Session (3:00 – 5:15 pm) @ City Hall Orientation Dept. Presentations
Monday, May 4	Public Input Meeting
Tuesday, May 5	Budget 101 Meeting
Thursday, May 14	Public Input Meeting
Friday, May 15	Requests due from social service agencies and vendor services
Monday, May 18	Department Budget Information Submitted to City Manager's Office
Tuesday, May 19	City Commission Study Session (3:00 – 5:15 pm) @ City Hall Public Comment on CC Regular Agenda (5:45pm)
Tuesday, June 16	City Commission Study Session (3:00 – 5:15 pm) @ City Hall: Budget Overview Outside Agency Requests
Tuesday, June 23	City Commission Study Session (3:00 – 5:15 pm) @ City Hall: Fund Summaries Capital Improvement Projects, Equipment Needs
Thursday, July 2	Recommended Budget Distributed to

	City Commission and posted on website
Tuesday, July 7	City Commission Study Session (3:00 – 5:15 pm) @ City Hall Interim City Manager's Recommended Budget Preliminary Results of Citizen Survey
Tuesday, July 14	City Commission Study Session (3:00 – 5:15 pm) @ City Hall 2016 Recommended Budget cont.
Tuesday, July 21	City Commission authorizes publication of Budget
Wednesday July 22 – Noon	Budget material provided to Journal World for publication Friday 07/25/13 ( ten days between publication and hearing)
Tuesday, August 4	Public Hearing on Budget – Budget Ordinance first reading (no later than 8/15)
Tuesday, August 11	Budget adopted by City Commission – Budget Ordinance second reading
Wednesday August 12 – Noon	Budget ordinance provided to Journal World for publication Friday, 08/14/2015
Wednesday, August 19	Budget, along with certified copy of ordinance, filed with County Clerk (at least ten days from hearing)
Tuesday, August 25	Statutory deadline for budget submittal