2020 Operating Budget
Presentation Outline

- Budget Overview and Recommendation
- Taxpayer Impact
- Financial Equity
- Unfunded Requests/Outside Agency Requests
- Department Budgets
Key Dates/Participation Opportunities

• June 18: City Manager’s Recommended Budget Presentation
• July 9: Updated Revenue Projections
• August 6: Public Hearing

Public Participation Opportunities
– Attend City Commission Meetings
– Written Correspondence (ccagendas@lawrenceks.org)
– Lawrence Listens (www.lawrenceks.org/lawrence-listens)

City of Lawrence
City Manager Recommendation

- The budget process allows for the following:
  - Alignment between budget and strategic plan
  - Progress on priority initiatives
  - View of the larger picture
  - Financial discussions in context with entire budget
  - Progress on Priority Based Budgeting

City of Lawrence
City Manager Recommendation

• Timing
  – The budget has to be certified by August 25
  – Staff begins working on the budget in January and February
  – Projections are made for more than a year out with little data from the current year to base those projections on
    • Figures are constantly changing right up to adoption based on emerging information
City Manager Recommendation

• Property Insurance Policy (Consent Agenda Item)
  – 2019 revised budget includes $239,000
  – 2020 has $250,000 currently budgeted
  – Broker approached 58 insurance carriers, only received 2 quotes (current carrier declined)
    • These were nearly double prior year costs for less coverage
    • Figures were received 6/13 and therefore are not included in today’s figures but will be added for July

City of Lawrence
City Manager Recommendation

• Total Expenditures: $235,520,000
  – General Fund is structurally balanced
  – Increases mill levy for General Fund by 0.500 mill to a total estimated mill levy of 33.778
  – All other funds are balanced within a 5-year financial forecast
  – Preserves core city services and includes a 5-year Capital Improvement Plan
City Manager Recommendation

- Includes an Internal Service Fund for Human Resources, Information Technology, Finance Administration, and Risk Management
- Clear methodology for Payment-In-Lieu-of-Taxes (PILOT) for City utilities
  - Franchise fee of 6% for use of city right-of-way for water/sewer, solid waste, stormwater
  - Aligns with transfer policy

City of Lawrence
City Manager Recommendation

- History of Transfers from Utility Funds to General Fund for ROW Maintenance

History of Transfers from Utility Funds Compared to Expenses in the GF for Road Improvements
Revenue Assumptions

• Assessed Valuation
  – Assumed a 4.5% increase in assessed valuation
  – Total assessed valuation is projected to be $1,084,016,415

Reference page 17 of budget book
Revenue Assumptions

• Sales Tax
  – General Fund assumes a 2% increase over 2019 revised

<table>
<thead>
<tr>
<th>Fund</th>
<th>2018 Unaudited</th>
<th>2019 Adopted Budget</th>
<th>2019 Revised Budget</th>
<th>2020 Recommended Budget</th>
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<tbody>
<tr>
<td>General</td>
<td>29,344,939</td>
<td>30,371,000</td>
<td>29,780,000</td>
<td>30,443,000</td>
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<td>Capital Improve Reserve</td>
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<td>500,000</td>
<td>500,000</td>
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<td>TDD/TIF Funds</td>
<td>701,704</td>
<td>789,000</td>
<td>685,000</td>
<td>777,000</td>
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<td>Housing Trust Fund</td>
<td>-</td>
<td>497,000</td>
<td>497,000</td>
<td>924,000</td>
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<td><strong>Total</strong></td>
<td><strong>40,071,986</strong></td>
<td><strong>41,119,000</strong></td>
<td><strong>40,830,000</strong></td>
<td><strong>42,254,000</strong></td>
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</table>

City of Lawrence
Reference pages 21 of budget book
Revenue Assumptions

- **Recreation Fund**
  - Recommending increases in recreation fees, sponsorships, and approval of the Facility Access Card with user fees
  - With these fee increases, fund balance is projected to be at 7.7% at the end of 2020
  - Have been spending down fund balance for last several years which is not sustainable long-term

Reference pages 60-61 of budget book
Revenue Assumptions

- Recreation Fund
  - 5-year forecast with recommended revenue increases

Reference pages 60-61 of budget book
Revenue Assumptions

• Recreation Fund
  – 5-year forecast without recommended revenue increases
  – Fund balance would be negative in 2020 – additional expenditure cuts would need to be identified
Revenue Assumptions

• Parking Fund
  – Recommending parking fee increases for meters, garages, citations, and permits
  – Meter Recommendations
    • Increase current meter rates that are $0.50/hour to $0.75/hour
    • Increase current meter rates that are $0.10/hour to $0.20/hour
    • Estimated to increase revenue by $356,000
    • Last rate increase was 2009

City of Lawrence
Revenue Assumptions

• Parking Fund
  – Garage Recommendations
    • Rates barely cover the cost of utilities
    • Rates are not able to address the estimated $2M in maintenance that is anticipated to be needed within the next 5 years
      – Increase current garage rates from $1.00/day to $2.00/day at all three garages
      – Estimated to increase revenue by $24,000
      – Last rate increase was in 1990
Revenue Assumptions

- Parking Fund
  - Citation Recommendations
    - Increase current citation rates from $5.00/citation to $7.00/citation
    - Estimated to increase revenue by $108,000
    - Last rate increase was 2016

City of Lawrence
Revenue Assumptions

• Parking Fund
  – Permit Recommendations
    • Increase parking permit from $192/year to $240/year
    • Estimated to increase revenue by $36,000
    • Last rate increase was in 2000

City of Lawrence
Revenue Assumptions

• Parking Fund
  – Rate increases are estimated to generate approximately $524,000 annually
  – Will help improve parking system and implement recommendations from parking study
  – Add technology to parking system
    • Credit card usage will be examined
  – Based on these rate recommendations, the Pay-by-Plate Stations and License Plate Recognition System (LPR) have been added to the funded CIP

City of Lawrence
Revenue Assumptions

• Parking Fund
  – 5-year forecast with recommended revenue increases

Reference pages 74-75 of budget book
Revenue Assumptions

- Parking Fund
  - 5-year forecast without recommended revenue increases
  - Fund balance would be negative in 2020 – additional expenditure cuts would need to be identified
Overview of Property Tax Supported Funds

• General Fund
  – 23% Fund Balance
    • Have one-time transfers to help off-set the costs related to the Internal Service Funds in 2020
  – 2019 Revised
    • Spend down of 2018 fund balance
      – $2M transferred to Cap. Imp. Reserve Fund
      – $1.249M transferred to Equip. Reserve Fund

• General Fund
  – 2019 Revised Cont.
    • Increased requests
      – $424K Fire Medical Overtime
      – $374K transferred to Central Maintenance
      – $148K Lawrence Community Shelter

City of Lawrence

Reference pages 48-49 of budget book
Overview of Property Tax Supported Funds

- General Fund
  - 5-year projection with recommended 0.500 mill increase in 2020

Reference pages 48-49 of budget book
Overview of Property Tax Supported Funds

- Bond & Interest Fund
  - Debt Service is increasing in 2020
  - Large debt payments are anticipated to begin in 2021
  - Assumes Temp. Notes are converted to long-term debt in 2021
  - Included debt projects identified in the CIP

City of Lawrence

Reference pages 68-69 of budget book
Overview of Property Tax Supported Funds

- **Library Fund**
  - Library requested $4.7M based on a 5.5% increase in assessed valuation and no mill levy increase
  - All funds received are remitted to the library
- May be adjusted based on updated assessed valuation figures

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<th>Revenues</th>
<th>2018 Unaudited</th>
<th>2019 Adopted Budget</th>
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<th>2020 Recommended Budget</th>
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<td>Interest</td>
<td>(590)</td>
<td>-</td>
<td>-</td>
<td>-</td>
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<td>Total</td>
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<td>Contractual Services</td>
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<td>Total</td>
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<th>Revenue over/(under) Expenditure</th>
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<td>Expenditure</td>
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<th>Beginning Balance</th>
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<td>$4,770</td>
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<td>$427</td>
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<th>2019 Revised Budget</th>
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<tbody>
<tr>
<td>$81,427</td>
<td>$802</td>
<td>$427</td>
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</table>
Capital Improvement Plan

- Provides long-term planning
- Prioritization of limited resources
- Projects must:
  - Have a useful life of 2 years or more
  - Cost $100,000 or more
- Updated Project Detail Sheets can be found at [www.lawrenceks.org/budget/cip](http://www.lawrenceks.org/budget/cip)

City of Lawrence

Reference pages 131-142 of budget book
Capital Improvement Plan

• Changes since May 9 Presentation
  – Added Human Resources Information System
  – Moved $200,000 of funding for Airport Runway Reconstruction back to 2019 from 2020
  – Moved $400,000 for Kansas River Wastewater Treatment Plant Improvements back to 2019 from 2020
  – Increased funding for Contracted Street Maintenance (and moved funding between sources)

City of Lawrence

Reference pages 131-142 of budget book
Capital Improvement Plan

- Changes since May 9 Presentation
  - Moved Remedial Alternatives (Farmland) to 2020
    - Initially in budgeted in 2019
  - Moved $50,000 for Sidewalk Mitigation City Property back to 2019 from 2020
  - Downtown Brick Pavers have been moved to 2021
  - Added Pay-by-Plate Stations
  - Added License Plate Recognition System (LPR)

Reference pages 131-142 of budget book
Personnel Recommendations

• Compensation
  – MOU Pay Plans
    • Lawrence Police Officers Association (LPOA)
      – Budget assumes steps increases
      – 1.5% General Wage Adjustment for Police Officers
      – 0.0% General Wage Adjustment for Detectives
    • Local International Fire Fighters Association (IAFF)
      – Currently under negotiation for 2020
  – Primary Pay Plan
    • 2.5% General Wage Adjustment (approximately 600 impacted employees)
    • Market Adjustments (approximately 125 impacted employees)
Personnel Recommendations

• Benefits
  – 3% increase to the City’s contribution to employee healthcare
  – State Retirement Plan Contributions
    • KP&F: 21.93%
    • KPERS: 9.61%

Reference page 6 of budget book
Personnel Recommendations

- Personnel Adjustments
  - Added 3.0 Assistant Shift Commanders (Fire Medical)
  - Added 1.0 Civilian Mobile Integrated Health Paramedic (fully funded by Douglas County) (Fire Medical)
  - Added 1.0 Security Administrator (Information Technology)
  - Eliminated 1.0 Vacant Aquatics Programmer (Parks & Recreation)
  - Eliminated 0.5 Vacant Administrative Technician (Parks & Recreation)

City of Lawrence

Reference page 11 of budget book
Strategic Plan

• Strategic Plan drives budget decisions
  – Will update the strategic plan in late 2019
• Seven (7) Critical Success Factors
• Eight (8) Priority Initiatives
Strategic Plan

• Effective Governance and Professional Administration
  – 2020 first full year of:
    • New Agenda Management Software
    • New Special Assessment Software
    • Planning & Development Services at City Hall Riverfront
  – Funds in 2019 Revised for a Strategic Plan Update

City of Lawrence

Reference pages 25-43 of budget book
Strategic Plan

- Safe, Healthy and Welcoming Neighborhoods
  - $1,599,000 for Social Service Agencies
    - Includes $440,000 for Lawrence Community Shelter
  - $350,000 from the General Fund to the Affordable Housing Trust Fund
    - 2020 will be the first full year the Affordable Housing Trust fund receives sales tax proceeds
  - $5.5M budgeted for Parks

City of Lawrence
Reference pages 25-43 of budget book
Strategic Plan

• Innovative Infrastructure and Asset Management
  – New Police Facility is anticipated to be completed mid-year 2020
  – Multi-Modal Transit Facility has an identified site
  – $9.3M for Street Maintenance
  – Improving fiber connectivity throughout City
Strategic Plan

• Commitment to Core Services
  – $892,000 for patrol vehicles and equipment
  – $2.6M for Fire equipment and improvements
  – $1.2M for Solid Waste Equipment
  – $3.0M for Watermain Replacement and Relocation Program
  – Added 3.0 FTE Assistant Shift Commander

City of Lawrence

Reference pages 25-43 of budget book
Strategic Plan

• Sound Fiscal Stewardship
  – Implementation of Priority Based Budgeting
    • Budget Communication Tool
    • Helped identify needs related to internal service funds
    • Use for future CIP prioritizations
    • Help frame discussions when moving to a new financial system
  – 5-year financial forecast for each major operating fund

City of Lawrence

Reference pages 25-43 of budget book
Strategic Plan

• Collaborative Solutions
  – $200,000 for Peaslee Tech
  – $220,000 for Chamber of Commerce
  – $300,000 for BTBC
    • An increase of $75,000 for phase III of their facility
  – City/County negotiations regarding Fire Medical funding arrangement
  – Four (4) School Resource Officers

City of Lawrence

Reference pages 25-43 of budget book
Economic Growth and Security

- $75,000 for National Development Council assistance on economic development
- $1,066,000 for eXplore Lawrence a reduction of $54,000 from 2019
- $49,000 for Downtown Lawrence, Inc.
- $150,000 Transient Guest Tax grant program
Internal Service Fund

- Human Resources, Information Technology, Finance Administration, and Risk Management have been moved to an Internal Service Fund
- Traditionally, these costs have been housed predominately within the General Fund
- The move to an Internal Service Fund allocates those costs to all operating funds
- Done to help identify the true cost of service

City of Lawrence

Reference page 6 of budget book
Internal Service Fund

• Methodology
  – Aligning expenses with appropriate cost center
  – Blended between operating budget and FTE

<table>
<thead>
<tr>
<th>Fund</th>
<th>Proportion of FTE by Fund</th>
<th>Operating Budget Proportion</th>
<th>Blended Distribution</th>
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<tr>
<td>General</td>
<td>59.02%</td>
<td>56.35%</td>
<td>57.69%</td>
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<tr>
<td>Guest Tax Fund</td>
<td>0.25%</td>
<td>1.47%</td>
<td>0.86%</td>
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<tr>
<td>Transit Fund</td>
<td>0.11%</td>
<td>3.58%</td>
<td>1.84%</td>
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<tr>
<td>Recreation</td>
<td>4.74%</td>
<td>4.77%</td>
<td>4.76%</td>
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<td>Special Gas Tax Fund</td>
<td>3.20%</td>
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<td>Special Recreation Fund</td>
<td>0.00%</td>
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<td>0.23%</td>
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<td>Water &amp; Sewer Fund</td>
<td>17.46%</td>
<td>19.57%</td>
<td>18.51%</td>
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<tr>
<td>Solid Waste Fund</td>
<td>11.59%</td>
<td>9.07%</td>
<td>10.33%</td>
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<td>Public Parking System</td>
<td>1.51%</td>
<td>0.85%</td>
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<td>Storm Water Utility</td>
<td>1.44%</td>
<td>1.19%</td>
<td>1.32%</td>
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<td>Golf Course</td>
<td>0.69%</td>
<td>0.74%</td>
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# Internal Service Fund

## Cost Per Fund

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<th>Amount to be Allocated</th>
<th>Finance Administration</th>
<th>IT</th>
<th>HR</th>
<th>Risk Management</th>
<th>TOTAL</th>
<th>% of Total</th>
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<td>$1,089,000</td>
<td>$1,852,000</td>
<td>$1,285,000</td>
<td>$653,000</td>
<td>$4,879,000</td>
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<thead>
<tr>
<th>Department</th>
<th>Amount</th>
<th>Finance Administration</th>
<th>IT</th>
<th>HR</th>
<th>Risk Management</th>
<th>TOTAL</th>
<th>% of Total</th>
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<td>General</td>
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<td>41,959</td>
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<td>Transit</td>
<td>20,038</td>
<td>34,077</td>
<td>23,644</td>
<td>12,015</td>
<td>89,774</td>
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<td>Recreation</td>
<td>51,836</td>
<td>88,155</td>
<td>61,166</td>
<td>31,083</td>
<td>232,240</td>
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<td>Sp. Gas.</td>
<td>28,096</td>
<td>47,782</td>
<td>33,153</td>
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<td>125,878</td>
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<td>Sp. Rec.</td>
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<td>4,260</td>
<td>2,956</td>
<td>1,502</td>
<td>11,222</td>
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<td>Water/WW</td>
<td>201,574</td>
<td>342,805</td>
<td>237,854</td>
<td>120,870</td>
<td>903,103</td>
<td>18.51%</td>
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<td>Solid Waste</td>
<td>112,494</td>
<td>191,312</td>
<td>132,741</td>
<td>67,455</td>
<td>504,001</td>
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<td>Public Parking</td>
<td>12,850</td>
<td>21,854</td>
<td>15,163</td>
<td>7,705</td>
<td>57,572</td>
<td>1.18%</td>
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<td>Storm Water</td>
<td>14,375</td>
<td>24,446</td>
<td>16,962</td>
<td>8,620</td>
<td>64,403</td>
<td>1.32%</td>
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<td>Golf Course</td>
<td>7,732</td>
<td>13,149</td>
<td>9,124</td>
<td>4,636</td>
<td>34,641</td>
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<tr>
<td>Total</td>
<td>$1,089,000</td>
<td>$1,852,000</td>
<td>$1,285,000</td>
<td>$653,000</td>
<td>$4,879,000</td>
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City of Lawrence
Taxpayer Impact

- Mill levy
- Utility Rates
Taxpayer Impact

Comparison of Local Mill Levy Rates
2009 - 2019

Mill Levy Year

State of Kansas
USD 497
USD 343
Douglas County
City of Lawrence

Reference pages 18-19 of budget book
Taxpayer Impact

• Comparison of Local Mill Levy Rates

STATE OF KANSAS: 1%

USD 497 40%

DOUGLAS COUNTY 34%

CITY OF LAWRENCE 25%

City of Lawrence

Reference pages 18-19 of budget book
Taxpayer Impact

• Mill Levy increase of 0.500
  – Estimated impact to a home valued at $200,000 is $12 annually

• Water and Wastewater increase
  – Estimated increase of 8% or $71 annually

• Solid Waste
  – Estimated increase of 3% or $6 annually

• Stormwater
  – Estimated increase of 3% or $2 annually

City of Lawrence

Reference pages 22 of budget book
Taxpayer Impact

Annual Financial Impact to Residential Households

<table>
<thead>
<tr>
<th>Year</th>
<th>City Property Tax</th>
<th>Solid Waste</th>
<th>Stormwater</th>
<th>Sewer - 4,000 Gallons/Month</th>
<th>Water - 4,000 Gallons/Month</th>
<th>Total</th>
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<tbody>
<tr>
<td>2015</td>
<td>$724</td>
<td>$213</td>
<td>$48</td>
<td>$395</td>
<td>$272</td>
<td>$1,652</td>
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<td>2016</td>
<td>$724</td>
<td>$213</td>
<td>$48</td>
<td>$419</td>
<td>$292</td>
<td>$1,696</td>
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<td>2017</td>
<td>$736</td>
<td>$219</td>
<td>$49</td>
<td>$447</td>
<td>$316</td>
<td>$1,768</td>
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<tr>
<td>2018</td>
<td>$765</td>
<td>$226</td>
<td>$51</td>
<td>$482</td>
<td>$338</td>
<td>$1,862</td>
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<tr>
<td>2019</td>
<td>$765</td>
<td>$226</td>
<td>$52</td>
<td>$519</td>
<td>$359</td>
<td>$1,922</td>
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<td>2020</td>
<td>$777</td>
<td>$232</td>
<td>$54</td>
<td>$561</td>
<td>$388</td>
<td>$2,012</td>
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Reference page 22 of budget book
Taxpayer Equity
Taxpayer Equity

• Several City/County agreements need to be reviewed

• Examples of key agreements:
  – Fire Medical Annual Operations (under discussion)
  – Health Department Facility Maintenance
  – Planning Department Annual Operations
  – Judicial and Law Enforcement Building (LEC)
  – Annual Jail Rate
  – Emergency Communication Center
  – Household Hazardous Waste

City of Lawrence
Other Requests

- Unfunded Requests
- Outside Agency Requests
Unfunded Requests-All Funds

• All Departments
  – 2020 CIP Projects: $7,079,000
  – Merit Pool: $1,397,000

• City Attorney’s Office
  – Requested 1.0 FTE Assistant City Attorney $111,000

• Information Technology
  – Requested 1.0 FTE Help Desk Technician $82,000

• Police
  – Requested 1.0 FTE Victim Witness Coordinator $43,000
  – Requested 1.0 FTE Evidence Unit Supervisor $70,000
  – Requested 1.0 FTE IT Technician $76,000

City of Lawrence

Reference page 24 of budget book
Unfunded Requests - All Funds

- Fire Medical
  - Requested 1.0 FTE PIO/Educator $79,000
  - Requested 1.0 FTE Administrative Support $54,000
  - Requested 3.0 FTE Firefighter $228,000
  - Requested 1.0 FTE Inspector/Plan Review $79,000
  - Requested 1.0 FTE Deputy Chief $149,000
  - Uniforms and Equipment $94,000
- Parks & Recreation
  - Requested 1.0 FTE Project Supervisor $85,000
  - Free Lunch Program/Scholarship Funding $35,000
  - Golf Course Equipment and Improvements $185,000
  - Maintenance Program $150,000
- Total $9,996,000

City of Lawrence

Reference page 24 of budget book
Outside Agency Requests

• Social Service Funding Advisory Board
  – $415,000 General Fund
  – $736,000 Special Alcohol Funds
  – Lawrence Community Shelter is no longer included in the Board’s scope of review
  – Board recommendations are anticipated to be included in the July presentation

• Economic Development Agencies
  – Bioscience and Technology Business Center (BTBC) $300,000
    • $75,000 increase for phase III of facility expansion
  – Peaslee Tech remained flat at $200,000
  – Chamber of Commerce remained flat at $220,000

City of Lawrence

Reference pages 128-129 of budget book
Outside Agency Requests

• Other Agencies
  – Lawrence Community Shelter $440,000
  – Lawrence-Douglas County Health Department $769,000
  – eXplore Lawrence $1,066,000
  – Downtown Lawrence Inc. $49,000
  – Douglas County Historical Society $13,000
  – Lawrence Arts Center $30,000

City of Lawrence

Reference pages 128-129 of budget book
Department Presentations

City of Lawrence

Reference pages 101-127 of budget book
City Commission

• Significant Changes
  – Increased salaries
  – Added funding of $240,000 for Lawrence Community Shelter
  – Added $20,000 for City Manager Performance Evaluation

• CIP Projects
  – $350,000 Affordable Housing Transfer

• Unfunded Requests
  – None

• Personnel Changes
  – None

• Proposed Fee Changes
  – None

Reference pages 104-105 of budget book
City Commission

Reference pages 104-105 of budget book
Office of the City Manager

• Significant Changes
  – Moved Human Resources and Risk Management to Internal Service Funds
  – Added $75,000 to Update the City’s Climate Protection Plan

• CIP Projects
  – Transit Hub
  – Parking Infrastructure
  – Human Resources Software

• Unfunded Requests
  – None

• Personnel Changes
  – Moved 1.0 FTE to Finance

• Proposed Fee Changes
  – Downtown Parking Fee Increase

City of Lawrence

Reference pages 106-107 of budget book
Office of the City Manager

City of Lawrence

Reference pages 106-107 of budget book
Office of the City Attorney

• Significant Changes
  – Moved 2.0 FTEs from Parking Fund to General Fund
  – Moved 1.0 FTE from Water/Wastewater Fund to General Fund (off-setting transfer)
  – Municipal Court Public Access Module
  – Pilot Transit Voucher Program

• CIP Projects
  – None

• Unfunded Requests
  – 1.0 FTE Assistant City Attorney

• Personnel Changes
  – None

• Proposed Fee Changes
  – None

City of Lawrence

Reference pages 108-109 of budget book
Office of the City Attorney

City of Lawrence

Reference pages 108-109 of budget book
Planning & Development Services

• Significant Changes
  – 2020 will be the first full year at City Hall Riverfront

• CIP Projects
  – None

• Unfunded Requests
  – 23rd Street Land Use and Neighborhood Study

• Personnel Changes
  – Reclassified Assistant Director to Planning & Development Analyst

• Proposed Fee Changes
  – Fee schedule to be reviewed at the end of 2019

Reference pages 110-111 of budget book
Planning & Development Services

<table>
<thead>
<tr>
<th></th>
<th>2018 Unaudited</th>
<th>2019 Adopted Budget</th>
<th>2019 Revised Budget</th>
<th>2020 Recommended Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal Services</td>
<td>2,986,787</td>
<td>3,133,000</td>
<td>3,102,000</td>
<td>3,272,000</td>
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<tr>
<td>Contractual Services</td>
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<td>Capital Outlay</td>
<td>452,353</td>
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<td>Total</td>
<td>4,403,553</td>
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<td>4,882,000</td>
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</table>

City of Lawrence

Reference pages 110-111 of budget book
Finance Department

• Significant Changes
  – Finance Administration moved to an Internal Service Fund
• CIP Projects
  – Finance System
• Unfunded Requests
  – None

• Personnel Changes
  – Moved 1.0 FTE from City Manager’s Office
• Proposed Fee Changes
  – None

City of Lawrence
Reference pages 112-113 of budget book
Finance Department

Reference pages 112-113 of budget book
Information Technology

• Significant Changes
  – Moved to an Internal Service Fund
  – Moved 2.0 FTEs from Fire Medical Budget
  – Moved 2.0 FTEs from Water/Wastewater Fund

• CIP Projects
  – Annual Fiber Projects
  – VMWare Server and Storage Replacements

• Unfunded Requests
  – 1.0 FTE Help Desk Technician
  – Fiber Security Improvement CIP Item

• Personnel Changes
  – Add 1.0 FTE Security Administrator

• Proposed Fee Changes
  – None

Reference pages 114-115 of budget book
Information Technology

<table>
<thead>
<tr>
<th></th>
<th>2018 Unaudited</th>
<th>2019 Adopted Budget</th>
<th>2019 Revised Budget</th>
<th>2020 Recommended Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal Services</td>
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<td>895,000</td>
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<td>285,000</td>
<td>255,000</td>
<td>271,000</td>
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<tr>
<td>Commodities</td>
<td>125,586</td>
<td>130,000</td>
<td>145,000</td>
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<td>Capital Outlay</td>
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<td>330,000</td>
<td>330,000</td>
<td>250,000</td>
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<tr>
<td>Total</td>
<td>1,375,587</td>
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<td>1,625,000</td>
<td>2,102,000</td>
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</tbody>
</table>
Police Department

• Significant Changes
  – Budget includes proportion of Internal Service Fund costs
  – Software for Body Worn Cameras

• CIP Projects
  – Vehicle Replacement
  – Radios

• Unfunded Requests
  – 3.0 Civilian FTEs
  – Mobile Command Unit

• Personnel Changes
  – Reclassified Assistant to the Chief of Police to Captain

• Proposed Fee Changes
  – None

City of Lawrence

Reference pages 116-117 of budget book
Fire Medical Department

• Significant Changes
  – Budget includes proportion of Internal Service Fund costs

• CIP Projects
  – Quint Replacement
  – Rescue Replacement

• Unfunded Requests
  – 7.0 FTEs
  – Mobile Command Unit

• Personnel Changes
  – Added 3.0 FTEs Assistant Shift Commanders
  – Added 1.0 FTE Mobile Integrated Health Paramedic
    • Fully funded by County

• Proposed Fee Changes
  – None

City of Lawrence

Reference pages 118-119 of budget book
Fire Medical Department

![Bar Chart]

<table>
<thead>
<tr>
<th></th>
<th>2018 Unaudited</th>
<th>2019 Adopted Budget</th>
<th>2019 Revised Budget</th>
<th>2020 Recommended Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal Services</td>
<td>18,352,849</td>
<td>19,460,000</td>
<td>19,884,000</td>
<td>20,405,000</td>
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<tr>
<td>Contractual Services</td>
<td>1,640,064</td>
<td>2,466,000</td>
<td>2,580,000</td>
<td>3,386,000</td>
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<tr>
<td>Commodities</td>
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<td>925,000</td>
<td>835,000</td>
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<td>Capital Outlay</td>
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<td>642,000</td>
<td>986,000</td>
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<td>Total</td>
<td>21,421,576</td>
<td>23,516,000</td>
<td>24,031,000</td>
<td>25,612,000</td>
</tr>
</tbody>
</table>

City of Lawrence
Reference pages 118-119 of budget book
Municipal Services & Operations

• Significant Changes
  – Capital Improvement Reserve increased by $5.5M primarily due to an anticipated $4M FAA grant for runway reconstruction
  – Costs for Clinton Raw Water, treatment chemicals, construction materials, and software
  – Cost of ISF for MSO is 2.2% (all funds)

• Significant Changes
  – Transfer to Capital Projects from Water/ Wastewater increased by $2M (per rate model)
  – Trying to determine an appropriate maintenance, rehab., and reconstruction to keep assets in serviceable condition
  – Current budget is not reflective of need

City of Lawrence

Reference pages 120-123 of budget book
In 2020, 40% of the Street Maintenance Program is unfunded.

<table>
<thead>
<tr>
<th>Street Maintenance Program</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
<th>2023</th>
<th>2024</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital Improvement Reserve</td>
<td>2,250,000</td>
<td>2,250,000</td>
<td>1,550,000</td>
<td>1,750,000</td>
<td>1,750,000</td>
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<td>General Fund</td>
<td>1,820,000</td>
<td>1,820,000</td>
<td>2,120,000</td>
<td>2,120,000</td>
<td>2,420,000</td>
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<tr>
<td>Stormwater Fund</td>
<td>140,000</td>
<td>140,000</td>
<td>140,000</td>
<td>140,000</td>
<td>140,000</td>
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<tr>
<td>Unfunded</td>
<td>2,860,000</td>
<td>3,140,000</td>
<td>3,831,000</td>
<td>3,934,000</td>
<td>3,949,000</td>
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<tr>
<td>Total Requested</td>
<td>7,070,000</td>
<td>7,350,000</td>
<td>7,641,000</td>
<td>7,944,000</td>
<td>8,259,000</td>
</tr>
</tbody>
</table>
Municipal Services & Operations

- Wakarusa – Harvard to 6th Street (PW23E1CIP)
- $3.2M Unfunded
- Photo
  - Near Wakarusa & 6th

City of Lawrence
Municipal Services & Operations

- Naismith – 19th to 23rd Street (PW23E2CIP)
- $4.3 Unfunded
- Photo
  - Naismith near 22nd Street
Municipal Services & Operations

• This is what happens when adequate maintenance is not conducted. Roads are expensive—bad roads are even more expensive.

• Our challenge is maintaining good roads and also addressing our crumbling infrastructure.

• To prioritize budgets and optimize projects we will be conducting a pavement study and analysis this fall.

Reference pages 120-123 of budget book
Municipal Services & Operations

- Proposed Fee Changes
  - Estimated revenue increase of 8% for Water/Wastewater
  - Solid Waste 3% rate increase
  - Stormwater 3% rate increase

City of Lawrence
Reference pages 120-123 of budget book
### Municipal Services & Operations

<table>
<thead>
<tr>
<th></th>
<th>2018 Unaudited</th>
<th>2019 Adopted Budget</th>
<th>2019 Revised Budget</th>
<th>2020 Recommended Budget</th>
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<tbody>
<tr>
<td>Personal Services</td>
<td>22,664,539</td>
<td>23,853,000</td>
<td>24,561,000</td>
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<td>Contractual Services</td>
<td>14,008,317</td>
<td>17,171,000</td>
<td>16,443,000</td>
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<td>Commodities</td>
<td>10,884,751</td>
<td>12,694,000</td>
<td>12,538,000</td>
<td>13,518,000</td>
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<td>Capital Outlay</td>
<td>6,228,583</td>
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<td>13,087,000</td>
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<td>Debt Service</td>
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<td>19,838,000</td>
<td>20,156,000</td>
<td>19,767,000</td>
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<td>Other</td>
<td>1097842</td>
<td>20,000</td>
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<td>Transfers</td>
<td>5,882,750</td>
<td>5,366,000</td>
<td>6,985,000</td>
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<tr>
<td>Total</td>
<td>87,892,487</td>
<td>91,154,000</td>
<td>93,790,000</td>
<td>105,790,000</td>
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# Municipal Services & Operations

## 2018 Unaudited vs. 2019 Adopted Budget vs. 2019 Revised Budget vs. 2020 Recommended Budget

<table>
<thead>
<tr>
<th>Fund</th>
<th>2018 Unaudited</th>
<th>2019 Adopted Budget</th>
<th>2019 Revised Budget</th>
<th>2020 Recommended Budget</th>
<th>Difference</th>
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<tbody>
<tr>
<td>General</td>
<td>8,033,742</td>
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<td>8,800,000</td>
<td>9,444,000</td>
<td>644,000</td>
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<td>Airport Improvement Fund</td>
<td>31,949</td>
<td>220,000</td>
<td>200,000</td>
<td>367,000</td>
<td>167,000</td>
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<tr>
<td>Capital Improve Reserve</td>
<td>6,395,449</td>
<td>5,960,000</td>
<td>5,410,000</td>
<td>10,918,000</td>
<td>5,508,000</td>
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<td>Special Gas Tax Fund</td>
<td>2,605,629</td>
<td>2,943,000</td>
<td>2,960,000</td>
<td>3,175,000</td>
<td>215,000</td>
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<td>Farmland Remediation</td>
<td>547,475</td>
<td>1,507,000</td>
<td>632,000</td>
<td>1,470,000</td>
<td>838,000</td>
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<td>Outside Agency Grants</td>
<td>122,876</td>
<td>155,000</td>
<td>-</td>
<td>-</td>
<td>-</td>
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<tr>
<td>Central Maintenance</td>
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<td>4,811,000</td>
<td>4,803,000</td>
<td>4,937,000</td>
<td>134,000</td>
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<tr>
<td>Water &amp; Wastewater</td>
<td>51,552,614</td>
<td>46,479,000</td>
<td>47,488,000</td>
<td>50,418,000</td>
<td>2,930,000</td>
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<td>Solid Waste Fund</td>
<td>11,766,514</td>
<td>14,625,000</td>
<td>15,360,000</td>
<td>15,682,000</td>
<td>322,000</td>
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<td>Public Parking System</td>
<td>400,540</td>
<td>1,116,000</td>
<td>397,000</td>
<td>1,243,000</td>
<td>846,000</td>
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<tr>
<td>Storm Water Utility</td>
<td>2,656,708</td>
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<td>3,815,000</td>
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<td>(399,000)</td>
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<td>Utility Non-Bonded</td>
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<td>4,720,000</td>
<td>2,260,000</td>
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<tr>
<td>Solid Waste-NonBonded</td>
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<td>-</td>
<td>1,465,000</td>
<td>-</td>
<td>(1,465,000)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>87,892,487</strong></td>
<td><strong>91,154,000</strong></td>
<td><strong>93,790,000</strong></td>
<td><strong>105,790,000</strong></td>
<td><strong>12,000,000</strong></td>
</tr>
</tbody>
</table>

Reference pages 120-123 of budget book

City of Lawrence
Parks & Recreation

• Significant Changes
  – Community Building Closed for Drop-In Use
    • Allows for the reduction of 1.5 vacant FTEs
  – Removed Annual Maintenance out of CIP and only included in operating budget

• Significant Changes Cont.
  – Revenue enhancements are being proposed to help the Recreation Fund operate sustainably long-term
    • The status quo is not an option

• CIP Projects
  – Parking Lot and Road Repairs
  – Playground Replacements
  – Lawrence Loop (11th Street to 7th Street)

Reference pages 124-125 of budget book
Parks & Recreation

• Unfunded Requests
  – Broken Arrow Park Improvements
  – Holcom Sports Complex Upgrades
  – Park Land Acquisitions
  – Golf Course Capital Needs
  – 1.0 FTE Project Supervisor
  – Part-time staff wage increases

• Personnel Changes
  – Eliminated 1.0 FTE Vacant Aquatics Programmer
  – Eliminated 0.5 FTE Vacant Administrative Technician

City of Lawrence

Reference pages 124-125 of budget book
• Fee Changes
  – Facility Access Card (All Recreation Facilities) and associated user fees
  – Sponsorship Program
  – Cost Recovery Model for Recreation Classes
  – Increase Athletic Field and Room Reservation Rates
  – Increase Practice Field Fees
  – Wading Pool Fee
  – Aquatics Fees
  – Cemetery Fees

• Additional Considerations but NOT Recommended
  – Nature Center Closure
  – Elimination of one free-play court at SPL

Reference pages 124-125 of budget book
Parks & Recreation

- Additional Information
  - Golf Course Fund
    - Consider moving to Recreation Fund
    - Not currently sustainable when accounting for capital needs
  - Wee Folks Scholarship Fund
    - Increased use of program
    - Need additional revenue to keep up with current demand

City of Lawrence

Reference pages 124-125 of budget book
## Parks & Recreation

### Budget Comparison

<table>
<thead>
<tr>
<th></th>
<th>2018 Unaudited</th>
<th>2019 Adopted Budget</th>
<th>2019 Revised Budget</th>
<th>2020 Recommended Budget</th>
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<tbody>
<tr>
<td>Personal Services</td>
<td>7,927,566</td>
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<td>Capital Outlay</td>
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<td>Other</td>
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<td>Transfers</td>
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<td><strong>Total</strong></td>
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<td><strong>14,373,000</strong></td>
<td><strong>14,053,000</strong></td>
<td><strong>13,908,000</strong></td>
</tr>
</tbody>
</table>

Reference pages 124-125 of budget book
Next Steps

• Tonight: Provide direction as appropriate
• July 9: Updated figures will be presented
  – Will include updated assessed valuation
  – Will include property insurance premium increases
• July 16: Authorize publication of the budget and establish maximum expenditures
• August 6: Public Hearing
• August 13: Budget Ordinance Second Reading

City of Lawrence
Public Participation Opportunities

• Attend City Commission Meetings and Provide Public Comment
• Submit Written Testimony to ccagendas@lawrenceks.org
• Lawrence Listens (www.lawrenceks.org/lawrence-listens)