

# 2020 Budget

Updated Revenues and  
Expenditures; and  
Work Group Recommendation



# Outline

- 2019 Revised Budget Update
- 2020 Adjustments
  - Updated Property Tax Figures
  - Property Insurance
- Work Group Recommendations
- Next Steps

# 2019 Revised Budget

- General Fund

- 2019 Adopted Expenditures: \$77,664,000
- 2019 Revised Expenditures: \$81,860,000
  - Transfer of 2018 fund balance to Capital Improvement Reserve: \$2,000,000
  - Transfer of 2018 fund balance to Equipment Reserve: \$1,149,000
  - Increase overtime costs for Fire Medical: \$424,000
  - Increase transfer to Central Maintenance: \$374,000
  - Increase funding for Lawrence Community Shelter: \$148,000
  - Increase Property Insurance Premiums: \$59,000 (partially off-set by reduction in transfer to Equipment Reserve Fund)

# 2019 Revised Budget

- Equipment Reserve Fund
  - 2019 Adopted Budget: \$1,272,000
  - 2019 Revised Budget: \$1,538,000
    - Riverfront finalization items: \$249,000 (initially budgeted in 2018)
    - FMLA Software: \$14,000 (initially budgeted in 2018)
    - Prosecutors Office Care Management System: \$3,000

# 2019 Revised Budget

- Special Gas Tax Fund
  - 2019 Adopted Budget: \$2,943,000
  - 2019 Revised Budget: \$2,960,000
    - Added transfer to Central Maintenance Garage: \$17,000



# 2019 Revised Budget

- Bond and Interest Fund
  - 2019 Adopted Budget: \$11,693,000
  - 2019 Revised Budget: \$12,441,000
    - Moved all bond payments to Bond & Interest Fund
      - Previously some bond payments were being made from other operating funds
      - A corresponding transfer from those operating funds is now being made to the Bond & Interest Fund

# 2019 Revised Budget

- Water and Wastewater Fund
  - 2019 Adopted Budget: \$48,644,000
  - 2019 Revised Budget: \$49,570,000
    - Updated Debt Service Payments: \$798,000
    - Added transfer to Central Maintenance Garage: \$120,000

# 2019 Revised Budget

- Solid Waste Fund
  - 2019 Adopted Budget: \$14,625,000
  - 2019 Revised Budget: \$15,360,000
    - Increased FICA to align with payroll projections: \$325,000
    - Increased KPERS to align with payroll projections: \$420,000

# 2019 Revised Budget

- Stormwater Utility Fund
  - 2019 Adopted Budget: \$3,523,000
  - 2019 Revised Budget: \$3,815,000
    - Added 13<sup>th</sup> and Brook Drainage Improvement to 2019 Revised: \$275,000 (initially budgeted in 2018)
    - Added transfer to Central Maintenance Garage: \$9,000



# 2019 Revised Budget

- Library Fund
  - 2019 Adopted Budget: \$4,457,000
  - 2019 Revised Budget: \$4,538,000
    - Increase authority to spend 2018 fund balance

# 2019 Revised Budget

- Water & Wastewater Non-Bonded Construction Fund
  - 2019 Adopted Budget: \$1,020,000
  - 2019 Revised Budget: \$2,460,000
    - Increase for Bowersock Scour Hole Repair (initially budgeted in 2018): \$1,000,000
    - Increase for Annual Improvements at Kansas River Wastewater Treatment Plant: \$380,000
    - Increase to align with 2019 adopted CIP projects: \$80,000

# 2019 Revised Budget

- Solid Waste Non-Bonded Construction Fund
  - 2019 Adopted Budget: \$0
  - 2019 Revised Budget: \$1,465,000
    - Moving all proceeds to Solid Waste Fund to close the fund out



# 2019 Revised Budget

- City Parks Memorial Fund
  - 2019 Adopted Budget: \$3,000
  - 2019 Revised Budget: \$18,000
    - Received donation for work at Arboretum



# 2019 Revised Budget

- Housing Trust Fund
  - 2019 Adopted Budget: \$848,000
  - 2019 Revised Budget: \$1,048,000
    - Increased for grant awards proceeds that were awarded in 2018

# 2019 Revised Budget

- Outside Agency Fund
  - 2019 Adopted Budget: \$4,059,000
  - 2019 Revised Budget: \$4,114,000
    - Increased to account for grant award proceeds and corresponding expenditures: \$55,000



# 2019 Revised Budget

- Community Development Fund
  - 2019 Adopted Budget: \$752,000
  - 2019 Revised Budget: \$1,000,000
    - Increased to align with increased proceeds in CDBG funding: \$248,000

# 2019 Revised Budget

- HOME Program Fund
  - 2019 Adopted Budget: \$332,000
  - 2019 Revised Budget: \$440,000
    - Increased to align with increased proceeds in HOME funding: \$108,000

# 2019 Revised Budget

- Transportation Planning Fund
  - 2019 Adopted Budget: \$262,000
  - 2019 Revised Budget: \$300,000
    - Increased to reflect grant proceeds and corresponding expenditures: \$38,000

# 2020 Adjustments

- Key Adjustments to 2020 City Manager's Recommended Budget
  - Property Taxes
    - General Fund: Increased \$157,000
    - Debt Service Fund: Increased \$72,000
    - Library Fund: Increased \$32,000
  - Property Insurance Premium Increase
    - Impacts all operating funds (Internal Service Fund)

# 2020 Adjustments

- General Fund

	2020 CM Original Recommended Budget	Adjustments	2020 Revised CM Recommended Budget*
Revenues	\$ 81,854,000	\$ 157,000	\$ 82,011,000
Expenditures	82,571,000	159,000	82,730,000
Revenue over/(under) Expenditure	(717,000)		(719,000)
Ending Fund Balance	\$ 19,091,495		\$ 19,089,495
Fund Balance as % of Expenditures	23.12%		23.07%

\*Includes updated property tax figures and most recent cost information

# 2020 Adjustments

- Debt Service Fund

	2020 CM Original Recommended Budget	Adjustments	2020 Revised CM Recommended Budget*
Revenues	\$ 13,214,000	\$ 72,000	\$ 13,286,000
Expenditures	12,583,000	-	12,583,000
Revenue over/(under) Expenditure	631,000		703,000
Ending Fund Balance	<u>\$ 10,953,104</u>		<u>\$ 11,025,104</u>
Fund Balance as % of Expenditures	87.05%		87.62%

\*Includes updated property tax figures and most recent cost information

# 2020 Adjustments

- Library Fund

	2020 CM Original Recommended Budget	Adjustments	2020 Revised CM Recommended Budget*
Revenues	\$ 4,700,000	\$ 82,000	\$ 4,782,000
Expenditures	4,700,000	82,000	4,782,000
Revenue over/(under) Expenditure	-		-
Ending Fund Balance	\$ 427		\$ 427
Fund Balance as % of Expenditures	0.01%		0.01%

\*Includes updated property tax figures and most recent cost information

# 2020 Adjustments

- Property Insurance Premium Increase

Fund	2020 CM Original Recommended Budget	Adjustments	2020 CM Recommended Budget*
General Fund	\$ 377,000	\$ 159,000	\$ 536,000
Guest Tax Fund	6,000	2,000	8,000
Transit Fund	12,000	5,000	17,000
Recreation Fund	31,000	13,000	44,000
Special Gas Tax Fund	17,000	7,000	24,000
Special Recreation Fund	2,000	-	2,000
Water & Wastewater Fund	121,000	51,000	172,000
Solid Waste Fund	67,000	29,000	96,000
Parking Fund	8,000	3,000	11,000
Storm Water Utility Fund	9,000	3,000	12,000
Golf Course Fund	5,000	2,000	7,000
<b>Total</b>	<b>\$ 655,000</b>	<b>\$ 274,000</b>	<b>\$ 929,000</b>

\*Includes updated property tax figures and most recent cost information

# Work Group Recommendations

- At June 18<sup>th</sup> meeting, City Commission consented to establishing a work group to review the 2020 City Manager's Recommended Budget with the assistance of City Staff.
- The work group – comprised of Mayor Larsen, and Commissioner Boley framed those questions into 8 items.
- Mayor Larsen will provide a statement regarding the Work Group's process.

# Work Group Item #1

- Are the parking fees outlined in the City Manager's Recommended Budget adequate to accomplish the goals outlined in the city's 10 year parking plan?
- Recommend City implement the parking rates and fines outlined in the 2017 Parking and Operations Plan and function as an Enterprise Fund.

# Work Group Item #1

Impact of the recommendation on the FY 2020 Budget

- Increase revenues \$161,000
- Increase expenses \$157,000 for potential debt service to expedite the enhancements to the parking system.

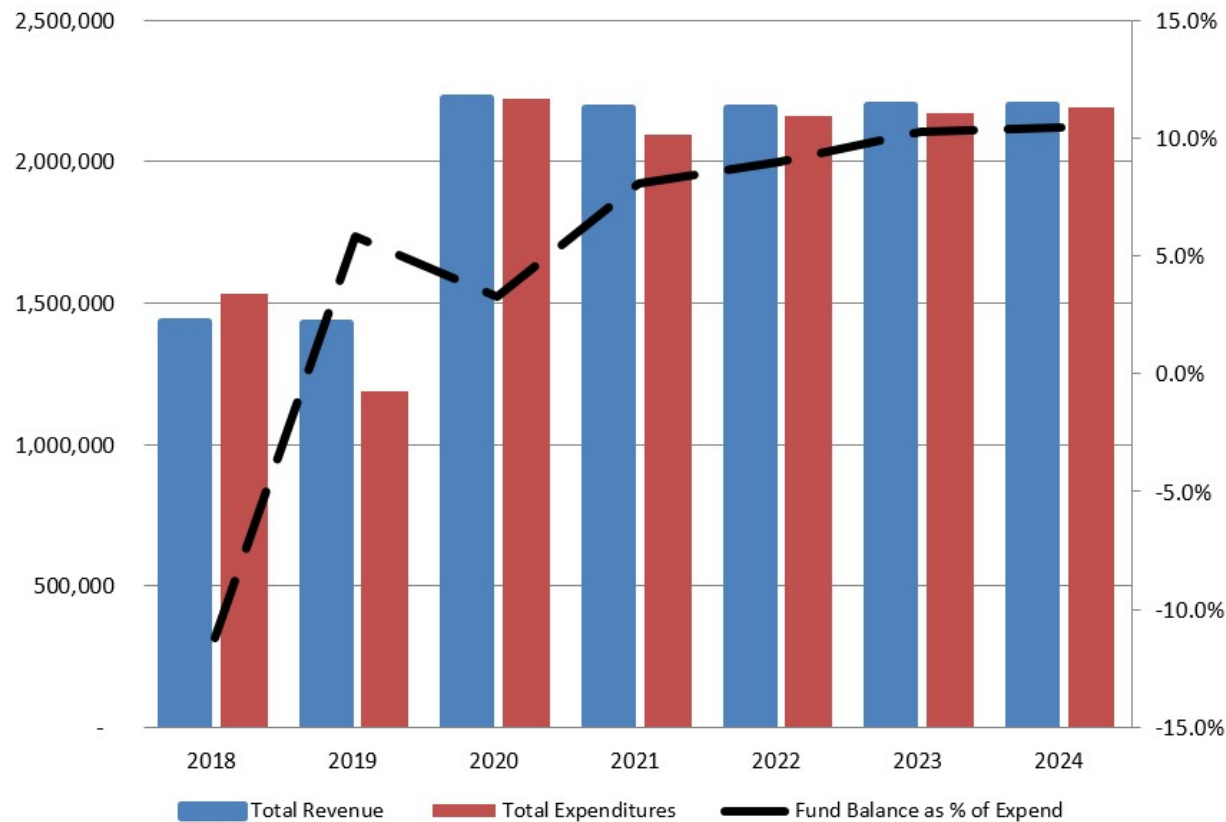
# Work Group Item #1

<b>Parking Fund</b>	<b>2018 Unaudited</b>	<b>2019 Adopted Budget</b>	<b>2019 Revised Budget</b>	<b>2020 Revised CM Recommended Budget*</b>	<b>Adjustments</b>	<b>2020 Work Group Revised Budget</b>
<b>Revenues</b>						
Charges for services	\$ 610,432	\$ 691,000	\$ 608,000	\$ 1,028,000	\$ 113,000	\$ 1,141,000
Interest	4,672	8,000	2,000	2,000	-	2,000
Miscellaneous	106,000	100,000	100,000	100,000	-	100,000
Licenses and permits	141,063	128,000	140,000	182,000	21,000	203,000
Fines, forfeitures and penalties	571,174	832,000	580,000	705,000	27,000	732,000
Operating Transfers	-	-	-	46,000	-	46,000
<b>Total</b>	<b>1,433,341</b>	<b>1,759,000</b>	<b>1,430,000</b>	<b>2,063,000</b>	<b>161,000</b>	<b>2,224,000</b>
<b>Expenditures</b>						
Personal Services	1,011,453	726,000	726,000	698,000	-	698,000
Contractual Services	185,273	250,000	258,000	313,000	-	313,000
Commodities	23,825	85,000	85,000	91,000	-	91,000
Capital Outlay	-	310,000	100,000	310,000		310,000
Debt Service	150,000	480,000	-	-		-
Other	135,961	20,000	20,000	20,000	-	20,000
Transfers	27,000	29,000	-	635,000	157,000	792,000
<b>Total</b>	<b>1,533,512</b>	<b>1,900,000</b>	<b>1,189,000</b>	<b>2,067,000</b>	<b>157,000</b>	<b>2,224,000</b>
Revenue over/(under) Expenditure	(100,171)	(141,000)	241,000	(4,000)	4,000	-
Beginning Balance	27,940	966,000	(72,231)	168,769		168,769
Ending Fund Balance	\$ (72,231)	\$ 825,000	\$ 168,769	\$ 164,769		\$ 168,769
Fund Balance as % of Expenditures	-4.71%	43.42%	14.19%	7.97%		7.59%

\*Includes updated property tax figures and most recent cost information

# Work Group Item #1

Parking Fund - With Work Group Recommendations  
2018-2024 Forecast



# Work Group Item #2

- Review the School Resource Officer (SRO) Program and discuss joint funding with the Unified School District (USD) 497.
- The Commission is meeting with USD 497 to discuss SROs
- Work Group recommends discussing school crossing guard support at a future City/School District meeting

# Work Group Item #2

Impact of the recommendation on the FY 2020 Budget

- No changes were made to the 2020 City Manager's Recommended Budget for this item.

# Work Group Item #3

- Review of the City Commissioner pay proposal in the 2020 City Manager's Recommended Budget and its impact on the levy.
- Recommend reducing City Commissioner pay to be equivalent to a City of Lawrence taxpayer's contribution to a Douglas County Commissioner's pay.

# Work Group Item #3

## Impact of the recommendation on the FY 2020 Budget

- Decrease City Commissioner pay from \$38,000 (Amount identified in the 2020 City Manager's Recommended Budget) to \$28,044 (75% of a Douglas County Commissioner's pay as recommended in their 2020 budget).
- Savings to the General Fund of \$50,000.

# Work Group Item #4

- Consider ways to increase the use of sponsorships, maintain funding and staffing levels at the Community Building to reinstate “free play”, remove the recommended facility access fee from the 2020 City Manager’s Recommended Budget and its impact on the levy.
- Work Group recommends several action items to accomplish these goals.



# Work Group Item #4

## Impact of the recommendations on the FY 2020 **Recreation Fund** Budget

- Reduce revenues by \$275,000 to allow the Park Board time to consider its impact on social equity.
- Increase revenue by \$30,000 and begin charging the Transient Guest Tax rent for tenants in the Carnegie Building.
- Maintain the sponsorship proposed in the 2020 City Manger's Recommended Budget.
- Add back the staff reductions proposed to allow for "free play" at the Community Center.
- Move the \$120,000 debt payment from the Recreation Fund to the Bond & Interest Fund for a portion of the debt on Sports Pavilion Lawrence.
- Use Fund Balance to cover the loss of Recommended Revenues removed by this proposal.



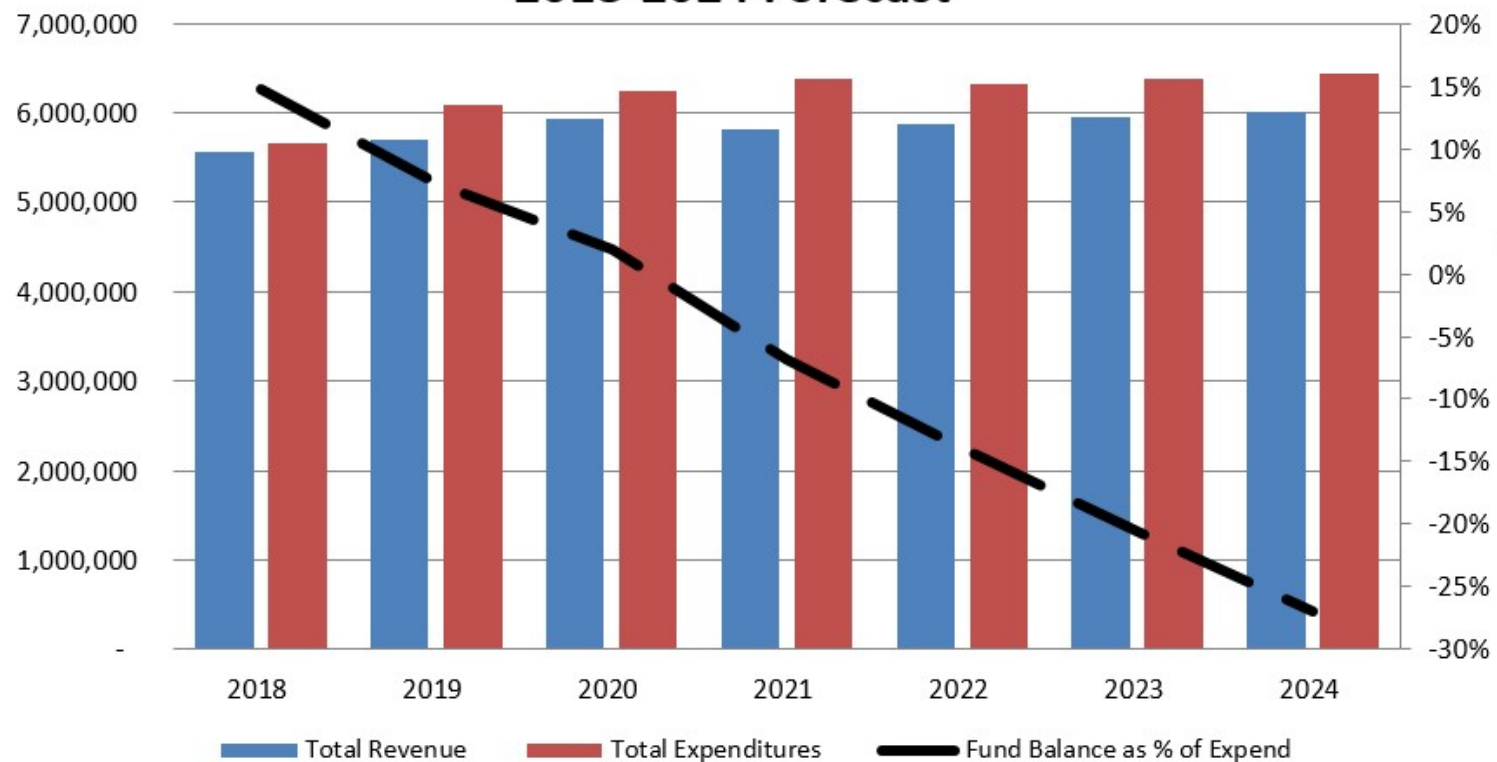
# Work Group Item #4

Recreation Fund	2018 Unaudited	2019 Adopted Budget	2019 Revised Budget	2020 Revised CM Recommended Budget*	Adjustments	2020 Work Group Revised Budget
<b>Revenues</b>						
Charges for services	\$ 2,925,497	\$ 3,033,000	\$ 2,946,000	\$ 3,036,000	\$ (80,000)	\$ 2,956,000
Interest	6,234	8,000	4,000	4,000	-	4,000
Building Rental	216,715	210,000	215,000	230,000	30,000	260,000
Lease Of Property	144,480	135,000	135,000	171,000	(20,000)	151,000
Miscellaneous	2,635	150,000	-	175,000	(175,000)	-
Donations	696	7,000	1,000	1,000	-	1,000
Licenses and permits	(50,803)	(46,000)	-	-	-	-
Operating Transfers	2,374,989	2,403,000	2,403,000	2,553,000	-	2,553,000
<b>Total</b>	<b>5,620,443</b>	<b>5,900,000</b>	<b>5,704,000</b>	<b>6,170,000</b>	<b>(245,000)</b>	<b>5,925,000</b>
<b>Expenditures</b>						
Personal Services	4,389,186	4,620,000	4,620,000	4,548,000	21,000	4,569,000
Contractual Services	836,123	909,000	969,000	1,169,000	-	1,169,000
Commodities	320,588	425,000	387,000	392,000	-	392,000
Capital Outlay	-	-	-	90,000	-	90,000
Other	-	150,000	-	-	-	-
Transfers	113,000	120,000	120,000	120,000	(120,000)	-
<b>Total</b>	<b>5,658,897</b>	<b>6,224,000</b>	<b>6,096,000</b>	<b>6,319,000</b>	<b>(99,000)</b>	<b>6,220,000</b>
Revenue over/(under) Expenditure	(38,454)	(324,000)	(392,000)	(149,000)	(146,000)	(295,000)
Beginning Balance	958,180	888,133	919,726	527,726		527,726
Ending Fund Balance	<u>\$ 919,726</u>	<u>\$ 564,133</u>	<u>\$ 527,726</u>	<u>\$ 378,726</u>		<u>\$ 232,726</u>
Fund Balance as % of Expenditures	16.25%	9.06%	8.66%	5.99%		3.74%

\*Includes updated property tax figures and most recent cost information

# Work Group Item #4

## Recreation Fund - With Work Group Recommendations 2018-2024 Forecast



# Work Group Item #4

## Impact of the recommendations on the FY 2020 **Special Recreation Fund** Budget

- Eliminate \$30,000 appropriation for the Arts Center program.
- Shift \$51,000 appropriation for the Lawrence Cultural Arts from the Special Recreation Fund to the Transient Guest Tax Fund.
- Shift \$79,000 of expenses identified in the Recreation Fund of the 2020 City Manager's Recommended Budget to the Special Recreation Fund.

# Work Group Item #4

Note from Work Group:

From eXplore Lawrence financial statement:

- *"The City of Lawrence allows the Organization to use the facility free of rent. The fair value of this service totals \$28,800. This service is included in the financial statements as an in-kind contribution revenue and program service expense for the year ended December 31, 2018"*

From Lawrence Arts Center financial statement:

- *"Many individuals provided services to the Organization at no cost...In addition, the Organization receives free occupancy and utilities the value of which has not been recorded in the financial statements. Management does not believe this departure from generally accepted accounting principles has a material impact on the financial statements"*

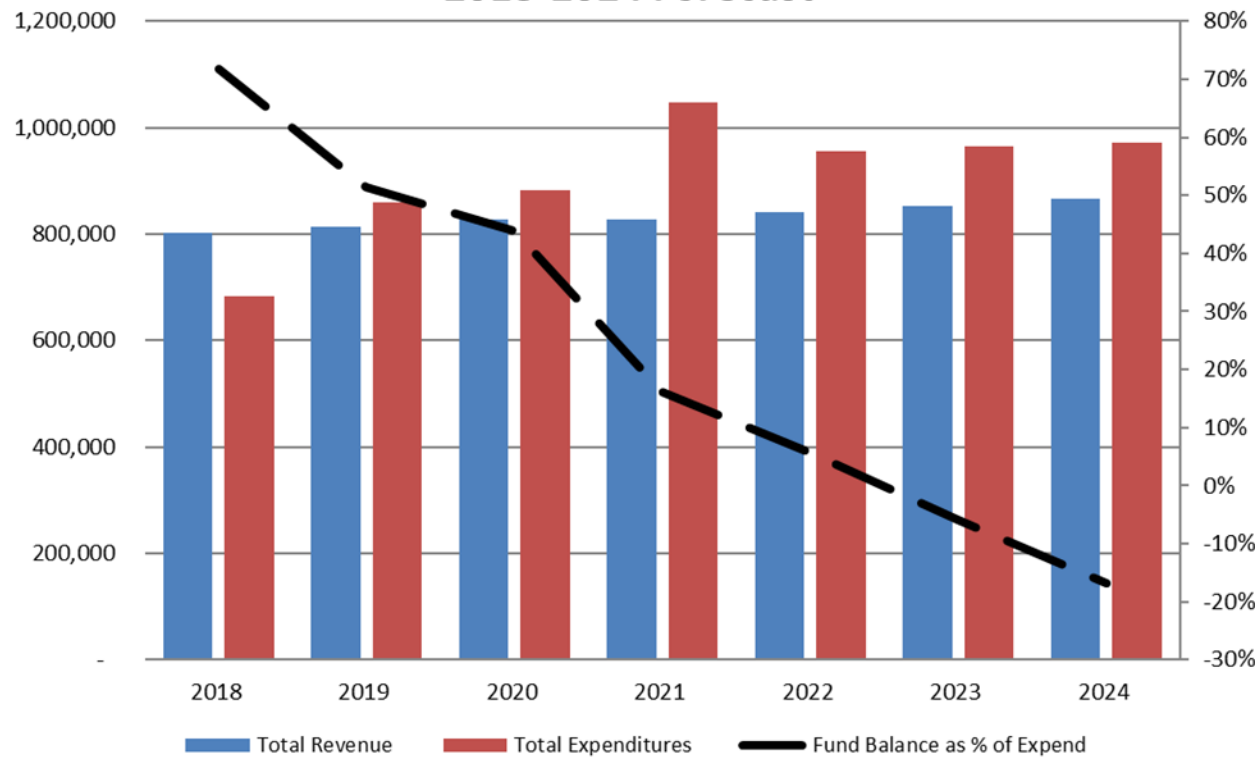
# Work Group Item #4

Special Recreation Fund	2018 Unaudited	2019 Adopted Budget	2019 Revised Budget	2020 Revised CM Recommended Budget*	Adjustments	2020 Work Group Revised Budget
<b>Revenues</b>						
Liquor Tax	\$ 796,314	\$ 843,000	\$ 810,000	\$ 825,000	\$ -	\$ 825,000
Interest	1,460	3,000	3,000	3,000	-	3,000
Reimbursements	3,036	-	-	-	-	-
<b>Total</b>	<b>800,810</b>	<b>846,000</b>	<b>813,000</b>	<b>828,000</b>	<b>-</b>	<b>828,000</b>
<b>Expenditures</b>						
Personal Services	11,926	31,000	31,000	31,000	79,000	110,000
Contractual Services	414,355	436,000	717,000	742,000	(81,000)	661,000
Commodities	144,566	112,000	112,000	112,000	-	112,000
Capital Outlay	111,903	319,000	-	-	-	-
<b>Total</b>	<b>682,750</b>	<b>898,000</b>	<b>860,000</b>	<b>885,000</b>	<b>(2,000)</b>	<b>883,000</b>
Revenue over/(under) Expenditure	118,060	(52,000)	(47,000)	(57,000)	2,000	(55,000)
Beginning Balance	253,383	396,305	371,443	324,443		324,443
Ending Fund Balance	\$ 371,443	\$ 344,305	\$ 324,443	\$ 267,443		\$ 269,443
Fund Balance as % of Expenditures	54.40%	38.34%	37.73%	30.22%		30.51%

\*Includes updated property tax figures and most recent cost information

# Work Group Item #4

**Special Recreation Fund - With Work Group  
Recommendations  
2018-2024 Forecast**



# Work Group Item #4

## Impact of the recommendations on the FY 2020 **Transient Guest Tax Fund** Budget

- Reduce the \$150,000 in the 2020 City Manager's Recommended Budget by \$30,000 for the special events grant program.
- Shift \$51,000 appropriation for the Lawrence Cultural Arts from the Special Recreation Fund to the Transient Guest Tax Fund.
- Increase eXplore Lawrence appropriation \$30,000 to cover rent at the Carnegie Building.
- Reduce eXplore Lawrence \$100,000 for other operating expenses.



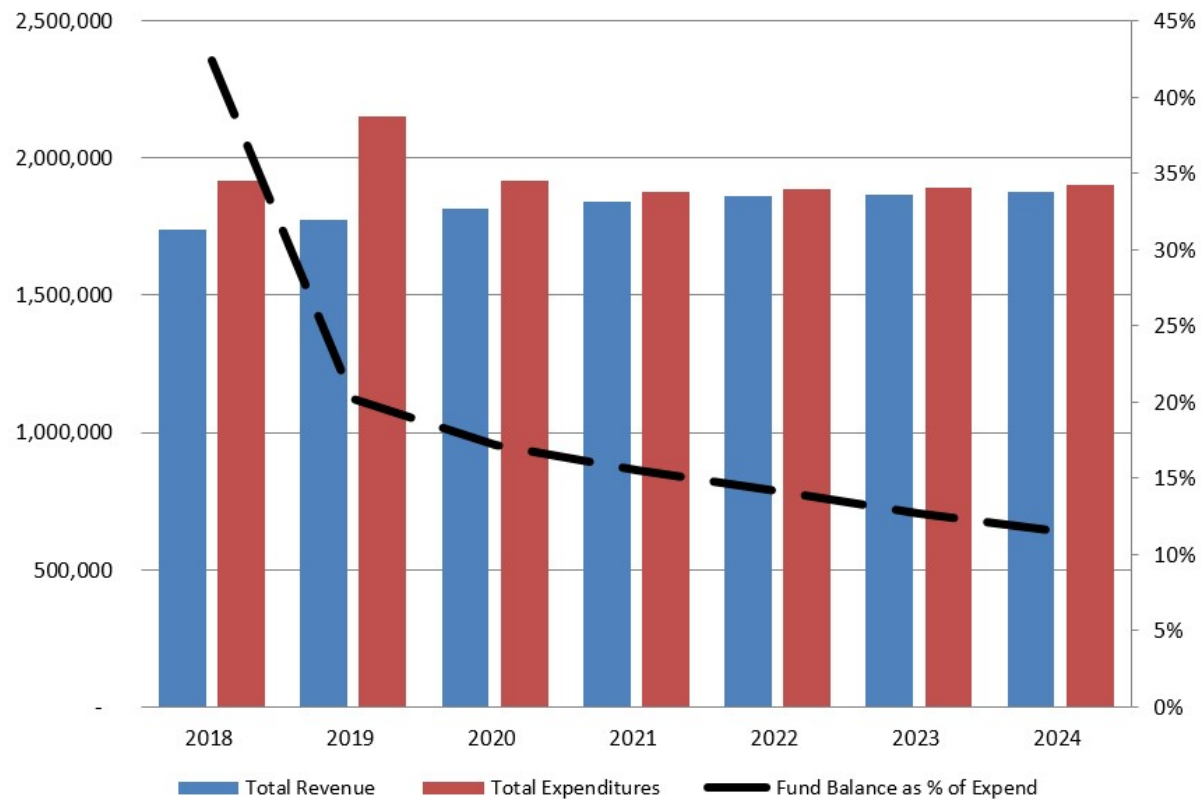
# Work Group Item #4

<b>Guest Tax Fund</b>	<b>2018 Unaudited</b>	<b>2019 Adopted Budget</b>	<b>2019 Revised Budget</b>	<b>2020 Revised CM Recommended Budget*</b>	<b>Adjustments</b>	<b>2020 Work Group Revised Budget</b>
<b>Revenues</b>						
Guest Tax	\$ 1,738,515	\$ 1,900,000	\$ 1,775,000	\$ 1,812,000	\$ -	\$ 1,812,000
Interest	1,646	7,000	2,000	2,000	-	2,000
Reimbursements	10	-	-	-	-	-
<b>Total</b>	<b>1,740,171</b>	<b>1,907,000</b>	<b>1,777,000</b>	<b>1,814,000</b>	<b>-</b>	<b>1,814,000</b>
<b>Expenditures</b>						
Personal Services	283,440	397,000	347,000	284,000	-	284,000
Contractual Services	1,310,492	1,400,000	1,406,000	1,445,000	(49,000)	1,396,000
Commodities	17,458	30,000	30,000	30,000	-	30,000
Capital Outlay	96,424	125,000	162,000	-	-	-
Debt Service	210,281	209,000	-	-	-	-
Transfers	-	-	210,000	210,000	-	210,000
<b>Total</b>	<b>1,918,095</b>	<b>2,161,000</b>	<b>2,155,000</b>	<b>1,969,000</b>	<b>(49,000)</b>	<b>1,920,000</b>
Revenue over/(under) Expenditure	(177,924)	(254,000)	(378,000)	(155,000)	49,000	(106,000)
Beginning Balance	991,909	401,483	813,985	435,985		435,985
Ending Fund Balance	\$ 813,985	\$ 147,483	\$ 435,985	\$ 280,985		\$ 329,985
Fund Balance as % of Expenditures	42.44%	6.82%	20.23%	14.27%		17.19%

\*Includes updated property tax figures and most recent cost information

# Work Group Item #4

## Guest Tax Fund - With Work Group Recommendations 2018-2024 Forecast



# Work Group Item #5

- Review of the City's Capital Improvement Plan in the 2020 City Manager's Recommended Budget to see if funding for the Lawrence Loop can be reestablished.
- Work Group recommends several action items to accomplish these goals.

# Work Group Item #5

## Impact of the recommendations on the **FY 2020-2024 Capital Improvement Plan**

- Add \$300,000 in 2021 for the Lawrence Loop from 7<sup>th</sup> Street to Constant Park in the General Fund.
- Add \$400,000 in 2022 for the Lawrence Loop from 7<sup>th</sup> Street to Constant Park in the General Fund.
- Add \$400,000 in 2022 for the Lawrence Loop from 7<sup>th</sup> Street to Constant Park in grant funds.

Note: This grant has not yet been identified. Advocates for this project are encouraged to begin raising private funds, or looking for grants to fund this project. This project is contingent on these grant funds to be completed.



# Work Group Item #5

## Impact of the recommendations on the **FY 2020-2024 Capital Improvement Plan**

- Eliminate \$700,000 in 2024 for the turf replacement at Sports Pavilion Lawrence in the General Fund.
- Shift \$200,000 from 2022 to 2024 for acoustical panels at Sports Pavilion Lawrence in the General Fund.
- Shift \$130,000 from 2023 to 2024 for the outdoor aquatics center slide in the General Fund.
- Shift \$120,000 from 2021 to 2024 for construction of sidewalks at the Youth Sports Complex in the General Fund.

# Work Group Item #5

## Impact of the recommendations on the **FY 2020-2024 Capital Improvement Plan**

- Shift \$120,000 from 2022 to 2024 for the Lyons Park shelter replacement in the General Fund.
- Eliminate \$200,000 in 2021 for the first phase of Overland Drive Park in the General Fund.

# Work Group Item #5

## Impact of the recommendations on the **FY 2020-2024 Capital Improvement Plan**

- Additional Items
  - In lieu of funding Overland Drive Park, fund Burroughs Creek spray park in 2021 (\$100,000 from the General Fund and \$100,000 from the Special Recreation Fund)
  - Eliminate funding in 2021 for the Portable Stage from the Guest Tax Fund

# Work Group Item #6

- Fund a land use planning effort for the 23<sup>rd</sup> Street corridor between Iowa and Louisiana.
- Recommend shifting \$150,000 from the General Fund to the Bond and Interest Fund for parking lot improvements in the Parks Department. Those dollars would be use to fund the study.

# Work Group Item #6

## Impact of the recommendation on the FY 2020 Budget

- The Bond and Interest Fund Balance would be reduced by \$120,000 for the Sports Pavilion Lawrence payment, and \$150,000 for the 23<sup>rd</sup> Street Corridor study.

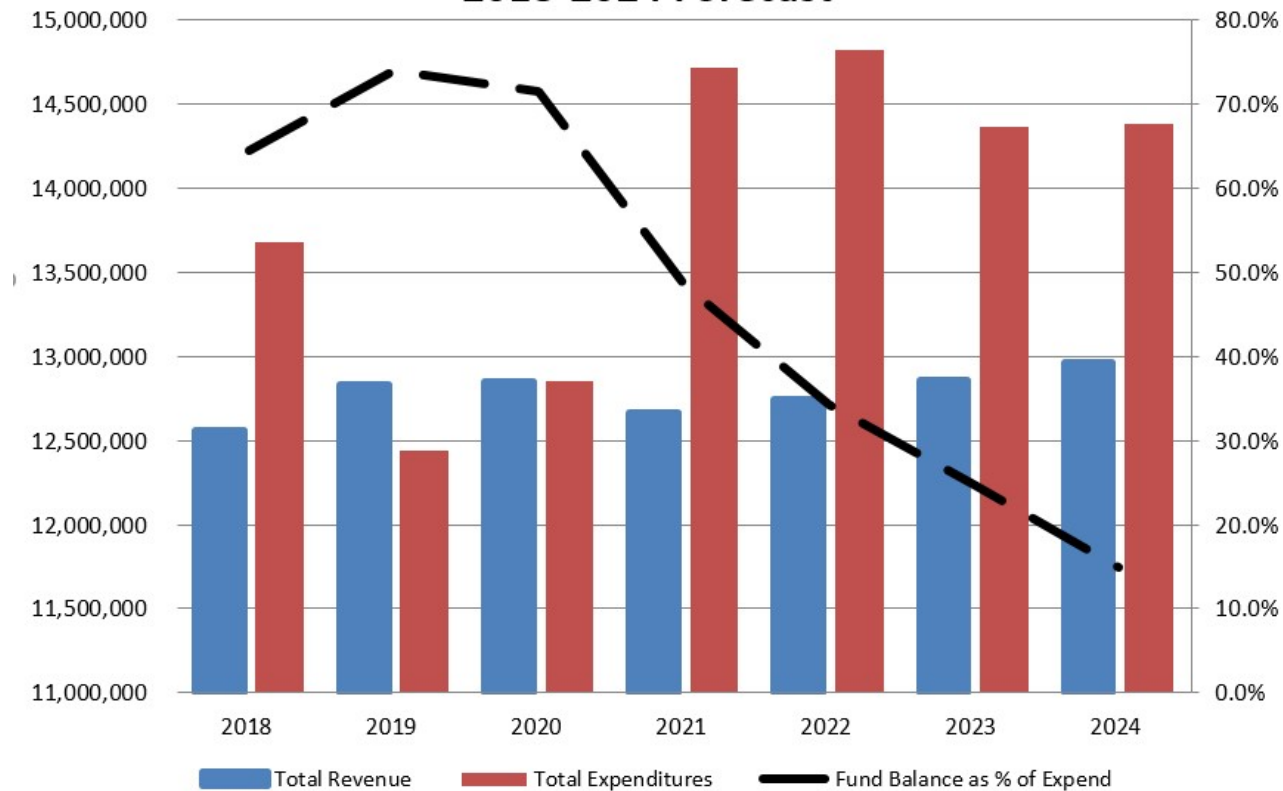
# Work Group Item #6

<b>Bond &amp; Interest Fund</b>	<b>2018 Unaudited</b>	<b>2019 Adopted Budget</b>	<b>2019 Revised Budget</b>	<b>2020 Revised CM Recommended Budget*</b>	<b>Adjustments</b>	<b>2020 Work Group Revised Budget</b>
<b>Revenues</b>						
Property Taxes	\$ 10,569,119	\$ 10,463,000	\$ 10,463,000	\$ 10,979,000	\$ -	\$ 10,979,000
Special Assessments	889,068	942,000	734,000	545,000	-	545,000
Interest	99,598	69,000	69,000	69,000	-	69,000
Miscellaneous	472,004	325,000	325,000	325,000	-	325,000
Operating Transfers	520,000	552,000	1,242,000	1,368,000	-	1,368,000
<b>Total</b>	<b>12,549,789</b>	<b>12,351,000</b>	<b>12,833,000</b>	<b>13,286,000</b>	<b>-</b>	<b>13,286,000</b>
<b>Expenditures</b>						
Interest & Other Charges	4,435,143	3,841,000	3,853,000	3,994,000	-	3,994,000
Principal	9,334,427	7,852,000	8,588,000	8,589,000	270,000	8,859,000
<b>Total</b>	<b>13,769,570</b>	<b>11,693,000</b>	<b>12,441,000</b>	<b>12,583,000</b>	<b>270,000</b>	<b>12,853,000</b>
Revenue over/(under) Expenditure	(1,219,781)	658,000	392,000	703,000	(270,000)	433,000
Beginning Balance	11,149,885	10,608,534	9,930,104	10,322,104		10,322,104
Ending Fund Balance	\$ 9,930,104	\$ 11,266,534	\$ 10,322,104	\$ 11,025,104		\$ 10,755,104
Fund Balance as % of Expenditures	72.12%	96.35%	82.97%	87.62%		83.68%

\*Includes updated property tax figures and most recent cost information

# Work Group Item #6

**Bond & Interest Fund - With Work Group  
Recommendations  
2018-2024 Forecast**

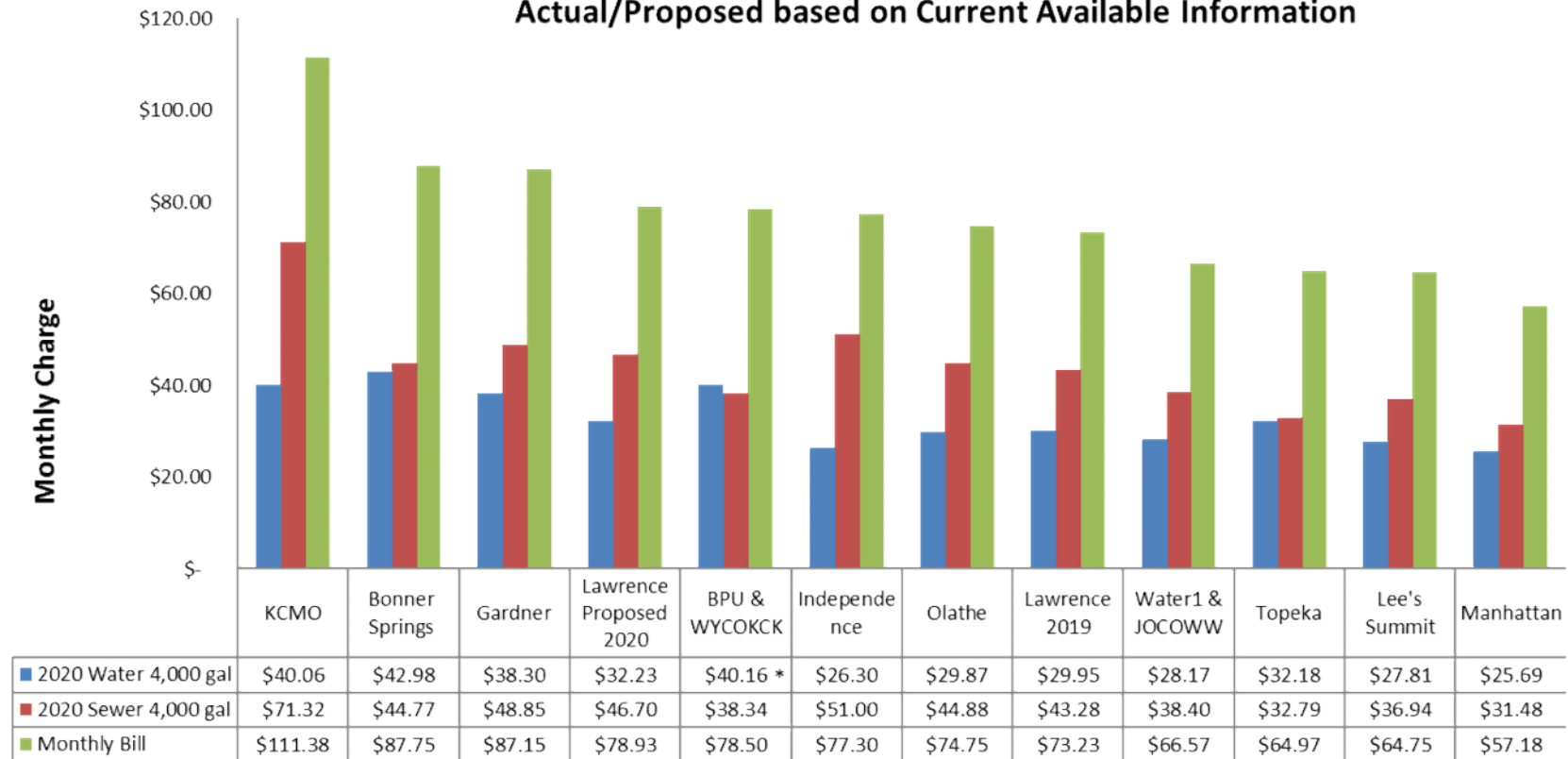


# Work Group Item #7

- Review proposed utility rate increases, and research possibility for enhancing the income-based assistance program.
- Recommend maintaining the rate proposals that tie to the rate model. Utility staff will explain the factors in the model. Rate subsidization should not be borne by the utility rates (due to bond covenants), so options for funding a program through taxpayer subsidies will be researched.

# Work Group Item #7

2020 Typical Residential Monthly Water & Wastewater Bill Comparison (4,000 gal)  
Actual/Proposed based on Current Available Information



\* 2019 rate

+ 5.70



City of Lawrence

# Work Group Item #7

- Operations and Maintenance for Utilities in 2020 is \$29.9M
- 2020-2024 CIP Includes:
  - \$58M for Water Projects/Programs
  - \$101M for Wastewater Projects/Programs
    - Integrated plan within NPDES permits related to City's responsibilities under the Clean Water Act.
    - \$38.2M for nutrient removal for effluent discharges from the Kansas River Wastewater Treatment Plant expected to be required within 5 years.
    - Continue Ecoflow Program for Rapid I/I removal



# Work Group Item #7

- 24 Inch Water Main Break
  - 1300 block of New York Street in mid-June



# Work Group Item #7

- Clay Sewer Pipes
  - Sewers built before 1930
  - Cracks in sewers such as the one shown will lead to collapse if not lined



# Work Group Item #7

- Kaw Water Treatment Plant
  - Basin floor failure



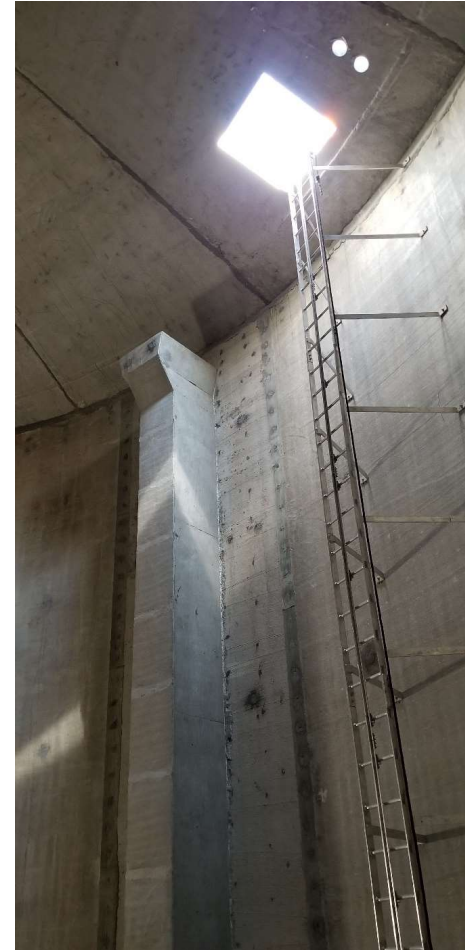
# Work Group Item #7

- Oread Tanks Before



# Work Group Item #7

- Oread Tanks After



# Work Group Item #8

- Review Options to reduce the 0.5 mill increase in the 2020 City Manager's Recommended Budget.
- Reduce City Commission pay per item #3 (\$50,000)
- Reduce allotted increase for the Lawrence Community Shelter to match request from Douglas County (\$144,000)
- Reduce appropriation to the Lawrence Chamber of Commerce (\$20,000)
- Reduce appropriation to the Bioscience and Technology Business Center (\$20,000)
- Reduce the transfer to the Capital Improvement Reserve (\$100,000)
- Eliminate the transfer to the Special Gas Tax Fund (\$150,000)
- Reduce the funds allotted for contracted planting of replacement trees related to the Emerald Ash Borer program (\$30,000)

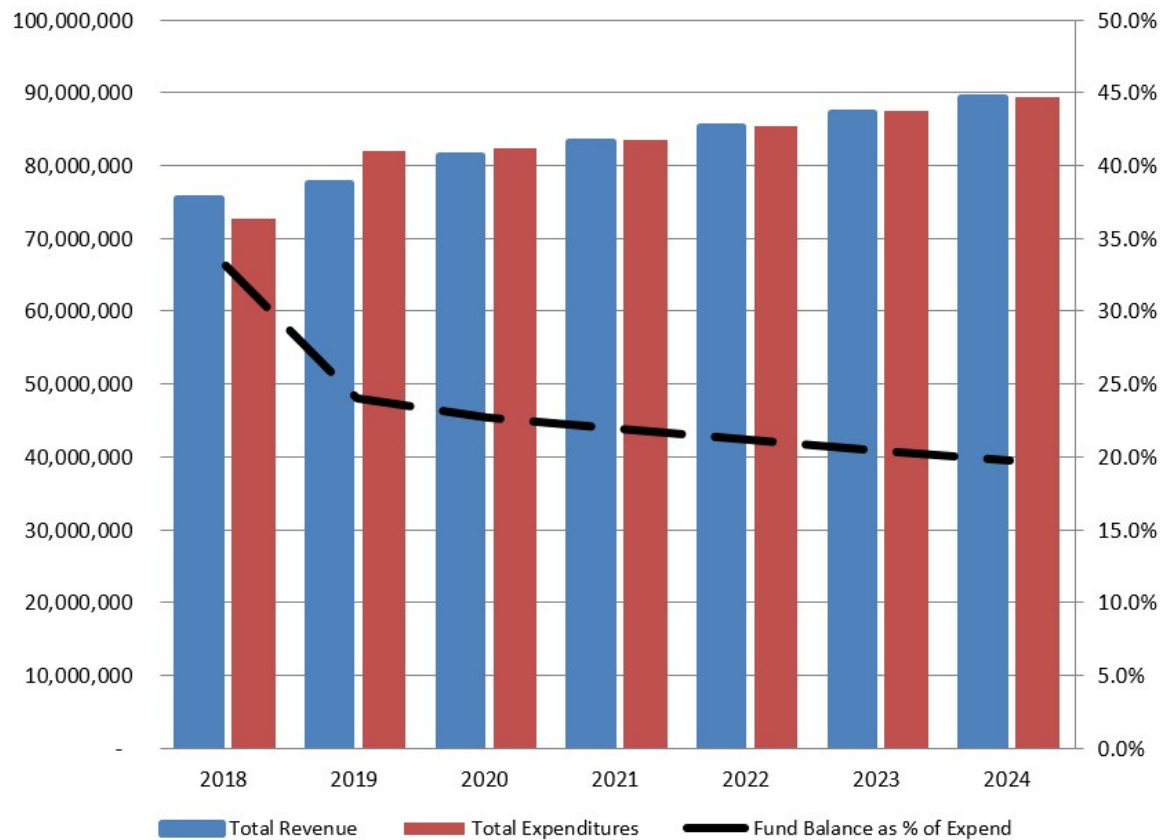
# Work Group Item #8

General Fund	2018 Unaudited	2019 Adopted Budget	2019 Revised Budget	2020 Revised CM Recommended Budget*	Adjustments	2020 Work Group Revised Budget
<b>Revenues</b>						
Property	\$ 21,096,814	\$ 22,854,000	\$ 22,872,000	\$ 24,526,000	\$ (530,000)	\$ 23,839,000
Sales Tax	29,344,939	30,371,000	29,780,000	30,443,000	-	30,443,000
Franchise Fees	7,736,701	7,627,000	7,704,000	7,999,000	-	7,999,000
Federal & State Grants	59,672	-	-	-	-	-
State Shared Revenues	894,921	919,000	886,000	901,000	-	901,000
DC Billed Charges	6,728,902	7,206,000	7,206,000	7,737,000	-	7,737,000
Charges for services	892,630	900,000	900,000	878,000	-	878,000
Interest	184,215	192,000	192,000	192,000	-	192,000
Miscellaneous	701,035	312,000	412,000	427,000	-	427,000
Licenses and permits	2,053,933	1,576,000	1,981,000	2,138,000	-	2,138,000
Fines, forfeitures and penalties	2,173,673	2,050,000	2,015,000	2,000,000	-	2,000,000
Operating Transfers	3,657,000	3,657,000	3,649,000	4,770,000	-	4,770,000
<b>Total</b>	<b>75,524,435</b>	<b>77,664,000</b>	<b>77,597,000</b>	<b>82,011,000</b>	<b>(530,000)</b>	<b>81,324,000</b>
<b>Expenditures</b>						
Personal Services	49,288,626	53,193,000	53,708,000	54,120,000	(50,000)	54,070,000
Contractual Services	11,528,237	14,442,000	14,939,000	16,896,000	(214,000)	16,523,000
Commodities	5,175,277	6,135,000	5,875,000	6,020,000	-	6,020,000
Capital Outlay	680,941	388,000	683,000	1,218,000	-	1,218,000
Transfers	6,083,989	3,506,000	6,655,000	4,476,000	(250,000)	4,226,000
<b>Total</b>	<b>72,757,070</b>	<b>77,664,000</b>	<b>81,860,000</b>	<b>82,730,000</b>	<b>(514,000)</b>	<b>82,057,000</b>
Revenue over/(under) Expenditure	2,767,365	-	(4,263,000)	(719,000)		(733,000)
Beginning Balance	21,304,130	19,748,597	24,071,495	19,808,495		19,808,495
Ending Fund Balance	\$ 24,071,495	\$ 19,748,597	\$ 19,808,495	\$ 19,089,495		\$ 19,075,495
Fund Balance as % of Expenditures	33.08%	25.43%	24.20%	23.07%		23.25%

\*Includes updated property tax figures and most recent cost information

# Work Group Item #8

General Fund - With Work Group Recommendations  
2018-2024 Forecast



# Public Participation Opportunities

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

# Next Steps

- Tonight: Provide direction as appropriate
- July 16: Authorize publication of the budget and establish maximum expenditures
- August 6: Public Hearing and First Reading
- August 13: Budget Ordinance Second Reading
- August 25: Levy must be certified to County Clerk

