



Agenda Item Report

City Commission - Jul 13 2021

Department

Finance

Staff Contact

Jeremy Willmoth, Director

Recommendations

Receive 2022 City Manager's Recommended Budget.

Executive Summary

The total City Manager's Recommended Budget is \$383,870,000 across all funds. The budget includes recommended fee increases for water & wastewater, solid waste, and stormwater utilities. Many of these increases are related to increasing maintenance and capital needs and will be further explored later in the budget process with the update of the rate model.

Revenue Assumptions

The City is still experiencing the impacts of COVID-19 but are starting to see some key revenue sources recover from 2020. The recommended budget assumes sales and use tax will increase approximately 5% over 2019 actuals.

Additionally, the budget assumes an increase in assessed valuation of 2.5% and maintains a flat mill levy.

Expenditure Overview

There are three key focus areas of the City Manager's Recommended Budget. First, the budget has re-prioritized existing resources to establish a Housing Initiatives Division within Planning & Development Services. Second, the budget recommendation includes investments in the City's infrastructure through the Capital Improvement Plan, Maintenance Plan, and Vehicle & Equipment Replacement Plan. Finally, the budget includes approximately \$5,000,000 in new compensation for employees. This is part of a two-year plan to bring compensation to market rate.

There are also 8.0 positions that are included in the recommended budget and summarized below.

- 1.0 Sustainability Analyst (Sustainability)
- 1.0 Equity & Inclusion Coordinator (Equity & Inclusion)
- 1.0 Budget Analyst (Finance)
- 1.0 Economic Development Analyst (City Manager's Office)
- 1.0 Grant Administrator (Finance)
- 1.0 Administrative Technician (Transportation)
- 1.0 Mobility Planner (Planning & Development Services)
- 1.0 Homeless Initiatives Coordinator (Planning & Development Services)

Though we are offering a balanced budget with no property tax increase for FY 2022, there are looming challenges that must be addressed structurally and systematically over the next two years. The American Rescue Plan Act and other Federal assistance has helped us continue to provide the essential services our community needs to recover from the pandemic and continue our recovery from years of infrastructure underinvestment. However, these are temporary measures. We face structural budget challenges if we are to deliver what this community says it needs in a responsible and sustainable way.

It is important that policy leaders and the community understand that some combination of service reductions, increased tax rates, or stronger growth in property values and sales tax or a combination of the above will be required to sustain direction. This is not a complicated reality, but it will be difficult and require difficult decisions and work as a community.

Next Steps

At the meeting on July 20, 2021, the City Commission will be asked to establish the maximum mill levy rate and authorize the publication of the 2022 budget public hearing.

On August 31, 2021, a Public Hearing and Revenue Neutral Rate Hearing will be held to hear from the community.

The budget resolution will be brought forward to the City Commission on September 7, 2021. Following the resolution, presentations and ordinances related to rates will be brought forward.

Additional Information

Additional information related to the budget, including an interactive budget report and updated Capital Improvement Plan, Vehicle & Equipment Replacement Plan, and Maintenance Plan documentation can be found online at www.lawrenceks.org/budget/current.

The public is encouraged to participate in the budget process by attending City Commission meetings or by submitting written testimony to ccagenda@lawrenceks.org.

Alignment to Strategic Plan

Commitments in support of the outcome areas

Fiscal Impact

The total City Manager's Recommended budget is \$383,870,000 across all funds and the General Fund is \$103,379,000. While this budget is balanced through the use of federal funds, the General Fund is not sustainable in the years to come without some structural changes in future years.

Action Requested

Receive budget presentation.

Attachments

[Transmittal Memo - Updated 07/09/2021](#)

[Fund Summaries](#)

[Presentation - Updated 07/09/21](#)

[Communications - Added 07/13/21](#)



City of Lawrence

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CITY MANAGER

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CITY COMMISSION

MAYOR
BRADLEY R. FINKELDEI

COMMISSIONERS
COURTNEY SHIPLEY
STUART BOLEY
LISA LARSEN
JENNIFER ANANDA, JD, MSW

July 7, 2020

Honorable Mayor and City Commissioners,

I am honored to again propose the operating and capital budget for the City of Lawrence, Kansas. We continue to face ongoing impacts of the global pandemic even as locally we see reduced case counts and have begun as a community to fade the restrictions and safety precautions to allow a more socially and economically productive environment. Demand for services remains high and this budget assumes largely normal operations.

This is the first year we will work to operationalize the Strategic Plan adopted in 2020. This budget will return focus to the top priorities the community identified during a prolonged and extensive session of listening that culminated in the adoption of the Strategic Plan. Identified were 5 Outcomes: Unmistakable Identity, Strong, Welcoming Neighborhoods, Safe and Secure, Prosperity and Economic Security, and Connected City. These outcomes define what we are charged by the community to do.

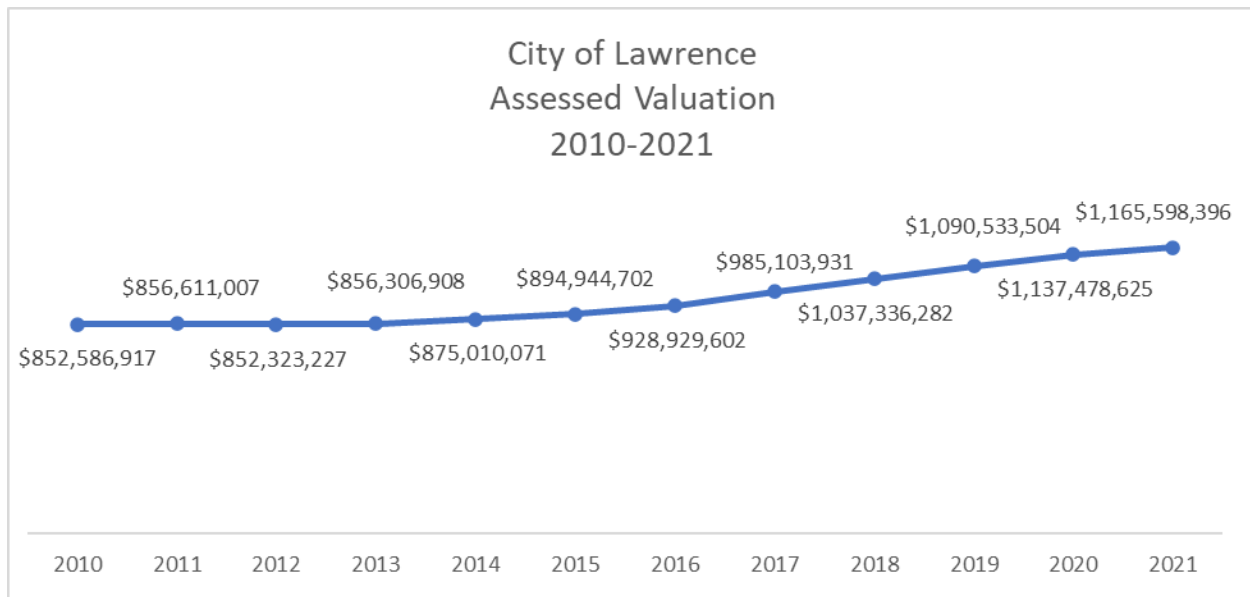
Along with these priorities, we adopted a framework that also prescribes the standards we will meet as we deliver results. These are Community Engagement, Efficient and Effective Processes, Equity and Inclusion, Sound Fiscal Stewardship, Engaged and Empowered Teams, and Environmental Sustainability. When we deliver the outcomes, we will do so through a balance and commitment to these ways of doing our work together.

The Strategic Planning Framework drives the “what” and “how” of our work as a municipal organization. As we continue to align resources around this framework we will measure and report our progress. This reporting creates a feedback loop for community members, policy leaders and the professionals of the organization.

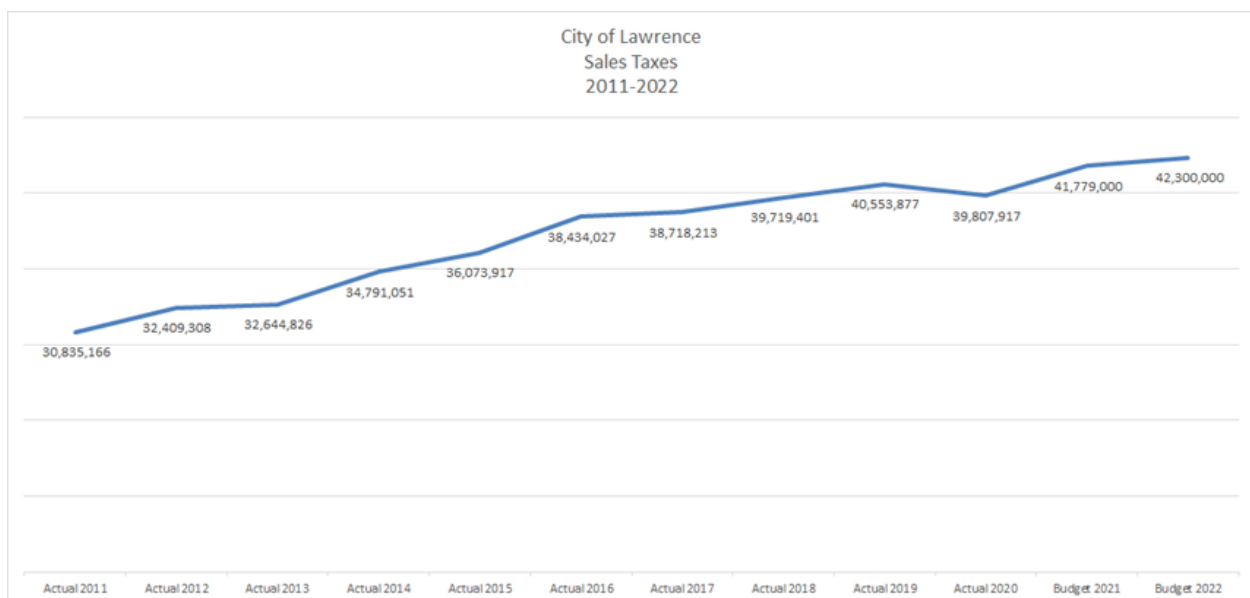
Revenues

The City continues to feel the impacts of COVID-19 but the FY2022 budget assumes growth in many of our key revenue streams. The chart below shows the historical trend in assessed valuation across the past 10 years. The FY2022 budget includes a 2.5% increase over the prior year.





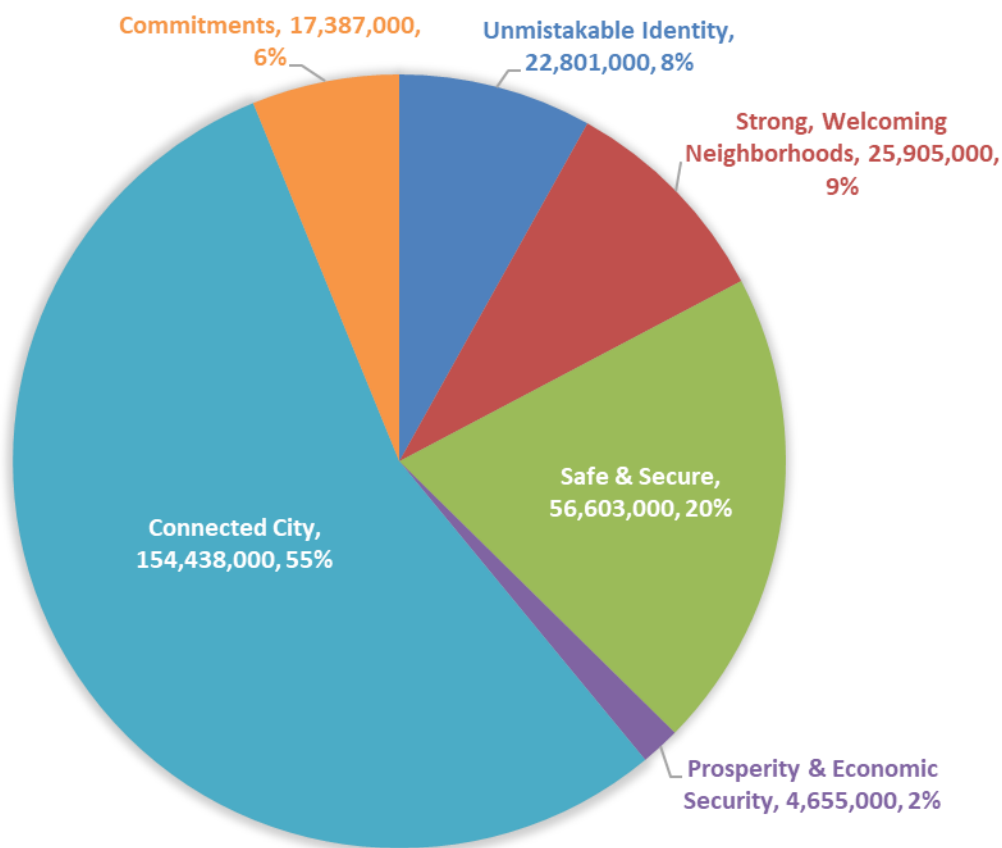
Another major revenue stream is sales tax, which was heavily impacted in 2020 but is starting to rebound. The budget assumes a 4.3% increase in sales tax in FY2022 over the 2019 actuals.



Finally, there are revenue increases that have been identified in City utilities (water/wastewater, solid waste, stormwater). However, the details of that will be presented later in 2021 with the update of the rate models. The rate models rely on the annual financial audit, which was recently completed.

Expenditures

The chart below shows the operating budget by strategic plan outcome area. This is the first year the strategic plan is being operationalized so further alignment will be made over the coming years.



Features of this Budget

This budget is presented with no property tax or sales tax rate increase.

This budget provides for no substantial reduction in any significant services provided by the city.

Though there are literally thousands of initiatives and programs in this budget that respond to the community's Strategic Plan priorities, three significant areas were prioritized.

Housing Initiatives

Homelessness and affordable housing are among the greatest challenges of our time. In 2017, Lawrence voters approved a dedicated sales tax to support affordable housing initiatives. As we continue our work on affordable housing needs through innovative

projects and partnerships, we must also support the needs of people experiencing homelessness in our community.

The COVID-19 pandemic has worsened conditions and illuminated the urgent need to support those experiencing homelessness with safe, adequate housing and supportive human services. The City and County governing bodies recently adopted Joint Resolution No. 7373 which commits both organizations to collaborate on strategies to address homelessness. Recent efforts include the Built for Zero initiative to improve the system of services available to people experiencing homelessness. A complimentary effort includes an upcoming system needs assessment which will identify, at a community level, the investments needed in supportive services, sheltering and housing to eliminate chronic homelessness within the next three years. These initiatives position our community to pursue unprecedented Federal and State funding for solutions to homelessness made possible by pandemic relief legislation and the work of the United States Interagency Council on Homelessness.

The 2022 Proposed Budget expands our existing Community Development Division, within the Planning and Development Services Department, to support the City's engagement in strategies to reduce and end homelessness. The Community Development Division presently addresses Affordable Housing and federally funded homeowner and neighborhood assistance programs. The team will be rebranded as the Housing Initiatives Division with an expanded focus to include solutions to homelessness.

As we engage in this work, we advise focusing City resources on three specific outcomes: 1. Homeless Outreach, 2. Emergency Sheltering, and 3. Rapid Rehousing. To support this focus, the proposed budget consolidates previous outside agency funding (General Fund and Alcohol Funds) for programs that advance our goals in these three areas.

Infrastructure

The five-year Capital Improvement Plan adopted for the 2021 fiscal year comprehensively addressed the backlog of infrastructure maintenance and improvement that had accumulated from years of underfunding across multiple systems. We are now on a disciplined schedule of investment to assure system utility, reliability and lowest cost of ownership for the community. These are existing systems upon which all in our community depend and become more important for the most vulnerable in our population and for development of our economy.

Engaged and Empowered Teams

In 2018 the city hired McGrath and Associates, a national consulting firm specializing in public sector compensation, to take a comprehensive look at the compensation system for the city. They found general and specific lag in compensation compared to local and regional market pay for similar positions. They also studied internal equity of how

positions were compensated in relation to different jobs within the organization. In 2021 many of these recommendations were still not addressed. This 2022 proposed budget makes substantial progress and prepares for final implementation in 2023 of these recommendations.

The commitment to keep up in a competitive market as we see significant labor shortages, particularly in the entry level and highly skilled classifications, recognizes the human infrastructure that must be maintained to do the critical work our community needs and demands.

Finding a Sustainable Balance

In approaching the significant public expectations in Lawrence I am reminded of a saying, "We can do anything, but we can't do everything." Over the past several years or even decades we have tried to do everything and have not fully embraced the idea that many of the things that we are "in business" to do as a city are not short term or simple.

We must be realistic about the full lifecycle cost of our infrastructure and understand delaying investment also makes that more expensive. Doing this year after year creates a balloon payment. We are paying off that balloon payment across several systems over the next five years. We do not recommend shorting necessary investment going forward and are not reflecting that here.

Like our physical infrastructure we must be disciplined and invest in our people consistently and to keep pace with other cities asking the same or even less of the people that serve their cities. The 2018 compensation study gave us the road map and this budget takes one of the final steps to closing those gaps. Many of those who work for the city are Lawrence and Douglas County residents. They understand the impact of all of our budget decisions on tax rates and fees. The management of our pay system should not only attract and retain strong, creative and compassionate public employees, but should manage these costs and hold them in line with economic conditions in our region and in our community. This makes for predictable and manageable costs for the largest aspect of most any city's budget.

Through deep engagement with the public in 2019-20 we understand the necessity to prioritize the needs and expectations of our community and putting it in a framework that forces us to confront and balance competing perspectives. In all things we consider those we serve, those in our care in the organization, those who have been historically marginalized and underrepresented, the tax and financial burdens of our decisions, and the relationship we have with our planet and environment. There are no short-cuts if we are to continuously uphold all of our commitments and keep them perpetually in balance. The results, however, will characterize a high-performing government that reflects the values of the community.

Though we are offering a balanced budget with no property tax increase for FY 2022, there are looming challenges that must be addressed structurally and systematically over the next two years. The American Rescue Plan Act (ARPA) and other Federal assistance has helped us continue to provide the essential services our community needs to recover from the pandemic and continue our recovery from years of infrastructure underinvestment. However, these are temporary measures. *We face structural budget challenges if we are to deliver what this community says it needs in a responsible and sustainable way.* It is important that policy leaders and the community understand that some combination of service reductions, increased tax rates, or stronger growth in property values and sales tax or a combination of the above will be required to sustain direction. This is not a complicated reality, but it will be difficult and require difficult decisions and work as a community.

Economic Development and a Stronger Tax Base

The pandemic took a heavy toll on retail and on office and commercial space. The values were impacted and are returning to pre-pandemic levels at different paces but will return and continue to rise. We have seen manufacturing and light industrial expansion and new construction during the pandemic. Some of the vacant property at the east side of Lawrence seems to be rapidly filling and adding to the tax base and employment numbers. Retail has recently reignited and if it sustains will be a significant part of the solution to the structural imbalances.

Lawrence is unbalanced by not yet having the private sector job and commercial property tax base a city of our size would have. While housing is a priority, the growth of housing without commercial development to balance it will place a heavier burden on the city budget as residential development generally tends to consume more municipal services than it contributes as compared to commercial. The economic development strategic plan sets a course for the community to achieve a healthier local economy that achieves a very realistic potential to be seen on national radar.

Our strategic plan is built to guide this work, but it will take time to gain alignment and implement these strategies. Commitment from all parts of our community will be necessary to build the economy that will support the needs and ambitions of the city-wide strategic plan and service expectations. The county, public school districts and the city all benefit from a stronger tax base.

Acknowledgement

I want to acknowledge the hundreds of hours of work invested by dozens of our team members to create this plan and make critical decisions to pull this together. We anchored it to the strategic plan, but it took a great deal of work to prioritize and balance this plan. In particular I recognize the work of Jeremy Willmoth, Finance Director, and Danielle Buschkoetter, Budget and Strategic Initiatives Manager who led this work.

Though proud of the work and the outcome, this is not the right budget for this community until the public engages with it and the City Commission makes the adjustments necessary. We look forward to answering questions and providing more detailed information on the strategies and ideas that have gone into it. We also look forward to working to make this the right plan for Lawrence through our meetings and discussions with the community in the weeks ahead.

Sincerely,

A handwritten signature in black ink, appearing to read 'C. Owens', written in a cursive style.

Craig S. Owens,
City Manager

General Fund (001)

	2020	2021 Adopted	2021 Revised	2022 Recommended
Revenues	Unaudited	Budget	Budget	Budget
Property	\$ 23,444,591	\$ 24,350,000	\$ 24,295,000	\$ 24,826,000
Sales Tax	27,433,315	28,922,000	31,399,000	31,790,000
Franchise Fees	6,893,125	7,751,000	7,314,000	7,935,000
Licenses and permits	1,489,221	1,446,000	1,534,000	1,577,000
Intergovernmental	789,569	919,000	551,000	919,000
Charges for services	8,590,019	12,982,000	12,679,000	14,613,000
Fines, forfeitures and penalties	964,988	1,400,000	850,000	800,000
Interest	447,695	250,000	350,000	350,000
Miscellaneous	659,957	963,000	963,000	1,051,000
Operating Transfers	4,373,345	17,518,000	17,518,000	11,617,000
Total	75,085,825	96,501,000	97,453,000	95,478,000
Expenditures				
Personal Services	51,072,328	55,761,000	56,040,000	59,632,000
Internal Services	4,299,589	8,395,000	9,156,000	11,197,000
Contractual Services	12,683,305	14,888,000	15,782,000	17,874,000
Commodities	5,751,711	9,917,000	9,931,000	8,190,000
Capital Outlay	1,366,083	3,343,000	3,690,000	2,881,000
Other	2,910	-	-	30,000
Transfers	1,890,318	2,896,000	2,896,000	3,574,000
Total	77,066,244	95,200,000	97,495,000	103,378,000
Revenue over/(under) Expenditure	(1,980,419)	1,301,000	(42,000)	(7,900,000)
Beginning Balance	26,997,596	19,406,096	25,017,177	24,975,177
<i>Less: Reserve by Policy</i>	<i>19,266,561</i>	<i>20,707,096</i>	<i>24,042,267</i>	<i>25,493,015</i>
Available for Use	5,750,616	-	932,910	(8,417,838)
Total Fund Balance	\$ 25,017,177	\$ 20,707,096	\$ 24,975,177	\$ 17,075,177

Note: The gap in the General Fund will be augmented using Federal Funding in FY2022 to allow us to continue to provide essential services while we recover from the impacts of COVID-19. This will not be sustainable long-term and some combination of service reductions, increased tax rates, or stronger growth in property values and sales tax will be required to sustain our direction.

Airport Fund (201)

	2020	2021 Adopted	2021 Revised	2022
	Unaudited	Budget	Budget	Recommended
Revenues				Budget
Charges for services	\$ 14,336	\$ -	\$ 5,000	\$ 10,000
Intergovernmental	-	-	-	-
Interest	10,968	7,000	7,000	7,000
Building Rentals	167,737	146,000	165,000	190,000
Operating Transfers	367,500	252,000	252,000	168,000
Total	560,541	405,000	429,000	375,000
Expenditures				
Personal Services	79,291	84,000	84,000	88,000
Internal Services	-	7,000	7,000	13,000
Contractual Services	96,798	197,000	198,000	232,000
Commodities	23,952	20,000	19,000	33,000
Capital Outlay	2,500	-	-	300,000
Other	103	-	-	-
Transfers	-	285,000	285,000	-
Total	202,644	593,000	593,000	666,000
Revenue over/(under)				
Expenditure	357,897	(188,000)	(164,000)	(291,000)
Beginning Balance	219,998	373,999	577,895	413,895
<i>Less: Reserve by Policy</i>	<i>32,423</i>	<i>-</i>	<i>94,880</i>	<i>106,560</i>
Available for Use	545,472	185,999	319,015	16,335
Ending Fund Balance	\$ 577,895	\$ 185,999	\$ 413,895	\$ 122,895

Capital Sales Tax Fund (202)

	2020	2021 Adopted	2021 Revised	2022 Recommended
Revenues	Unaudited	Budget	Budget	Budget
Taxes	\$ 4,973,283	\$ 5,347,000	\$ 5,339,000	\$ 5,405,000
Intergovernmental	1,648,326	-	-	-
Interest	163,686	20,000	35,000	35,000
Miscellaneous	575,331	-	500,000	500,000
Operating Transfers	-	-	-	-
Total	7,360,626	5,367,000	5,874,000	5,940,000
Expenditures				
Contractual Services	4,782,754	9,000	9,000	9,000
Capital Outlay	1,208,834	-	-	-
Debt Service	50,624	-	-	-
Transfer Out	200,000	12,335,000	13,899,000	5,145,000
Total	6,242,212	12,344,000	13,908,000	5,154,000
Revenue over/(under)				
Expenditure	1,118,414	(6,977,000)	(8,034,000)	786,000
Beginning Balance	9,651,771	7,236,771	10,770,185	2,736,185
<i>Less: Reserve by Policy</i>	<i>998,754</i>	<i>-</i>	<i>2,225,280</i>	<i>824,640</i>
Available for Use	9,771,431	259,771	510,905	2,697,545
Ending Fund Balance	\$ 10,770,185	\$ 259,771	\$ 2,736,185	\$ 3,522,185

Equipment Reserve Fund (205)

	2020	2021 Adopted	2021 Revised	2022
	Unaudited	Budget	Budget	Recommended
Revenues				Budget
Taxes	\$ 500,000	\$ -	\$ -	\$ -
Interest	43,757	75,000	25,000	25,000
Intergovernmental	-	-	-	-
Reimbursement	-	-	-	824,000
Fines, forfeitures and penalties	28,397	65,000	15,000	15,000
Operating Transfers	460,000	10,113,000	10,113,000	6,108,000
Total	1,032,154	10,253,000	10,153,000	6,972,000
Expenditures				
Contractual Services	151,755	2,000	1,020,000	3,051,000
Commodities	1,226,550	500,000	-	233,000
Capital Outlay	1,279,636	9,751,000	6,456,000	5,648,000
Total	2,657,941	10,253,000	7,476,000	8,932,000
Revenue over/(under) Expenditure	(1,625,787)	-	2,677,000	(1,960,000)
Beginning Balance	2,660,573	1,729,570	1,034,786	3,711,786
Reserve for Municipal Court	1,575,002	1,700,688	1,590,002	1,605,002
Available for VERP	(540,216)	28,882	2,121,784	146,784
Total Fund Balance	\$ 1,034,786	\$ 1,729,570	\$ 3,711,786	\$ 1,751,786

Guest Tax (206)

	2020	2021 Adopted	2021 Revised	2022
	Unaudited	Budget	Budget	Recommended
Revenues				Budget
Guest Tax	\$ 923,627	\$ 1,600,000	\$ 1,191,000	\$ 1,728,000
Interest	17,270	2,000	2,000	2,000
Reimbursements	-	-	-	-
Total	940,897	1,602,000	1,193,000	1,730,000
Expenditures				
Personal Services	272,393	32,000	32,000	35,000
Internal Services	63,895	136,000	136,000	77,000
Contractual Services	663,383	1,343,000	1,160,000	1,358,000
Commodities	25,167	27,000	27,000	39,000
Capital Outlay	-	-	-	-
Debt Service	2,280	-	-	-
Transfers	-	377,000	167,000	167,000
Total	1,027,118	1,915,000	1,522,000	1,676,000
Revenue over/(under)				
Expenditure	(86,221)	(313,000)	(329,000)	54,000
Beginning Balance	671,620	470,621	585,399	256,399
<i>Less: Reserve by Policy</i>	<i>164,339</i>	<i>-</i>	<i>243,520</i>	<i>268,160</i>
Available for Use	421,060	157,621	12,879	42,239
Ending Fund Balance	\$ 585,399	\$ 157,621	\$ 256,399	\$ 310,399

Library Fund (209)

	2020	2021 Adopted	2021 Revised	2022
	Unaudited	Budget	Budget	Recommended
Revenues				Budget
Property Taxes	\$ 4,734,141	\$ 4,903,000	\$ 4,923,000	\$ 5,023,000
Interest	1,637	-	-	-
Total	4,735,778	4,903,000	4,923,000	5,023,000
Expenditures				
Contractual Services	4,782,000	\$ 4,978,000	\$ 4,952,000	5,023,000
Total	4,782,000	4,978,000	4,952,000	5,023,000
Revenue over/(under)				
Expenditure	(46,222)	(75,000)	(29,000)	-
Beginning Balance	75,546	75,547	29,324	324
Ending Fund Balance	\$ 29,324	\$ 547	\$ 324	\$ 324

Transportation Fund (210)

	2020	2021 Adopted	2021 Revised	2022
	Unaudited	Budget	Budget	Recommended Budget
Revenues				
Sales Tax	\$ 3,648,856	\$ 4,258,000	\$ 4,117,000	\$ 4,168,000
Charges for services	270,145	400,000	265,000	310,000
Interest	266,888	300,000	200,000	200,000
Miscellaneous	4,100	-	-	-
Operating Transfers	10,000	-	-	-
Total	4,199,989	4,958,000	4,582,000	4,678,000
Expenditures				
Personal Services	104,671	92,000	92,000	99,000
Internal Services	134,964	202,000	232,000	189,000
Contractual Services	2,620,557	2,411,000	2,650,000	1,990,000
Commodities	600,902	800,000	832,000	793,000
Capital Outlay	-	1,000	1,000	31,000
Transfers	-	5,738,000	5,655,000	10,850,000
Total	3,461,094	9,244,000	9,462,000	13,952,000
Revenue over/(under)				
Expenditure	738,895	(4,286,000)	(4,880,000)	(9,274,000)
Beginning Balance	16,538,788	15,428,264	17,277,683	12,397,683
<i>Less: Reserve by Policy</i>	<i>553,775</i>	<i>-</i>	<i>1,513,920</i>	<i>2,232,320</i>
Available for Use	16,723,908	11,142,264	10,883,763	891,363
Ending Fund Balance	\$ 17,277,683	\$ 11,142,264	\$ 12,397,683	\$ 3,123,683

Recreation Fund (211)

	2020	2021 Adopted	2021 Revised	2022
	Unaudited	Budget	Budget	Recommended
Revenues				Budget
Sales Tax	\$ 2,340,250	\$ -	\$ -	\$ -
Charges for services	734,965	-	-	-
Interest	11,996	-	-	-
Building Rental	42,534	-	-	-
Lease Of Property	51,456	-	-	-
Miscellaneous	29,208	-	-	-
Donations	346	-	-	-
Licenses and permits	-	-	-	-
Operating Transfers	807,388	-	-	-
Total	4,018,143	-	-	-
Expenditures				
Personal Services	3,825,608	-	-	-
Internal Services	255,750	-	-	-
Contractual Services	532,446	-	-	-
Commodities	291,842	-	-	-
Capital	78,177	-	-	-
Other	13,142	-	-	-
Transfers	-	-	-	-
Total	4,996,965	-	-	-
Revenue over/(under)				
Expenditure	(978,822)	-	-	-
Beginning Balance	978,822	-	-	-
Ending Fund Balance	\$ -	\$ -	\$ -	\$ -

NOTE: The Recreation Fund has been consolidated into the General Fund beginning in FY 2021

Special Alcohol (213)

	2020	2021 Adopted	2021 Revised	2022
	Unaudited	Budget	Budget	Recommended
Revenues				Budget
Liquor Tax	\$ 535,544	\$ 818,000	\$ 450,000	\$ 818,000
Interest	6,335	-	-	-
Building Rental	9,092	-	-	-
Transfer In	-	-	-	-
Total	550,971	818,000	450,000	818,000
Expenditures				
Contractual Services	816,741	-	-	-
Commodities	-	-	-	-
Transfer Out	-	970,000	459,000	800,000
Total	816,741	970,000	459,000	800,000
Revenue over/(under)				
Expenditure	(265,770)	(152,000)	(9,000)	18,000
Beginning Balance	274,997	233,996	9,227	227
<i>Less: Reserve by Policy</i>	<i>130,679</i>	<i>-</i>	<i>73,440</i>	<i>128,000</i>
Available for Use	(121,452)	81,996	(73,213)	(109,773)
Ending Fund Balance	\$ 9,227	\$ 81,996	\$ 227	\$ 18,227

Special Gasoline Tax (214)

2022

	2020	2021 Adopted	2021 Revised	2022
	Unaudited	Budget	Budget	Recommended
Revenues				Budget
Gasoline Tax	\$ 2,715,965	\$ 2,899,000	\$ 2,742,000	\$ 2,728,000
Interest	26,256	40,000	8,000	6,000
Sale Of Assets	-	-	-	-
Operating Transfer	-	-	-	-
Total	2,742,221	2,939,000	2,750,000	2,734,000
Expenditures				
Personal Services	1,877,996	-	-	-
Internal Services	190,076	-	-	-
Contractual Services	277,583	-	-	-
Commodities	674,483	-	-	-
Capital Outlay	49,384	-	-	-
Transfer Out	-	3,914,000	3,914,000	2,806,000
Total	3,069,522	3,914,000	3,914,000	2,806,000
Revenue over/(under)				
Expenditure	(327,301)	(975,000)	(1,164,000)	(72,000)
Beginning Balance	2,779,251	1,301,245	2,451,950	1,287,950
<i>Less: Reserve by Policy</i>	<i>491,124</i>	<i>-</i>	<i>626,240</i>	<i>448,960</i>
Available for Use	1,960,826	326,245	661,710	766,990
Ending Fund Balance	\$ 2,451,950	\$ 326,245	\$ 1,287,950	\$ 1,215,950

Special Recreation (216)

	2020	2021 Adopted	2021 Revised	2022
	Unaudited	Budget	Budget	Recommended
Revenues				Budget
Liquor Tax	\$ 535,544	\$ 818,000	\$ 450,000	\$ 818,000
Interest	4,731	-	1,000	-
Reimbursements	-	-	-	-
Total	540,275	818,000	451,000	818,000
Expenditures				
Personal Services	116,734	-	-	-
Internal Services	20,720	-	-	-
Contractual Services	530,601	-	-	-
Commodities	127,018	-	-	-
Capital Outlay	4,554	-	-	-
Transfer Out	-	1,050,000	606,000	818,000
Total	799,627	1,050,000	606,000	818,000
Revenue over/(under)				
Expenditure	(259,352)	(232,000)	(155,000)	-
Beginning Balance	414,398	317,040	155,046	46
<i>Less: Reserve by Policy</i>	<i>127,940</i>	<i>-</i>	<i>96,960</i>	<i>130,880</i>
Available for Use	27,106	85,040	(96,914)	(130,834)
Ending Fund Balance	\$ 155,046	\$ 85,040	\$ 46	\$ 46

Economic Development Funds

2022

	2020	2021 Adopted	2021 Revised	2022
	Unaudited	Budget	Budget	Recommended Budget
Revenues				
Property	\$ 1,808,952	\$ 1,830,000	\$ 1,830,000	\$ 1,842,000
Sales Tax	557,844	788,000	788,000	679,000
Douglas County	31,458	28,000	28,000	-
Interest	2,192	-	-	-
Total	2,400,446	2,646,000	2,646,000	2,521,000
Expenditures				
Contractual Services	2,230,118	2,646,000	2,646,000	2,521,000
Total	2,230,118	2,646,000	2,646,000	2,521,000
Revenue over/(under)				
Expenditure	170,328	-	-	-
Beginning Balance	587,816	504,905	758,144	758,144
Ending Fund Balance	\$ 758,144	\$ 504,905	\$ 758,144	\$ 758,144

Bond & Interest Fund (301)

2022

	2020	2021 Adopted	2021 Revised	2022
	Unaudited	Budget	Budget	Recommended Budget
Revenues				
Property Taxes	\$ 11,005,554	\$ 11,368,000	\$ 11,368,000	\$ 11,589,000
Special Assessments	1,259,162	1,116,000	1,116,000	1,116,000
Intergovernmental	100,000	-	-	-
Interest	162,695	300,000	215,000	220,000
Miscellaneous	142,659	325,000	240,000	240,000
Operating Transfers	8,425,819	1,069,000	1,069,000	23,272,000
Total	21,095,889	14,178,000	14,008,000	36,437,000
Expenditures				
Contractual Services	16,085	12,000	13,000	12,000
Interest & Other Charges	9,958,250	4,555,000	4,555,000	4,639,000
Principal	9,658,000	8,908,000	8,907,000	32,196,000
Total	19,632,335	13,475,000	13,475,000	36,847,000
Revenue over/(under)				
Expenditure	1,463,554	703,000	533,000	(410,000)
Beginning Balance	12,471,538	13,970,540	13,935,092	14,468,092
Ending Fund Balance	\$ 13,935,092	\$ 14,673,540	\$ 14,468,092	\$ 14,058,092

Capital Projects Fund (400)

	2020	2021 Adopted	2021 Revised	2022
	Unaudited	Budget	Budget	Recommended
Revenues				Budget
Intergovernmental	\$ 343,107	\$ 4,900,000	\$ 3,000,000	\$ -
Interest	-	-	-	15,000
Miscellaneous	2,951	-	-	-
Bond Proceeds	2,485,465	17,310,000	55,383,000	25,557,000
Operating Transfers	-	13,765,000	6,766,000	11,230,000
Total	2,831,523	35,975,000	65,149,000	36,802,000
Expenditures				
Contractual Services	-	-	1,077,000	415,000
Capital Outlay	19,161,686	35,427,000	23,550,000	36,387,000
Transfer Out	-	-	-	-
Debt Services	19,552	-	40,674,000	-
Total	19,181,238	35,427,000	65,301,000	36,802,000
Revenue over/(under)				
Expenditure	(16,349,715)	548,000	(152,000)	-
Beginning Balance	31,305,186	23,059,720	14,955,471	14,803,471
Ending Fund Balance	\$ 14,955,471	\$ 23,607,720	\$ 14,803,471	\$ 14,803,471

Note: Before 2021, Fund 400 was only used for Capital Bond Projects. Beginning in 2021, this fund will be used to account for all CIP projects that are not tied to the Enterprise Funds.

Water & Wastewater Fund (501)

	2020	2021 Adopted	2021 Revised	2022
	Unaudited	Budget	Budget	Recommended
Revenues				Budget
Charges for services	\$ 48,265,742	\$ 55,043,000	\$ 55,043,000	\$ 59,824,000
Interest	452,508	500,000	400,000	400,000
Miscellaneous	219,000	-	220,000	220,000
Transfer In	5,636,982	349,000	349,000	453,000
Total	54,574,232	55,892,000	56,012,000	60,897,000
Expenditures				
Personal Services	10,965,826	12,452,000	12,452,000	12,654,000
Internal Services	1,375,945	2,773,000	2,883,000	5,370,000
Contractual Services	7,000,987	7,914,000	9,576,000	8,916,000
Commodities	4,713,635	5,477,000	3,737,000	3,836,000
Capital Outlay	-	324,000	808,000	679,000
Debt Service & Depreciation	17,913,589	19,570,000	19,550,000	17,804,000
Transfers	4,799,167	6,369,000	5,873,000	10,640,000
Total	46,769,149	54,879,000	54,879,000	59,899,000
 Revenue over/(under) Expenditure	 7,805,083	 1,013,000	 1,133,000	 998,000
 Beginning Balance	 20,815,509	 32,126,931	 28,620,592	 29,753,592
 <i>Less: Reserve by Policy</i>	 21,492,798	 18,500,000	 27,022,470	 28,193,400
<i>Available for use</i>	<i>7,127,794</i>	<i>14,639,931</i>	<i>2,731,122</i>	<i>2,558,192</i>
 Total Fund Balance	 \$ 28,620,592	 \$ 33,139,931	 \$ 29,753,592	 \$ 30,751,592

Solid Waste Fund (502)

	2020	2021 Adopted	2021 Revised	2022
	Unaudited	Budget	Budget	Recommended
Revenues				Budget
Intergovernmental	\$ 45,002	\$ 35,000	\$ 45,000	\$ 35,000
Charges for services	14,532,388	14,683,000	14,303,000	15,536,000
Interest	167,089	250,000	100,000	100,000
Miscellaneous	394,154	244,000	244,000	639,000
Operating Transfer	-	-	-	-
Total	15,138,633	15,212,000	14,692,000	16,310,000
Expenditures				
Personal Services	6,684,406	6,057,000	6,057,000	6,445,000
Internal Services	768,717	1,412,000	1,412,000	2,086,000
Contractual Services	4,378,907	4,786,000	4,858,000	5,121,000
Commodities	751,745	1,133,000	1,061,000	1,175,000
Capital Outlay	-	285,000	2,427,000	1,645,000
Debt Service	(135,204)	336,000	336,000	336,000
Other	1,082,464	-	-	-
Transfers	806,667	7,927,000	1,300,000	1,447,000
Total	14,337,702	21,936,000	17,451,000	18,255,000
Revenue over/(under)				
Expenditure	800,931	(6,724,000)	(2,759,000)	(1,945,000)
Beginning Balance	8,911,491	8,851,124	9,712,422	6,953,422
<i>Less: Reserve by Policy</i>	4,108,028	-	5,329,830	5,546,640
Available for use	5,604,394	2,127,124	1,623,592	(538,218)
Ending Fund Balance	\$ 9,712,422	\$ 2,127,124	\$ 6,953,422	\$ 5,008,422

Public Parking Fund (503)

	2020	2021 Adopted	2021 Revised	2022
	Unaudited	Budget	Budget	Recommended
Revenues				Budget
Charges for services	\$ 294,958	\$ 863,000	\$ 575,000	\$ 715,000
Interest	17,347	15,000	8,000	10,000
Miscellaneous	106,167	100,000	123,000	106,000
Licenses and permits	117,630	185,000	149,000	249,000
Fines, forfeitures and penalties	223,535	659,000	535,000	575,000
Operating Transfer	42,167	-	-	-
Total	801,804	1,822,000	1,390,000	1,655,000
Expenditures				
Personal Services	665,917	701,000	701,000	736,000
Internal Services	87,049	135,000	135,000	205,000
Contractual Services	267,980	459,000	450,000	462,000
Commodities	19,843	46,000	85,000	79,000
Capital Outlay	-	104,000	104,000	-
Debt Service	-	145,000	115,000	145,000
Other	38,799	-	-	-
Transfers	50,000	200,000	-	-
Total	1,129,588	1,790,000	1,590,000	1,627,000
Revenue over/(under) Expenditure	(327,784)	32,000	(200,000)	28,000
Beginning Balance	589,785	105,264	262,001	62,001
<i>Less: Reserve by Policy</i>	166,526	-	254,400	260,320
Available for use	95,475	137,264	(192,399)	(170,319)
Ending Fund Balance	\$ 262,001	\$ 137,264	\$ 62,001	\$ 90,001

Central Maintenance Garage (504)

	2020	2021 Adopted	2021 Revised	2022
	Unaudited	Budget	Budget	Recommended
Revenues				Budget
Charges for services	\$ 3,944,491	\$ -	\$ -	\$ -
Interest	21,988	-	-	-
Miscellaneous	5,167	-	-	-
Total	3,971,646	-	-	-
Expenditures				
Personal Services	1,518,133	-	-	-
Contractual Services	379,026	-	-	-
Commodities	1,904,845	-	-	-
Capital Outlay	-	-	-	-
Other	38,879	-	-	-
Transfers	468,879	-	-	-
Total	4,309,762	-	-	-
Revenue over/(under)				
Expenditure	(338,116)	-	-	-
Beginning Balance	338,116	-	-	-
Ending Fund Balance	\$ -	\$ -	\$ -	\$ -

Note: Moved to Administrative Services Fund in 2021

Storm Water Fund (505)

	2020	2021 Adopted	2021 Revised	2022
	Unaudited	Budget	Budget	Recommended
Revenues				Budget
Charges for services	\$ 3,707,752	\$ 5,383,000	\$ 5,383,000	\$ 5,536,000
Interest	90,198	125,000	50,000	50,000
Miscellaneous	(90,947)	-	-	-
Total	3,707,003	5,508,000	5,433,000	5,586,000
Expenditures				
Personal Services	929,319	1,159,000	1,100,000	1,086,000
Internal Services	97,530	156,000	156,000	482,000
Contractual Services	1,372,040	661,000	3,077,000	3,375,000
Commodities	558,038	457,000	392,000	382,000
Capital Outlay	-	448,000	926,000	337,000
Debt Service	-	-	-	621,000
Other	619,367	-	-	-
Transfers	367,667	3,486,000	716,000	737,000
Total	3,943,961	6,367,000	6,367,000	7,020,000
Revenue over/(under)				
Expenditure	(236,958)	(859,000)	(934,000)	(1,434,000)
Beginning Balance	8,911,491	4,823,177	8,674,533	7,740,533
<i>Less: Reserve by Policy</i>	473,108	-	904,160	1,005,280
Available for use	8,201,425	3,964,177	6,836,373	5,301,253
Ending Fund Balance	\$ 8,674,533	\$ 3,964,177	\$ 7,740,533	\$ 6,306,533

Golf Course Fund (506)

	2020	2021 Adopted	2021 Revised	2022
	Unaudited	Budget	Budget	Recommended
Revenues				Budget
Charges for services	\$ 751,649	\$ -	\$ -	\$ -
Interest	5,562	-	-	-
Miscellaneous	15,034	-	-	-
Credit Card Fees	-	-	-	-
Operating Transfer	171,995	-	-	-
Total	944,240	-	-	-
Expenditures				
Personal Services	562,215	-	-	-
Internal Services	39,417	-	-	-
Contractual Services	168,138	-	-	-
Commodities	159,173	-	-	-
Capital Outlay	-	-	-	-
Other	15,297	-	-	-
Transfers	-	-	-	-
Total	944,240	-	-	-
Revenue over/(under)				
Expenditure	-	-	-	-
Beginning Balance	-	-	-	-
Ending Fund Balance	\$ -	\$ -	\$ -	\$ -

NOTE: The Golf Fund has been consolidated into the General Fund beginning in FY 2021

Healthcare Fund (522)

	2020	2021 Adopted	2021 Revised	2022
	Unaudited	Budget	Budget	Recommended
Revenues				Budget
Charges for services	\$ 13,212,443	\$ 13,571,000	\$ 13,571,000	\$ 13,329,000
Interest	157,296	-	-	-
Miscellaneous	474,868	375,000	375,000	620,000
Total	13,844,607	13,946,000	13,946,000	13,949,000
Expenditures				
Insurance/Claims	11,380,140	13,117,000	13,117,000	13,952,000
Contractual Services	306,855	417,000	417,000	420,000
Commodities	-	-	-	-
Transfers	-	-	-	-
Total	11,686,995	13,534,000	13,534,000	14,372,000
Revenue over/(under)				
Expenditure	2,157,612	412,000	412,000	(423,000)
Beginning Balance	11,372,213	-	13,529,825	13,941,825
Ending Fund Balance	\$ 13,529,825	\$ 412,000	\$ 13,941,825	\$ 13,518,825

Administrative Services Fund (523)

	2020	2021 Adopted	2021 Revised	2022
	Unaudited	Budget	Budget	Recommended Budget
Revenues				
Charges for services	\$ 7,333,652	\$ 15,414,000	\$ 16,350,000	\$ 21,679,000
Licenses and permits	-	115,000	115,000	118,000
Interest	10,875	-	-	-
Miscellaneous	58,878	3,000	3,000	3,000
Operating Transfers	468,878	-	-	-
Total	7,872,283	15,532,000	16,468,000	21,800,000
Expenditures				
Personal Services	5,795,638	8,066,000	8,354,000	11,035,000
Internal Services	-	73,000	73,000	-
Contractual Services	1,328,556	2,691,000	3,888,000	6,116,000
Commodities	244,548	3,757,000	3,215,000	3,477,000
Capital Outlay	34,662	55,000	166,000	25,000
Other	-	-	-	20,000
Transfers	-	890,000	890,000	1,159,000
Total	7,403,404	15,532,000	16,586,000	21,832,000
Revenue over/(under)				
Expenditure	468,879	-	(118,000)	(32,000)
Beginning Balance	(147)	(147)	668,732	550,732
Ending Fund Balance	\$ 468,732	\$ (147)	\$ 550,732	\$ 518,732

Note: Risk Management was moved to Fund 524 in 2021.

Risk Management Fund (524)

	2020	2021 Adopted	2021 Revised	2022
	Unaudited	Budget	Budget	Recommended
Revenues				Budget
Charges for services	\$ -	\$ 2,872,000	\$ 2,872,000	\$ 2,907,000
Interest	-	-	-	-
Operating Transfers	1,298,306	-	-	-
Total	1,298,306	2,872,000	2,872,000	2,907,000
Expenditures				
Personal Services	-	93,000	93,000	100,000
Contractual Services	-	2,764,000	2,764,000	2,795,000
Commodities	-	4,000	4,000	3,000
Transfers	-	-	-	-
Total	-	2,861,000	2,861,000	2,898,000
Revenue over/(under)				
Expenditure	1,298,306	11,000	11,000	9,000
Beginning Balance	-	-	1,298,306	1,309,306
Ending Fund Balance	\$ 1,298,306	\$ 11,000	\$ 1,309,306	\$ 1,318,306

Note: Risk Management activities were consolidated into Fund 524 in 2021. The revenues in FY2020 reflect the closure of the General Liability and the Worker's Compensation Reserve Funds.

Utilities Bonded Construction Fund (551)

	2020	2021 Adopted	2021 Revised	2022
	Unaudited	Budget	Budget	Recommended
Revenues				Budget
Interest	\$ 284,086	\$ -	\$ -	\$ -
Other	(2,843)	-	-	-
Revenue Bonds	-	-	-	23,683,000
Total	281,243	-	-	23,683,000
Expenditures				
Contractual Services	2,757,978	-	-	23,000
Capital Outlay	4,890	-	-	23,660,000
Debt Service	(1,083,219)	-	-	-
Transfer	5,636,982	-	-	-
Total	7,316,631	-	-	23,683,000
Revenue over/(under)				
Expenditure	(7,035,388)	-	-	-
Beginning Balance	12,491,641	-	-	5,456,253
Ending Fund Balance	\$ 5,456,253	\$ -	\$ -	\$ 5,456,253

Note: Fund 551 has not traditionally been shown as part of the budget process as bond projects are authorized separately. In our effort to improve our commitment to Sound Fiscal Stewardship, we are now including this as part of our annual budget.

Utilities Non-Bonded Construction Fund (552)

	2020	2021 Adopted	2021 Revised	2022
	Unaudited	Budget	Budget	Recommended
Revenues				Budget
Interest	\$ 120,878	\$ 90,000	\$ 90,000	\$ 90,000
Other	225,000	-	\$ -	
Operating Transfers	1,600,000	3,021,000	3,021,000	7,550,000
Total	1,945,878	3,111,000	3,111,000	7,640,000
Expenditures				
Contractual Services	2,146,058	7,000	634,000	7,000
Commodities	-	-	3,000	-
Capital Outlay	-	4,060,000	4,132,000	10,481,000
Total	2,146,058	4,067,000	4,769,000	10,488,000
Revenue over/(under)				
Expenditure	(200,180)	(956,000)	(1,658,000)	(2,848,000)
Beginning Balance	7,772,121	2,079,789	7,571,941	5,913,941
Ending Fund Balance	\$ 7,571,941	\$ 1,123,789	\$ 5,913,941	\$ 3,065,941

City Parks Memorial Fund (601)

	2020	2021 Adopted	2021 Revised	2022
	Unaudited	Budget	Budget	Recommended Budget
Revenues				
Interest	\$ 1,999	\$ -	\$ -	\$ -
Miscellaneous	162	-	-	-
Donations	12,274	15,000	10,000	20,000
Total	14,435	15,000	10,000	20,000
Expenditures				
Contractual Services	10,058	13,000	9,000	20,000
Commodities	-	3,000	7,000	15,000
Transfers	845	-	-	-
Total	10,903	16,000	16,000	35,000
Revenue over/(under)				
Expenditure	3,532	(1,000)	(6,000)	(15,000)
Beginning Balance	86,037	86,036	89,569	83,569
Ending Fund Balance	\$ 89,569	\$ 85,036	\$ 83,569	\$ 68,569

Farmland Remediation Fund (604)

	2020	2021 Adopted	2021 Revised	2022
	Unaudited	Budget	Budget	Recommended
Revenues				Budget
Interest	\$ 20,700	\$ 30,000	\$ 15,000	\$ 10,000
Miscellaneous	125	-	-	-
Total	20,825	30,000	15,000	10,000
Expenditures				
Personal Services	44,356	1,000	1,000	103,000
Contractual Services	73,090	927,000	927,000	937,000
Commodities	6,788	138,000	138,000	136,000
Capital Outlay	33,911	89,000	89,000	66,000
Total	158,145	1,155,000	1,155,000	1,242,000
Revenue over/(under)				
Expenditure	(137,320)	(1,125,000)	(1,140,000)	(1,232,000)
Beginning Balance	2,584,219	1,159,341	2,446,899	1,306,899
Ending Fund Balance	\$ 2,446,899	\$ 34,341	\$ 1,306,899	\$ 74,899

Cemetery Perpetual Care Fund (605)

	2020	2021 Adopted	2021 Revised	2022
	Unaudited	Budget	Budget	Recommended
Revenues				Budget
Charges for services	\$ 11,600	\$ 5,000	\$ 5,000	\$ 8,000
Total	11,600	5,000	5,000	8,000
Expenditures				
Contractual Services	27	6,000	6,000	8,000
Total	27	6,000	6,000	8,000
Revenue over/(under)				
Expenditure	11,573	(1,000)	(1,000)	-
Beginning Balance	3,644	1,645	15,217	14,217
Ending Fund Balance	\$ 15,217	\$ 645	\$ 14,217	\$ 14,217

Housing Trust Fund (607)

	2020	2021 Adopted	2021 Revised	2022
	Unaudited	Budget	Budget	Recommended
Revenues				Budget
Sales Tax	\$ 912,214	\$ 878,000	\$ 924,000	\$ 937,000
Interest	18,482	15,000	10,000	12,000
Miscellaneous	-	-	-	-
Operating Transfer	350,000	350,000	350,000	350,000
Total	1,280,696	1,243,000	1,284,000	1,299,000
Expenditures				
Contractual Services	1,179,417	1,236,000	1,236,000	1,660,000
Total	1,179,417	1,236,000	1,236,000	1,660,000
Revenue over/(under)				
Expenditure	101,279	7,000	48,000	(361,000)
Beginning Balance	1,090,471	693,562	1,191,750	1,239,750
<i>Less: Reserve by Policy</i>	<i>188,707</i>	<i>-</i>	<i>197,760</i>	<i>265,600</i>
<i>Less: Awarded Projects</i>	<i>575,000</i>		<i>575,000</i>	<i>575,000</i>
Available for Use	428,043	700,562	466,990	38,150
Ending Fund Balance	\$ 1,191,750	\$ 700,562	\$ 1,239,750	\$ 878,750

Misc. State Agency Grants (610)

	2020	2021 Adopted	2021 Revised	2022 Recommended
	Unaudited	Budget	Budget	Budget
Revenues				
State Grants	\$ -	\$ -	\$ 4,112,000	\$ 1,474,000
Miscellaneous	-	-	-	-
Transfer In	-	-	-	-
Total	-	-	4,112,000	1,474,000
Expenditures				
Personal Services	-	-	-	186,000
Contractual Services	-	-	1,112,000	623,000
Commodities	-	-	-	165,000
Capital Outlay	-	-	3,000,000	500,000
Total	-	-	4,112,000	1,474,000
Revenue over/(under)				
Expenditure	-	-	-	-
Beginning Balance	-	-	-	-
Ending Fund Balance	\$ -	\$ -	\$ -	\$ -

Misc. Federal Agency Grants (611)

	2020	2021 Adopted	2021 Revised	2022 Recommended
Revenues	Unaudited	Budget	Budget	Budget
Federal Grants	\$ 12,060,937	\$ 10,973,000	\$ 14,071,000	\$ 15,355,000
State Grants	-	-	-	-
Interest	-	-	-	-
Miscellaneous	(2,500)	-	-	-
Transfer In	-	-	-	-
Total	12,058,437	10,973,000	14,071,000	15,355,000
Expenditures				
Personal Services	323,169	333,000	309,000	386,000
Contractual Services	4,502,203	5,626,000	7,154,000	5,544,000
Commodities	602,062	26,000	172,000	945,000
Capital Outlay	6,280,457	4,956,000	6,436,000	8,480,000
Transfer	15,010	-	-	-
Total	11,722,901	10,941,000	14,071,000	15,355,000
Revenue over/(under)				
Expenditure	335,536	32,000	-	-
Beginning Balance	1,788	590,594	337,324	337,324
Ending Fund Balance	\$ 337,324	\$ 622,594	\$ 337,324	\$ 337,324

Wee Folks Scholarship Fund (612)

	2020	2021 Adopted	2021 Revised	2022
	Unaudited	Budget	Budget	Recommended
Revenues				Budget
Interest	\$ 1,896	\$ 2,000	\$ -	\$ -
Donations	1,039	1,000	1,000	5,000
Total	2,935	3,000	1,000	5,000
Expenditures				
Contractual Services	8,610	36,000	36,000	35,000
Total	8,610	36,000	36,000	35,000
Revenue over/(under)				
Expenditure	(5,675)	(33,000)	(35,000)	(30,000)
Beginning Balance	125,081	88,082	119,406	84,406
Ending Fund Balance	\$ 119,406	\$ 55,082	\$ 84,406	\$ 54,406

Fair Housing Grant (621)

	2020	2021 Adopted	2021 Revised	2022
	Unaudited	Budget	Budget	Recommended
Revenues				Budget
Federal Grants	\$ 24,587	\$ -	\$ -	\$ -
Interest	1,093	2,000	-	2,000
Miscellaneous	-	-	-	-
Total	25,680	2,000	-	2,000
Expenditures				
Personal Services	12,733	13,000	13,000	13,000
Contractual Services	1,150	8,000	8,000	8,000
Commodities	-	1,000	1,000	1,000
Total	13,883	22,000	22,000	22,000
Revenue over/(under)				
Expenditure	11,797	(20,000)	(22,000)	(20,000)
Beginning Balance	201,628	157,627	213,425	191,425
Ending Fund Balance	\$ 213,425	\$ 137,627	\$ 191,425	\$ 171,425

Community Development Fund (631)

	2020	2021 Adopted	2021 Revised	2022
	Unaudited	Budget	Budget	Recommended Budget
Revenues				
Federal Grants	\$ 935,886	\$ 760,000	\$ 760,000	\$ 790,000
Miscellaneous	6,311	250,000	250,000	250,000
Loan Repayments	94,008	50,000	50,000	50,000
Operating Transfer	2,510	-	-	-
Total	1,038,715	1,060,000	1,060,000	1,090,000
Expenditures				
Personal Services	187,845	221,000	221,000	224,000
Contractual Services	1,077,647	829,000	836,000	842,000
Commodities	426	-	-	-
Total	1,265,918	1,050,000	1,057,000	1,066,000
Revenue over/(under)				
Expenditure	(227,203)	10,000	3,000	24,000
Beginning Balance	256,716	(545,285)	29,513	32,513
Ending Fund Balance	\$ 29,513	\$ (535,285)	\$ 32,513	\$ 56,513

Home Program Fund (633)

	2020		2021 Adopted		2021 Revised		2022
	Unaudited		Budget		Budget		Recommended
Revenues							Budget
Federal Grants	\$	314,521	\$	475,000	\$	475,000	\$ 468,000
Loan Repayments		10,071		25,000		25,000	-
Total		324,592		500,000		500,000	468,000
Expenditures							
Personal Services		38,839		39,000		39,000	40,000
Contractual Services		284,768		460,000		606,000	424,000
Total		323,607		499,000		645,000	464,000
Revenue over/(under)							
Expenditure		985		1,000		(145,000)	4,000
Beginning Balance		7,604		(371,397)		8,589	(136,411)
Ending Fund Balance	\$	8,589	\$	(370,397)	\$	(136,411)	\$ (132,411)

American Recovery Plan Fund (634)

	2020	2021 Adopted	2021 Revised	2022
	Unaudited	Budget	Budget	Recommended
Revenues				Budget
Federal Grants	\$ -	\$ -	\$ -	\$ 19,301,000
Total	-	-	-	19,301,000
Expenditures				
Personal Services	-	-	-	93,000
Contractual Services	-	-	-	-
Commodities	-	-	-	-
Capital Outlay	-	-	-	19,208,000
Total	-	-	-	19,301,000
Revenue over/(under)				
Expenditure	-	-	-	-
Beginning Balance	-	-	-	-
Ending Fund Balance	\$ -	\$ -	\$ -	\$ -

Note: Approximately \$7,900,000 of these funds will be used to help augment the General Fund in FY2022. A placeholder amount has been noted here until the funds are actually received.

Transportation Planning Fund (641)

	2020	2021 Adopted	2021 Revised	2022
	Unaudited	Budget	Budget	Recommended
Revenues				Budget
Federal Grants	\$ 220,039	\$ 304,000	\$ 304,000	\$ 270,000
Total	220,039	304,000	304,000	270,000
Expenditures				
Personal Services	169,506	142,000	142,000	210,000
Contractual Services	33,866	137,000	137,000	42,000
Commodities	6,901	13,000	13,000	2,000
Capital Outlay	-	-	-	-
Total	210,273	292,000	292,000	254,000
Revenue over/(under)				
Expenditure	9,766	12,000	12,000	16,000
Beginning Balance	(29,863)	28,137	(20,097)	(8,097)
Ending Fund Balance	\$ (20,097)	\$ 40,137	\$ (8,097)	\$ 7,903

Law Enforcement Trust Fund (652)

	2020	2021 Adopted	2021 Revised	2022
	Unaudited	Budget	Budget	Recommended
Revenues				Budget
Interest	\$ 2,264	\$ 2,000	\$ 2,000	\$ 2,000
Confiscated Property	60,906	20,000	20,000	20,000
Total	63,170	22,000	22,000	22,000
Expenditures				
Contractual Services	202	41,000	41,000	41,000
Commodities	-	10,000	10,000	10,000
Total	202	51,000	51,000	51,000
Revenue over/(under)				
Expenditure	62,968	(29,000)	(29,000)	(29,000)
Beginning Balance	152,315	104,315	215,283	186,283
Ending Fund Balance	\$ 215,283	\$ 75,315	\$ 186,283	\$ 157,283

2022 Recommended Budget

Overview

- Facing ongoing impacts of COVID-19
 - Sales tax has been incredibly volatile
 - Guest tax and liquor tax has been significantly impacted
 - Seeing increases to building permits
- Providing essential services
- First year of operationalizing strategic plan

Budget Highlights

- Resources for Housing Security (\$4.7M of reallocated resources)
- Commitment to Infrastructure (\$451,716,000 over 5 years)
- Bringing Compensation to Market Rates (over 2 years)
 - 2.5% General Wage Adjustment
 - Continued implementation of pay plan over next two years
 - \$5M in new compensation in FY2022

Key Budget Overview

- Recommended flat mill levy rate: 33.319 mills
 - One mill of property tax generates \$1,165,598 of revenue
- Assumes 4.3% increase over 2019 actuals to sales tax
- Projected Fund Balance in the General Fund is 21%
 - Will need to get structurally balanced by FY24

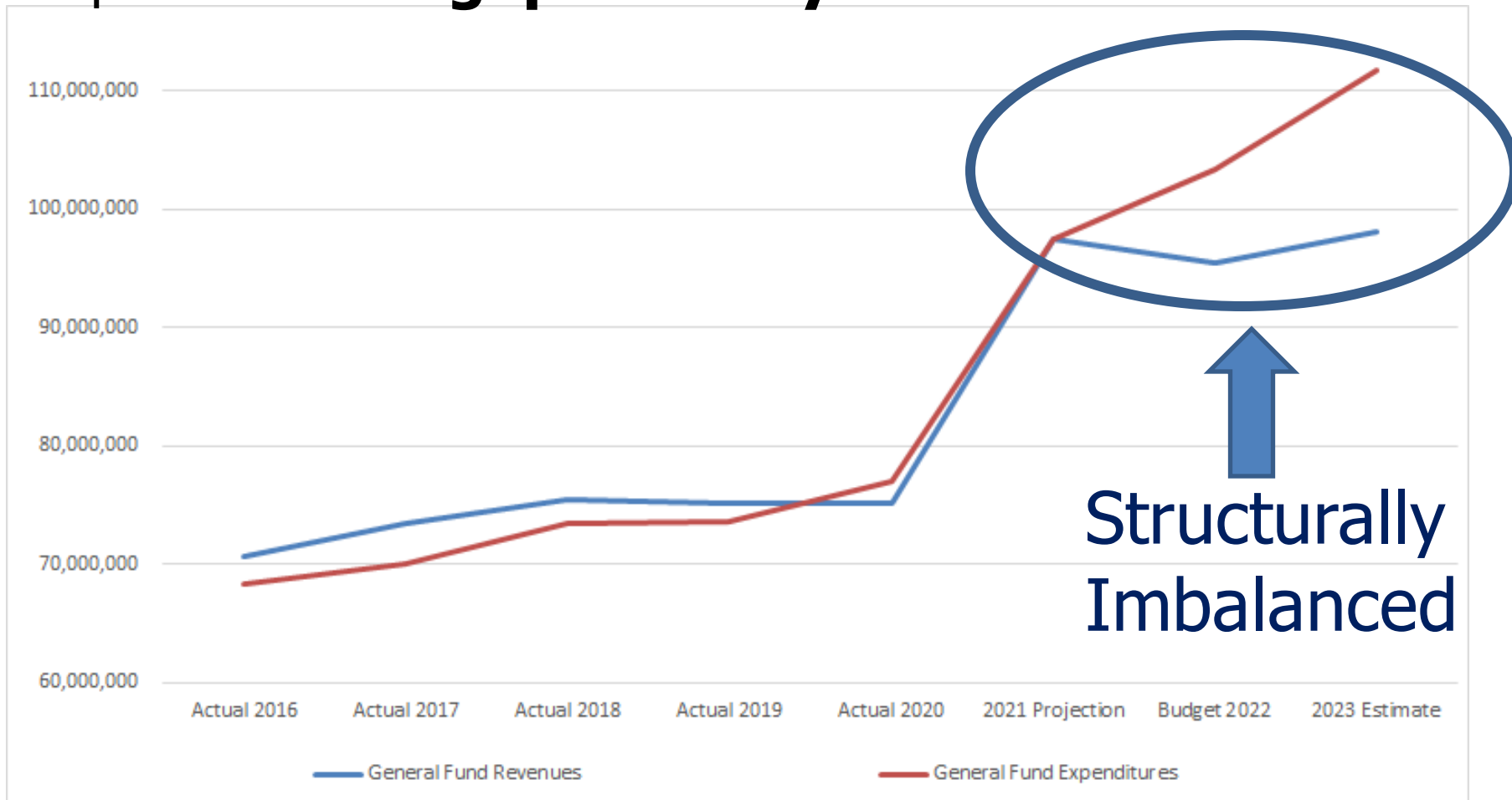
American Rescue Plan

- Despite slower revenue and recovery from COVID 19 impacts this funding made it possible to stay on track with capital investment, maintain service levels and implement plans to address competitive pay issues
- Will help for the next two years, but will need to identify one or more of the following by FY2024:
 - Service reductions
 - Increased taxes and/or rates
 - Grow tax base

General Fund Budget Gap

\$21 million gap over 2 years

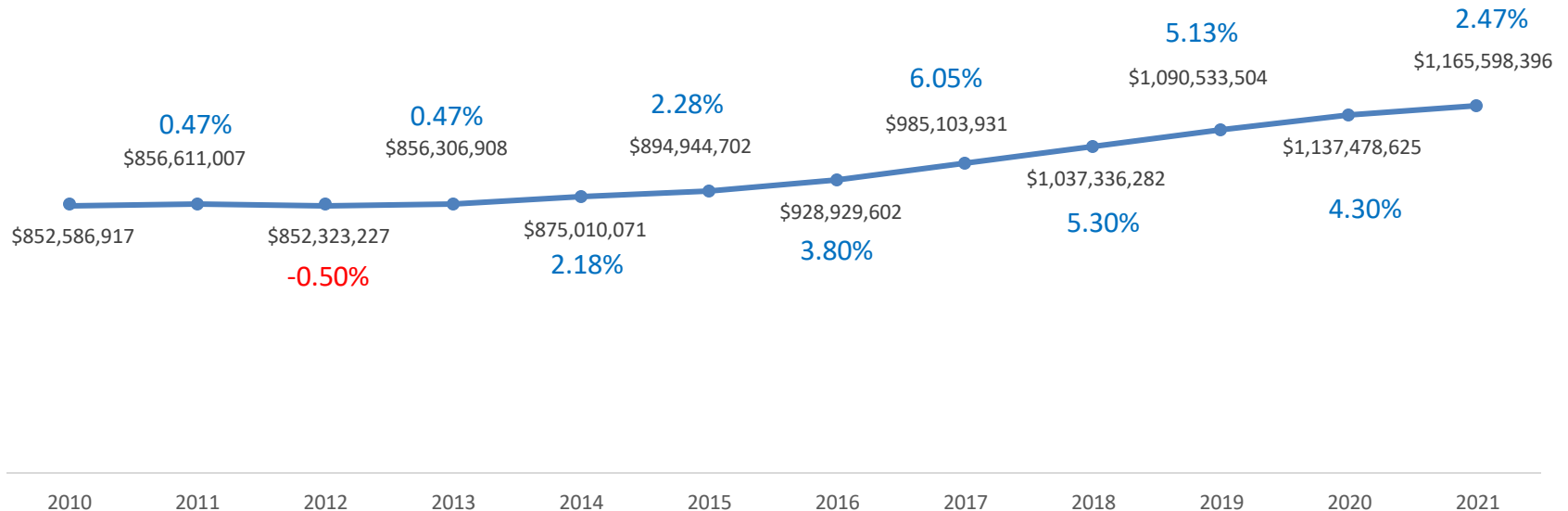
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Revenues-Property Taxes

City of Lawrence Assessed Valuation 2010-2021

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Property Taxes

State of Kansas: 1%

USD #497: 39%

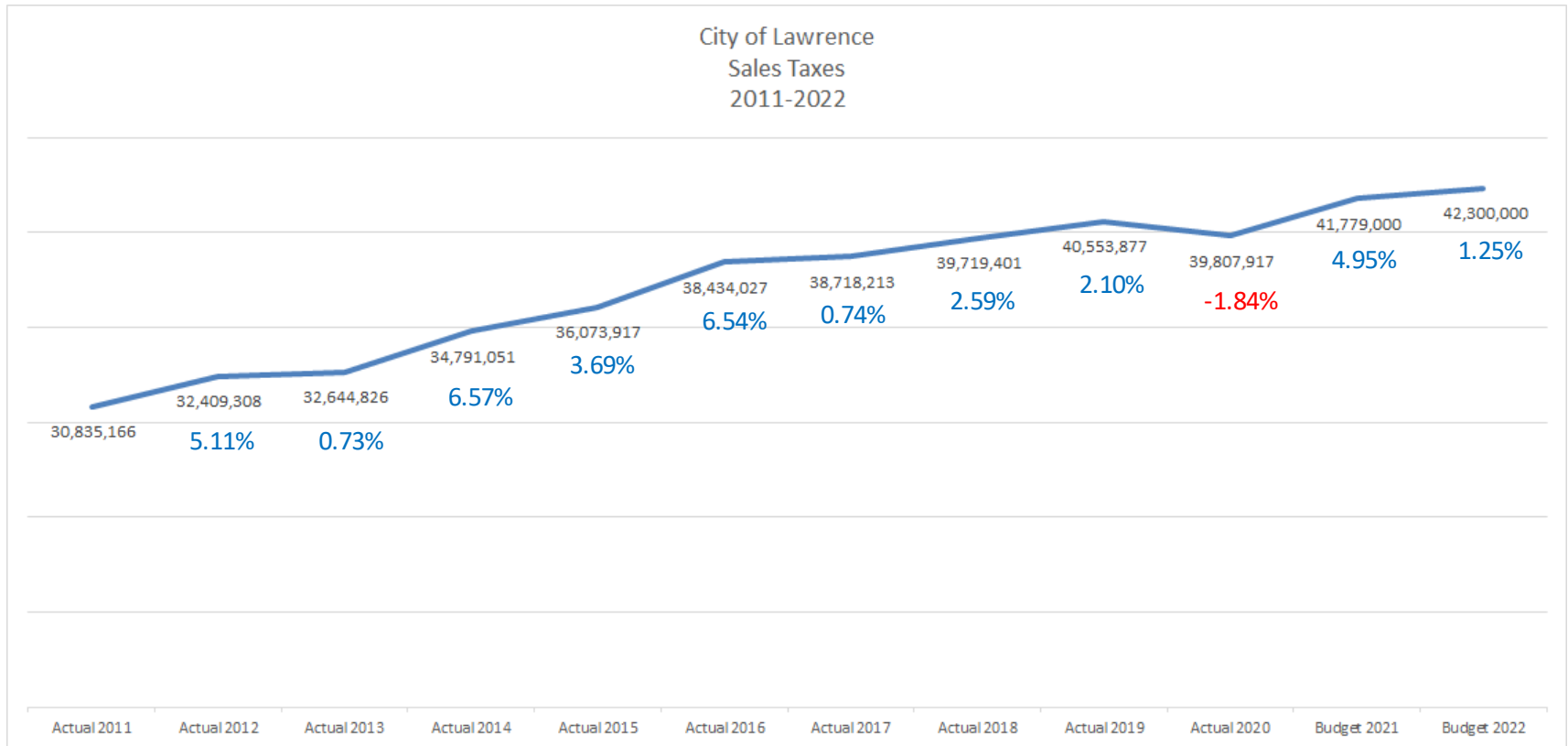
Douglas County: 34%

City of Lawrence: 25%

Sales Taxes

City of Lawrence
Sales Taxes
2011-2022

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Personnel Changes Summary

- Additions
 - 1.0 FTE Sustainability Analyst (Administrative Services Fund)
 - 1.0 FTE Equity & Inclusion Coordinator (Administrative Services Fund)
 - 1.0 FTE Budget Analyst (Administrative Services Fund)
 - 1.0 FTE Economic Development Analyst (General Fund)
 - 1.0 FTE Grant Administrator (ARPA Fund)
 - 1.0 FTE Administrative Technician (Federal Grant Fund)
 - 1.0 FTE Mobility Planner (State Grant Fund)
 - 1.0 FTE Homeless Initiatives Coordinator (State Grant Fund)

Personnel Changes Summary

- Reclassified vacant Patrol Officer Positions to:
 - 1.0 FTE Accreditation Analyst
 - 1.0 FTE Victim Witness Coordinator
 - 4.0 FTE non-sworn response unit
 - 2.0 FTE Housing Initiatives Division
- Unable to keep up with current levels of attrition

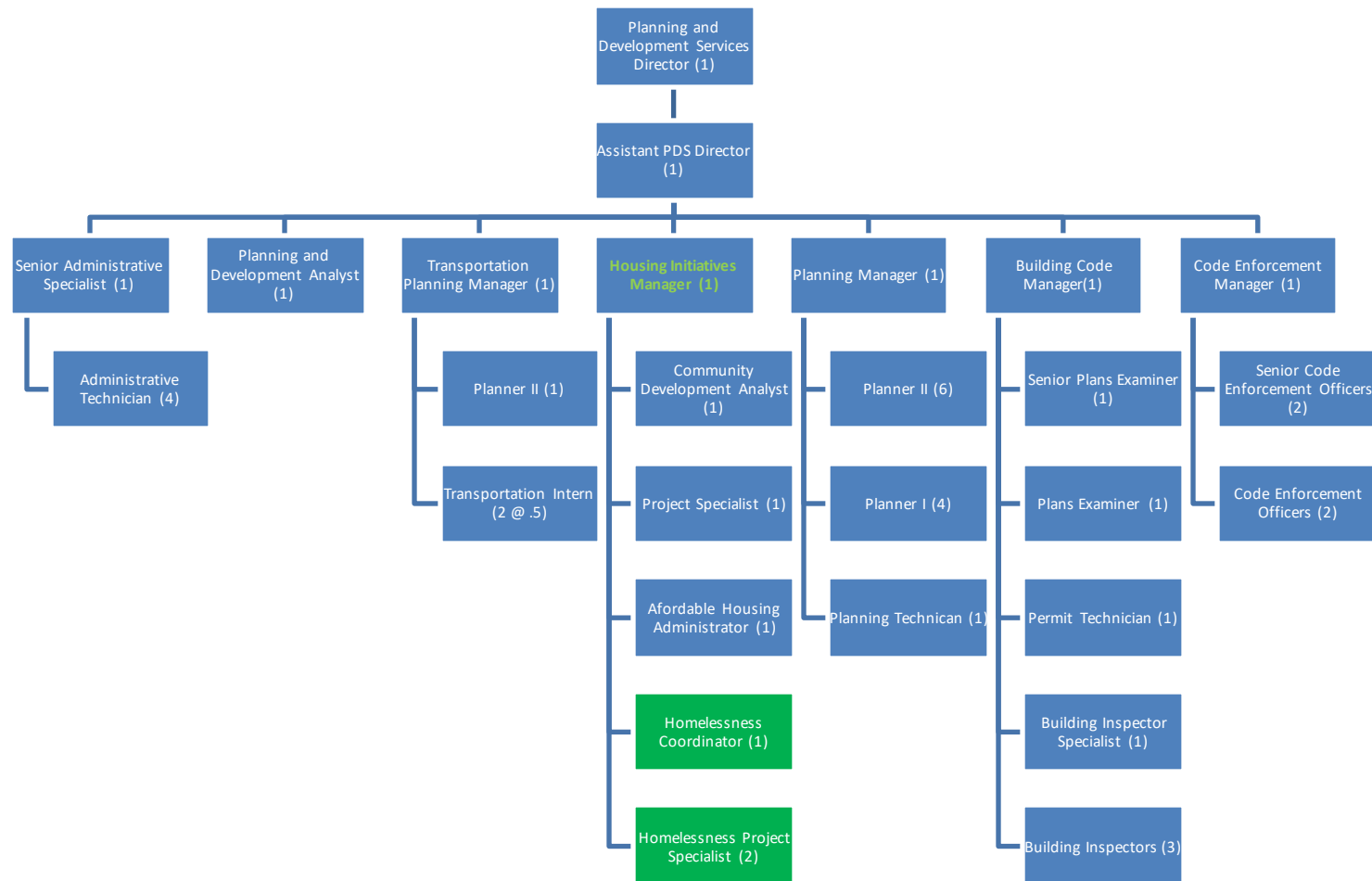
Housing Initiatives Division

- Primary Outcomes:
 - Homeless Outreach
 - Emergency Sheltering
 - Rapid Re-housing
 - Affordable Housing
 - Homeowner and Neighborhood Assistance
- Budget Neutral Proposal
 - Reallocate existing positions and refocused outside agency funding

Housing Initiatives Division

Fund	Amount	Purpose
General Fund: In-House Staff and Overhead	\$358,000	Coordination of projects and programs
General Fund: Service Contracts	\$1,139,000*	Support of Homeless Outreach, Emergency Sheltering, and Rapid Rehousing
HOME Fund (633)	\$464,000	Housing Initiatives
CDBG Fund (631)	\$1,066,000	CDBG Entitlement Program
Housing Trust Fund (607)	\$1,660,000	Housing Initiatives
State Grant Fund (610)	\$93,000	Coordination of projects and programs
Total	\$4,780,000	

Proposed Planning & Development Services Organizational Chart



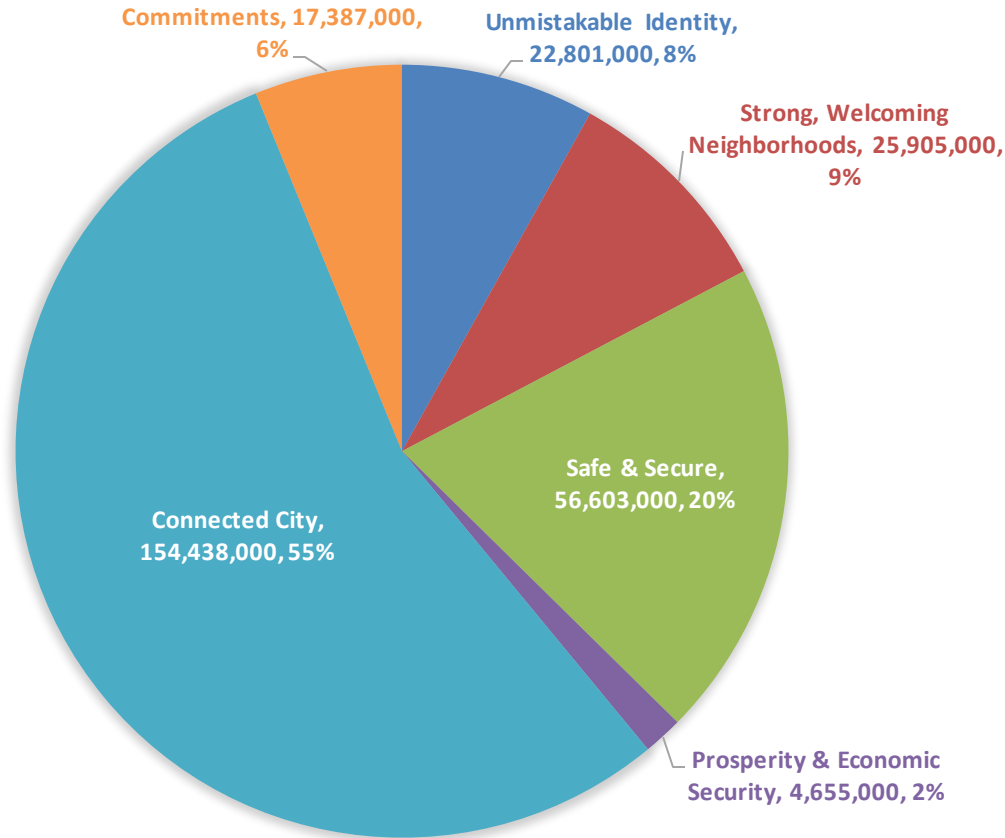
Capital Budget Changes

- Deferred funding for the following capital budget items:
 - New Hampshire Parking Garage Stairway Enclosure (\$400,000 reduction)
 - Downtown Pole Lighting Replacement (\$75,000 reduction)
 - Street Maintenance Program (\$255,000 reduction)
 - Curb & Gutter Rehabilitation (\$125,000 reduction)
 - Downtown Parking Lot Maintenance (\$108,000 reduction)
 - Sidewalk Improvement-Public (\$110,000 reduction)
 - Sidewalk Improvement-City (\$80,000 reduction)
 - Alley Rehabilitation (\$780,000 reduction)
 - Traffic Signal Rehabilitation, Replacements, Maintenance, & Improvements (\$40,000 reduction)
 - Holcom Sports Complex- Infield Replacement (\$750,000)
 - New Hampshire Garage Painting Maintenance (\$90,000)

Unfunded Requests

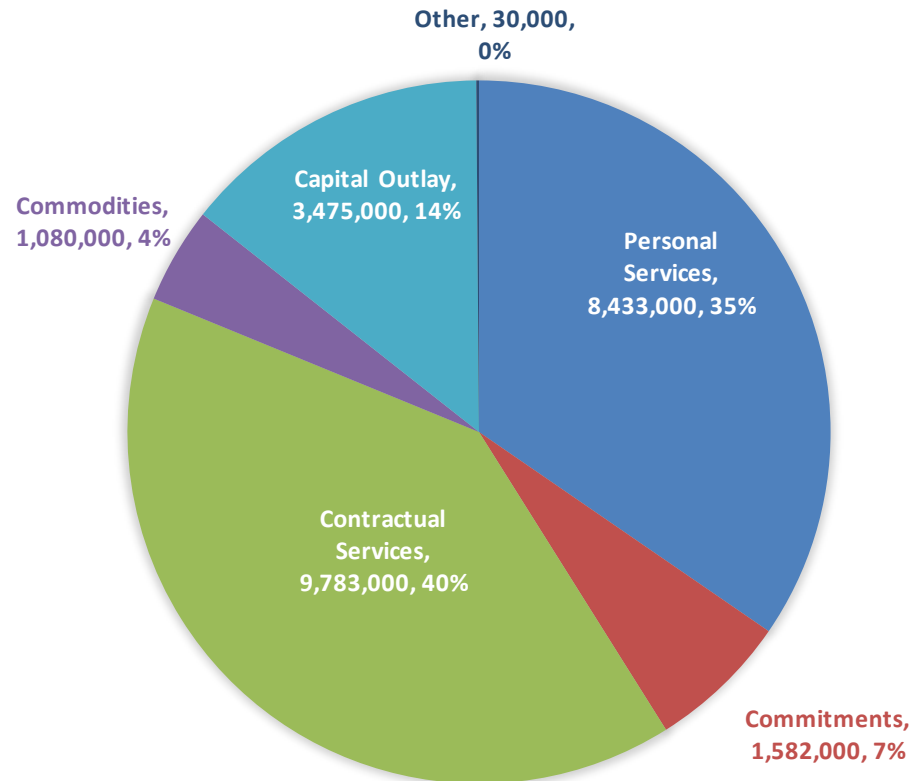
Outcome Area	Number of Unfunded Staff Requests	Amount of Unfunded Requests
Unmistakable Identity	9	\$1,326,000
Strong, Welcoming Neighborhoods	7.5	\$3,669,000
Safe & Secure	14	\$1,140,000
Prosperity & Economic Security	4	\$1,992,000
Connected City	21	\$2,206,000
Commitments	31.5	\$3,484,000
Total	87	\$13,817,000

Budget by Outcome Area



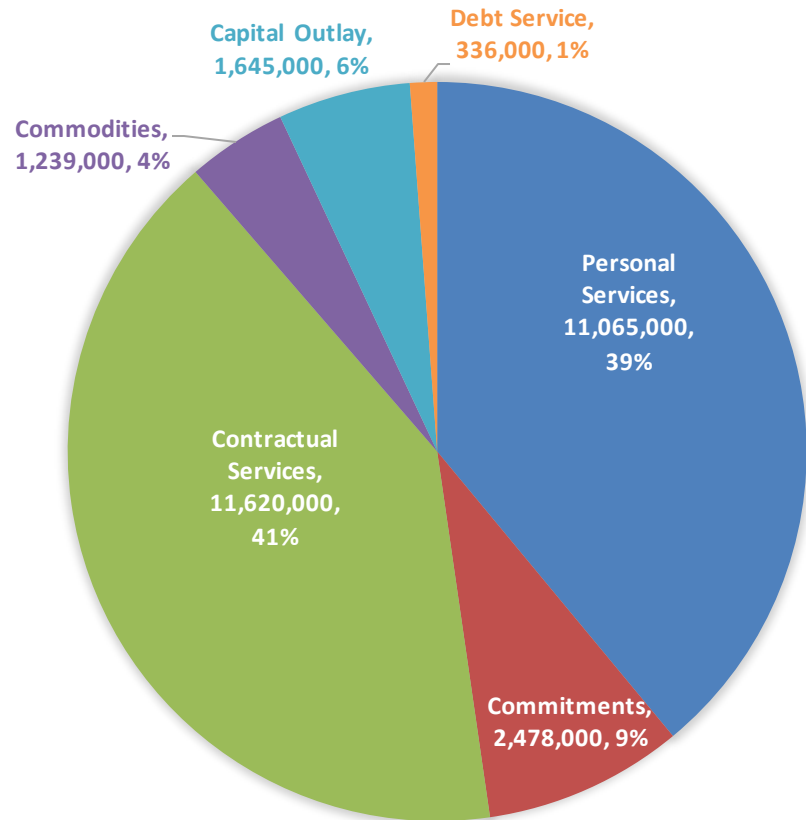
Outcome: Unmistakable Identity

- Key Initiatives:
 - Maintaining current levels of service for parks & recreation
 - Funding for scholarships and partner agencies



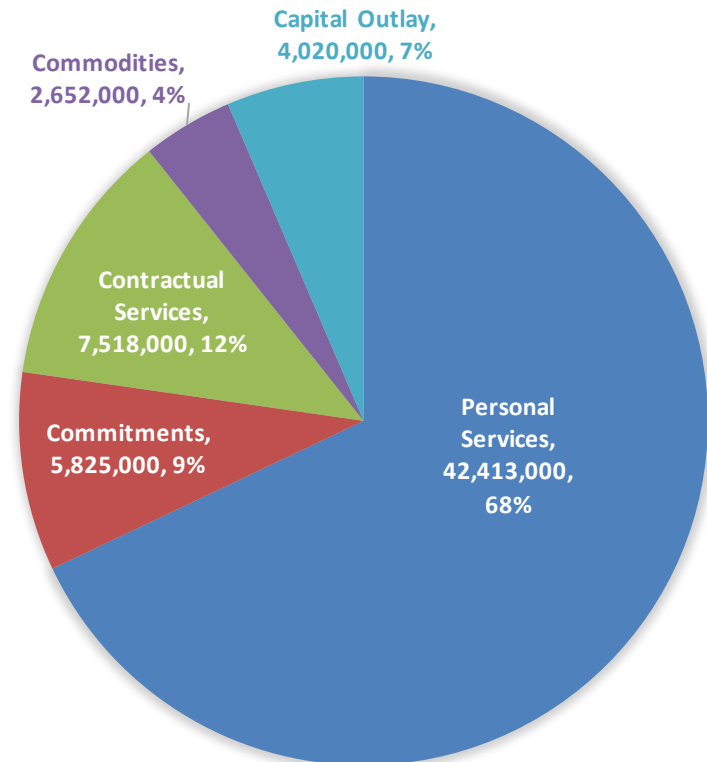
Outcome: Strong, Welcoming Neighborhoods

- Key Initiatives:
 - Housing Initiatives Division
 - \$20,000 for Neighborhood Funding
 - Implementation of new community development software



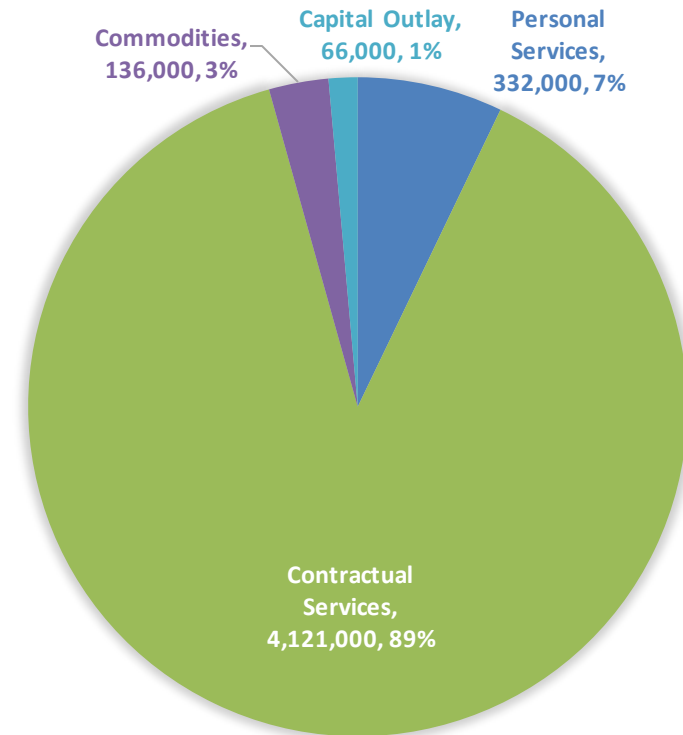
Outcome: Safe & Secure

- Key Initiatives:
 - Accreditation
 - Reallocation of positions to meet needs



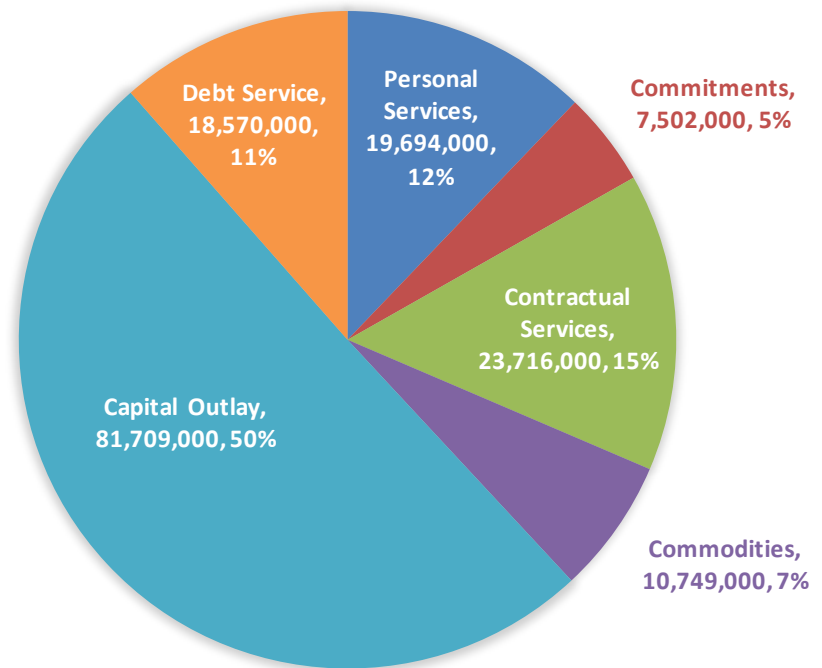
Outcome: Prosperity & Economic Security

- Key Highlights:
 - Additional staffing
 - Funding for partner agencies to move towards strategic plan strategies and progress indicators



Outcome: Connected City

- Key Highlights:
 - Significant infrastructure investments
 - Lawrence Transit route redesign
 - Asset management improvements



Truth in Taxation Bill

- Eliminated property tax lid
- Requires cities to hold Revenue Neutral Rate if there is intent to exceed rate
- Must still hold budget hearing
- Hold Revenue Neutral Rate between August 20 and September 20
- Must have budget certified by October 1

Budget Calendar

- May 11: Policy Guidance
- June 8: Capital Budget Presentation
- July 13: City Manager's Recommended Budget
- July 20: Notify County of Intent to Exceed Revenue Neutral Rate
 - Includes a maximum mill levy rate
- August 31: Revenue Neutral Rate Hearing and Budget Hearing
- September 7: Budget Resolution

Policy Questions

- Budget recommends a flat mill levy, do you want to keep it flat?
 - Must notify the County July 20
- Are there changes to the budget you would like to see reflected before the public hearing?
 - This includes operating budgets, capital improvement plan, vehicle & equipment replacement plan, maintenance plan

Additional Information

- Additional information can be found on our website at www.lawrenceks.org/budget/current.
- We also have an [interactive open transparency portal](#) with more detailed budget information

Harrison Hall

From: Phil Englehart <ppajkck@sbcglobal.net>
Sent: Sunday, July 11, 2021 5:29 PM
To: City Commission Agendas
Subject: For the meeting 7/13/21 Section E1 Budget Presentation

External Email. Be careful with links and attachments.

- City of Lawrence IT Helpdesk

Please include as public input/comments.

My wife and I have been following with interest, the 2022 budget process through the materials made available to the public via the city website. At this juncture, we would like to record comments on three (3) topics as indicated below.

1) Comments on strategic plan

At the commission meeting of 7/6/21, we heard/saw an update on the strategic plan that starting in 2022 is intended (in part) to frame and guide the city's budget process. We have reviewed the shorthand verbal descriptions of scorecard indicators grouped by plan desired outcomes. We generally second the various commission comments – it appears to be the product of intensive community outreach, with thoughtful formulation by staff that seeks to align various performance metrics with desired outcomes. We are reasonably optimistic that the plan can be a PRACTICAL (non-dust collecting) document that serves to guide and inform city policy and administration in fiscal decisions with the goal of successfully addressing the plan outcomes. We look forward to the release of the plan targets for 2022 (and beyond) and then subsequently, to seeing how these targets mesh with the strategic plan. As a picayune point, if it does not require too much time, please make the PPT presentation graphics larger so that they can be easily seen in the public setting.

2) Indicators of city fiscal condition for the non-initiated

As implied above, we have examined the recently released 2022 budget constructed/recommended by the city administrator and staff. In fact, I have spent approximately 15 hours constructing crude spreadsheets in attempts to translate, link, and ultimately help us understand (at least partially) the 2022 budget and its implications for provision of needed and desired public goods and services. I do not think we are any better informed by the effort. Professionals in municipal finance might attribute this unsatisfactory result to lack of background or capability. I would not argue that conclusion. However, in an alternative view, what it suggests to me is that the city administrator and staff should be directed to develop a concise set of summary indices that compactly express the current state of the city's fiscal condition. To the extent possible, these indices should be constructed to provide both historical context and as benchmarks for future comparisons. Our rationale here is based on a combination of experience and common sense – we've been listening for nearly 40 years to people expressing deep skepticism about local government spending as expressed by the general complaint: all they want to do is raise my taxes. Bottom line, most people do not have the interest, time, or ability to understand complex municipal finance. Yet, to help foster a healthy community, more people need to better comprehend the year-to-year changes in city budgets and expenditures – not limited to the impact on their property taxes, personal finances and business viability.

To this end, we suggest as example indices, those shown below:

- 1) General fund expenditures expressed on per capita basis (constant dollars)
- 2) Long-term debt expressed as a percentage of assessed valuation.

There are many other combinations of expenditures, debt, and normalizing bases that likely will provide similar perspective. Nuances of historical data quality, availability, and compatibility certainly are considerations in index construction.

Details aside, the point we are trying to make is that if the commission and city administration want the community to understand that we face significant “structural budget challenges” then demonstrate in readily interpretable form, how we arrived at that position. For example, if systematic underinvestment in infrastructure is a primary contributor to this – then use of these indices can provide an easily interpretable demonstration of the magnitude of this historic funding gap and then provide a means for evaluating fiscal conditions (and the options available) to rectify this deficit as the city moves forward.

In sum, we are making a formal request that city administration moves forward to construct a compact set of indices that can be used in public discussions of the city’s fiscal condition. We believe that these indices will facilitate transparent government and hopefully spur greater citizen engagement in the budget process. If this approach is not considered to be worth pursuing and our request cannot be accommodated, we would appreciate a written statement to that effect.

3) Capital Improvement Plan (CIP) 2022-2026

We have spent substantial time reviewing the CIP documents available on the city website and emailed some of our comments and concerns to commission members prior to the 7/6/21 meeting. Please note that in this earlier communication, we requested clarification on several fairly specific points – to date, our requests have not been addressed.

The 2022 budget made available on 7/8/21, offers \$451,716,000 (over 5 years) for infrastructure improvement. Presumably, much of this spending will be debt-financed, can be safely categorized as Capital Improvement, and hence should be included in the CIP (2022-2026). In our opinion, one notable aspect of the 2022 budget presentation is its failure to clearly enumerate the capital projects that are included in the budget as the first installment under the five-year plan. The PPT presentation notes capital projects deferred (pg. 63) and points to the number of unfunded staff requests (pg. 64) broken out by strategic plan outcome area. Although not explicitly indicated, some of these requests likely were part of the recommended CIP (2022-2026). Pages 11-48 of the budget break out revenues and expenditures by fund and in several instances there are expenditures labeled as “capital outlays.” However, returning to the notion of the non-initiated in public finance (point 2 above), whether, how, or to what extent these line items might relate to the CIP is completely opaque.

In essence, we are requesting answers to a couple of basic questions

- 1) When will the general public be able to see a list of capital projects that will be funded in 2022?
- 2) After that information is released, at what venue(s) and under what formats can the public submit comments on the projects selected for funding?
- 3) If we submit a written question(s) regarding one or more of the funded projects, is it reasonable for us to expect a direct answer to the question from responsible personnel in city administration?

Thank you for your attention.

Phil & Peggi Englehart

Harrison Hall

From: chris flowers <wpcorner@gmail.com>
Sent: Tuesday, July 13, 2021 11:56 AM
To: City Commission Agendas
Subject: budget

External Email. Be careful with links and attachments.
- City of Lawrence IT Helpdesk

It's budget time, but is there a decrease given to property owners to make up for the property tax increase by the county? The city goes to the county to get the county to pay for some of what the city has been paying causing the county to raise taxes on its citizens, and then the city takes that money and uses it to give raises to itself at the expense of county tax payers?!? To top it off, the city gives the gift of raising utility rates?!

I think we should at least use some of the money we're getting back from the county to give a break to the citizens on either taxes or utilities. Maybe not directly, but the city does bear some of the responsibility for the county raising property tax since they asked the county to take on responsibility.
This year at least.

The agenda item report mentions that the proposed budget will not be sustainable in the long run and we will need to possibly expect service reductions in the future. Yet, this budget adds 8 new positions. So the city is going to warn the citizens to possibly expect service reductions in the future, while at the same time adding 8 new positions that will add to the sustainability costs? When I looked through it, I didn't see any descriptions of what these positions will actually do, nor did I see how much each position would cost. Maybe I am just not looking in the right place? I'm not necessarily against the positions, I would just like to know why each position is needed and how much each one adds to the overall cost?

When it comes to raises, I would like for the city's goal to be that every city employee makes a living wage. I think we need to raise the pay of those not making a living wage to making a living wage. We might not have to do it all this year, but we could make the commitment to have everyone making a living wage within 5 years? These are the employees who need to be addressed first when it comes to pay raises. I'd be okay with a proposed raise for those making average or less than average. But riddle me this, why should those of us making average and less than average wages have to pay more in property taxes and utilities so those already making more than we do can make even more?! Lawrence is a great town. Some of us making average/less than average wages could go live in another city and make more money, but we choose to live here. Why is it wrong to expect the same from our employees making high wages?

Maybe some of our employees making good wages do deserve raises. BUT, I don't think everyone of them deserves raises. I wouldn't be giving raises to the ones responsible for the bike boulevard! What have they done to merit a raise? They kept coming in over budget. Originally there was also going to be a bike boulevard on 13th also but they were so far off on their cost estimates that wasn't possible. Also answer this? Do you all think there needs to be a diverter at 21st and Alabama because there is simply too much traffic cutting through Alabama? From what I've seen as a delivery driver, I don't think so! I ask this because city staff did ask you all to go over budget and include the diverter. But if now that the boulevard is complete and we can see we didn't really need the diverter, doesn't that mean the engineers were wrong? So why should we be rewarding people who were wrong that already make above average salaries in a year when the rest of the

citizens are having their cost of living increased? Seriously, what part of the bike boulevard project did city staff do right? I would consider to keep coming in over budget to be bumbling the project. I would consider adding construction that you aren't for sure you even need to a project that keeps coming in over budget to be a lack of common sense. If we are hell bent on giving raises to some of our employees making above average pay, I at least think we should be evaluating if they are worth market price!

Maybe I am wrong though. The budget is complicated.

Thanks for your time,

Chris Flowers