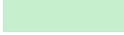


Financial Indicators for Lawrence, Kansas (July 2015)

Financial Indicator	2005-14	Notes
Government Activities		
Position		Ability to maintain services remained better than benchmark
Performance		Resources may not grow fast enough to offset increases in costs
General support		
Liquidity		Low liquidity could reduce the City's ability to respond to unexpected needs
Long-term liabilities		Debt increased sharply in 2014
Interest coverage		Increased debt may reduce financial flexibility
Capital asset aging		Capital asset indicator improved with new library and recreation center
Business Activities		
Position		Ability to maintain services remained generally level, but below benchmark
Performance		Resources may not grow fast enough to offset increases in costs
General support		
Liquidity		Low liquidity could reduce the City's ability to respond to unexpected needs
Long-term liabilities		Debt will increase to finance projects currently under construction
Capital asset aging		Declining trend indicates City may face increased replacement needs soon
		More favorable than benchmark
		Neutral compared to benchmark
		Less favorable than benchmark

Governmental funds, inflation adjusted per resident

Long-term debt		Debt increased sharply in 2014
Revenue		Revenue generally increased throughout the 10-year period
Expenditure		Expenditures generally increased throughout the 10-year period

Economic environment indicators

Employment		Employment recovered to level of the 2005-2007 period
Assessed value		Assessed value generally flat since 2007
Real retail sales		Inflation-adjusted retail sales grew slightly over 10-year period

The *Performance Audit: Financial Indicators* was designed to identify financial problems, put the City's financial condition in context, and encourage discussion of City finances.

The performance audit compares financial indicators with benchmarks, including medians based on audited financial statements from Lawrence and a group of 14 other "college towns" with similarities to Lawrence.

Most of the financial indicators used in the performance audit come from an article by Chaney, Mead and Scherman in the *Journal of Government Financial Management* (Spring 2002).

Most of the data comes from audited financial statements for the 2014 fiscal year.

This document summarized *Performance Audit: Financial Indicators* completed under generally accepted government auditing standards by the City Auditor for the City of Lawrence, KS. The full report is available at www.lawrenceks.org/auditor

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