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Introduction

CITY OF LAWRENCE KANSAS MISSION STATEMENT

Our Mission

We are committed to providing excellent city services that enhance the quality of life for the Lawrence community.

Our Principles

We are committed to these basic values:

**Integrity
Courtesy
Fairness
Honesty**

How we get the job done is as important as getting the job done.

Our interaction with the community will be professional, responsive, direct, personal, caring and appropriate.

We will promote teamwork, employee satisfaction, and professional development in order to provide innovative, cost effective, efficient service.

Our Vision

We will provide leadership in preparing for the future.

We want our citizens, clients and customers to have high expectations of City services; we will do our best to meet and exceed those expectations.



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of Lawrence
Kansas**

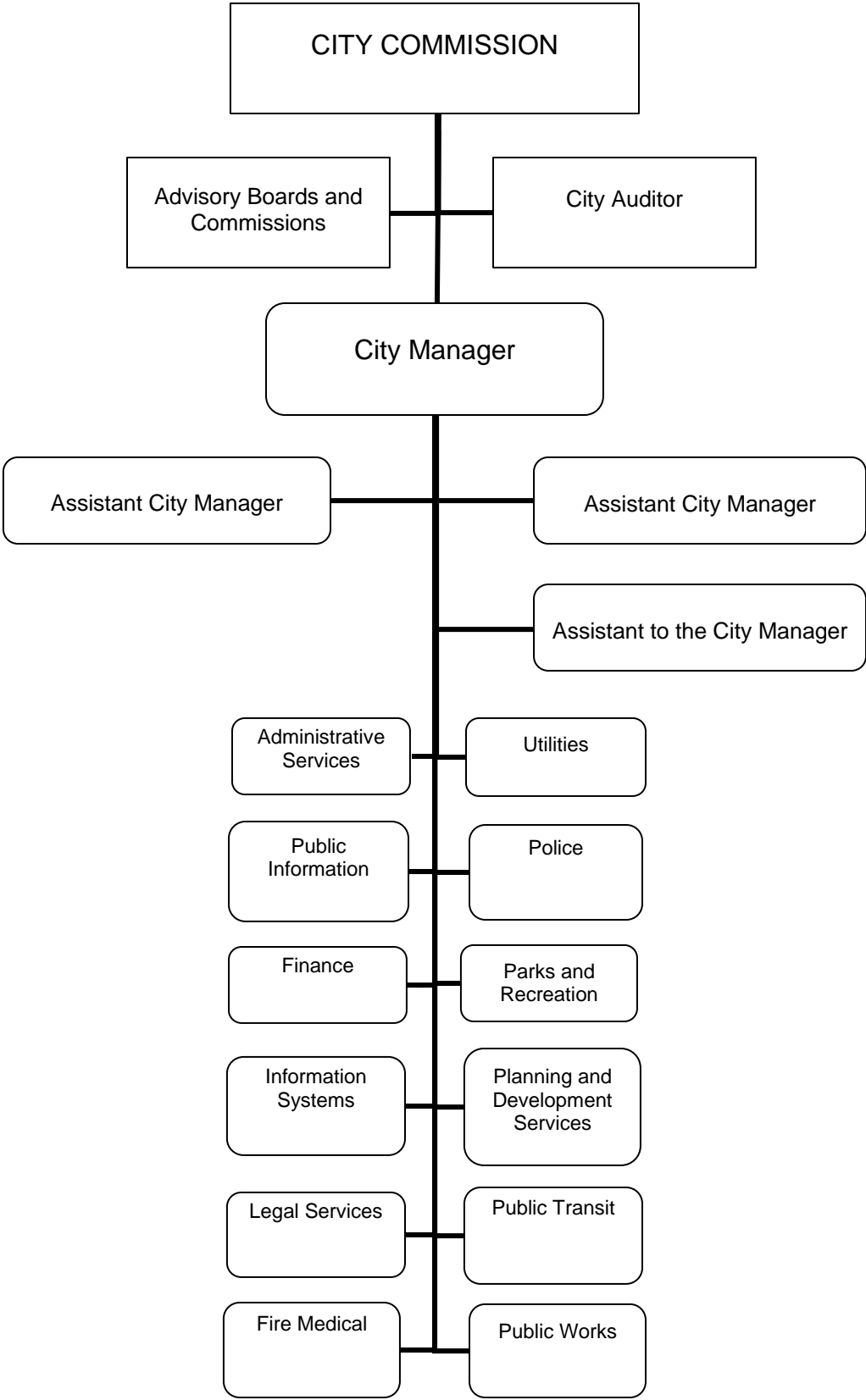
For the Fiscal Year Beginning

January 1, 2009

President

Executive Director

City of Lawrence Organizational Chart



City of Lawrence Elected Officials

ROBERT CHESTNUT, Mayor

MIKE AMYX, Vice Mayor

ARON CROMWELL, Commissioner

MICHAEL DEVER Commissioner

LANCE JOHNSON, Commissioner

City of Lawrence Executive Staff

DAVID CORLISS, City Manager

CYNTHIA BOECKER, Assistant City Manager

DIANE STODDARD, Assistant City Manager

JOHNATHAN DOUGLASS, Assistant to the City Manager

MARK BRADFORD, Fire Medical Chief

SCOTT MCCULLOUGH, Planning and Development Services Director

ED MULLINS, Finance Director

RON OLIN, Chief of Police

ERNIE SHAW, Interim Parks and Recreation Director

CHUCK SOULES, Public Works Director

DAVE WAGNER, Utilities Director

TONI WHEELER, Legal Services Director

JAMES WISDOM, Information Systems Director

LAWRENCE AT A GLANCE*

Demographics

Population

1970	45,698
1980	52,738
1990	65,657
2000	80,098
2007 (est.)	89,968

Population by Gender

Male	51.0%
Female	49.0%

Median Age

27.1 years

Ethnic Composition

African American	4.9%
American Indian	2.6%
Asian	4.6%
Hispanic or Latino	4.2%
Other	1.3%
Two or more races	2.6%
White	83.8%

Population Distribution

65 and over	8.0%
45-64	17.8%
25-44	29.0%
18-24	27.5%
5-17	12.5%
Under 5	5.1%

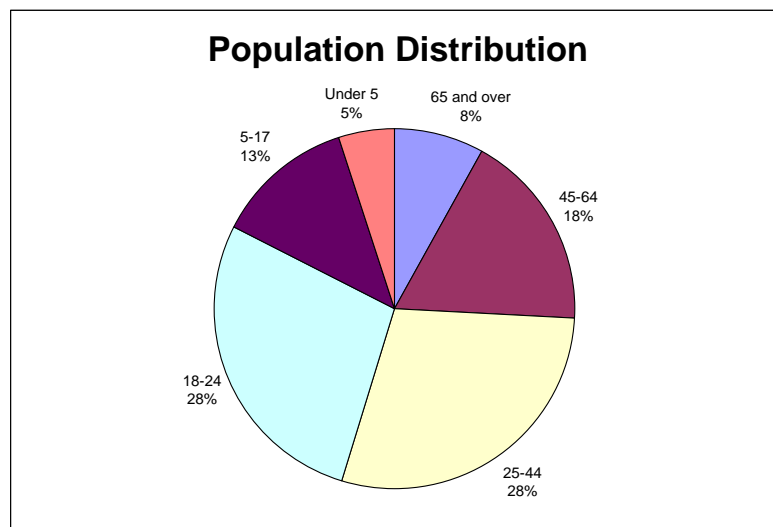
Educational Attainment (over age 25)

9-12, No Diploma	2.8%
High School Diploma	17.5%
Some College	21.5%
Associates Degree	6.7%
Bachelor's Degree	26.7%
Graduate Degree	22.9%

Other Census Information

Average Household size	2.57
Average Family Size	3.04
# of Owner-Occupied Units	17,726
# of Renter-Occupied Units	17,225
# of Vacant Units	2,332

*Information from Lawrence Chamber of Commerce, 2006 ACS U.S. Census, Kansas Dept. of Labor, and U.S. Dept. of Labor



LAWRENCE AT A GLANCE

Form of Government

The City of Lawrence, established in 1854, is governed by a Commission-Manager form of government in which five Commissioners are elected at large. The City Manager is appointed by the Commission.

Tax Information

2008 Mill Levies

City of Lawrence	26.647
Douglas County	32.820
School District	57.399
State Levy	1.500
Total	118.366

Tax Assessment Rates

Industrial/Commercial	25.0%
Machinery & Equipment	25.0%
Residential Property	11.5%

2008 City

Assessed Valuation

Real Property	804,814,240
Personal Property	38,094,360
State Assessed	19,128,981
Total	862,037,586

Sales Tax

State of Kansas	5.30%
City of Lawrence	1.55%
Douglas County	1.00%
Total	7.85%

Crime

Crime Indices (per 1,000)

Violent Crime Index	4.6
Property Crime Index	56.2
Total Crime Index	60.8

City Services (2009 Est.)

Building Permits

Single Family	85
Duplex	10
Multi-Family	30

Fire / Medical

Stations	5
Numbers of Calls	9,799
Staff	146
Number of Inspections	8,175
Fire Insurance Rating	2

Parks & Recreation

Recreation Centers	6
Parks	54
Park Acreage	3,501
Public Pools	4
Public Tennis Courts	10
Trails (miles)	70

Police

Stations	2
Police Officers	142
Patrol Units	35
Calls for Service	133,218

Sanitary Sewer

Plants	1
Miles of sewers	425
Service connections	32,741
Avg daily treatment	11.5 MGD
Pump stations	31

Water System

Plants	2
Miles of water mains	440
Service connections	32,741
Fire hydrants	3,081

Services Provided By Other Governmental Units

Education

Unified School District #497
University of Kansas
Haskell Indian Nations Univ.

Hospital

Lawrence Memorial Hospital

Library Services

Lawrence Public Library

Public Employment Agency

Kansas Job Service Center

Public Housing

Lawrence-Douglas County
Housing Authority

Transportation

Location

Lawrence is located 37 miles west of Kansas City, Missouri, and 25 miles east of Topeka. It enjoys access to Interstate 70 and Hwy 10, and is located a short distance from Hwy 435, Hwy 635 and Interstate 35.

Alternative Means of Transportation:

Lawrence Transit System,
Greyhound, Trailways, Bus 62,
Lawrence Bus Company

Mean Travel Time to Work

19.5

LAWRENCE AT A GLANCE*

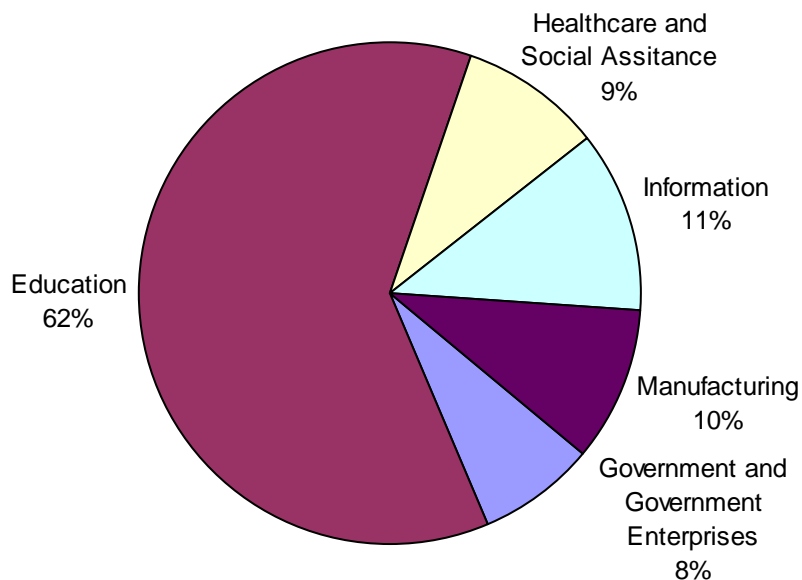
Employment Statistics

<u>Unemployment Rate</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
City of Lawrence	3.9%	3.9%	4.2%	4.0%	3.8%	3.7%	3.9%
State of Kansas	5.1%	5.6%	5.5%	5.1%	4.3%	4.1%	4.4%
United States	5.8%	6.0%	5.5%	5.1%	4.6%	4.6%	5.8%

Sources: Kansas Department of Labor and U.S. Bureau of Labor Statistics

<u>Top 10 Largest Employers</u>	<u>Product</u>	<u>Employees</u>
The University of Kansas	Education	9,872
Lawrence Public Schools	Education	1,831
Vangent	Information Systems	1,500
City of Lawrence	City Government Services	1,431
Lawrence Memorial Hospital	Health Services	1,251
Hallmark Cards, Inc.	Social Expression Products	775
The World Company	Information Services	680
Berry Plastics	Manufacturing	665
Amarr Garage Doors	Manufacturing	480
DCCCA Center	Health Services	475

Employment by Industry Douglas County



Income Statistics (2007 American Community Survey, US Census Bureau)

<u>Personal Income per Capita</u>	<u>Median Household Income</u>	<u>Median Family Income</u>
\$26,290	\$42,772	\$72,233

Budgetary Policies and Procedures

THE BUDGET DEVELOPMENT PROCESS

Early each year, each department submits a budget request including payroll projections, capital outlay requests, and program improvement decision packages.

A number of study sessions are held throughout the year with city staff and the City Commissioners to discuss various elements of the budget. A goal setting session is held, giving the Commissioners an opportunity to determine priorities for the budget year. Staff in the various departments can then work toward accomplishment of those goals through their daily operations. The City Commission goals can be found beginning on page ix of this document.

Other sessions are held to discuss the multi-year Capital Improvement Plan, to review Debt, and to provide the City Manager and staff with direction for allocation to contractual agencies [see pages B- 34 (general overhead), C-1 through C-3 (Guest Tax), G-1 through G-3 (Special Alcohol)].

The City Commission holds budget conferences with each department. The conferences provide the Commissioners the opportunity to review the requests with department staff, learn more about program improvement packages, and ask questions about the issues presented by department staff in their budget proposals.

The first opportunity for public comment is in June. The City Manager then prepares a recommended budget that is reviewed and revised by the Commissioners. A summary is published in the Lawrence Journal World and the recommended budget is available on the City's website.

A second opportunity for public comment is held in early August. A final budget is then adopted by the City Commission and filed per state statute with the County Clerk in late August.

The budget is then formatted into this printed document, reproduced and made available for the public. In addition to dollar amounts, this document contains narrative information on the purpose and mission, the accomplishments, goals and objectives, and performance indicators of each department and division.

STATE STATUTES RELATED TO THE BUDGET

Kansas law prescribes the policies and procedures by which the City prepares its annual budget. The City maintains budgetary controls to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the City's governing body. The annual budget contains an itemized estimate of the anticipated revenue and the proposed expenditures necessary to meet the City's financial needs, detailed by program and object of expenditures. The annual budget must be balanced so that total resources equal obligations. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established at the fund level. The City also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Encumbered amounts not disbursed are carried over as a designation of fund balance for the following year.

ANNUAL OPERATING BUDGETS REQUIRED FOR CERTAIN FUNDS

Kansas Statutes (K.S.A. § 79-2927 et seq.) require that an annual operating budget be legally adopted for the General Fund, Special Revenue Funds (unless specifically exempted by statute), Debt Service Funds, and certain Enterprise Funds.

A legal annual operating budget is not required for the Capital Projects Fund or Trust Funds and the following Special Revenue Funds:

Airport Improvement Fund
Outside Agency Fund
Capital Improvement Reserve Fund
Wee Folks Scholarship Fund
Equipment Reserve Fund
Fair Housing Assistance Fund
Guest Tax Reserve Fund
Community Development Fund
Liability Reserve Fund

Rehabilitation Escrow Fund
Sales Tax Reserve Fund
Home Program Fund
Law Enforcement Grant Fund
Transportation Planning Fund
Worker's Compensation Reserve Fund
Law Enforcement Trust Fund
Summer Youth Fund

BUDGET CALENDAR

The state statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

- a) Preparation of budget for the succeeding calendar year on or before August 1 of each year.
- b) Publication of proposed budget and notice of public hearing on or before August 5 of each year.
- c) Public hearing on or before August 15 of each year, but at least ten days after public notice.
- d) Adoption of final budget on or before August 25 of each year.

MAKING CHANGES TO THE BUDGET

The state statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication, the hearing may be held and the governing body may amend the budget at that time.

The statutes permit management to transfer budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds (the legal level of budgetary control). Budget comparison statements are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

BASIS OF ACCOUNTING

All governmental and fiduciary funds are reported using the modified accrual basis of accounting. Revenues are recognized when they become both measurable and available to pay current liabilities in a particular period. Expenditures are recognized when the related liability is current (the encumbrance method of accounting.) Interest on unmatured general long-term debt is recognized when due.

The enterprise funds are reported on the accrual basis of accounting.

BASIS OF BUDGETING

The City budgets for governmental funds, which include the General Fund, Special Revenue Funds, Debt Service Funds, and Capital Projects Fund, based on the modified accrual basis of accounting. Under this method, revenues (income) are recognized in the period they become measurable and available to finance expenditures of the period. Expenditures (expenses) are recorded when incurred with the exception of principal and interest on long term debt, which are recorded when due.

Exceptions to the modified accrual basis of accounting are as follows:

- encumbrances are treated as expenditures in the year they are encumbered, not when the expenditure occurs.

The budgets for all proprietary funds, which include Enterprise Funds and Internal Service Funds, are prepared using the accrual basis of accounting, with exceptions listed below. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

- Capital outlay is budgeted as an expenditure in the year purchased.
- Depreciation is not budgeted.
- Encumbrances are treated as expenditures in the year they are encumbered, not when the expense occurs.
- Grants obtained for the construction of assets are considered to be revenues, not capital contributions.

- Gains or losses on the early retirement of debt are considered to increase or decrease the funds available in the year in which they occur and are not capitalized and amortized over the life of the bonds.

Operating expenditures are controlled at the fund level and may not exceed appropriations at that level. Capital project expenditures are controlled at the fund, department and project levels and may not exceed appropriations at any of those levels. Budget transfers within a department may be made with administrative approval provided that the transfer is within the same fund. Increases in total appropriations require City Commission approval by ordinance.

Spending in funds which are not subject to the legal annual operating budget requirement is controlled by federal regulations, other statutes, or by the use of internal spending limits established by the City.

CITY COMMISSION GOALS, ADMINISTRATIVE POLICIES, DEPARTMENT POLICIES, AND OTHER PLANS USED TO DEVELOP THE BUDGET

City Commission Goals

The City Commission has established a set of strategic goals to guide the work of City Staff. The departments use these goals, as well as their own goals, to prepare their budget each year. The goals of the various departments can be found throughout this budget document. The City Commission Goals are provided below.

ECONOMIC DEVELOPMENT: Promoting the economic development of Lawrence to provide varied work and business opportunities.

- Key Objectives:** Identify industrial sites and a process to develop them.
Use the Southeast Area Plan to create an employment zone.
Move toward acquisition of the Farmland property.
- Other Objectives:** Expand the tax base through growth of existing and new businesses.
Develop incentives in addition to tax abatements (add to our “tool box”).
Identify sources of funding for a dedicated economic development fund.
Develop a common understanding of what economic development is.
Have a city staff person focused solely on economic development.

PLANNED GROWTH: Encouraging growth that protects our environment, neighborhoods, and cultural features while benefiting all of our citizens.

- Key Objectives:** Conclude the successful adoption of rural development standards.
Resolve the public improvement financing method.
Agree to stay within service area 1 in the urban growth area; be proactive about where growth will be and avoid spot zoning.
Amend codes to allow for traditional neighborhood development (TND).
- Other Objectives:** Initiate a community visioning process to encourage community building.
Ensure that the city leads the development process; create a new model for this.
Expand meetings with the county, the school district, and KU.
Work on more cooperative projects with the county; develop a model for growth.
Initiate a discussion within the community about a new model of growth and its comprehensive plans. Educate the community about the differences.

COMMUNITY BUILDING: Creating social capital and celebrating our heritage.

- Key Objectives:** Get the Carnegie Library building active.
Encourage the viability of the Farmers Market, including improving the facilities.
- Other Objectives:** Have more events downtown.
Ensure the accountability of the police department.
Determine what we want to do about the Library expansion and how much it will cost.
Encourage KU and Haskell to be more a part of the community and the community more a part of KU and Haskell (e.g., Homecoming Parade downtown, more partnerships).
Develop a comprehensive plan for services to the homeless.

Secure adequate funding for after-school programs.
Keep the focus on Lawrence for the Heritage Area.

ENVIRONMENT ISSUES: Integrating the environment into our decisions as we work towards a sustainable city.

Key Objectives: Move toward a watershed storm water policy.
Other Objectives: Evaluate and adopt an energy code.
Adopt an environmental chapter for Horizon 2020.
Require LEED standards for public buildings.
Continue community connectivity through bike paths, trails, and rail to trails.
Encourage neighborhood planning that emphasizes non-automobile access to schools and shopping.
Transition to pesticide-free parks and buildings.

NEIGHBORHOOD QUALITY: Improving the livability of all Lawrence neighborhoods.

Key Objectives: Develop affordable housing through the Land Trust.
Institutionalize area planning.
Other Objectives: Coordinate with the school district regarding school sites and future uses of schools.
Find ways to lessen the impact of student housing on neighborhoods.
Explore private/public partnerships to provide affordable housing.
Identify key pedestrian routes and enforce snow removal of them.
Bring in the Neighborhood Re-investment Corporation (NRC).
Inventory sidewalks in neighborhoods and bring them up to standard.

TRANSPORTATION: Improving access for all citizens.

Key Objectives: Build community consensus for a regional transportation plan that includes resolution of the SLT, Highway 59, and Eastern By-pass.
Other Objectives: Continue work on street development standards, including alternatives to street widths.
Bring the "T" and KU on Wheels into better alignment.
Initiate a commuter bus service to Johnson County.
Investigate the possibility of a pedestrian bridge across the Kansas River.
Create a plan to increase funding for KDOT projects that benefit community.
Continue to educate the community about access management. Develop consensus and policies.
Model bio-diesel and other renewable sources in city's transportation equipment.
Integrate the bike plan into the Capital Improvements Plan (CIP).
Work toward the central coordination of all street lights.

DOWNTOWN DEVELOPMENT: Protecting the integrity of downtown while maintaining it as a unique community resource.

Key Objectives: Ensure that the downtown is clean and inviting (e.g., identify trees that will keep downtown cleaner).
Redevelop the library as an anchor for multi-use development for downtown.
Study the topic of alcohol issues and sidewalk dining.
Other Objectives: Implement "adopt a planter" program.
Work with a KU class to develop a new downtown design in order to freshen the look of downtown.
Consider creative responses to barriers related to the Harris project.

SERVICE DELIVERY: Provide excellent City services consistent with resources available.

Key Objectives: Streamline the process of working with the Business Retention Task Force, so that there is coordination among departments and the process is clear and consistent.
Adopt a performance management system.

Implement new building codes.
Other Objectives: Purchase project management software for the planning department.
Improve the CIP process – set priorities and integrate the plan with goals.
Integrate fire station operations into the budget.
Explore the possibility of increased staff support or salary for City Commissioners.

Administrative Policies and Department Policies

The Administrative Policies of the City that guide the development of the budget are listed below. The policies in their entirety are provided beginning on page xiv of this section.

- Investment and Cash Management
- Midyear Fund Request
- Governmental Accounting
- Debt Management
- General Fund Balance
- Debt Issuance Guidelines
- Allocation of Transient Guest Tax

In addition to written administrative policies, there are a number of departmental procedures and practices that impact the budget. For instance, there are unwritten policies for the replacement of city vehicles as well as computer hardware.

Other Plans

Horizon 2020 is the City's Long Range Comprehensive Plan. It is used, along with other long range and strategic plans to the various city departments, to forecast future staffing, equipment, and facility needs and the costs associated with them based on growth and population projections. This allows city staff to estimate the revenue that will be needed to meet these needs, to what amount the issuance of debt will be necessary, if fee and rate increases will be required, etc.

Departments or Divisions with Long Range Plans, Master Plans, or other strategic plans include Water and Wastewater, Parks and Recreation, Fire Medical, and Storm Water.



City of Lawrence

CITY MANAGER'S OFFICE

DAVID L. CORLISS
CITY MANAGER

City Offices
PO Box 708 66044-0708
www.lawrenceks.org

6 East 6th St
785-832-3000
FAX 785-832-3405

CITY COMMISSION

MAYOR
ROBERT CHESTNUT

COMMISSIONERS
MIKE AMYX
ARON E. CROMWELL
LANCE M. JOHNSON
MICHAEL DEVER

REVISED July 27, 2009

The Honorable Mayor Robert Chestnut and Commissioners
City Hall
Lawrence, Kansas

Dear Mayor and Commissioners:

Budgets reflect priorities. I am pleased to present the recommended City of Lawrence 2010 budget that responds to the priorities of our community.

Economic Challenges Clarify City Priorities

During a time of unprecedented economic turmoil and uncertainty, and the first declines in assessed valuation in recent memory, the preparation of the draft City of Lawrence 2010 budget has been among the most challenging. Our needs have grown while our revenues have stagnated or fallen. The State of Kansas has continued its pursuit of retaining local revenue sources and retreating from obligations to assist in funding essential local services. In the 2010 State budget process, the State eliminated both the property tax relief funds (LAVTR) and the slider payment to cities, meant to replace revenues lost due to the exemption of machinery and equipment from personal property tax. Lawrence, along with other cities throughout the state, was able to retain the transfer of liquor tax funds. However, it is likely that this will continue to be a point of discussion as the State continues to struggle in balancing its budget.

Despite these difficult economic times, we have not significantly reduced the service level enjoyed by Lawrence residents. We have accomplished this while limiting our annual expenditure growth to 0.99% per year averaged over the past two years and maintaining a flat mill levy.

2010 Budget Goals

The following goals have guided preparation of the recommended 2010 Budget:

- Keep expenditures and revenues balanced;
- Don't spend down general fund balance due to economic uncertainty;
- Keep city mill levy stable;
- Increase fees in appropriate areas to recover costs of providing services; and
- Maintain high level of service and operations within existing resource levels.

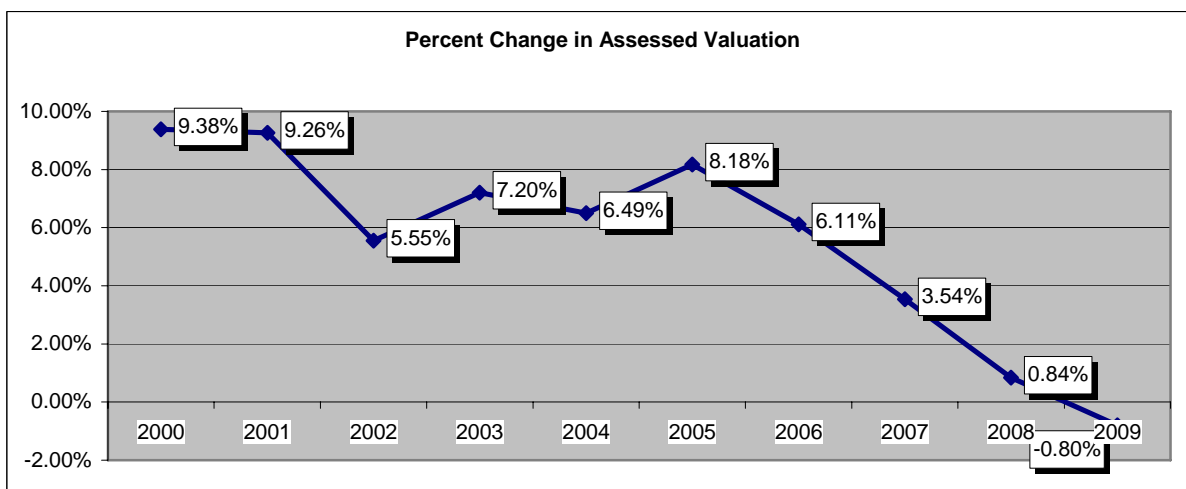
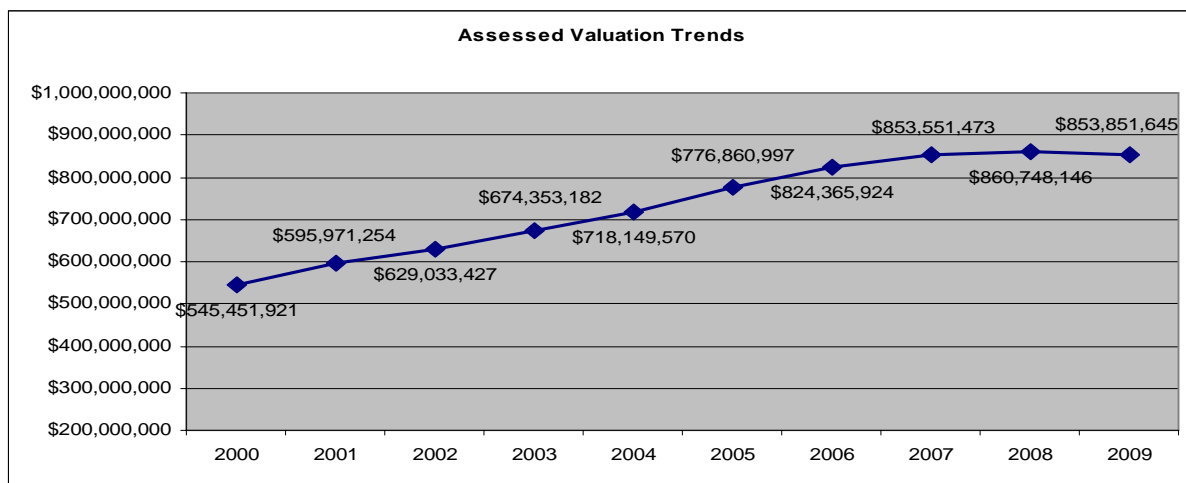


The recommended budget responds to these goals. By presenting a budget whereby revenues slightly exceed expenditures, we do not anticipate having to spend down the fund balance in the general fund. The recommended budget maintains the City's mill levy at 26.68. The recommended budget does include increases to a number of fines and fees for some city services. We are able to maintain our high level of service and operations – and while we recognize that our resources are limited – we are not seeking excuses or blaming tough economic times as we meet our obligations to the community.

Resource Information

The 2010 budget projects resources to total \$164,457,707. Of this amount, \$24,534,971 is anticipated to come from property taxes. As noted earlier, 2010 marks the first time in at least a decade that total assessed valuation has decreased. Based on information from Douglas County, 2009 assessed valuation (AV) for the 2010 budget will decrease by 0.80%. This results in a total anticipated decrease in collections (in all property tax supported funds) of \$178,535.

The charts below depict 10-year trends in assessed valuation change. The first illustrates the change in dollar amount of assessed valuation. The second shows how growth in assessed valuation has changed, with slower growth beginning in 2005. Including 2010, assessed valuation has grown at an annual average rate of 5.15% over the past ten years. Comparatively, as previously noted, assessed valuation for the 2010 budget is projected to decrease by 0.80%.



The recommended mill levy to support the 2010 budget remains unchanged at 26.68 mills. However, I am recommending a reallocation of the levy among the property tax supported funds in order to provide sufficient resources to meet the needs in each fund. The table below compares the 2009 and 2010 proposed mill rates by fund.

Fund	2009	2010	Change
	mill rate	mill rate	
General	15.846	16.187	0.341
Library	3.259	3.259	0
Recreation	0.483	0.241	-0.242
Bond and Interest	7.1	7.0	-0.1
Total	26.688	26.687	-0.001

I am recommending the mill levy in the Recreation Fund be reduced by 0.242 mills. This reduction of property tax support will be replaced by an increase in support from the City share of the Countywide sales tax. I am also recommending the mill levy for the Bond and Interest Fund be reduced by 0.10 mills. This should have no significant impact on this fund, due to a reduction in the level of new debt that has been issued in recent years.

Revenues in all funds are projected to increase in 2010 by \$11,886,565 or a 7.8 % increase over the 2009 budget. The majority of this increase can be attributed to revenue from the three sales tax initiatives approved by voters in 2008. Because the new sales tax rate did not go into effect until April of 2009, the 2009 budget only included seven months of projected revenue. The 2010 budget includes twelve months of projected sales tax revenue. The budget also reflects recommended increases to fees and fines as well as rate increases as outlined below.

- *General Fund* – The recommended fee increases include the fee charged to Grant Township for the provision of City fire services and the fines and fees charged for violations in Municipal Court. Changes to Municipal Court fines and fees were approved by the City Commission on July 14. Additionally, the budget anticipates elimination of the alarm permit fee and an adjustment of the alarm company license fee.
- *Recreation Fund* – The recommended budget includes increases in parks and recreation fees, including new fees for admittance to Prairie Park Nature Center and the South Park Wading Pool approved by the City Commission on July 14.
- *Water and Wastewater Fund* – The recommended budget includes an increase in water and wastewater charges of \$0.69 to \$1.43 for approximately 44% of residential customers depending on usage. These recommended increases are less than those included in the budget as originally presented to the City Commission and reflect a reduction of approximately \$1 million in expenditures in the utility funds. The total recommended increase in utility rates is now 4.4%, reflecting no increase in wastewater rates and a 10% increase in water rates. A significant portion of the growth in rates can be attributed to the continuing commitment to pay the debt for the recently completed expansion of the Clinton Water Treatment Plant. Additionally, funds have been allocated for permanent improvements to the Bowersock dam facility on the Kansas River.
- *Solid Waste Fund* - The budget includes a \$0.66 rate increase for residential customers and \$0.96 rate increase for minimum commercial customers. The division has experienced several years of significant increases in equipment costs due to emissions regulations (2007 and 2010) and the increasing costs of fuel and metals.
- *Public Parking Fund* – The recommended budget includes increases in parking fees and fines as approved by the City Commission on July 14.
- *Golf Course Fund* – The budget includes revenue from increases in green fees and other golf course fees, which were approved by the City Commission on July 14.

While total revenues are increasing, it is important to note that not all revenue sources are increasing. In addition to decreases in property tax revenue, interest earned on investments is expected to decrease, and revenues from Douglas County will be down slightly, reflecting reductions to operating budgets in the Planning and Development Services and Fire/Medical Departments and support of Health Department building maintenance.

In addition to revenues, City operations require human resources. Human resources represent our most important investment- these are the City workers who protect and serve our community. The table below shows a summary by department of the authorized full time equivalent employee positions (FTEs) in all funds included in the recommended 2010 budget. (Part-time temporary positions, as well as interns and seasonal employees are not included this total.)

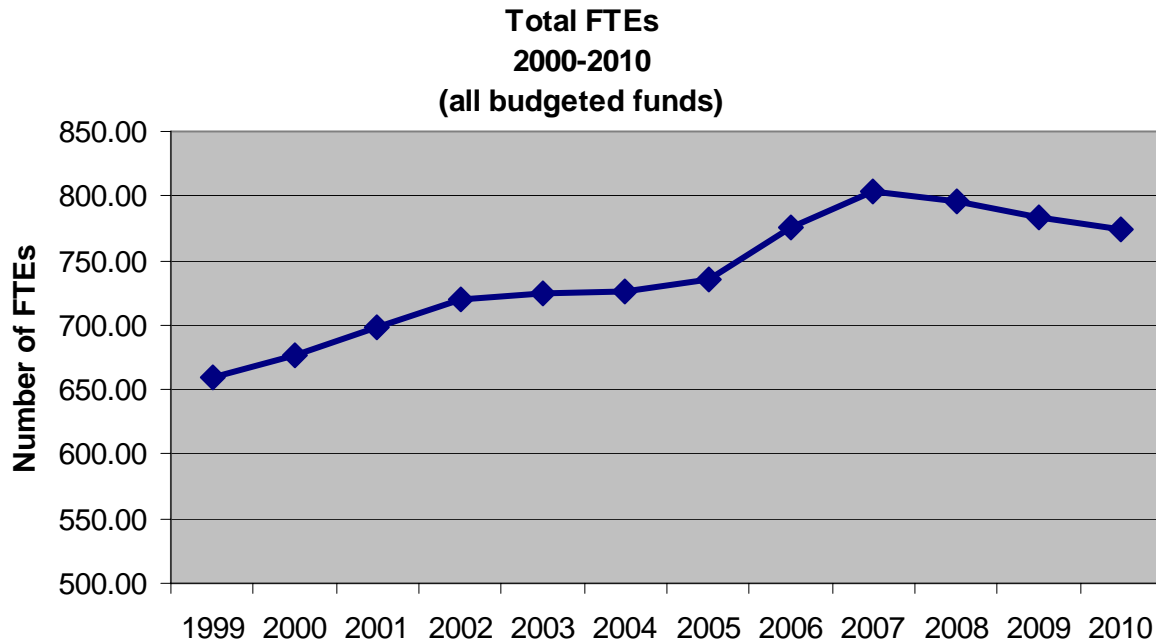
<u>DEPARTMENT</u>	<u>AUTHORIZED POSITIONS</u>		
	<u>(FTEs)</u>		
	<u>2008</u>	<u>2009</u>	<u>2010</u>
City Commission	5.00	5.00	5.00
City Auditor	0.00	0.00	0.50
City Manager's Office	8.00	8.00	7.50
Planning and Development Services	30.12	26.45	24.45
Administrative Services	9.50	8.50	9.00
Finance	5.13	4.13	4.13
Information Systems	8.00	7.00	7.00
Legal Services	24.00	22.00	19.50
Police	176.00	176.00	176.00
Fire and Medical	145.00	145.00	145.00
Health	1.00	1.00	1.00
Public Works	173.75	172.75	172.75
Parks and Recreation	76.28	71.78	70.78
Public Transit	0.40	0.40	0.61
Utilities	135.26	135.26	128.26
TOTAL	797.44	783.27	771.48

The changes in personnel for the Recommended 2010 budget include:

- Movement of a portion of the City Auditor position from the City Manager's Office into a newly created division account.
- Elimination of two vacant Planner positions in the Planning and Development Services Department. Funding for two Code Enforcement Officers and an Administrative Support position that were included in the 2009 Budget has also been eliminated for 2010. The FTEs have not been authorized to date in 2009 because expansion of the rental registration program has not occurred.
- Upgrade of a Part Time Administrative Support position in Administrative Services to a Full Time position.
- Elimination of 2.5 positions in the Human Relations Division of the Legal Services Department. This will result in the lay-off of two current city employees. An explanation of this reduction in staffing, but not our commitment to enforcement of our ordinance, is attached.
- Elimination of one Maintenance Worker in the Forestry Division of the Parks and Recreation Department.

- Redistribution of .21 FTEs between the Public Transportation Fund and the Federal Transit Grant Fund. This is not an increase in employees. Instead, it is a change in the percent of salaries being reimbursed by federal and state grants. The result is a reduction in personnel costs for 2010.
- Elimination of seven vacant positions in Utilities - Water System Manager, Water Process Specialist, Utility Field Operations, Management Analyst, Inspection Supervisor, Water Quality Technician, and Project Engineer.

Overall, the 2010 recommended budget has 11.79 fewer FTEs than the 2009 budget. This is the third consecutive year of reductions in staffing. The chart below shows the total number of FTEs since 2000.



Efficiencies and Other Enhancements and Update on ARRA Funding

As evidenced by our ability to reduce the growth in expenditures, the City is seeking to continuously improve our efficiency and effectiveness. We can point to a number of recent efficiency steps: implementation of hand-held citation writers for police officers, City wide idling policy for City vehicles, on-line agendas and on-line booking of parks and recreation classes, and the in-house preparation of the federally mandated levee certification. Staff is looking forward to additional efficiency improvements in the coming months and years. As you know, our first priority in the recently submitted energy efficiency grant application is a city/county sustainability coordinator. We hope to institute a system of energy savings throughout city facilities and programs, with benefits to the entire community. Additionally, we will seek approval to install a fingerprint booking station at the Judicial Law Enforcement building, which can reduce officer travel time to the County jail and our County jailing costs.

We are also budgeting funds in 2010 to conduct another citizen survey to provide comparison to the 2007 survey - the results will hopefully direct and challenge us in our future decisions on behalf of the community.

We are seeking to fully utilize the benefits of the federally enacted American Recovery and Reinvestment Act (ARRA). As of today, we have applied for or received the following:

North Second and Locust intersection reconstruction	\$ 2,000,000
New York Street reconstruction (TE project)	946,828
Clinton Parkway path reconstruction (TE project)	800,750
Transit bus replacement and facility funds	2,930,929
CDBG additional funds	216,798
Police department funds for radio replacements	278,240
Energy Efficiency grant funds (entitlement application submitted)	<u>858,600</u>
TOTAL:	\$ 8,032,145

Additionally, we have applied for the following competitive grant funds:

COPS Grant: Fund 4 police officers for 3 years	726,920
Assistance to Firefighters Grant: Platform Ladder	350,000
Assistance to Firefighters Grant: Smoke Alarm Education	168,464
Assistance to Firefighters Grant: Remodel Station 1	<u>1,200,000</u>
TOTAL:	\$ 2,445,384

Expenditure Information

The 2010 recommended budget includes expenditures totaling \$157,260,736, which represents an increase of \$10,920,788, or 7.5%, from 2009 budget. The largest increases are to transfers in the General Fund and Water and Wastewater Fund, budgeted in order to achieve a fund balance under 5% in accordance with State law. Increases in other funds can be attributed to employee compensation and benefits, as well as increased costs of utilities and other contractual services, materials, and other commodities.

The recommended budget focuses on priorities – ensuring the City has a quality workforce, ensuring public safety, ensuring we maintain our infrastructure, ensuring we support social services in our community, and encouraging economic development.

Employee Compensation and Benefits

The 2010 recommended budget now includes funding of a 1.25% merit pool. While I would like to do more, I believe this is the prudent expenditure level for a tough economic year. I believe that the changes to our performance appraisal and compensation system have on the whole been positive for the organization and will be beneficial to the community. I am also recommending full funding for longevity for 2010, which will remain discretionary for the City Commission to determine toward the end of the year. We are currently in negotiations with public safety employee groups and agreements concerning 2010 compensation have not yet been finalized for these groups.

I am hopeful that we will continue to make wise use of public dollars entrusted to us in 2009, so that we can recommend an appropriate longevity payment this year. I'm also instituting a "pick an extra holiday" program for the end of 2009. Similar to what we did at the end of 2008, employees can select either Thursday, December 24, 2009 or Thursday, December 31, 2009 to receive as an additional paid holiday. Employees will need to schedule this time off with supervisors who will ensure that City offices stay open for normal business hours on these "Eve" days.

Employee Healthcare

Our health care plan is currently being marketed, with the possibility for changes in its administration and benefit design. The recommended budget includes \$7,325,474 for employee healthcare costs. This is an increase of 15% over 2009. The estimated cost to the General Fund in 2010 is \$4,150,556. I also believe we should look for appropriate wellness initiatives to implement, including employee incentives which can foster healthy employees and possible reductions in future costs.

Public Safety

Public safety in our community is among our top budget priorities for 2010. The recommended budget includes resources to support a fully staffed Police Department. Funds are also recommended for fingerprinting equipment, which should reduce the number of individuals that must be taken to the County jail for booking. This should reduce the City's jail costs which continue to grow annually.

The recommended capital budget includes the debt financing of \$750,000 in improvements to the Police Department's Investigation and Training Center, located at 4820 W. Bob Billings Parkway. Purchased in 1999, the City has only been utilizing a portion of the building. Improvements to the remainder of this building are necessary in order for it be most effectively used for offices and storage for our police department.

The recommended budget also includes \$1,856,656 to replace two pieces of fire apparatus that exceed nationally recognized replacement standards and lack current safety and technology features. These two vehicles, a new ladder and a new engine, are the Fire Medical Department's highest priority replacements, needed to ensure that we have the most reliable apparatus. I recommend \$1,000,000 come from two years (2009 and 2010) of the new infrastructure sales tax; \$96,000 from funds in our equipment reserve fund previously dedicated for fire equipment; and approximately \$760,000 from debt issued in 2010.

Street Maintenance

Maintenance of city streets continues to be a top priority. The table below illustrates the \$5 million of resources recommended to be spent on street maintenance through the operating budget, capital budget, and reserve funds recommended for 2010.

Street Maintenance Funding (excludes personnel, equipment costs, etc.)

		2008 Actual	2009 Budget	2010 Budget
001-3000	General Fund			
45-08	Mill & overlay	1,212,686	1,245,000	1,240,919
45-10	Curb repair	1,310	500,000	500,000
45-14	Crack Seal	297,309	300,000	300,000
45-02	Asphalt	127,230	135,000	135,000
45-01	Concrete	60,879	60,500	60,500
99-99	Contingency	-	-	-
<i>Sub-total</i>		<i>1,699,414</i>	<i>2,240,500</i>	<i>2,236,419</i>
214-3800	Gas Tax Fund			
45-08	Mill & overlay	451,265	600,000	500,000
45-09	Chip & seal	487,797	50,000	50,000
45-10	Curb repair	142,764	165,000	165,000
45-12	Sidewalk	-	25,000	25,000
45-02	Asphalt	62,074	65,000	75,000
45-01	Concrete	56,671	65,000	65,000
<i>Sub-total</i>		<i>1,200,571</i>	<i>970,000</i>	<i>880,000</i>
505-3900	Storm Water Fund			
45-10	Curb repair	138,300	140,000	140,000
90-01	Transfer to General Fund for curb and gutter	402,413	250,000	400,000
<i>Sub-total</i>		<i>540,713</i>	<i>390,000</i>	<i>540,000</i>
400	Debt			
	Street maint. (City's share)	225,788	-	350,000
	KLINK (KDOT share)	200,000	200,000	200,000

<i>Sub-total</i>	<i>425,788</i>	<i>200,000</i>	<i>550,000</i>
Reserve Funds			
Sales Tax Reserve	434,843	650,000	550,000
Sales Tax Reserve - KLINK		200,000	
Capital Improvement	722,065	400,000	350,000
<i>Sub-total</i>	<i>1,156,908</i>	<i>1,250,000</i>	<i>900,000</i>
TOTAL	5,023,394	5,050,500	5,106,419

This table does not include the 2008 infrastructure sales tax projects for 2010.

In addition to maintaining existing funding levels for street, voters in 2008 overwhelmingly approved a 0.30% sales tax for infrastructure, to be used in part toward rebuilding and maintaining existing city streets. The table below shows the expenditures planned from sales tax funds in 2010.

Infrastructure Sales Tax Projects	Amount
Kasold: 23rd to 31st - phase 1 construction	\$3,120,000
Misc. Street Maintenance Projects	\$500,000
TOTAL	\$3,620,000

Outside Agency Funding

The 2010 recommended budget essentially maintains 2009 funding levels for social services agencies and entities traditionally funded through the City's General Operating, Special Alcohol, and Special Recreation Funds. I am recommending that the City Commission adopt an ordinance combining the responsibilities of the Special Alcohol Fund Advisory Board with a new Social Service Advisory Committee, which can review applications and make recommendations for all City funding of these agencies, as well as monitor and report on the outcomes of their important work.

Economic Development

Economic development is vital to sustain our City and the recommended budget includes resources to support economic development in our community. Funding is included for the Lawrence Douglas County Bioscience Authority in order to construct a bioscience incubator facility to encourage business development and expansion. The Capital Budget includes \$2,000,000 to fund improved water and sewer service to the Lawrence Municipal Airport. These improvements are necessary for future development on existing airport property. The budget maintains level funding for other economic development agencies as well.

Other Fund Highlights

General Fund. Overall, expenditures in the General Fund are expected to increase by 8.9% over 2009 budget. However, this is largely due to increases in budgeted transfers and full year collection of the new city sales taxes. Recommended increases in personal services are less than one percent greater than 2009 Budget. In order to achieve this limited growth, the recommended budget reduces positions in the Human Relations Division. However, it ensures the continued enforcement of the City's Civil Rights Ordinance by shifting responsibility for investigation to other staff in the Legal Services Department.

The only other category of general fund expenditures I recommend to increase over 2009 in 2010 is capital outlay. An increase of \$22,752, or 5.8%, is necessary to ensure that departments have the equipment they need to do their jobs safely, efficiently and effectively.

The 2010 recommended General Fund budget includes overall decreases in contractual services, commodities, and contingency from the 2009 budget. To achieve the goal of keeping expenditures in line with revenues, the 2010 recommended budget includes decreases in these categories in most departments in the General Fund.

In 2010, the City will be taking on the responsibility of the maintenance of the new Burroughs Creek Path which is expected to be completed in 2010. This will be a significant community enhancement and the first project completed pursuant to our commitments during the 2008 sales tax election.

We also plan to follow through on the recommendations provided in the recent City Auditor report for improvements to our street light system. This remains a significant City expenditure, which should receive additional attention to ensure maximum public value for the tax dollars spent. We should also examine the request from KU Student groups for additional pedestrian lighting in the neighborhoods adjoining the KU campus.

Transient Guest Tax and Enhancing our Heritage Tourism. Lawrence has a wonderful history, which is based in unique values. Those who value and cherish the rich history of our region have made extraordinary progress with the establishment by Congress of the Freedom's Frontier National Heritage Area (FFNHA). Lawrence's involvement in this effort has been significant and we want to take additional steps to ensure that Lawrence can remain a focal point of efforts to enhance heritage tourism in this area. I am recommending an increase in the transient guest tax from the current 5% to 6%, which will bring in approximately \$100,000 in additional guest tax revenue per year. I am recommending that \$50,000 of this increase be devoted for the next ten years to retirement of debt necessary to complete the rehabilitation of the Carnegie Building into headquarters for our Convention and Visitors Bureau and our sponsorship of FFNHA. As explained in the recommended capital improvement budget for 2010, the \$500,000 in guest tax revenues, with an existing federal grant and previously authorized city debt and reserve funds will allow this important downtown structure to be rehabilitated and brought back to useful life.

I am recommending that the remaining \$50,000 in new guest tax funds coming from the proposed tax increase be used to fund exhibits and other efforts that will focus on the Sesquicentennial of the Civil War which will be coming in the next few years. Lawrence's history during this period is both rich and meaningful, and we do ourselves a disservice as a community if we do not appropriately interpret it and commemorate it – we also miss out on a significant opportunity to grow our heritage tourism industry.

Library Fund. Approximately 92% of the Lawrence Public Library's budget comes from the City of Lawrence property tax. The decrease in assessed valuation will mean less property tax support for the Library Fund in 2010. In order to slightly increase the Library from 2009 funding levels, it is recommended that funds previously put into a reserve fund for the expansion of the Library be transferred into the Library Fund for operations. The Library Board should be encouraged to look for independent, non-property tax revenue sources – such as modest membership fees – in order to reduce its reliance on property taxes. The mill levy for the Lawrence Public Library represents approximately 12% of the City's total property tax mill levy. The Library will face significant challenges for the 2011 budget as assessed valuations continue to decrease. However, the City is showing a substantial commitment to our public library, including \$550,000 in energy efficiency funding (new HVAC and lighting) from ARRA and budgeting \$500,000 for replacement of the library's roof in the City's debt budget.

Public Transportation Fund. 2010 will be the first full year of the new sales taxes for transit. The recommended budget calls for revenue from the 0.20% sales tax to be transferred into the Public Transportation Fund while the 0.05% sales tax will be transferred into the City's Equipment Reserve

Fund to provide resources for the future capital needs of our transit system. The City continues to be responsible for the cost of major component replacement for our aging fleet. However, we were able to maximize ARRA funding for transit in 2009, and plan to replace much of our bus fleet with hybrid electric/ bio-fuel vehicles. The vehicles, which take up to 18 months to be delivered, could be on the streets in service before the end of 2010.

Water and Wastewater Fund. As mentioned above, the recommended budget includes a rate increase for water and sewer service. The City is working to update the Water and Sewer Masterplans in 2009-2010, which will give the City the tools to guide development and improvement of this vital infrastructure for years to come. This summer the City will begin substantial improvements to the Bowersock dam facility which should ensure its integrity for decades to come. I also anticipate that the City will seek to begin the next steps for the Wakarusa Water Reclamation Facility in 2010 to facilitate future community growth.

I continue to recommend that requests for waiver of system development charges be denied. Staff analysis of this issue indicates it is not feasible from a legal standpoint as well as a financial and rate payer equity standpoint.

Solid Waste Fund. The 2010 recommended budget includes an increase in the rate for solid waste collection service. In addition to providing residential and commercial collection services, I am recommending that staff develop a pilot program for curbside recycling.

Capital Improvement Budget

The 2010 recommended Capital Improvement Budget includes twenty-three projects funded from a variety of sources. The capital budget continues our efforts to maintain a stable mill levy in the Bond and Interest Fund by limiting our annual debt issuances to \$5 million per year. Most of the capital projects have been discussed elsewhere in this transmittal letter or are covered in the appropriate section of the budget document, but some projects deserve additional highlights.

Overland Drive Multi-Use Recreation Facility

In 1994, the City partnered with the County in the enactment of a County-wide sales tax which supported a number of community initiatives. A primary focus was on the improvement of our Parks and Recreation facilities. A number of facilities were improved or constructed: Outdoor swimming pool renovation, East Lawrence Recreation Center, Clinton Lake Softball complex, Indoor Aquatic Center adjacent to Free State High School, and other facilities. The sales tax continues to service the debt for these and other facilities along with providing financial support for our parks and recreation programs and maintenance needs. In 2010, the \$255,000 annual debt payment for the Indoor Aquatic Center will be retired. In 2012, the City's annual lease of office space at 947 New Hampshire will expire (currently costing approximately \$170,000 per year). Current uses in these offices will be either transferred (human relations transferred to legal staff) or moved (CVB to Carnegie and Parks and Recreation administrative staff to new Overland Drive facility) under this budget and plan. Both of these obligations (\$425,000 per year) would allow for debt service of approximately \$4 million (12 year debt retirement). I am proposing that we use \$300,000 in sales tax reserve funds in 2010 to design a new recreation facility in the northwest portion of the community. Indoor gym and recreation space available to the public is among our highest unmet recreation needs and this growing part of our community is underserved. See attached chart. Some may argue that in tight economic times it would simply be better to "hunker-down" - just pay the essential bills – and avoid enhancements and amenities. While this view has merit, so does the promise of Lawrence's future and preparing for that future should continue and not always wait. Many communities are going to wait for the economic recovery before they make any investments, but I believe Lawrence should be among the communities which will make new investments in key areas even during our current economic downturn. Parks and

Recreation facilities speak to the value that we place on wellness activities and community building – they also are an important part of attracting new residents and businesses to Lawrence because they visibly demonstrate those values.

31st Street extension – Haskell to O'Connell

I am recommending that we allocate \$200,000 from our 2010 debt budget, along with the remaining federal funds which are left after the design of the road, to begin the property acquisition process for this important community street connection. I believe we should also ask Douglas County for financial participation in this right-of-way acquisition. County participation is appropriate since City taxpayers also pay County taxes used for road projects, and this important road connection will benefit both City and unincorporated residents. This road improvement will be of substantial benefit to both existing and future residents in southeast Lawrence. Having both the design and property acquisition completed for this project will place the community in better shape when funding becomes available for this important road.

Maple Street Pump Station

I'm recommending that we use \$100,000 from the 2008 infrastructure sales tax to begin planning/property acquisition work necessary for the Maple Street pump station project. As the Commission knows, this is an important storm water facility for the residents and businesses of Lawrence north of the river.

2010 Infrastructure Sales Tax

In November 2008, Lawrence voters approved a 0.30% sales tax for infrastructure and equipment. This new sales tax went into effect in April and, as of the end of June, collections total \$30,263. An annual allocation of \$500,000 was anticipated for replacement of fire equipment, another \$500,000 was projected for street and sidewalk maintenance and the remainder of the estimated revenues will fund infrastructure improvements.

Several projects to be funded through this sales tax are currently in the engineering or project implementation phase, with significant progress on construction anticipated in 2010. The table below summarizes total estimated revenues and expenditures in 2009 and 2010. At the end of 2010, cumulative revenues will total \$7,057,571 and cumulative expenditures will total \$6,656,656.

RESOURCES	<u>2009</u>	<u>2010</u>
Infrastructure & Equipment Sales Tax	\$2,255,925	\$3,944,646
Federal/KDOT Grant: Kasold Project		
Federal Grant: Fire Equipment		
Equipment Reserve		\$96,000
KU Funding		
CIP		\$761,000
Other Funding		
Total Resources	<u>\$2,255,925</u>	<u>\$4,801,646</u>
EXPENDITURES		
Burroughs Creek Trail	\$350,000	
West 9th Street Rehabilitation	\$290,000	
Kasold: 23rd to 31st - engineering	\$440,000	
Kasold: 23rd to 31st - phase 1 construction		\$3,120,000
5th Street Pump Station - eng/ROW		\$100,000
Street and Sidewalk Maintenance		\$500,000

Ladder Replacement		\$1,205,591
Engine Replacement		\$651,065
Total Expenditures	\$1,080,000	\$5,576,656
Resources vs. Expenditures	\$1,175,925	(\$775,010)

A Trial Balloon - A Sidewalk Maintenance Utility

Too often we proceed along the well worn path based on our previous trips. Well, I'm going to suggest something different for sidewalk maintenance. This may be a good idea or a bad idea – but I believe it is worthy of consideration on an important topic.

Sidewalks probably have always been important to our community- but they have too often been neglected. I believe if we are going to truly make Lawrence a pedestrian friendly town we must make a sustained commitment to sidewalk maintenance. Currently, under State law and City Codes, the responsibility for maintaining a sidewalk rests with the adjoining property owner. This means, that on a sporadic complaint-driven basis, the City seeks to require property owners to fix broken or hazardous portions of the City's sidewalk system. Frequently, property owners dispute the need for repair, the sometimes substantial cost for compliance, the difficulty in finding a willing contractor for small piece work, and the perceived inequity of a repair while poor sidewalk locations exist elsewhere in the community. Condemning a sidewalk and assessing the property owner for the costs of repair is a time and procedurally intensive endeavor which results in further delay. Sometimes the problem simply is ignored for other more pressing priorities. I do not believe the status quo is acceptable.

As a complete alternative, I am recommending consideration of a Sidewalk Maintenance Utility. The Utility would take on the responsibility for repair (not snow or debris removal) of all public sidewalks adjacent to public right-of-way. All property owners adjacent to public right-of-way would pay a monthly fee on their utility bill. These funds would be solely used for the repair of hazardous and broken portions of the city sidewalk system. The utility funds would be used for new sidewalks. I am not aware of a similar system in other communities – in Kansas or the country. The City Commission would need to adopt a Charter Ordinance, which requires four affirmative votes and is subject to a protest petition, to establish the utility and legally transfer the responsibility of sidewalk maintenance from the adjacent property owner (current State law and City Code) to the City.

There are approximately 330 miles of streets (660 miles of front footage). If one cent per front foot along right-of-way per month was charged this would generate approximately \$400,000 /year (\$200,000/year at 1/2 cent per foot).

	Monthly		Annually	
	1¢ ft	1/2¢ ft	1¢ ft	1/2¢ ft
Average 50' Residential Lot	\$ 0.50	\$ 0.25	\$ 6.00	\$ 3.00
Average 100' Residential Lot	\$ 1.00	\$ 0.50	\$ 12.00	\$ 6.00
Downtown Average Lot	\$ 0.25	\$ 0.125	\$ 3.00	\$ 1.50
West Campus – 14,723 Street Frontage	\$ 147.23	\$ 73.62	\$ 1,766.76	\$ 883.38
Wal-Mart @ 33 rd & Iowa, 2,036 Street Frontage	\$ 20.36	\$ 10.18	\$ 244.32	\$ 122.16
Walgreen, 6 th and Kasold Drive, 567 Street Frontage	\$ 5.67	\$ 2.84	\$ 68.04	\$ 34.02

(All the above information is approximate.)

Staff believes that these funds would enable the City, over time, to catch-up on the backlog of substandard sidewalks in our community and maintain sidewalks into the future. The City Commission should have the authority to adjust the utility fee amount but not to exceed the 0.01 per front foot amount. There are disadvantages to this proposal: property owners – regardless of whether they have a sidewalk will pay; property owners with new sidewalks would not be exempt; the City assumes the responsibility for hazardous sidewalks after it has received appropriate notice of the hazard; and some property owners have corner lots or double frontage and would have a higher fee.

There is also the disadvantage that merely discussing this alternative will keep some property owners from fixing their sidewalk while this topic is under discussion. And since Lawrence would be a leader on this type of system, we may draw challenges to such an endeavor.

The advantages to the proposal would be: the Lawrence community will be a leader in providing safe, pedestrian oriented neighborhoods enhancing our values of wellness and community building; all property owners adjacent to public right-of-way will financially participate in maintaining the sidewalk system; the existing sporadic complaint-driven system of fixing existing sidewalks will be eliminated; and the City's economy of scale should achieve better pricing than piece-meal patchwork sidewalk repairs.

As I noted at the outset – this may be a trial balloon that should not proceed further. I do believe it is worthy of consideration by the Commission.

I would like to thank all members of the City staff for their dedication and hard work. We have been able to endure what the economy has thrown at us while successfully accomplishing the public's business. I want to thank all of those who have been involved in our budget preparation efforts, particularly, Casey Toomay, Bobbie Walthall, Michelle Stevens and Cynthia Boecker for their dedicated work.

I look forward to City Commission review, discussion and direction on this recommended budget.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "David L. Corliss". The signature is fluid and cursive, with the first name "David" being the most prominent part.

David L. Corliss
City Manager

Memorandum

City of Lawrence

Legal Services Department

TO: David L. Corliss, City Manager
FROM: Toni Wheeler, Director of Legal Services
Cc: Diane Stoddard, Assistant City Manager
Cynthia Boecker, Assistant City Manager
Casey Toomay, Budget Manager
Date: July 1, 2009
RE: Human Relations Division

I was asked to provide information regarding the continued enforcement of Chapter 10 of the City Code, which prohibits discrimination in employment, housing and public accommodations, with existing legal staff.

The reduction of legal staff in the Human Relations division will not alter the City's method of processing complaints of unlawful discrimination. There are no plans to amend any provisions of Chapter 10 of the City Code. Therefore, the investigations and complaint processing currently performed by the Human Relations Specialists will be performed by existing legal staff, primarily the City prosecutors and their two legal assistants.

The legal staff will perform the essential duties of the two human relations specialists—they will accept and investigate complaints; interview complainants, respondents, and witnesses; negotiate and prepare conciliation agreements, write reports, make recommendations to the Director, and make information regarding the City's laws available to the public. The City's attorneys have experience, knowledge, and formal training in evaluating and investigating allegations of unlawful conduct, interviewing parties, preparing legal documents, and conducting legal research.

An average of 17 new complaints per year were filed with the division since 2007. In the first six months of 2009, the division received 10 new complaints. The low number of cases received in 2009 is notable because the Division and the Human Relations Commissioners have engaged in more community outreach activities in late 2008 and early 2009. From an efficiency stand point, it is difficult to justify two full time professional level positions for a division that handles a low number of complaints.

While outreach is also an important function of the division, the City can continue to make information available regarding Chapter 10 through its website, through other community activities the City participates in, and through City newsletters and other communications. Other agencies in the community that receive City funding also provide important information to citizens regarding their rights under the law. For example, Housing and Credit Counseling, Inc., which received \$42,100 in 2009 from the City (from the general fund and from Community Development Block Grant), also provides information and counseling to tenants. The Division regularly provides written materials and information regarding Chapter 10 to H.C.C.I.

Finally, other agencies accept and investigate complaints of unlawful discrimination including the Kansas Human Rights Commission in Topeka, the Department of Housing and Urban Development and the Equal Employment Opportunity Commission. HUD and EEOC have offices in Kansas City, Kansas.



City of Lawrence

Existing and Proposed Recreation Centers 1 & 2 Mile Radius Buffers

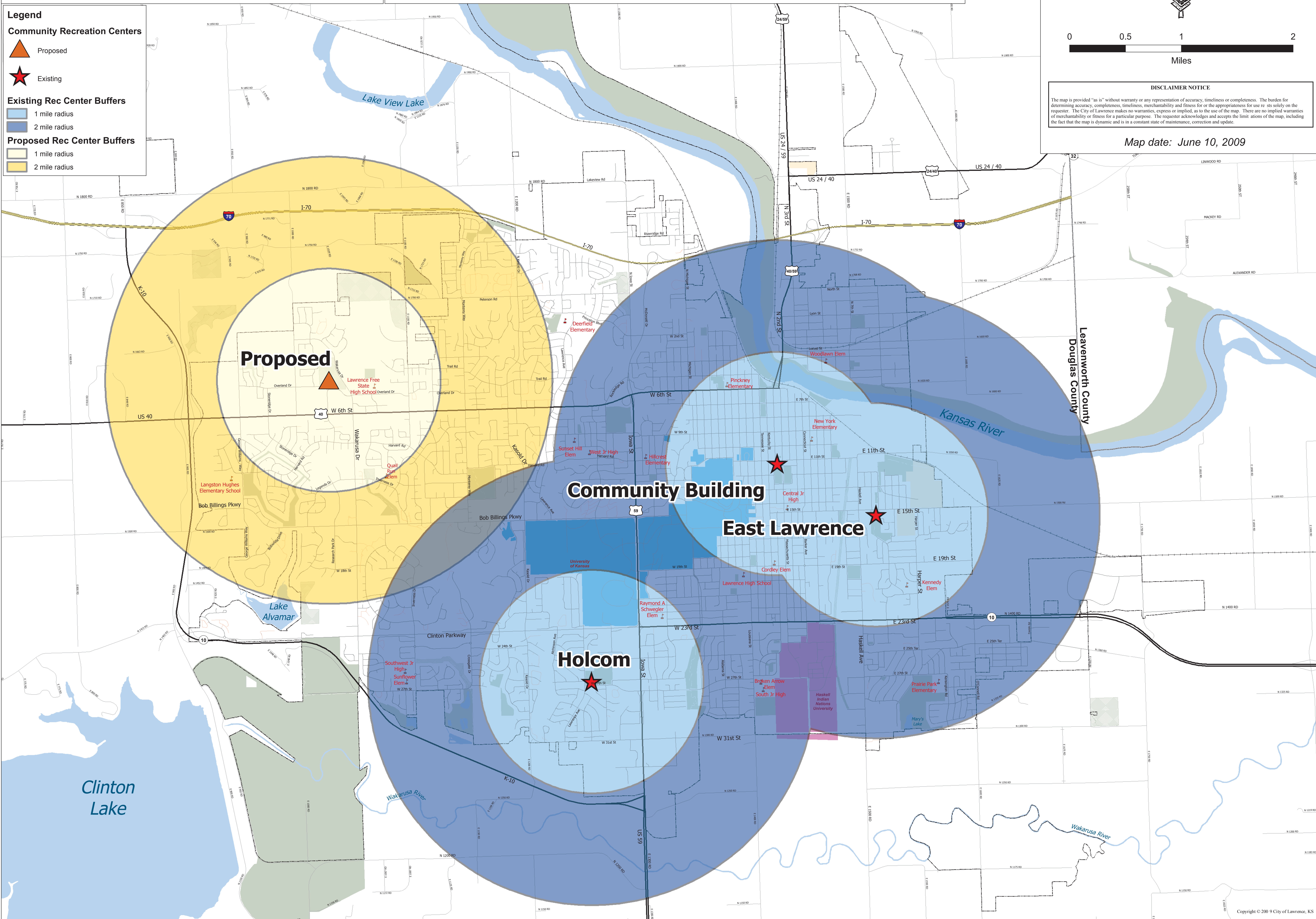
Lawrence, KS



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Map date: June 10, 2009



FUND OVERVIEW

CITY OF LAWRENCE, KANSAS

FUND OVERVIEW

PROPERTY TAX SUPPORTED FUNDS

General Fund

The 2010 budget changes allocation of the mill levy, increasing the General Fund levy by 0.341 and reducing both the recreation and bond and interest mill levies. Additionally, total revenues reflect full year collection of the new sales taxes, which will then be transferred to other funds for infrastructure and equipment programs. The budget also includes funding for a 1% merit adjustment and full funding for longevity. In order to balance projected 2010 expenditures with anticipated 2010 revenues, a number of reductions cuts have continued or made to the General Fund operating budget, including elimination of 2.5 positions in the Human Relations Division of the Legal Services Department. Responsibility for enforcement of Chapter IX of the City Code will be transferred to other divisions within the Legal Services Department. The budget also includes elimination of 5 positions within the Planning and Development Services Department: two vacant planner positions as well as two code enforcement officer positions and an administrative support position, the latter three of which were included in the 2009 budget to support expansion of the rental registration program, which was not implemented. Requests from human service agencies are funded at \$646,472, which is the same level provided in 2009. The General Fund (via the Public Works Department budget) continues to provide funding for an enhanced street maintenance program.

Library

The City will provide a total of \$3,060,000 in resources to the Lawrence Public Library for operations in 2010. Because this fund is solely reliant on property tax revenue, the impact of decreasing assessed valuation is significant. Use of reserve funds will be necessary to provide sufficient resources to fund a slight increase in funding to the Library for 2010.

Recreation

Fee increases are recommended for a number of programs and special events, however, no increase in aquatic fees is budgeted for 2010. The level of property tax is decreasing in 2010, and is being replaced with increased support from the countywide sales tax.

Bond and Interest

Multi-year capital improvement plans have been submitted to the City Commission for the Water and Wastewater, Storm Water, Sales Tax Program, and non-enterprise capital projects. These plans are important tools for fiscal planning along with the debt policy approved in 2002 by the Commission. Maintenance of existing facilities is as important as expansion, and these plans reflect a number of projects related to restoring or replacing present facilities. The Bond and Interest mill levy is reduced slightly to provide additional revenues to the General Fund.

SPECIAL REVENUE FUNDS

Guest Tax

According to information provided by the Lawrence Convention and Visitors Bureau, continued growth in sleeping rooms as well as meeting facilities in competing markets continues to have an effect on the Lawrence market so revenue estimates show conservative growth. It is recommended that the charter ordinance be amended, increasing the tax rate to 6% for 2010. New funds will be used to support restoration of the Carnegie Library to serve as the offices of DMI and the CVB, as well as to support heritage tourism efforts of the Freedoms Frontier National Heritage Area and the celebration of the Sesquicentennial of the US Civil War.

Public Transportation

In 2008, voters approved a 0.20% local sales tax to fund the operations of the existing level of transit service and an additional 0.05% sales tax for expanded transit service. According to State law, all proceeds from sales tax must be deposited in the City's General Operating Fund then transferred into other funds. In 2009, the revenue from both the 0.20% and 0.05% was transferred into this fund. In 2010, only the proceeds from the 0.20% will be transferred into this fund. The proceeds from the 0.05% will be transferred into a reserve fund for future transit capital needs. The 2010 budget assumes 2% growth over 2008 actual sales tax receipts.

CITY OF LAWRENCE, KANSAS FUND OVERVIEW

Special Alcohol

Historically, this fund has seen annual increases in the total receipts collected by the state via the liquor tax. However, 2010 revenues are expected to be below 2008 actual levels. The state legislature has continued to discuss the idea of reducing or eliminating this sharing of liquor tax revenue in light of the state's budget woes. Lobbying by the municipalities, state and local parks/recreation organizations and others has assisted in keeping the current law intact but projected increases in revenues remain conservative.

Special Gas

Historically, revenues have increased modestly for this fund, however, the tax rate per gallon (\$0.24/gallon gasoline, \$0.26/gallon diesel) has not increased since 2003. Based on economic, environmental, and technological trends, a decrease in motor fuels tax is planned in 2010. Revenue projections are based on projections from the Director of Finance and data from the Kansas League of Municipalities

Special Recreation

Historically, this fund has seen annual increases in the total receipts collected by the state via the liquor tax. However, 2010 revenues are expected to be below 2008 actual levels. The state legislature has continued to discuss the idea of reducing or eliminating this sharing of liquor tax revenue in light of the state's budget woes. Lobbying by the municipalities, state and local parks/recreation organizations and others has assisted in keeping the current law intact but projected increases in revenues remain conservative.

ENTERPRISE FUNDS

Water and Wastewater Fund

The budget includes an increase in water and sewer rates for 2010. The monthly bill for will increase between \$0.69 and \$1.43 for 44% of residential customers depending on usage. Additional revenue is needed to support previously issued debt for construction projects, as well as operations and maintenance.

Solid Waste

The budget includes a \$0.66 rate increase for residential customers and \$0.96 rate increase for minimum commercial customers. The division has experienced several years of significant increases in equipment costs due to emissions regulations (2007 and 2010) and the increasing costs of fuel and metals. The rates proposed provide a positive fund balance forward, as required, without decreases in residential, commercial, or recycling services.

Public Parking

Revenue in this fund has experienced growth in recent years. Following recommendations from Downtown Merchants and staff review, increases in metered parking as well as fines for overtime parking have been increased in the 2010 budget. This will be the first increase in overtime fines since 2004.

Storm Water

Following the master plan for this utility, and a previously approved rate plan, the rate charged for storm water fees will not increase and remain at \$4.00 per equivalent residential unit (ERU). The initial rate of \$2.00 per ERU was established in April, 1997. In the fall of 2000, a rate study was completed, and the City Commission adopted an ordinance establishing subsequent rate increases of \$1.00 per ERU in 2002 and \$1.00 per ERU in 2003. With these rate increases, two (2) priority storm water projects began the construction process in 2004 and were completed in 2005. Maintenance of the storm water system is a priority; including meeting the NPDES permit requirements. Primary expenditures in this fund are debt service payments for previously completed projects.

Public Golf

The 2010 budget includes increases in green fees and cart rentals which are anticipated to be implemented in 2009. Efforts are ongoing to balance revenue with expenditures for this fund, which is subject to conditions such as weather and the economy in ways that can affect the bottom line.

2010 Budget Fund Summary of Resources by

	Property Tax Supported Funds			Debt Service Fund	Special Revenue Funds		
	General 001	Library 209	Rec. 211	Bond/Int. 301	Guest Tax 206	Pub. Tran. 210	Spec. Alchl 213
RESOURCES							
Ad Valorem Taxes	14,919,299	2,971,331	241,473	6,402,868		0	
Other Taxes	37,368,304			2,400,000	947,000		629,052
Licenses/Permits	1,019,333						
Intergov. Revenue	4,306,938					0	
Charges for Service	398,653		1,628,000			273,499	
Fines /Forfeitures	2,800,000						
Use of Money/Prop	600,000		128,000	250,000			
Miscellaneous	189,753	0	10,000	105,000			
Spec. Assessment	0						
Transfers In	3,443,126	80,000	1,646,420	0		2,629,764	
Fund Bal. Fwd.	11,041,365	102,916	547,704	5,409,926	316,118	123,194	112,848
TOTAL	\$ 76,086,771	\$ 3,154,247	\$ 4,201,597	\$ 14,567,794	\$ 1,263,118	\$ 3,026,457	\$ 741,900
EXPENDITURES							
Personal Services	38,137,194		3,051,160			71,388	250,000
Contractual Services	9,050,511	3,060,000	456,479		793,060	1,841,104	312,150
Commodities	4,870,610		304,900			440,300	-
Capital Outlay	417,552		25,000			-	-
Debt Service	-		-	11,450,000		-	-
Transfers Out	19,882,663		-	2,450,000	410,500	375,988	130,000
Contingency	112,098		175,000			175,000	15,000
TOTAL	\$ 72,470,629	\$ 3,060,000	\$ 4,012,539	\$ 13,900,000	\$ 1,203,560	\$ 2,903,780	\$ 707,150
further details available on pages	B-1 to B-63	D-1 to D-5	F-1 to F-5	J-1 to J-8	C-1 to C-3	E-1 to E-5	G-1 to G-3

Resources by Classification for all Budgeted Funds 2008 - 2010

	2008	2009	2009	2010
RESOURCES	Actual	Adopted	Estimated	Budget
Ad Valorem Taxes	24,836,509	24,730,846	24,737,393	24,534,971
Other Taxes	37,604,052	40,041,247	40,801,001	44,589,582
Licenses/Permits	1,018,197	1,095,493	1,038,561	1,019,333
Intergov. Revenue	4,490,541	4,779,972	4,184,972	4,306,938
Charges for Serv.	44,840,496	45,969,080	45,916,004	50,000,361
Fines /Forfeitures	2,499,596	2,600,000	2,400,000	2,800,000
Use of Money/Prop	1,494,180	2,352,500	2,052,500	1,134,400
Miscellaneous	553,707	527,697	429,485	319,753
Spec. Assessment	-	-	-	-
Transfers In	6,299,158	6,263,833	6,639,821	7,799,310
Fund Bal. Fwd.	39,137,704	24,210,473	41,009,397	27,953,058
TOTAL RESOURCES	162,774,140	152,571,141	169,209,134	164,457,707

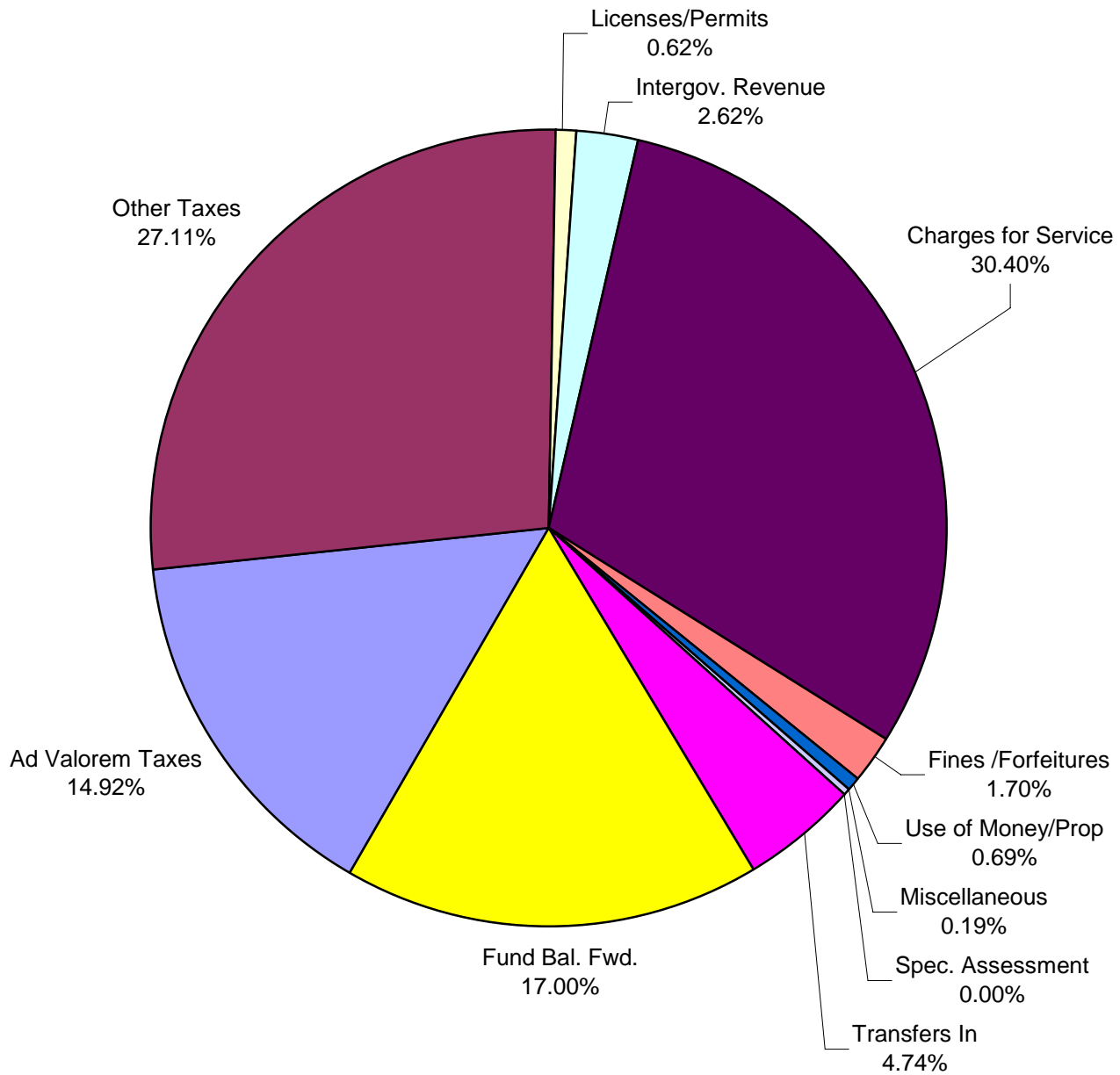
Classification and Expenditures by Category

		Enterprise Funds					
Spec. Gas 214	Spec. Rec. 216	Wtr/ Wstwr 501	Solid Waste 502	Pub. Parking 503	Strm Water 505	Pub. Golf 506	TOTAL
2,616,174	629,052						24,534,971
							44,589,582
							1,019,333
							4,306,938
		32,646,000	10,004,037	1,148,287	2,890,385	1,011,500	50,000,361
							2,800,000
		51,400	75,000	10,000	20,000		1,134,400
					7,000	8,000	319,753
							0
							7,799,310
442,049	92,671	7,949,847	1,094,588	135,211	468,124	116,498	27,953,058
\$ 3,058,223	\$ 721,723	\$ 40,647,247	\$ 11,173,625	\$ 1,293,498	\$ 3,385,509	\$ 1,135,998	\$ 164,457,707
1,750,535	48,605	8,895,508	6,389,717	881,043	780,354	506,114	60,761,618
480	298,500	5,509,966	2,424,220	172,446	133,790	120,200	24,172,906
920,800	76,000	3,556,821	849,650	120,513	284,294	211,900	11,635,788
185,000	157,000	357,000	971,000	15,000	435,000	65,000	2,627,552
-	-	8,823,900	-	-	766,739	-	21,040,639
-	100,000	11,532,101	386,025	60,000	452,000		35,779,278
100,000	10,000	100,952	-	-	375,000	179,906	1,242,956
\$ 2,956,815	\$ 690,105	\$ 38,776,248	\$ 11,020,612	\$ 1,249,001	\$ 3,227,177	\$ 1,083,120	\$ 157,260,736
H-1 to H-5	I-1 to I-4	K-1 to K-24	L-1 to L-9	M-1 to M-5	N-1 to N-5	O-1 to O-5	

Expenditures by Category for all Budgeted Funds 2007 - 2010

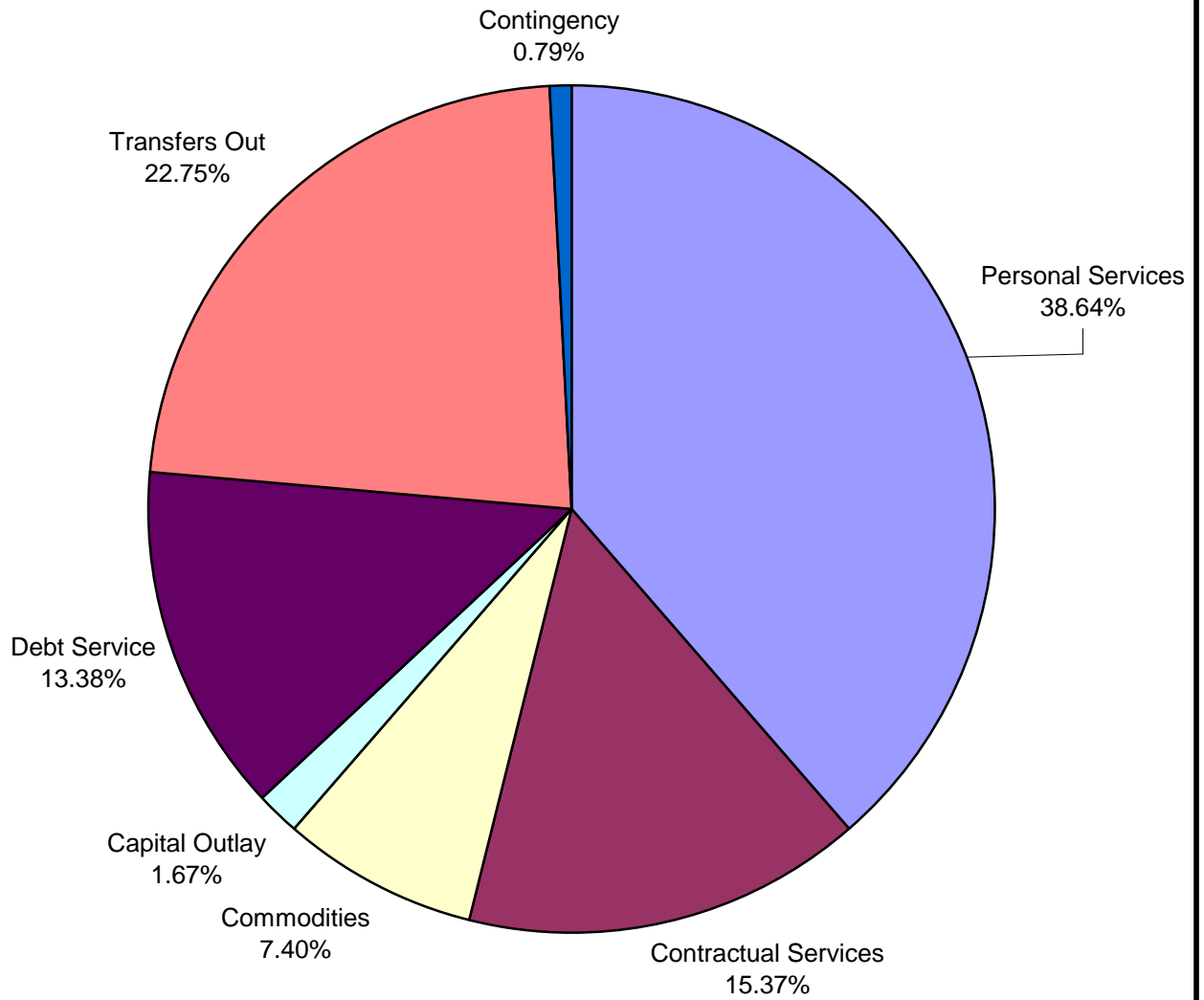
	2008	2009	2009	2010
EXPENDITURES	Actual	Adopted	Estimated	Budget
Personal Services	57,833,678	60,876,382	60,876,382	60,761,618
Contractual Services	22,715,502	24,252,826	24,152,966	24,172,906
Commodities	10,150,378	12,339,852	12,339,852	11,635,788
Capital Outlay	1,950,054	3,232,800	3,122,800	2,627,552
Debt Service	18,861,278	23,040,830	23,040,830	21,040,639
Transfers Out	10,284,588	21,813,246	16,563,246	35,779,278
Contingency	-	1,160,000	1,160,000	1,242,956
TOTAL EXPENDITURES	121,795,478	146,715,936	141,256,076	157,260,736

2010 Budgeted Resources by Classification:
Total - \$164,457,707

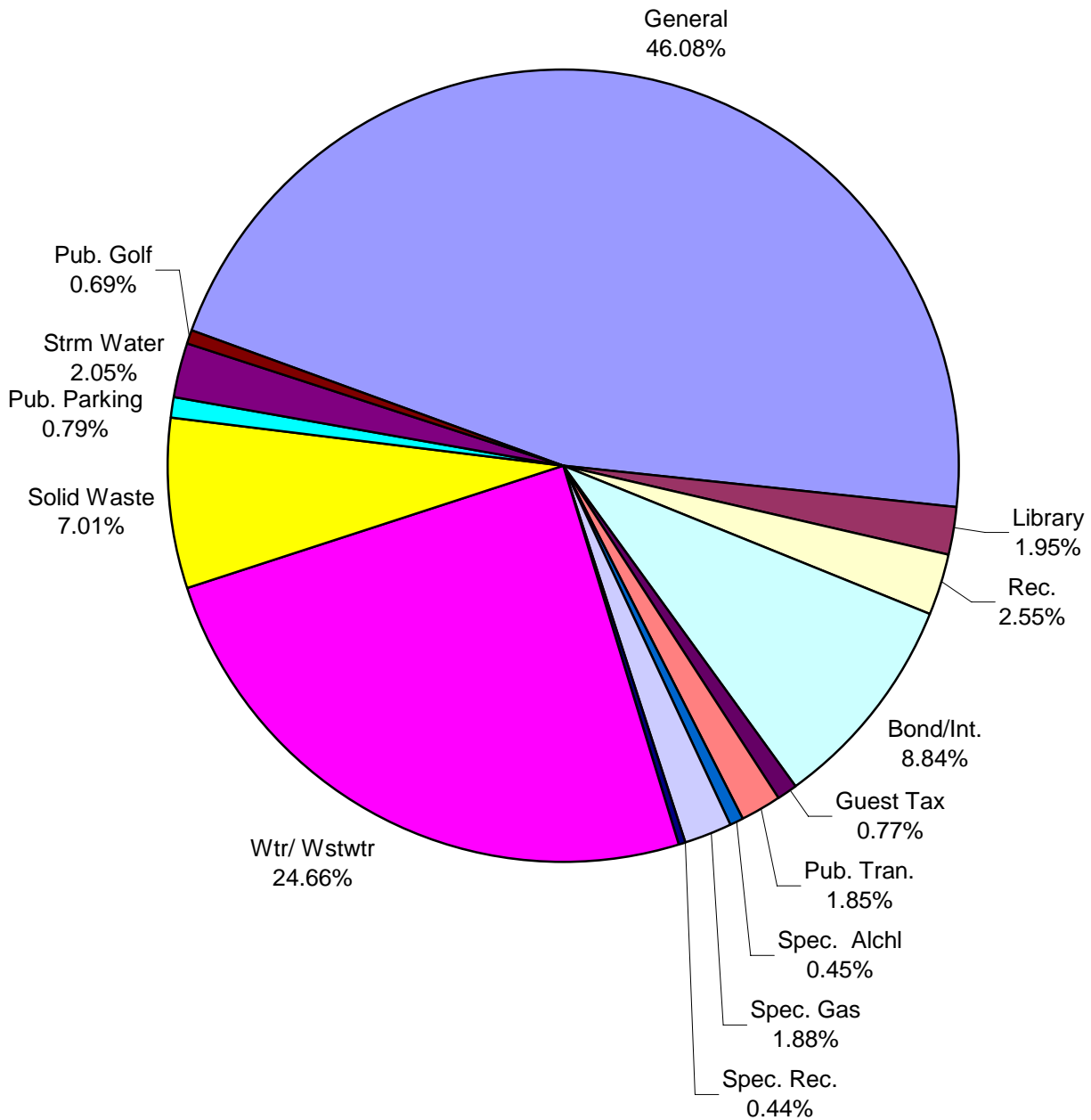


"Other Taxes" includes local and countywide sales tax, liquor tax, fuel tax, transient guest tax, etc.

2010 Budgeted Expenditures by Category:
Total - \$157,260,736

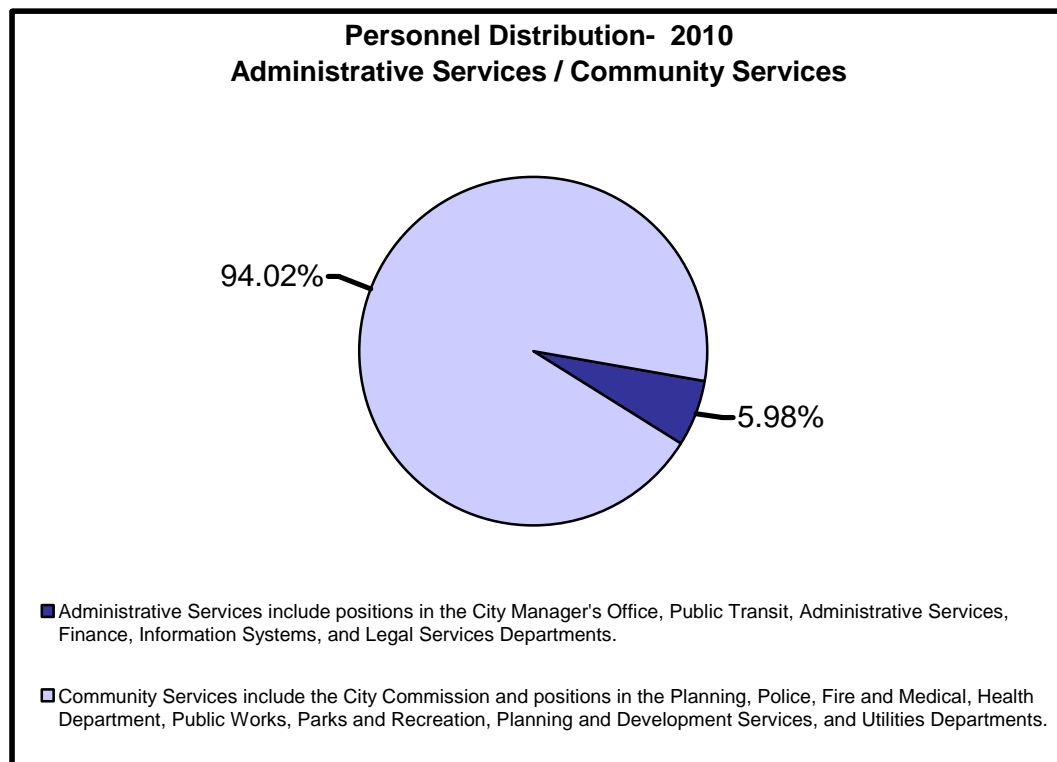


2010 Budgeted Expenditures by Fund:
Total - \$157,260,736



CITY OF LAWRENCE PERSONNEL SUMMARY

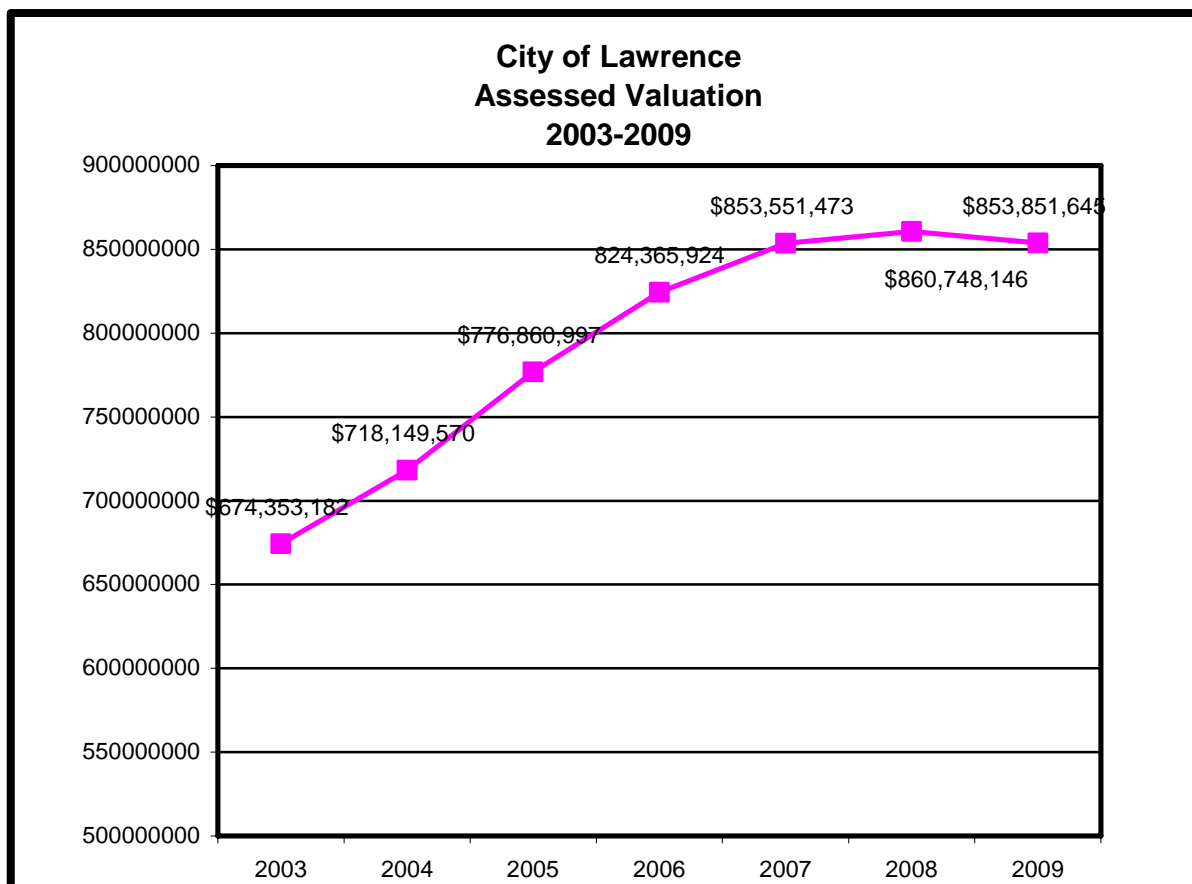
<u>DEPARTMENT</u>	<u>AUTHORIZED POSITIONS (FTEs)</u>		
	<u>2008</u>	<u>2009</u>	<u>2010</u>
City Commission	5.00	5.00	5.00
City Auditor	0.00	0.00	0.50
City Manager's Office	8.00	8.00	7.50
Planning and Development Services	30.12	26.45	24.45
Administrative Services	9.50	8.50	9.00
Finance	5.13	4.13	4.13
Information Systems	8.00	7.00	7.00
Legal Services	24.00	22.00	19.50
Police	176.00	176.00	176.00
Fire and Medical	145.00	145.00	145.00
Health	1.00	1.00	1.00
Public Works	173.75	172.75	172.75
Parks and Recreation	76.28	71.78	70.78
Public Transit	0.40	0.40	0.61
Utilities	135.26	135.26	128.26
TOTAL	797.44	783.27	771.48



COMPUTATION OF AD VALOREM TAX REQUIREMENTS AND MILL LEVY

2009 ESTIMATED ASSESSED VALUATION FOR 2010 BUDGET: \$ 853,851,645

FUND NUMBER	FUND	2010 REQUIREMENTS	ADD 3.3% DELIN- QUENT TAXES	AD VALOREM TAX REQUIREMENT	MILL RATE
Property Tax Levy Funds					
001	General Operating	13,375,943	445,353	13,821,296	16.187
209	Library	2,693,038	89,665	2,782,703	3.259
211	Recreation	199,561	6,644	206,205	0.241
	<i>Sub Total Property Tax Levy Funds</i>	16,268,542	541,662	16,810,204	19.687
Supplemental Tax Levy Funds					
301	Bond and Interest	5,784,371	192,591	5,976,962	7.000
	<i>Sub Total Supplemental Tax Levy Funds</i>	5,784,371	192,591	5,976,962	7.000
	GRAND TOTAL	22,052,913	734,253	22,787,166	26.687



FUND EXPENDITURE SUMMARY

2007-2009

Fund #	Fund Description	2007 Mill Levy	Actual 2008 Expenditures	2008 Mill Levy	Budget 2009 Expenditures	2009 Mill Levy	Proposed 2010 Expenditures
Property Tax Levy Funds							
001	General Operating	14.869	\$ 55,132,099	15.846	\$ 66,551,614	16.187	\$ 72,470,629
209	Library	3.259	3,021,000	3.259	3,051,000	3.259	3,060,000
210	Public Transportation	1.171	1,532,101	0	2,425,484	0	2,903,780
211	Recreation	0.483	3,338,983	0.483	3,699,126	0.241	4,012,539
	<i>Sub Total Property Tax Levy Funds</i>	19.782	63,024,183	19.588	75,727,224	19.687	82,446,947
Supplemental Tax Levy Funds							
301	Bond and Interest	7.006	10,381,433	7.100	13,065,000	7.000	13,900,000
	<i>Sub Total Supplemental Tax Levy Funds</i>	7.006	10,381,433	7.100	13,065,000	7.000	13,900,000
Non-Property Tax Levy Funds							
206	Guest Tax		\$ 889,960		\$ 846,300		\$ 1,203,560
213	Special Alcohol		631,655		577,150		707,150
214	Special Gas Tax		2,602,743		2,953,413		2,956,815
216	Special Recreation		584,830		590,105		690,105
501	Water and Sewer		28,205,270		35,511,148		38,776,248
502	Sanitation		10,229,019		11,285,542		11,020,612
503	Public Parking		1,178,877		1,154,287		1,249,001
505	Storm Water Utility		3,250,695		3,516,606		3,227,177
506	Public Golf Course		816,813		1,113,172		1,083,120
	<i>Sub Total Non-Property Tax Levy Funds</i>		\$ 48,389,862		\$ 57,547,723		\$ 60,913,790
	GRAND TOTAL	26.788	\$ 121,795,478	26.688	\$ 146,339,948	26.687	\$ 157,260,736
	Taxes per \$1000 Valuation	26.788		26.688		26.687	

VALUE OF YOUR CITY OF LAWRENCE PROPERTY TAX DOLLAR

To estimate your City Property Tax bill for 2010:

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

$$\begin{array}{rcl} \text{Market value of home} & = & \$150,000 \\ & \times & 11.50\% \\ \hline \text{assessed valuation} & = & \$17,250 \end{array}$$

Second, multiple your assessed valuation by the 2010 mill rate levied by the City and divide by \$1,000:

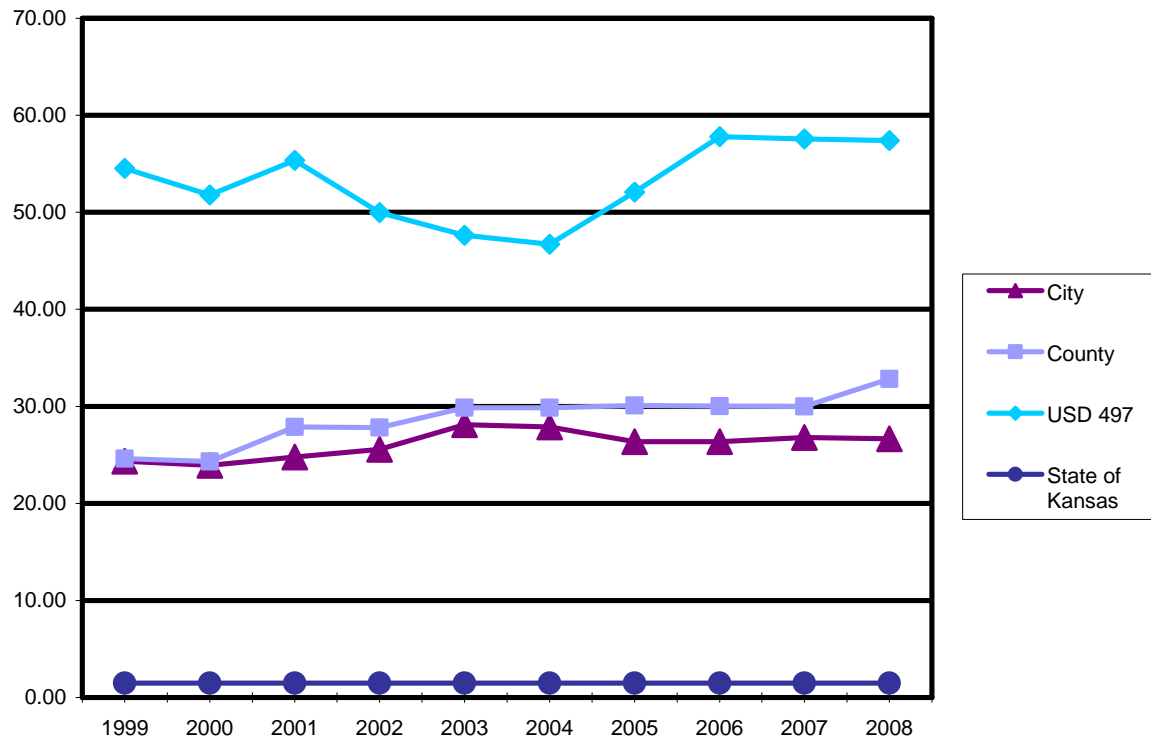
$$\begin{array}{rcl} \text{assessed valuation} & \$ & 17,250 \\ \times \text{ 2010 City mill rate} & & 26.687 \\ \hline & \$ & 460,350.75 / 1,000 = \end{array}$$

Estimated 2010 City Tax liability = \$ 460.35

For residential property, the City tax bill equates to approximately \$3.07 for each \$1,000 of the fair market value.

Fair Market Value of Home	Assessed Valuation	Approx. City Tax Bill Mill Rate = 26.687
100,000	\$ 11,500.00	\$ 306.90
125,000	\$ 14,375.00	\$ 383.63
150,000	\$ 17,250.00	\$ 460.35
175,000	\$ 20,125.00	\$ 537.08
200,000	\$ 23,000.00	\$ 613.80
225,000	\$ 25,875.00	\$ 690.53
250,000	\$ 28,750.00	\$ 767.25
275,000	\$ 31,625.00	\$ 843.98
300,000	\$ 34,500.00	\$ 920.70
350,000	\$ 40,250.00	\$ 1,074.15
400,000	\$ 46,000.00	\$ 1,227.60
450,000	\$ 51,750.00	\$ 1,381.05
500,000	\$ 57,500.00	\$ 1,534.50

Comparison of Local Levies - City, County, School District, and State: 1999-2008



Year	City	County	USD 497	State of Kansas	Total
1999	24.35	24.62	54.52	1.50	104.99
2000	23.90	24.32	51.78	1.50	101.50
2001	24.77	27.86	55.34	1.50	109.47
2002	25.56	27.82	49.98	1.50	104.86
2003	28.09	29.84	47.65	1.50	107.08
2004	27.86	29.85	46.71	1.50	105.92
2005	26.36	30.10	52.08	1.50	110.04
2006	26.36	30.01	57.80	1.50	115.67
2007	26.79	29.99	57.56	1.50	115.84
2008	26.65	32.82	57.40	1.50	118.37

CITY OF LAWRENCE, KANSAS

SIGNIFICANT CHANGES IN FUND BALANCE

According to State statutes, the fund balance for any budgeted fund cannot exceed 5% of the fund's total budgeted expenditures. As shown on the next page, the 2010 budget complies with this requirement. The budget also includes expenditure line items, which are not planned to be made to allow the City to project for a greater fund balance than what is required by State law.

A brief explanation is provided below for each significant change in fund balance. For purposes of this analysis, changes in fund balance of more than five percent are considered significant.

General Operating Fund - Increased personal services costs as well as an increase in commodities, and the transfers to other funds translate into a 4.99% projected fund balance.

Library – Decreased assessed valuation and increasing costs result in a 3.08% projected fund balance.

Transportation – This fund began with a negative fund balance due to the effective date of the new sales tax. The fund only received seven months of sales tax revenue. 2010 will be the first full year of the sales tax and the increased revenue will result in a projected fund balance of 4.22%.

Recreation – Increases in the costs associated with operating recreation facilities with little revenue growth will result in a projected fund balance of 4.71%.

Bond/Interest - The need for several City-at-large capital improvement projects will require spending some of the accumulated fund balance. However, the projected fund balance will be 4.80% of the budgeted expenditures.

Guest Tax – Additional revenue will be generated by a recommended increase in the transient guest tax rate. This revenue will be spent toward restoration of the Carnegie Library and heritage tourism. A large transfer will also be made to the reserve fund, translating into a projected fund balance of 4.95%.

Special Alcohol – Revenue is expected to be below 2008 actual receipts, while expenditure levels will remain flat. A significant contingency is also budgeted, translating into a projected fund balance of 4.91%.

Special Gas – Revenues are expected to be below 2008 actual receipt levels while the cost of materials and personnel continue to increase. The result is a projected fund balance of 3.43% in this fund.

Special Recreation - Revenue is expected to be below 2008 actual receipts, while expenditure levels are projected to increase. This translates into a projected fund balance of 4.58%.

Water and Wastewater - A number of water and wastewater capital projects will be financed with cash, resulting in a decrease in projected fund balance from 2009, but at a level of 4.83% of the budgeted expenditures.

Solid Waste – The projected fund balance of 1.39% of the budgeted expenditures in this fund can be attributed to previously spending down fund balance, as well as continuation of a trend of expenditures exceeding projected revenues.

Public Parking – While significant increases in revenue are projected due to increased parking fines and fees, expenditure levels are also increasing due to increased downtown beautification efforts and increased overtime for police patrol downtown. The result is a projected fund balance of 3.56%.

Storm Water Utility – No increase in revenues is expected and previous years of spending down fund balance will result in a projected fund balance of 4.91%.

Public Golf – The 2010 recommended budget includes increases to golf fees, however, due to the weather dependent nature of golf operations, revenue projections remain conservative for 2010. Budgeted expenditures have increased due to a large contingency in order to achieve a projected fund balance of 4.88%, which is complaint with the statutory limit on fund balance.

CITY OF LAWRENCE, KANSAS

PROJECTION OF FINANCIAL CONDITION

FUND	1/1/09 Balance	2009 Revenue	2009 Expenditures	12/31/09 Balance	Percent Fund Balance
General	\$12,224,367	\$60,494,600	\$61,677,602	\$11,041,365	17.90%
Library	141,130	3,012,786	3,051,000	102,916	3.37%
Transportation	356,740	2,191,938	2,425,484	123,194	5.08%
Recreation	720,862	3,525,968	3,699,126	547,704	14.81%
Bond/Interest	9,150,833	9,324,093	13,065,000	5,409,926	41.41%
Guest Tax	316,118	846,300	846,300	316,118	37.35%
Special Alcohol	95,770	594,228	577,150	112,848	19.55%
Special Gas Tax	606,601	2,788,861	2,953,413	442,049	14.97%
Special Recreation	88,548	594,228	590,105	92,671	15.70%
Water / Wastewater	13,232,595	30,228,400	35,861,787	7,599,208	21.19%
Solid Waste	2,374,935	9,795,335	11,075,682	1,094,588	9.88%
Public Parking	343,998	945,500	1,154,287	135,211	11.71%
Storm Water Utility	1,107,730	2,877,000	3,516,606	468,124	13.31%
Public Golf	249,170	980,500	1,113,172	116,498	10.47%
TOTAL	\$41,009,397	\$128,199,737	\$141,606,714	\$27,602,420	19.49%

FUND	1/1/10 Balance	2010 Revenue	2010 Expenditures	12/31/10 Balance	Percent Fund Balance
General	\$11,041,365	\$65,045,406	\$72,470,629	\$3,616,141	4.99%
Library	102,916	3,051,331	3,060,000	94,247	3.08%
Transportation	123,194	2,903,263	2,903,780	122,678	4.22%
Recreation	547,704	3,653,893	4,012,539	189,058	4.71%
Bond/Interest	5,409,926	9,157,868	13,900,000	667,794	4.80%
Guest Tax	316,118	947,000	1,203,560	59,558	4.95%
Special Alcohol	112,848	629,052	707,150	34,749	4.91%
Special Gas Tax	442,049	2,616,174	2,956,815	101,408	3.43%
Special Recreation	92,671	629,052	690,105	31,618	4.58%
Water / Wastewater	7,599,208	33,048,039	38,776,248	1,870,999	4.83%
Solid Waste	1,094,588	10,079,037	11,020,612	153,013	1.39%
Public Parking	135,211	1,158,287	1,249,001	44,496	3.56%
Storm Water Utility	468,124	2,917,385	3,227,177	158,332	4.91%
Public Golf	116,498	1,019,500	1,083,120	52,878	4.88%
TOTAL	\$27,602,420	\$136,855,287	\$157,260,736	\$7,196,970	4.58%

The 2010 funds shown above comply with the State law requirement that fund balance not exceed five percent of budgeted expenditures. The budget also includes expenditure line items, which are not planned to be made to allow the City to project for a greater fund balance than what is allowed under State law.

CITY OF LAWRENCE, KANSAS

SUMMARY OF OUTSIDE AGENCY FUNDING ALLOCATIONS

GENERAL OPERATING FUND	Budget 2009	Request 2010	Req. vs. 09 Budget	City Manager Rec. 2010
<i>Vendor Provided City Services</i>				
Douglas County Legal Aid	\$ 40,000	\$ 40,000	0.0%	\$ 40,000
Lawrence Humane Society	\$ 256,320	\$ 256,320	0.0%	\$ 256,320
<i>Economic Development</i>				
Downtown Lawrence	42,500	42,500	0.0%	42,500
Lawrence Chamber of Commerce	185,500	220,000	18.6%	185,500
Lawrence Douglas County Bioscience Authority	200,000	200,000	0.0%	200,000
LDCBA Incubator	75,000	75,000	0.0%	75,000
	Budget 2009	Request 2010	Req. vs. 09 Budget	Social Service Budget Committee Rec. 2010
<i>Social Services</i>				
Ballard Community Center	7,500	7,500	0.0%	7,500
Boys & Girls Club of Lawrence	143,722	148,722	3.5%	143,722
Douglas County CASA, Inc.	20,000	20,000	0.0%	20,000
TFI Family Services	6,750	6,750	0.0%	6,750
Ecumenical Minister's Fellowship	4,000	5,000	25.0%	4,000
Health Care Access-Pharmacy	26,000	26,000	0.0%	26,000
<i>Homeless Services</i>				
Bert Nash City Homeless Outreach Team	164,000	164,000	0.0%	164,000
Lawrence Community Shelter	8,000	8,000	0.0%	8,000
Lawrence Community Shelter	19,000	49,000	157.9%	49,000
Lawrence Douglas County Housing Authority	13,192	39,395	198.6%	0
Salvation Army	10,000	10,000	0.0%	9,000
Salvation Army	30,000	31,000	3.3%	15,000
<i>homeless services subtotal</i>	<i>244,192</i>	<i>301,395</i>	<i>23.4%</i>	<i>245,000</i>
Housing & Credit Counseling	17,100	19,000	11.1%	17,100
Jayhawk Area Agency on Aging	7,400	7,400	0.0%	7,400
Lawrence Arts Center	90,000	110,000	22.2%	90,000
The Shelter, Inc.	32,000	32,000	0.0%	32,000
Van Go Mobile Arts	35,000	50,000	42.9%	35,000
Warm Hearts	6,000	6,000	0.0%	6,000
Women's Transitional Care Serv.	6,000	6,000	0.0%	6,000
Total	\$ 1,444,984	\$ 1,579,587	9.32%	1,445,792

The General Fund is supported by property tax, sales tax, franchise fees, user fees, fines and misc. sources.

GUEST TAX FUND	Budget 2009	Request 2010	Req. vs. 09 Budget	City Manager Rec. 2010
Dest. Mgmt. Inc. / Convention & Visitors Bureau	\$684,300	\$685,560	0.18%	\$685,560
Transient Guest Tax Reserve Fund	154,500	150,000	-2.91%	154,500
Sister Cities Advisory Board	7,500	7,500	0.00%	7,500
Total	\$846,300	\$843,060	-0.38%	\$847,560

The Guest Tax Fund is supported by the 5% Guest Tax. It is recommended that the tax be increased to 6% in 2010.

CITY OF LAWRENCE, KANSAS

SUMMARY OF OUTSIDE AGENCY FUNDING ALLOCATIONS

LIBRARY FUND	Budget 2009	Request 2010	Req. vs. 09 Budget	City Manager Rec. 2010
Lawrence Public Library	\$3,051,000	\$3,051,000	0.00%	\$3,060,000

The Library Fund is supported by property tax and motor vehicle taxes.

SPECIAL RECREATION FUND	Budget 2009	Request 2010	Req. vs. 09 Budget	City Manager Rec. 2010
Lawrence Arts Center Scholarship	\$25,000	\$25,000	0.00%	\$25,000
Arts Commission	25,500	31,050	21.76%	25,500
Total	\$50,500	\$56,050	10.99%	\$50,500

The Special Recreation Fund is supported by the Liquor Tax.

	Budget 2009	Request 2010	Req. vs. 09 Budget	Social Service Budget Committee Rec. 2010
SPECIAL ALCOHOL FUND				
Ballard Community Center	\$ 4,500	\$ 15,000	233.33%	\$ 4,500
Big Brothers/Big Sisters CORE	27,000	46,389	71.81%	27,000
Boys & Girls Club of Lawrence	100,000	106,278	6.28%	100,000
DCCCA	41,000	42,882	4.59%	41,000
DCCCA d/b/a First Step House	29,150	27,718	-4.91%	29,150
Headquarters, Inc - First Call	22,500	23,750	5.56%	22,500
Lawrence Community Shelter	27,000	50,000	85.19%	27,000
Lawrence Police Department	250,000	257,000	2.80%	250,000
Van Go Mobile Arts, Inc.	44,000	60,000	36.36%	44,000
Women's Transitional Care Services	17,000	16,620	-2.24%	17,000
Total	\$562,150	\$645,637	14.85%	\$562,150

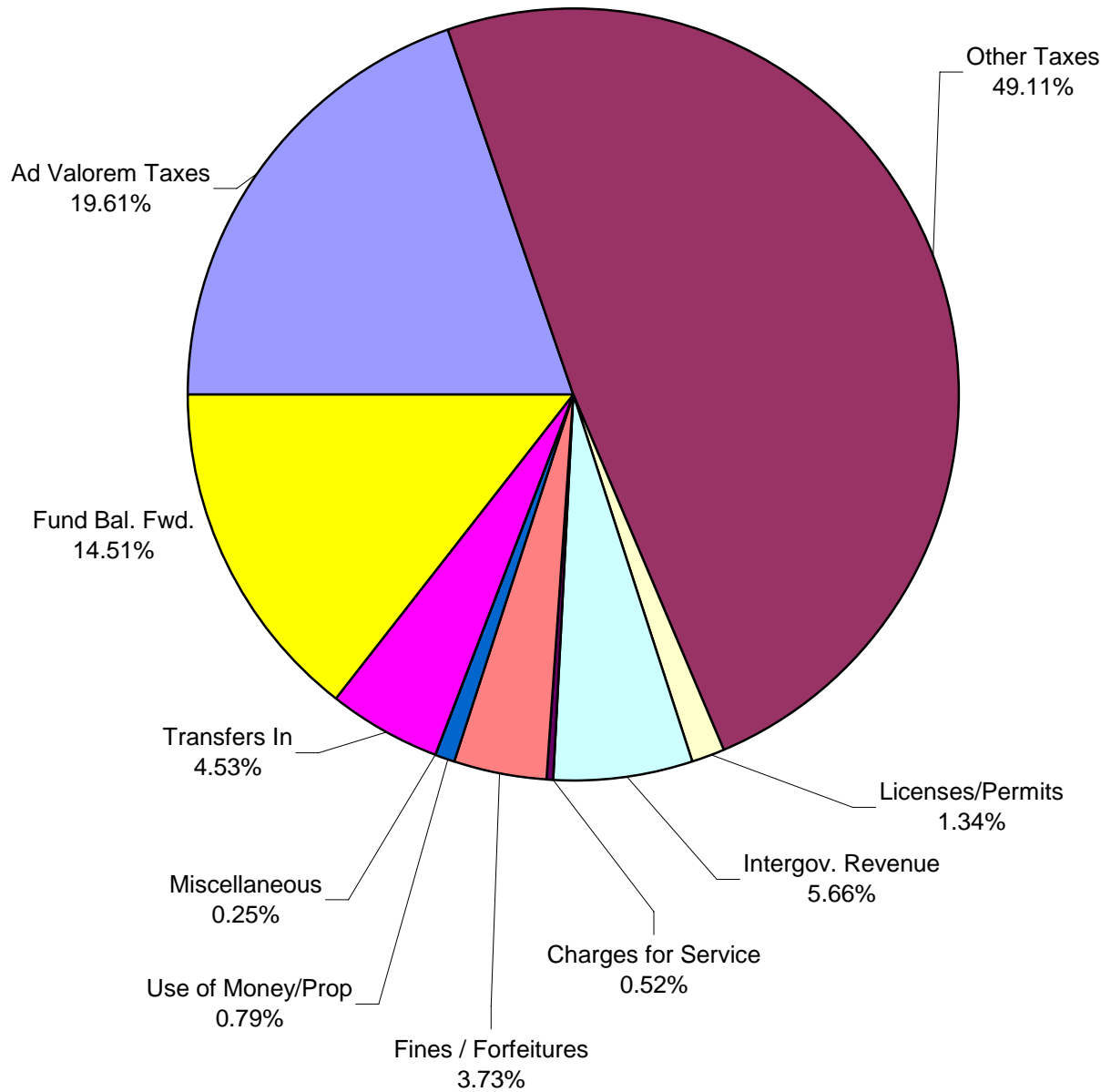
The Special Alcohol Fund is supported by the Liquor Tax.



City of Lawrence

GENERAL OPERATING FUND

**2010 General Operating Fund
Resources by Classification:
Total - \$76,086,771**



Fund 001 – General Operating

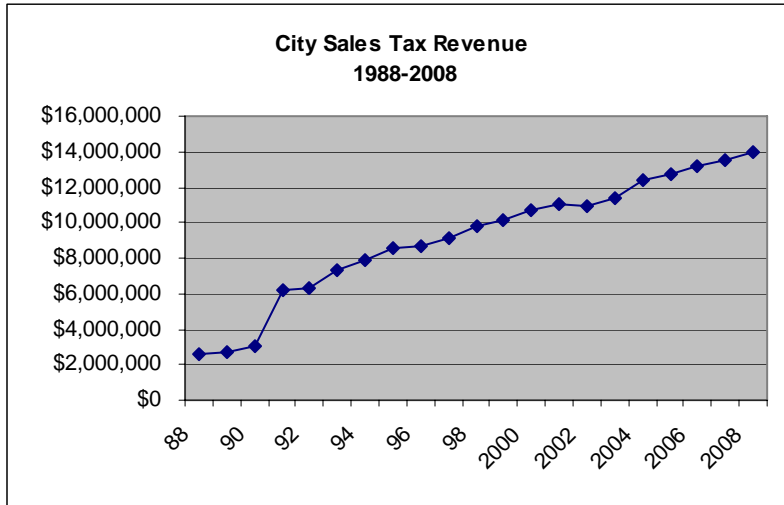
SUMMARY OF GENERAL OPERATING FUND RECEIPTS

RECEIPTS	2008 Actual	2009 Adopted	2009 Estimated	2010 Budget
Ad Valorem - Current Taxes	\$ 12,476,675	\$ 13,199,923	\$ 13,199,923	\$ 13,375,943
Ad Valorem - Delinquent Taxes	175,592	300,000	300,000	300,000
Motor Vehicle Taxes	1,095,846	1,135,972	1,135,972	1,167,793
Payment In Lieu of Tax	94,320	86,192	86,192	75,563
Franchise Fees	5,543,194	5,275,027	5,654,058	5,767,139
Local Sales Tax / Use Tax	14,027,094	13,871,685	13,876,420	14,307,061
County - Wide Sales Tax / Use Tax	9,106,141	9,256,815	9,256,815	9,288,200
Infrastructure Sales Tax (0.30%)		2,255,925	2,255,925	3,944,646
Transit Sales Tax (0.20%)		1,503,950	1,503,950	2,629,764
Transit Sales Tax (0.05%)			375,988	657,442
Special Liquor Tax	638,887	594,228	594,228	629,052
Highway Connecting Link	158,077	160,000	160,000	145,000
Douglas Co. - EMS operations	4,083,365	3,778,923	3,778,923	3,928,022
Douglas Co. - Health Bldg. Maint.	163,714	187,702	187,702	177,321
Licenses	248,718	345,493	317,027	258,718
Permit/Inspections	769,479	750,000	721,534	760,615
Fines and Forfeits	2,499,596	2,600,000	2,400,000	2,800,000
Township Fire Levy	65,000	75,000	75,000	105,000
Contractor Licensing Fees		40,000	40,000	40,000
Engineering Fees	18,215	100,000	46,924	20,000
Douglas Co. - Planning	239,003	218,347	218,347	201,594
Lots and Foundation Charges	66,440	65,000	65,000	65,000
Burial	82,485	65,000	65,000	80,000
Kaw Drainage District	20,000	20,000	20,000	20,000
Interest on Investments	684,397	800,000	500,000	600,000
Other Charges	73,861	98,245	98,245	68,653
Miscellaneous	392,253	314,577	248,544	189,753
Transfers In	3,184,588	3,312,883	3,312,883	3,443,126
TOTAL REVENUES	55,906,940	60,410,887	60,494,600	65,045,406
Balance, January 1	11,449,526	9,381,818	12,224,367	11,041,365
TOTAL RESOURCES AVAILABLE	\$ 67,356,466	\$ 69,792,705	\$ 72,718,967	\$ 76,086,771

Fund 001 – General Operating

Major Revenue Source – Descriptions, Assumptions, and Trends

The General Operating Fund (General Fund) relies on revenues from a variety of sources to provide for the operations of the twenty-six departments/divisions that are budgeted from this fund. Early in the budget process, revenues for the General Fund are analyzed based on the actual receipts from the previous year. Adjustments then might be made to the current year's revenue estimates, and projections are made for the next fiscal year. The following revenue descriptions, assumptions, and trends are provided for some of the most significant revenue sources for the General Fund.



Sales Tax

The City of Lawrence General Fund will receive almost forty-one percent (41%) of its revenue in 2010 from five different sales taxes.

A city retailer's sales tax of 0.5% was instituted July 1, 1971, followed by an additional 0.5% that went into effect October 1, 1990. This one percent city retailer's sales tax has followed an upward swing throughout the last two decades, as evidenced by the graph. The 2010 recommended budget assumes a 2% increase over 2008

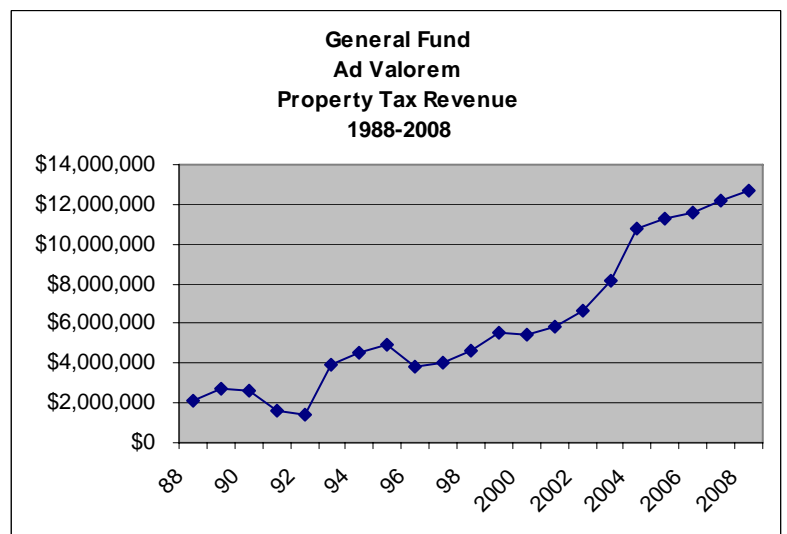
actual receipts.

In 2008, voters approved three additional local sales tax initiatives: 0.2% for the operation of the City's transportation system as it currently exists, 0.05% for transit expanded, and 0.3% to fund improvements to the City's infrastructure. While these revenues must be deposited in the City's General Operating Fund, they will be transferred to the Transportation Fund, the Capital Improvement Reserve Fund, and the Equipment Reserve Fund. The higher sales tax rate is expected to generate \$7,231,852 of revenue in 2010.

The county-wide sales tax of one percent was approved in a November, 1994 election and became effective in 1995. We are budgeting \$9,288,200 in revenue for 2010 from the City's share of the county-wide sales tax, which represents a two percent (2%) increase over the actual receipts for 2008 (\$9,106,141.)

Property Tax

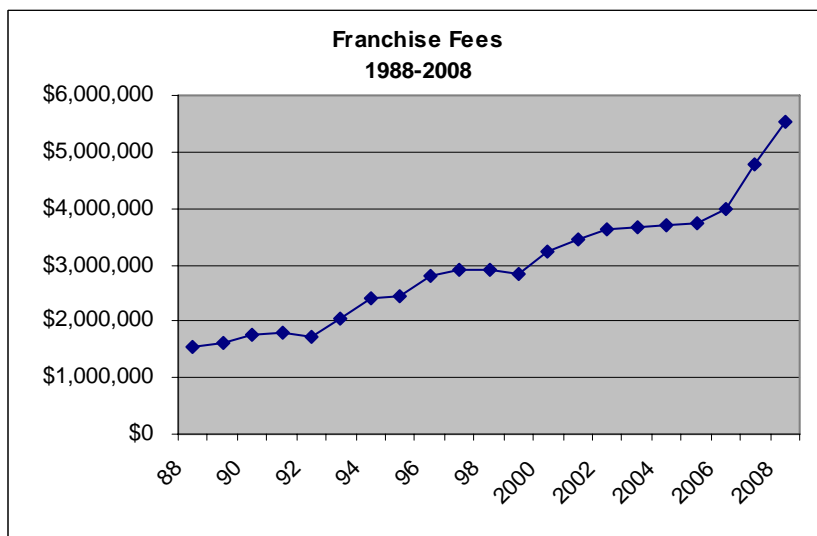
Almost twenty percent (20%) of the 2010 General Fund revenues are estimated to come from property taxes. Assessed valuation is expected to decrease 0.80% from 2009 to \$853,851,645. This will be the first decrease in assessed valuation in over a decade. In order to generate the \$14,919,300 in property tax revenue needed for 2010 in the



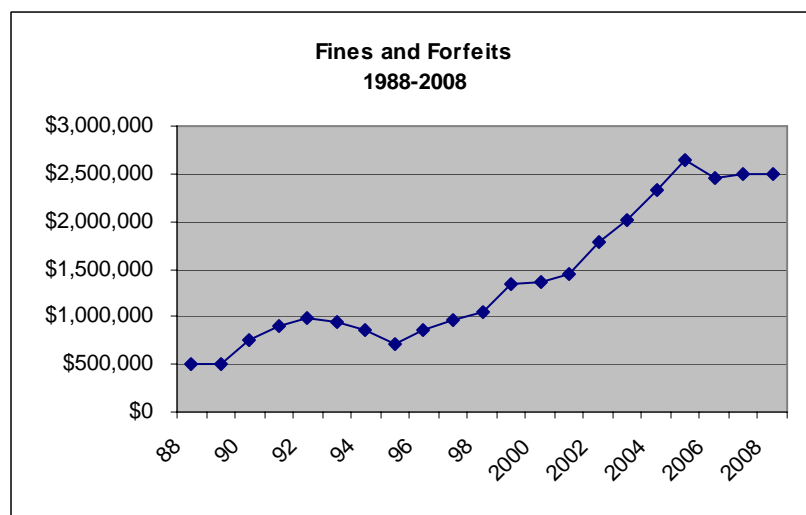
General Fund budget, a mill levy of 16.187 is required. This is an increase in the General Fund mill levy of 0.341 mills.

Franchise Fees

These fees, which the City charges to allow utilities to provide services within the city and to locate within the public right-of-way, are expected to make up almost eight percent (8%) of General Fund revenues in 2010. This revenue source has shown gradual increases over the past two decades.



Franchise agreements with investor owned utilities are presently at a 5% level for electricity, cable, natural gas, and telecommunications. The 2010 recommended budget includes an increase over 2008 actual receipts of four percent (4%).



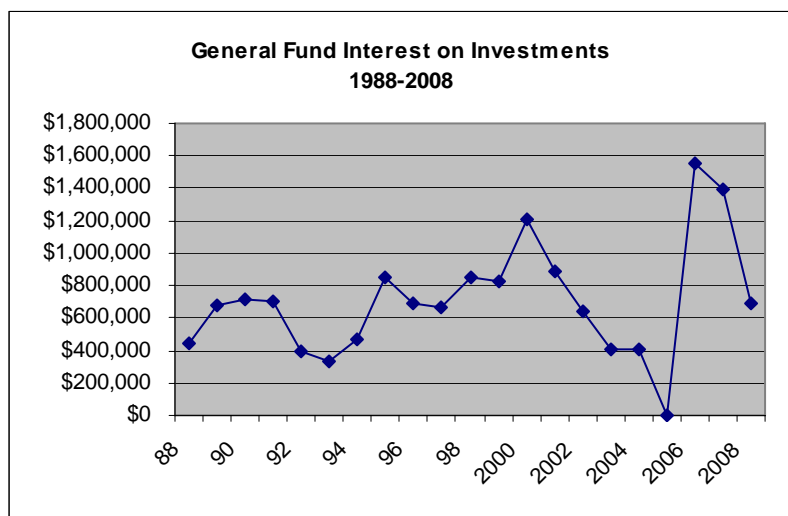
Fines and Forfeits

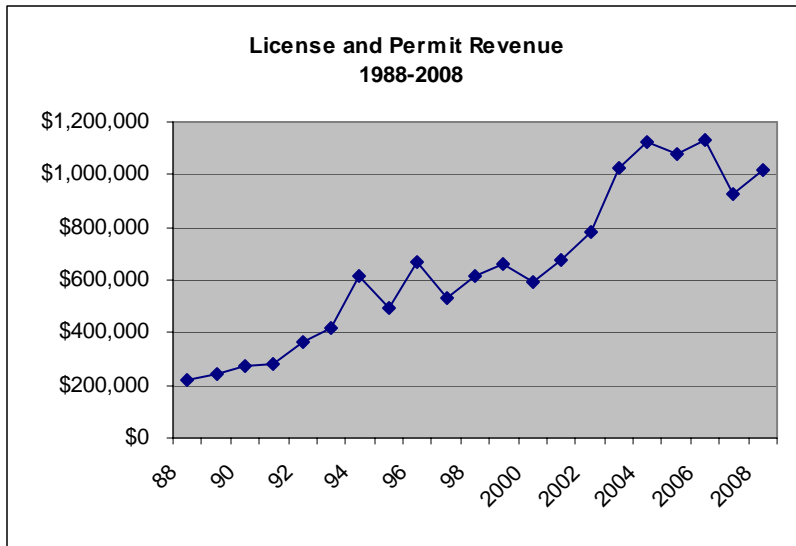
Almost four percent (4%) of General Fund revenues come from traffic fines and municipal court costs. The graph shows that while this revenue source has almost tripled since 1988, recent growth has slowed significantly.

The 2010 recommended budget includes increases in municipal parking fines and municipal court fees. These increased fines and fees are projected to generate additional revenue in 2010. Therefore, the 2010 budget includes an increase of twelve percent (12%) over 2008 actual receipts.

General Fund Interest on Investments

Interest earned on investments of City funds has been impacted by the recent economic downturn. Interest rates have fallen, and so has revenue generated from the City's investments. The graph shows the relative volatility of this revenue source and illustrates the up and down trend for the past twenty years. This volatility is reflected in the 2010 budget (\$600,000), which is a decrease of twelve percent (12%), from 2008 actual and a 25% decrease from the 2009 budget.





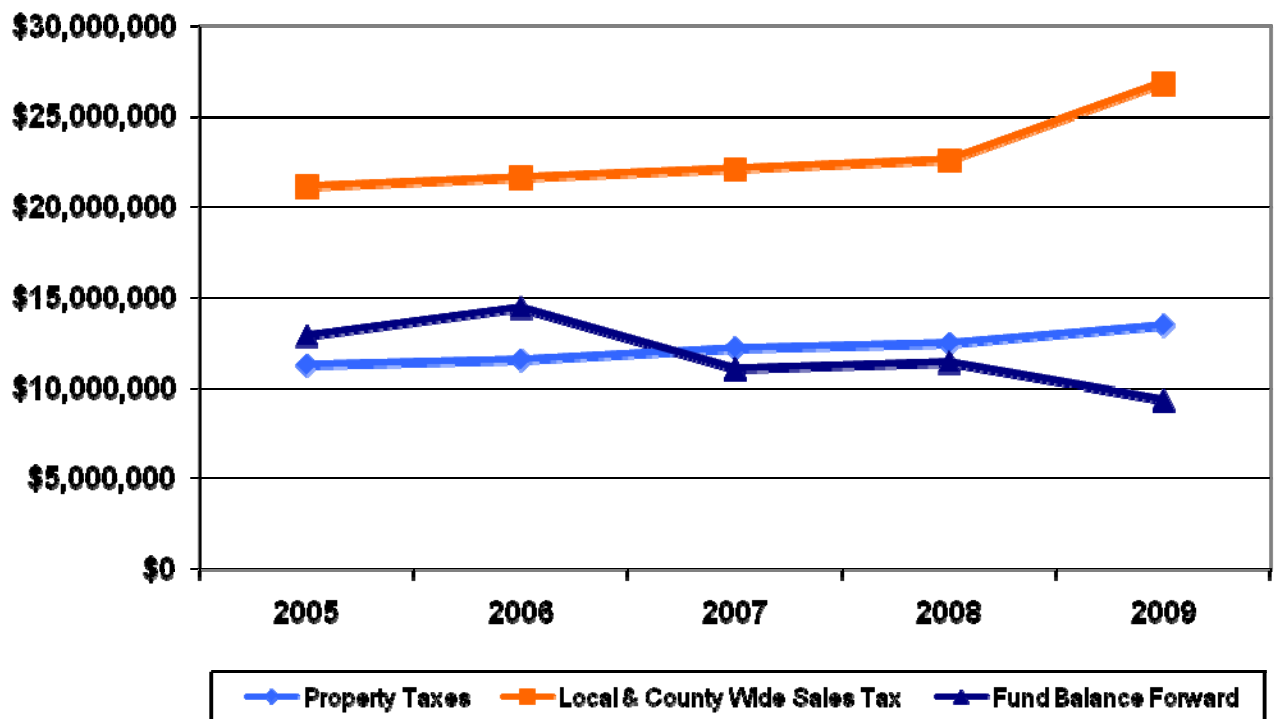
Licenses and Permits / Inspections Revenue

Revenues from licenses for businesses, registration of rental properties, and for occupations such as plumbers, electricians, and contractors, along with revenues from building permits and property inspections make up less than two percent (2%) of General Fund revenues.

Although the graph illustrates a positive trend over the past twenty years, the recent downturn in the economy has led to a slow down in development and construction. This slow down is reflected in the recommended budget

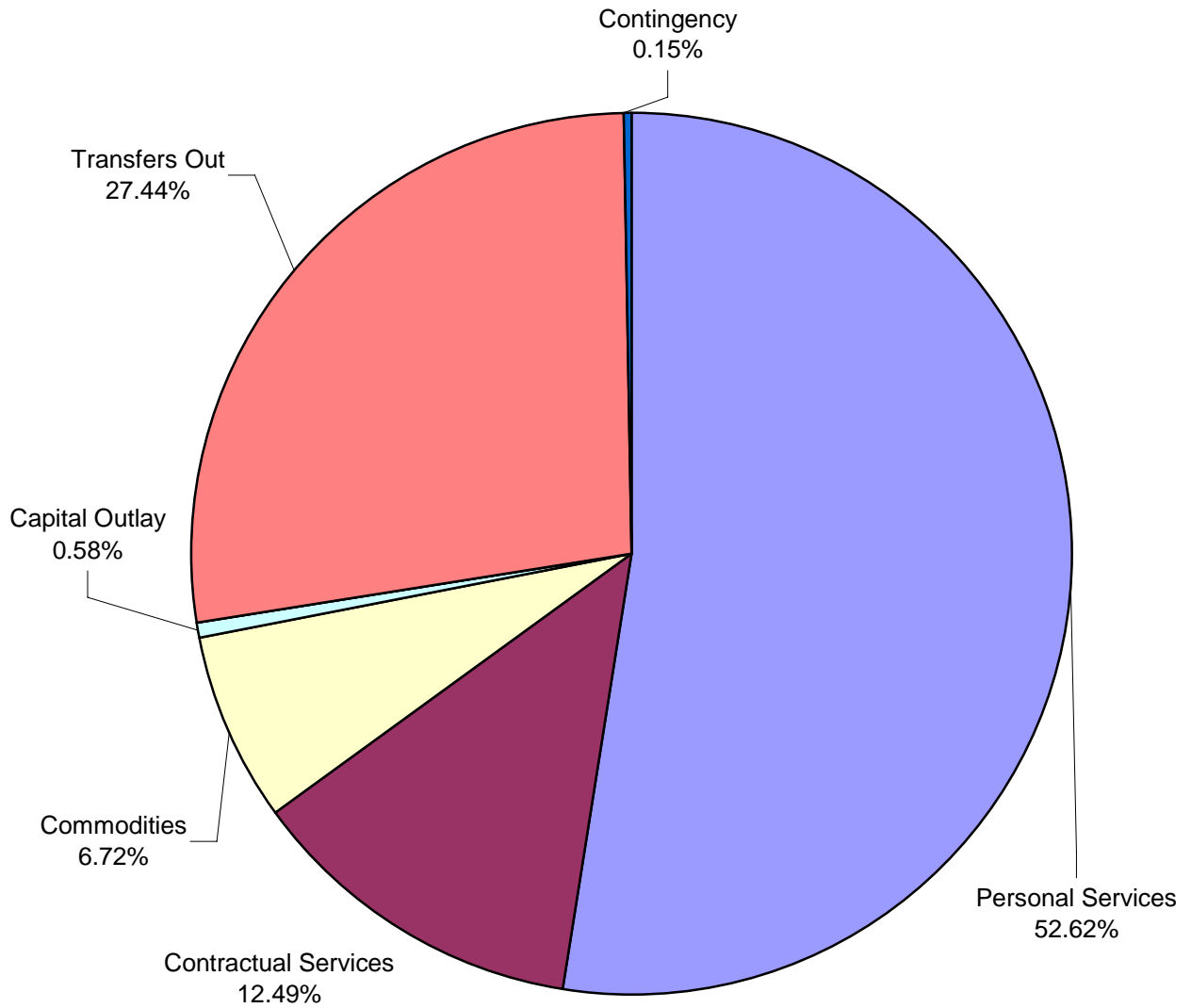
for 2010, which holds this revenue source flat with 2008 actual receipts.

Major Resources 2004-2009

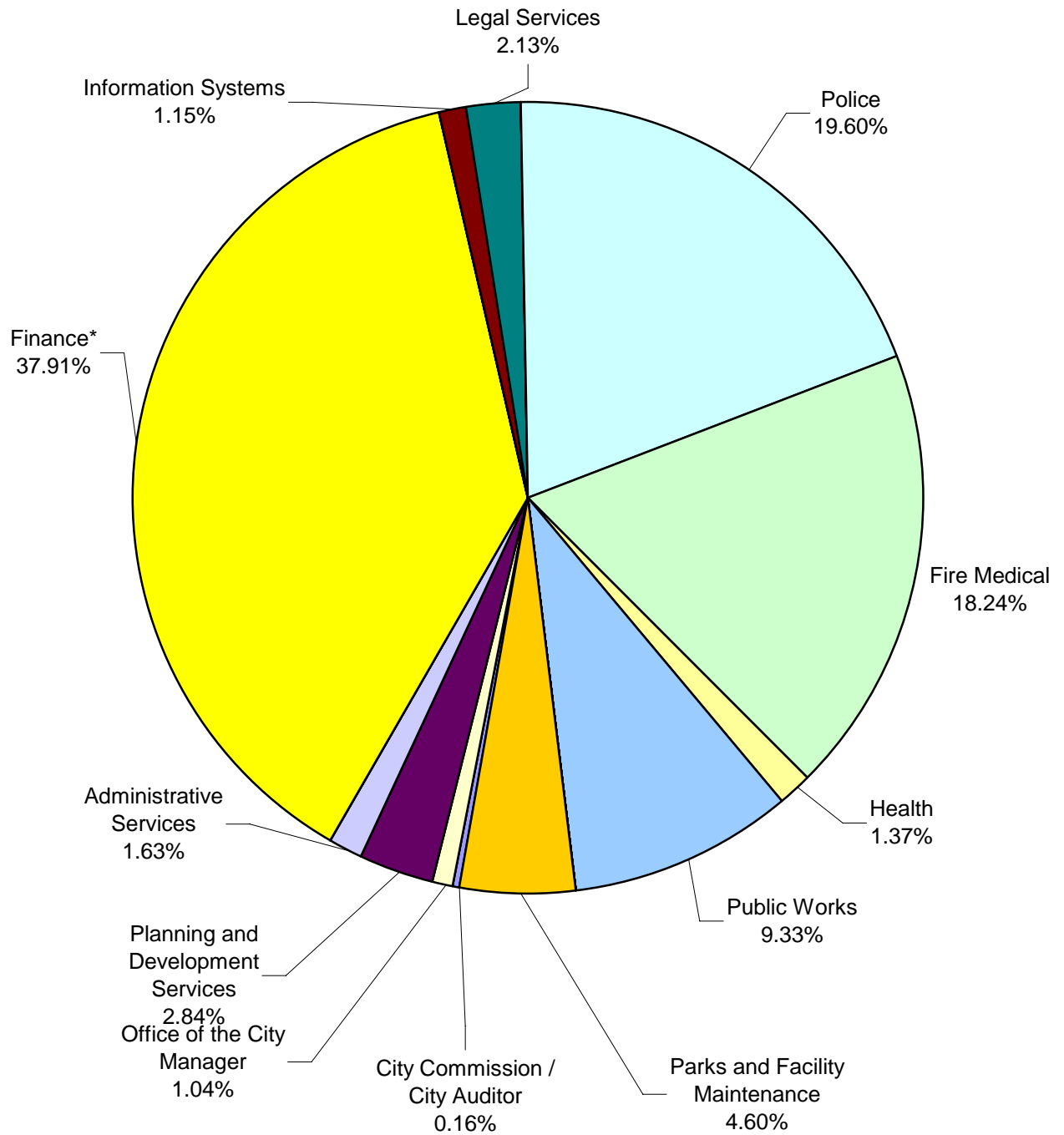


	2005 Actual	2006 Actual	2007 Actual	2008 Actual	2009 Budget
Ad Valorem Property Tax	11,277,358	11,579,035	12,226,936	12,652,267	13,499,923
Local & County Wide Sales/Use Tax	21,318,108	21,733,540	22,172,561	23,133,235	26,888,375
Fund Balance Forward	12,922,924	14,472,880	11,083,748	11,449,526	9,381,818

**2010 General Operating Fund
Expenditures by Category:
Total - \$72,470,629**



**2010 General Operating Fund
Expenditures by Department:
Total - \$72,470,629**



* Finance includes general overhead and transfers.

Fund 001 – General Operating

SUMMARY OF GENERAL OPERATING FUND EXPENDITURES

Acct. #	Account Title	2008 Actual	2009 Adopted	2009 Estimated	2010 Budget
1010	City Commission	\$ 57,304	\$ 71,350	\$ 71,350	\$ 60,530
1015	City Auditor				54,534
1020	City Manager	575,257	595,298	595,298	591,015
1025	Public Information	149,513	156,549	156,549	161,249
1030	Planning and Development	1,043,756	1,114,150	1,114,150	1,003,387
1032	Code Enforcement	355,149	478,767	478,767	385,891
1034	Building Inspection / Plan Review	590,106	685,684	685,684	669,352
1050	City Clerk	156,686	208,412	208,412	177,474
1053	Human Resources	392,084	466,725	466,725	493,450
1054	Risk Management	474,276	566,313	566,313	507,997
1060	Financial Administration	297,915	275,050	275,050	297,246
1065	General Overhead	2,957,481	4,121,713	4,121,713	3,063,440
1068	Transfers				
	to Health Insurance Fund	3,712,889	3,712,889	3,712,889	4,233,243
	to Equip Reserve Fund	200,000	100,000	100,000	650,000
	to Cap Improv Reserve Fund	240,000	100,000	100,000	150,000
	to achieve 5% fund balance	-	5,250,000	-	7,600,000
	to Sales Tax Reserve	3,060,000	3,051,000	3,051,000	3,069,392
	to Recreation Fund	1,447,000	1,447,000	1,447,000	1,646,420
	0.20% sales tax to Transportation Fund		1,503,950	1,503,950	2,629,764
	0.05% sales tax to Equipment Reserve		375,988	375,988	657,441
	0.30% sales tax to Cap Improv Reserve		2,255,925	2,255,925	3,444,646
	to Liability and Workers Comp Reserves	300,000	35,000	35,000	35,000
1070	Information Systems	756,761	816,427	816,427	833,522
1080	City Legal Services	883,838	763,620	763,620	858,964
1085	Human Relations	167,263	184,605	184,605	13,057
1090	Municipal Court / Prosecutor's Office	637,456	648,429	648,429	670,831
2100	Police	13,706,369	13,931,644	13,931,644	14,201,199
2200	Fire and Medical	12,637,327	13,082,447	13,082,447	13,221,717
2500	Health Department	959,867	1,052,339	1,052,339	994,625
3000	Street Maintenance	3,060,746	3,293,785	3,293,785	3,380,905
3100	Engineering	806,610	892,574	892,574	914,902
3200	Traffic Engineering	582,167	581,269	581,269	591,184
3300	Airport Maintenance	145,275	139,390	139,390	197,288
3400	Building Maintenance	781,865	890,274	890,274	872,546
3600	Street Lights	591,815	630,000	630,000	659,627
3700	Levee Maintenance	145,095	156,776	156,776	144,371
4500	Parks / Facility Maintenance	3,260,229	3,292,262	3,292,262	3,334,420
	TOTAL EXPENDITURES	\$55,132,099	\$66,927,602	\$61,677,602	\$72,470,629

Fund 001 – General Operating

A detailed description of the expenditures, personnel, mission, goals, objectives, and performance measures for each department funded in the General Operating Fund can be found on the following pages:

DEPARTMENT	PAGE NUMBER
City Commission	B-12
City Auditor	B-14
Office of the City Manager	
▪ City Manager's Office	B-16
▪ Public Information	B-18
Planning and Development Services	
▪ Planning and Development Services	B-20
▪ Code Enforcement	B-22
▪ Building Safety / Plan Review	B-24
Administrative Services	
▪ City Clerk	B-26
▪ Human Resources	B-28
▪ Risk Management	B-30
Finance	
▪ Financial Administration	B-32
▪ General Overhead	B-34
▪ Transfers	B-35
Information Systems	B-36
Legal Services	
▪ City Legal Services	B-38
▪ Human Relations	B-40
▪ Municipal Court / Prosecutor's Office	B-42
Police	B-44
Fire Medical	B-46
Health Department	B-48
Public Works	
▪ Street Maintenance	B-50
▪ Engineering	B-52
▪ Traffic Engineering	B-54
▪ Airport Maintenance	B-56
▪ Building Maintenance	B-58
▪ Street Lights	B-60
▪ Levee Maintenance	B-62
Parks / Facility Maintenance	B-64

General Operating Fund

City Commission

Account 001-1010-511

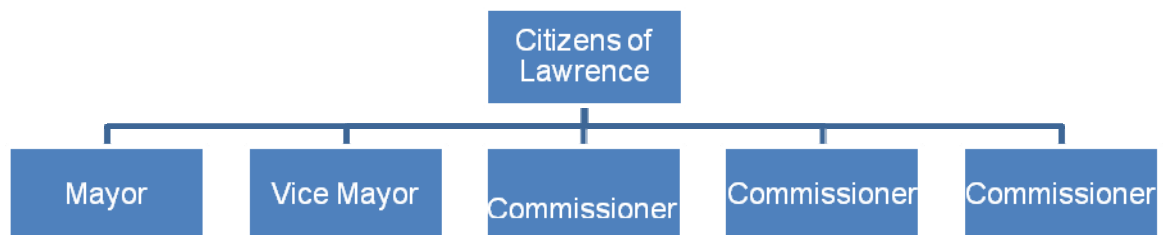
EXPENDITURE SUMMARY

EXPENDITURES	2008 Actual	2009 Adopted	2009 Estimate	2010 Budget
Personal Services	\$ 51,072	\$ 53,950	\$ 53,950	\$ 50,930
Contractual Services	5,672	16,300	16,300	8,500
Commodities	560	1,100	1,100	1,100
Capital Outlay	-	-	-	-
Debt Service	-	-	-	-
Transfers	-	-	-	-
Contingency	-	-	-	-
Total	\$ 57,304	\$ 71,350	\$ 71,350	\$ 60,530

PERSONNEL SUMMARY

PERSONNEL	2008 Actual	2009 Adopted	2009 Estimate	2010 Budget
Authorized Positions	5.0	5.0	5.0	5.0

ORGANIZATIONAL CHART



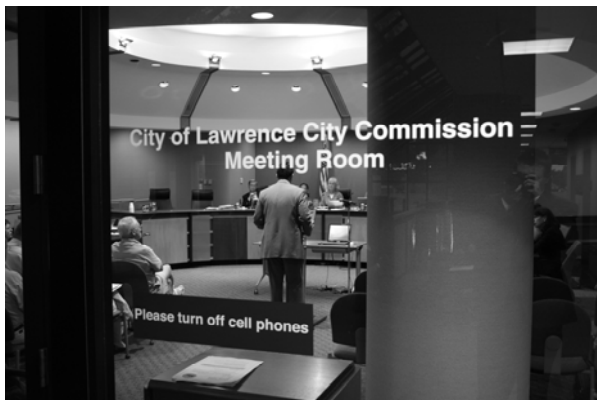
PROFILE

The City Commission is a five-member body which performs the legislative and policy-making functions of the City. Every two years, three citizens are elected at-large. The two candidates receiving the largest number of votes are elected to four-year terms. The third place candidate receives a two-year term. The Commission then selects one of its members to serve as the Mayor, to preside over official meetings and act as the ceremonial head of the City. The mayor receives \$10,000 and each Commissioner receives \$9,000 per year as a salary for their service to the community.

Under the council-manager form of government, the City Commission, as representatives of the people, determine the goals and objectives of the City and policies that shall be followed in attaining those goals and objectives. The Commission appoints a City Manager who is responsible for carrying out their established policies as well as the efficient administration of City services and programs.

CURRENT YEAR ACCOMPLISHMENTS

- Provided strong direction to seek efficiency and effectiveness in City Services.
- Authorized application for AARA funding of multiple city projects or initiatives.
- Received recommendations from the Mayor's Climate Protection Taskforce.
- Appointed Mayor's Peak Oil Task Force to recommend strategies to develop a response plan to address reduction of fossil fuel availability.



PERFORMANCE INDICATORS

Indicator	2007 Survey	2009 Estimated	2010 Target
Citizens who indicated that City employees were courteous and polite	87%	NA	TBD
Satisfied with the quality of life in Lawrences	84%	NA	TBD

Survey planned for 2010

MAJOR GOALS AND OBJECTIVES FOR 2010

1. Promote the economic development of Lawrence to provide varied work and business opportunities.
2. Encourage growth that protects our environment, neighborhoods, and cultural features while benefiting all of our citizens.
3. Create social capital and celebrate our heritage.
4. Integrate the environment into our decisions as we work towards a sustainable city.
5. Improve the livability of all Lawrence neighborhoods.
6. Improve access for all citizens.
7. Protect the integrity of downtown while maintaining it as a unique community resource.
8. Provide excellent city services consistent with resources available.

CITY COMMISSION

General Operating Fund

City Auditor

Account 001-1015-511

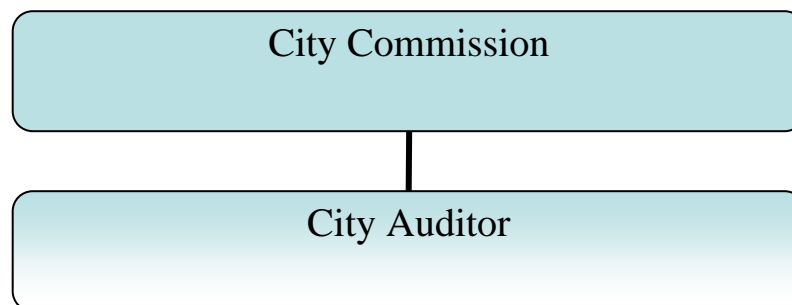
EXPENDITURE SUMMARY

EXPENDITURES	2008 Actual	2009 Adopted	2009 Estimate	2010 Budget
Personal Services				\$ 52,734
Contractual Services				1,800
Commodities				-
Capital Outlay				-
Debt Service				
Transfers				
Contingency				
Total	\$ -	\$ -	\$ -	\$ 54,534

PERSONNEL SUMMARY

PERSONNEL	2008 Actual	2009 Adopted	2009 Estimate	2010 Budget
Authorized Positions				0.5

ORGANIZATIONAL CHART



Partially shaded positions are only partially funded through this account.
The City Auditor is also partially funded in the Water and Wastewater Fund.

PROFILE

The position of City Auditor was created by City Ordinance 8060 and is appointed by and reports directly to the City Commission. The City Auditor examines and evaluates the activities of the city to help the City Commissioners effectively discharge their duties. The City Auditor conducts performance audits following Government Auditing Standards, but does not prepare the annual audit of City finances.

CURRENT YEAR ACCOMPLISHMENTS

- The City Auditor presented the following audits to the City Commission in the first half of 2009:
 - Street Lights
 - Small Purchases



MAJOR GOALS AND OBJECTIVES FOR 2010

The work plan includes the following audits:

1. Financial indicators
2. Review of Purchase Card Transactions
3. Review of business type services (water and sewer, stormwater, parking, solid waste and golf course)
4. Vendor Information

CITY AUDITOR

General Operating Fund

City Manager's Office

Account 001-1020-512

EXPENDITURE SUMMARY

EXPENDITURES	2008 Actual	2009 Adopted	2009 Estimate	2010 Budget
Personal Services	\$ 544,544	\$ 569,012	\$ 569,012	\$ 564,730
Contractual Services	24,290	20,936	20,936	21,260
Commodities	6,423	5,350	5,350	5,025
Capital Outlay	-	-	-	-
Debt Service	-	-	-	-
Transfers	-	-	-	-
Contingency	-	-	-	-
Total	\$ 575,257	\$ 595,298	\$ 595,298	\$ 591,015

PERSONNEL SUMMARY

PERSONNEL	2008 Actual	2009 Adopted	2009 Estimate	2010 Budget
Authorized Positions	6.0	6.0	6.0	5.5

ORGANIZATIONAL CHART



PROFILE

The City Manager is the City's Chief Administrative Officer and is responsible for providing efficient, adequate and timely municipal services to the citizens of Lawrence. The City Manager is appointed by and serves at the pleasure of the City Commission. The Commission is responsible for establishing City policies, while the Manager is charged with implementing those policies. To accomplish this task, the City Manager (1) appoints all department heads and subordinate employees of the City based on merit and ability to do the job; (2) ensures that laws and ordinances are enforced; (3) advises the Commission on issues and policies as requested; (4) recommends measures and ordinances to be adopted by the Commission; (5) prepares and submits an annual budget and advises the City Commission on the financial condition of the City; (6) performs other duties prescribed by state or local laws.

Additionally, the City Manager must work in conjunction with many other governmental agencies to ensure efficient operation of the City through use of federal and state grants and through cooperation with the county, townships, special districts, and various boards and commissions. The City Commission's goals are used by the City Manager to set priorities and policy for the staff to achieve and follow. Maintaining service levels that meet the needs of the community and are within the budgetary guidelines set by the City Commission is one of the primary responsibilities of the City Manager.

CURRENT YEAR ACCOMPLISHMENTS

- Awarded the GFOA Budget Award for 2009 budget document.
- Continued to work with the University of Kansas and transit staff on enhanced cooperation opportunities for transit.
- Finalized new overarching economic development policy.
- Began production of quarterly economic barometer report.
- Coordinated city involvement in community special events such as the Kansas Marathon, Ironman 70.3 Kansas, Tour of Lawrence, and downtowns concerts and events.

PERFORMANCE INDICATORS

Indicator	2007 Survey	2009 Estimated	2010 Target
Citizens satisfied with overall quality of City Services	72%	NA	TBD
Citizens indicating that City employees were courteous and polite	87%	NA	TBD

Survey planned for 2010.

MAJOR GOALS AND OBJECTIVES FOR 2010

1. To provide timely and relevant information to the City Commission as is required to assist the Commission in selecting and meeting policy goals and objectives.
2. To enhance the quality of managerial development and excellence.
3. To provide administrative direction and leadership necessary to assure implementation and coordination of all City policies.
4. To facilitate the objective of existing programs and policies in a customer-friendly manner.
5. Maintain quality City services despite economic conditions and diminished resources.



General Operating Fund

Public Information Office

Account 001-1025-512

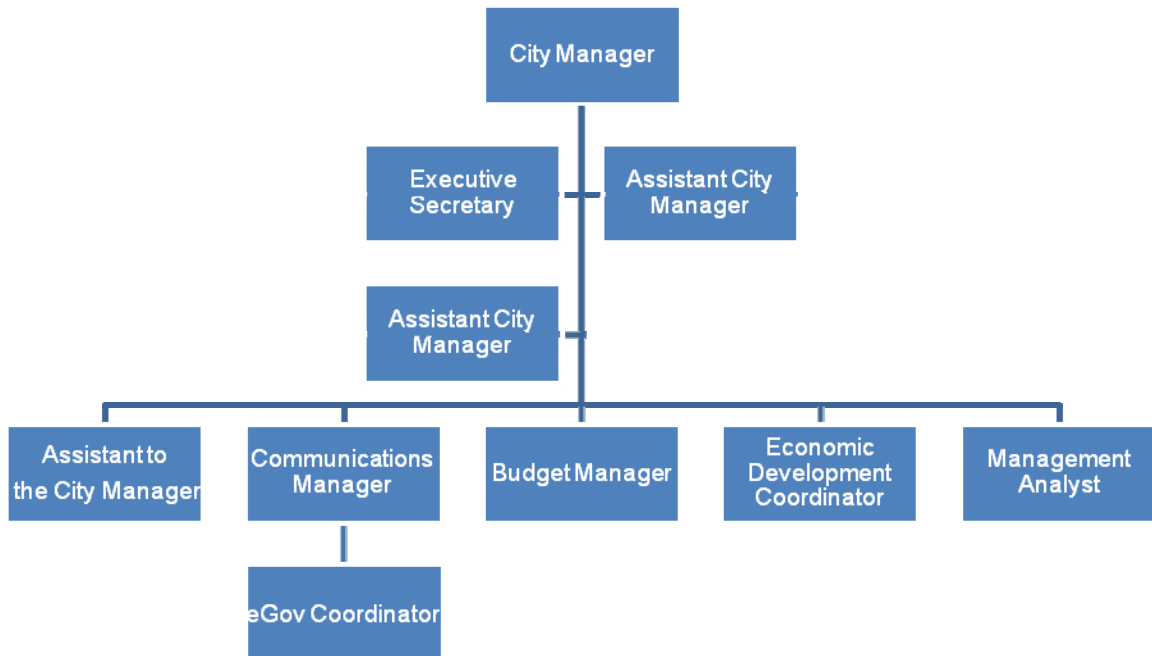
EXPENDITURE SUMMARY

EXPENDITURES	2008 Actual	2009 Adopted	2009 Estimate	2010 Budget
Personal Services	\$ 140,665	\$ 142,834	\$ 142,834	\$ 151,599
Contractual Services	5,943	8,600	8,600	5,800
Commodities	2,905	5,115	5,115	3,850
Capital Outlay	-	-	-	-
Debt Service	-	-	-	-
Transfers	-	-	-	-
Contingency	-	-	-	-
Total	\$ 149,513	\$ 156,549	\$ 156,549	\$ 161,249

PERSONNEL SUMMARY

PERSONNEL	2008 Actual	2009 Adopted	2009 Estimate	2010 Budget
Authorized Positions	2.00	2.00	2.00	2.00

ORGANIZATIONAL CHART



PROFILE

The Public Information Office manages the City's media relations, public education activities and communications functions. The focus of the office is to educate audiences about City services and current issues, utilize communication tools that meet the changing communication needs of the Lawrence community and provide feedback opportunities.

The Public Information Office meets these goals by serving as the citywide media relations officer, gathering information, writing and distributing news releases and responding to media queries. The office also provides programming for channel 25. External and internal communication activities include developing and producing educational materials, newsletters, articles and advertisements. The Public Information Office also manages the City's web site, including content, technical aspects and development.

The Public Information Office facilitates outreach efforts by a number of city staff and coordinates to provide a clear and comprehensive city message.

CURRENT YEAR ACCOMPLISHMENTS

- Released the 2008 City wide annual report.
- Produced "The Flame" – the City's monthly newsletter.
- Managed public education campaigns including Share the Road for bicycle/vehicle safety.
- Implemented a content management system to support non-technical updates to department web pages.
- Provided media with access to special events including home energy conservation fair.
- Produced city services insert in Parks and Recreation Activities guides.
- Updated content at www.lawrenceks.org.



PERFORMANCE INDICATORS

Indicator	2008	2009 Estimated	2010 Target
Citizens satisfied with info available on City's web site	NA	NA	60%
Percent of managers rating PIO services as good or excellent	NA	NA	100%
Number of public outreach campaigns completed	84	93	94

MAJOR GOALS AND OBJECTIVES FOR 2010

1. Provide timely, relevant and informative material to the media.
2. Inform the public about city services and programs.
3. Expand and enhance the web site, www.lawrenceks.org.
4. Work with departments to support development and expansion of web sites and online features.

General Operating Fund

Planning and Development Services

Account 001-1030-531

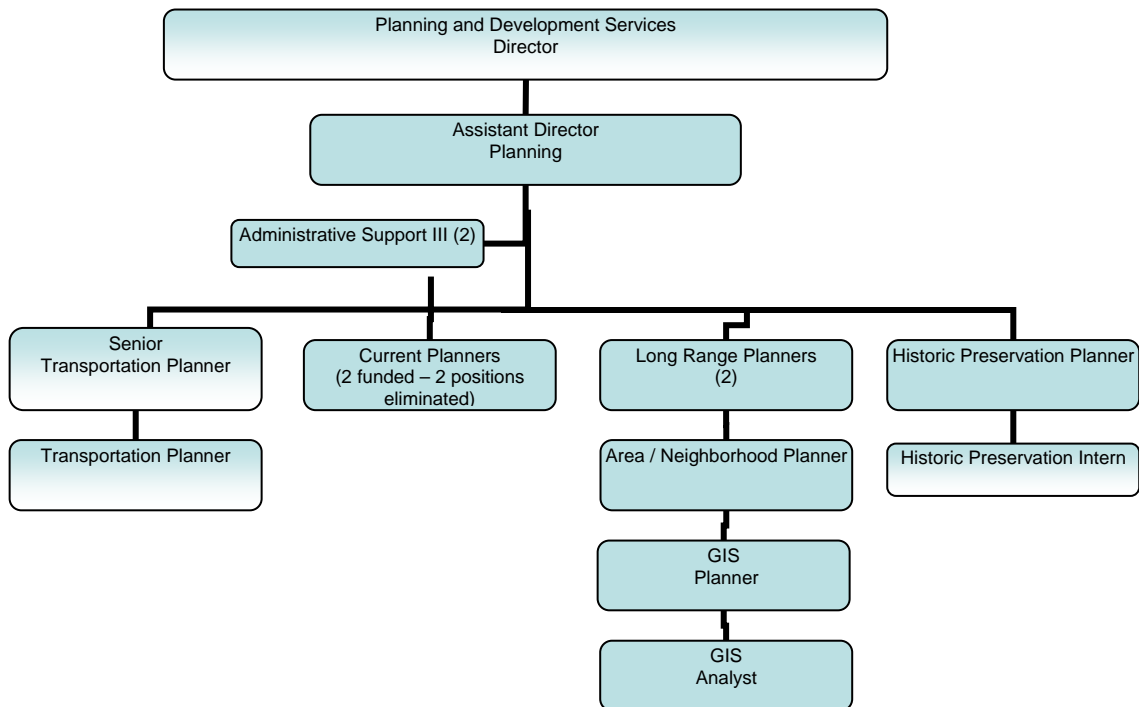
EXPENDITURE SUMMARY

EXPENDITURES	2008 Actual	2009 Adopted	2009 Estimate	2010 Budget
Personal Services	\$ 972,285	\$ 1,009,350	\$ 1,009,350	\$ 904,058
Contractual Services	41,200	59,600	59,600	54,450
Commodities	30,271	45,200	45,200	44,879
Capital Outlay	-	-	-	-
Debt Service	-	-	-	-
Transfers	-	-	-	-
Contingency	-	-	-	-
Total	\$ 1,043,756	\$ 1,114,150	\$ 1,114,150	\$ 1,003,387

PERSONNEL SUMMARY

PERSONNEL	2008 Actual	2009 Adopted	2009 Estimate	2010 Budget
Authorized Positions	14.9	13.9	13.9	11.9

ORGANIZATIONAL CHART



Shading indicates position is fully or partially (if gradient shown) funded through this account.

PROFILE

The Planning Division's primary responsibility is implementation of the Comprehensive Land Use & Transportation Plans through development and administration of regulatory tools that include the City & County zoning codes, City/County subdivision regulations, Historic Resources code, Capital Improvements Plan, Long Range Transportation Plan, Transportation Improvement Program, special area plans, and City & County development policies. Although a division of a City department, the County funds 1/6 of the division's budget.

The division's mission is the effective and efficient delivery of services to the community in a timely manner consistent with the adopted land use plans, which includes providing guidance on land use planning principles & practices. Planning staff provides support to: the City & County Commissions; four boards (Lawrence-Douglas County Planning Commission, Historic Resources Commission, Board of Zoning Appeals, Lawrence-Douglas County Bicycle Advisory Committee, and Metropolitan Planning Organization), and numerous ad hoc committees of these Boards and Commissions.

The Planning Division of the Planning & Development Services Department includes three work groups: Current Planning, Long Range Planning, and Transportation Planning. The Long Range Planning work group includes Long Range, Area/Neighborhood, Historic Resources and GIS/Web focuses.

CURRENT YEAR ACCOMPLISHMENTS

- Implemented online Board of Zoning Appeals and Historic Resources agenda packets to provide greater and more timely information to the public.
- Successfully reorganized the MPO from the Planning Commission to a body comprised partially of elected officials.
- Continued the public process of drafting the Industrial and Employment Related Land Use chapter to Horizon 2020.
- Completed updates to the Transportation Improvement Program to secure American Recovery and Reinvestment Act grants.
- Continued participation in CRS rating program which results in reduced flood insurance rates for the community.
- Processing an update to the Oread Neighborhood Plan.

PERFORMANCE INDICATORS

Indicator	2008 Actual	2009 Estimated	2010 Target
Percent of completed site plan applications approved administratively within 45 days	Total review time averaged 39 days in 2008	NA	Avg. 35 days
Percent of respondents satisfied or very satisfied with how well the City is planning growth	22% per the 2007 Direction Finder Survey	Survey planned for 2010	80%
Percent of respondents satisfied with quality of planning & development services	32% per the 2007 Direction Finder Survey	Survey planned for 2010	75%

MAJOR GOALS AND OBJECTIVES FOR 2010

1. Adoption of a land use plan for a portion of Grant Township.
2. Continued implementation of recommendations of the Matrix Report to move towards a One Stop Shop.
3. Encourage and process the first SmartCode project.
4. Complete necessary updates to Horizon 2020 chapters, including the Environmental and Natural Resources chapter.
5. Provide training and professional development for commissions and staff.

SIGNIFICANT ISSUES FOR 2010

Maintaining appropriate service levels as the economy recovers.

Prioritizing the many desired planning services given the resources provided.

General Operating Fund

Code Enforcement

Account 001-1032-532

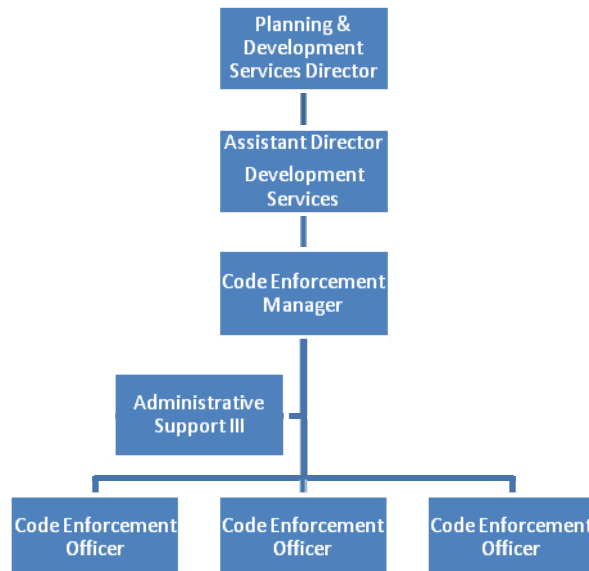
EXPENDITURE SUMMARY

EXPENDITURES	2008 Actual	2009 Adopted	2009 Estimate	2010 Budget
Personal Services	\$ 306,793	\$ 398,597	\$ 398,597	\$ 321,622
Contractual Services	39,976	51,900	51,900	48,725
Commodities	8,380	28,270	28,270	15,544
Capital Outlay	-	-	-	-
Debt Service	-	-	-	-
Transfers	-	-	-	-
Contingency	-	-	-	-
Total	\$ 355,149	\$ 478,767	\$ 478,767	\$ 385,891

PERSONNEL SUMMARY

PERSONNEL	2008 Actual	2009 Adopted	2009 Estimate	2010 Budget
Authorized Positions	6.98	7.78	4.9	4.9

ORGANIZATIONAL CHART



PROFILE

The primary responsibility of the Code Enforcement Division of the Planning and Development Services Department is to preserve the livability and integrity of residential and commercial districts and prevent deterioration and blighting influences within the community. The Division oversees the rental inspection program, site plan inspections, environmental code, development code, property maintenance code, weed ordinance and the sign code.

The division consists of a professional staff with nationally recognized certifications that continuously strives to provide excellent customer service to the citizens of Lawrence. Our mission is to ensure a safe and stable environment through uniform and fair enforcement of all city codes as adopted by the City Commission.

CURRENT YEAR ACCOMPLISHMENTS

- Amended environmental code to address accelerated abatement for trash violations.
- Proposed amendments to the Weed Code to eliminate publications of violations for out to town owners to significantly reduce annual costs associated with enforcement of code.
- Amended rental inspection code to address rental payment schedule to become more user friendly for customer and address workload issues for staff.
- Amended sidewalk snow removal ordinance to address the length of compliance time for violations.
- Completed online rental renewal payment feature to allow for annual license payment to be paid through vendor.
- Incorporated one code enforcement officer job description and pay grade for the code enforcement division

PERFORMANCE INDICATORS

Indicator	2008 Actual	2009 Estimated	2010 Target
Number of environmental blight inspections	448	600	600
Percent of residents surveyed who are satisfied with the livability of their neighborhood	84% per 2007 Direction Finder Survey	Survey planned for 2010	TBD
Number of structural blight cases	48	90	90
Number of weed violations	1,043	1,100	TBD
Number of Rental Inspections & re-inspections	450	600	600

MAJOR GOALS AND OBJECTIVES FOR 2010

1. Continue research on rental expansion and provide information regarding possible implementation options.
2. Review 2009 International Property Maintenance Code for potential adoption.
3. Review rental inspection software to determine if the software is meeting the division's needs.

SIGNIFICANT ISSUES FOR 2010

Continuing to provide appropriate customer responsiveness with the resources provided.

CODE ENFORCEMENT

General Operating Fund

Building Safety/Plan Review

Account 001-1034-534

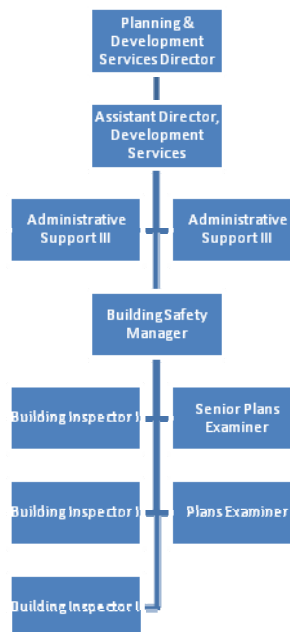
EXPENDITURE SUMMARY

EXPENDITURES	2008 Actual	2009 Adopted	2009 Estimate	2010 Budget
Personal Services	\$ 540,431	\$ 532,147	\$ 532,147	\$ 538,602
Contractual Services	25,084	124,800	124,800	106,550
Commodities	24,591	28,737	28,737	24,200
Capital Outlay	-	-	-	-
Debt Service	-	-	-	-
Transfers	-	-	-	-
Contingency	-	-	-	-
Total	\$ 590,106	\$ 685,684	\$ 685,684	\$ 669,352

PERSONNEL SUMMARY

PERSONNEL	2008 Actual	2009 Adopted	2009 Estimate	2010 Budget
Authorized Positions	8.24	7.65	7.65	7.65

ORGANIZATIONAL CHART



PROFILE

The Building Safety Division is responsible for enforcement of the City's adopted building codes. Major programs administered to accomplish the Division's purpose include review of plans and applications, issuance of building permits, inspection of buildings and building systems during construction to verify compliance with applicable codes, issuance of Certificates of Occupancy upon completion of building projects, and administration of contractor and trades licensing regulations.

CURRENT YEAR ACCOMPLISHMENTS

- Merged Building Safety and Plan Review Divisions; created plan review section with physical space designed to facilitate work assignments, the issuance of permits, and storage of plans for projects under construction; designated staff with primary responsibility for plan review with support of inspection operations as secondary responsibility.
- Implemented inspection scheduling changes designed to conserve fuel, reduce the amount of inspector staff time spent driving between projects and increase inspector staff productivity.
- Worked with code review boards to draft, pursue adoption by the City Commission, and implement code amendments related to the number of drinking fountains required in occupancies with occupants loads less than 30, altering requirements for basement wall insulation in single-family dwellings, requiring any required test reports and confirmation of approval by responsible facility authorities for medical gas systems prior to issuance of Certificates of Occupancy, and allowing maximum dryer vent lengths to be in accordance with manufacturers installation instructions under certain conditions.
- Worked with IS staff to create automated tracking mechanisms for performance measures related to plan review turn around time, and numbers of plan review actions completed per plans reviewer.
- Worked with IS staff to provide additional functionality for the Click 2 Gov system, allowing contractors to monitor all projects through a master account.

PERFORMANCE INDICATORS

Indicator	2008 Actual	2009 Estimated	2010 Target
% of residential permits issued w/in 5 business days	58%	65%	67%
% of residential permit applications with plan review completed within 5 days	76%	95%	95%
% of commercial permits issued w/in 15 business days	57%	58%	60%
% of commercial permit applications with plan review completed within 15 days	71%	85%	90%
% of inspections scheduled via Inspection Hotline (IH)	53%	57%	60%

MAJOR GOALS AND OBJECTIVES FOR 2010

1. Complete review of the 2009 International Codes package for City Commission approval and adoption.
2. Continue work to improve special inspection program, including application process for Certificates of Occupancy.
3. Continue to update and expand offerings on the department website to better equip applicants to successfully navigate the permit process.
4. Continuous improvement of service delivery methods and systems.

SIGNIFICANT ISSUES FOR 2010

Significant budget items include continuing education costs for licensed contractors, software license fees, and fuel for vehicles.

The most significant operational issue will be adoption of the 2009 codes; proposed new code provisions are likely to warrant significant discussion and research, particularly regarding sprinkler systems in single-family dwellings.

BUILDING SAFETY/PLAN REVIEW

General Operating Fund

City Clerk

Account 001-1050-542

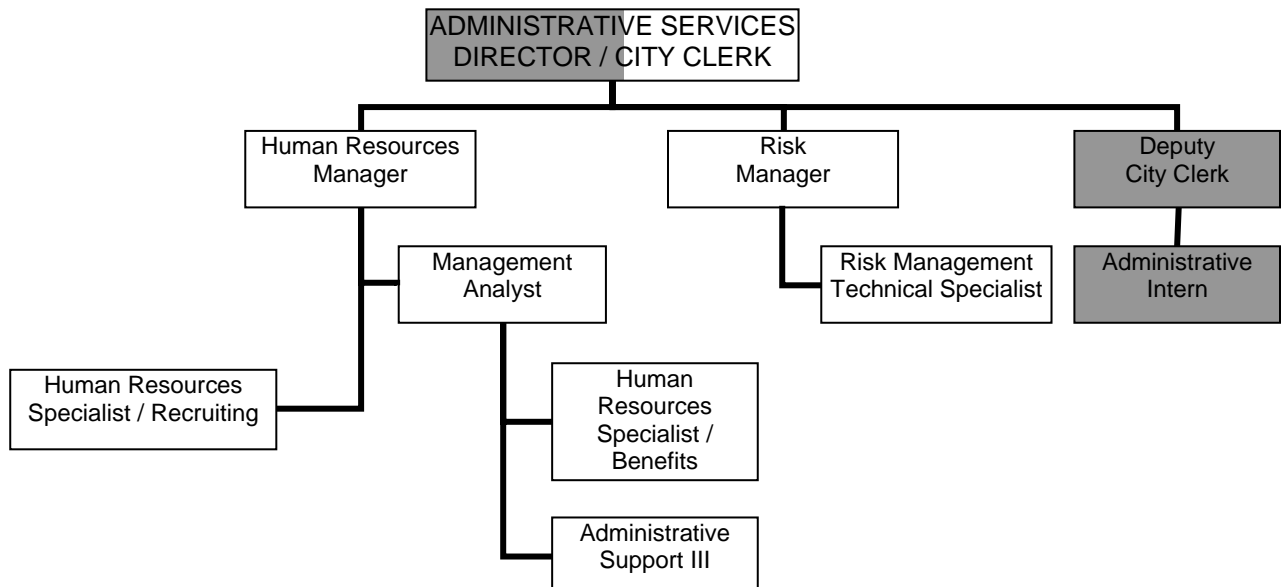
EXPENDITURE SUMMARY

EXPENDITURES	2008 Actual	2009 Adopted	2009 Estimate	2010 Budget
Personal Services	\$ 121,999	\$ 122,993	\$ 122,993	\$ 131,087
Contractual Services	28,440	74,319	74,319	35,160
Commodities	6,247	11,100	11,100	11,227
Capital Outlay	-	-	-	-
Debt Service	-	-	-	-
Transfers	-	-	-	-
Contingency	-	-	-	-
Total	\$ 156,686	\$ 208,412	\$ 208,412	\$ 177,474

PERSONNEL SUMMARY

PERSONNEL	2008 Actual	2009 Adopted	2009 Estimate	2010 Budget
Authorized Positions	1.5	1.5	1.5	1.5

ORGANIZATIONAL CHART



Shading indicates positions funded from this account. The Director position is funded 50% from this account, 25% from Human Resources, and 25% from Risk Management.

PROFILE

The City Clerk Division provides for the retention, maintenance, and continuity of all official records of the City of Lawrence and provides basic record retrieval services to citizens and City staff. The City Clerk Division is also responsible for recording all activities involved in City Commission meetings, including meeting minutes, ordinances and resolutions. We also maintain other official records such as contracts, deeds, leases, bond related documents, special assessments, annexations, and records of City-owned cemeteries. Further, we administer the licensing and permit process for various City licenses and permits. We also coordinate public notices, legal publications, and bid notices. We handle documents related to the special assessment financing of projects within the City as well as documents related to the sale and administration of bonds and temporary notes. Notices of elections, filing by candidates and other details of elections are also administered through the City Clerk and coordinated with the County Clerk-Election Officer. Our effectiveness and efficiency is demonstrated by the timely and accurate assistance provided to the general public and City staff.

CURRENT YEAR ACCOMPLISHMENTS

- Provided the 2008 Tax Abatement Report on time to Public Incentives Review Committee (PIRC) and City Commission.
- Continued scanning and electronically storing city documents.



PERFORMANCE INDICATORS

Indicator	2008 Actual	2009 Estimated	2010 Target
Percent of minutes approved without correctional amendment	93.75	98	100
Avg. number of hours required to transcribe and distribute minutes	20	16	16
Avg. number of telephone questions answered	580	550	550
Avg. number of days to issue licenses and permits	3.75	8	8

MAJOR GOALS AND OBJECTIVES FOR 2010

1. Continue to update and improve the City Clerk's website.
2. Continue to scan and electronically store official City documents.

SIGNIFICANT ISSUES FOR 2010

Significant issues include continuing to find ways to improve the effectiveness and efficiency of document management program and enhancing public access to City records (ordinances, resolutions, City Commission meeting minutes.)

CITY CLERK

General Operating Fund

Human Resources

Account 001-1053-543

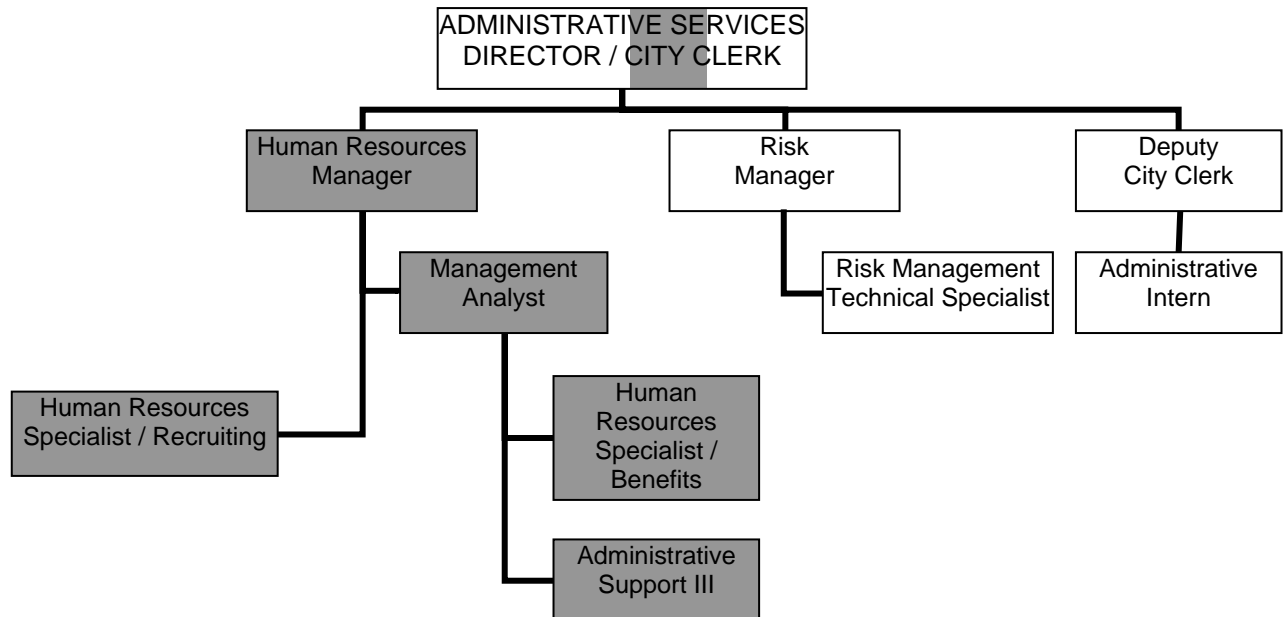
EXPENDITURE SUMMARY

EXPENDITURES	2008 Actual	2009 Adopted	2009 Estimate	2010 Budget
Personal Services	\$ 315,936	\$ 333,012	\$ 333,012	\$ 377,687
Contractual Services	69,658	111,960	111,960	98,336
Commodities	6,490	21,753	21,753	17,427
Capital Outlay	-	-	-	-
Debt Service	-	-	-	-
Transfers	-	-	-	-
Contingency	-	-	-	-
Total	\$ 392,084	\$ 466,725	\$ 466,725	\$ 493,450

PERSONNEL SUMMARY

PERSONNEL	2008 Actual	2009 Adopted	2009 Estimate	2010 Budget
Authorized Positions	5.75	4.75	5.25	5.25

ORGANIZATIONAL CHART



Shading indicates positions funded from this account.

PROFILE

The Human Resources Division of the Administrative Services Department fosters a high-quality, progressive, innovative work environment by providing strategic leadership to anticipate, identify, analyze, and balance City organizational and employee needs. Human Resources serves as a strategic business partner with city management and staff in developing, implementing, and administering a centralized human resource management program for all City employees with emphasis in the following areas: benefits, classification/compensation, employment/retention, employee relations, employee recognition and leadership and employee professional development. Our objective is to create and maintain a work environment placing city employees in the best position to carry out City Commission goals.

CURRENT YEAR ACCOMPLISHMENTS

- Implemented approved changes for city performance review and merit pool program.
- Implemented city wide third party background check program for new hires.
- Projected 2008 total health care costs within 2% of actual costs using risk analysis.
- Completed comprehensive update of the Market Employee Compensation and Benefit Study.
- Completed analysis of on-site health center with recommendations to City Manager.
- Selected a Benefits Consultant and in turn marketed the Employee Health Care Program for January 1, 2010 coverage.
- Implemented an on-line new hire survey and exit interview survey to accompany the tri-annual employee satisfaction survey.
- Implemented revised COBRA, FMLA, ADA and other policy and program changes due to federal and state mandates.
- Implementing electronic records management including scanning and electronic storage of Employee Personnel Files.

PERFORMANCE INDICATORS

Indicator	2008 Actual	2009 Estimated	2010 Target
Percent of residents surveyed who were satisfied with the professional City service they received	NA	NA	TBD
Percent of employee turnover (full-time)	8.43%	7.25%	7.33%
Percent of pay grades that at 50 th percentile/better in market	51.72%	41.40%	100%
Percent of employees rating education activities meet/exceeds expectations	NA	NA	97%

MAJOR GOALS AND OBJECTIVES FOR 2010

1. Implement Time and Attendance automated employee time keeping system if approved in 2009.
2. Complete review, request proposals and implement for 2011 a retiree savings plan to allow employees to save for retiree health care costs.
3. Review and revise the city's wellness programs in order to enhance the ability for the program to reduce the rate of increase to health care costs for both the employee and the city.
4. Add a comprehensive Workforce Trends and Analysis to the Compensation and Benefit Market Study.
5. Write a comprehensive compensation policy that incorporates current compensation practices of the city.
6. Develop a records retention policy to ensure proper storage and destruction of personnel related files.

SIGNIFICANT ISSUES FOR 2010

Adequate funding to maintain the employee health care program. Implement improvements to the second cycle of the employee performance and merit program.

General Operating Fund

Risk Management

Account 001-1054-544

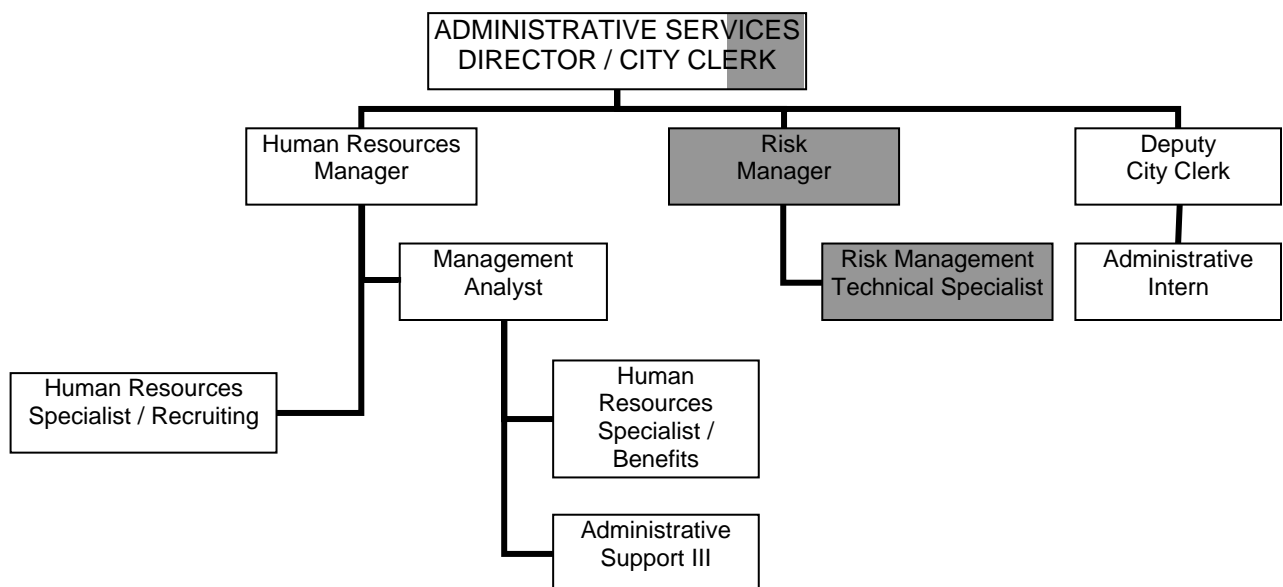
EXPENDITURE SUMMARY

EXPENDITURES	2008 Actual	2009 Adopted	2009 Estimate	2010 Budget
Personal Services	\$ 155,809	\$ 167,798	\$ 167,798	\$ 156,612
Contractual Services	310,631	377,915	377,915	340,785
Commodities	7,836	20,600	20,600	10,600
Capital Outlay	-	-	-	-
Debt Service	-	-	-	-
Transfers	-	-	-	-
Contingency	-	-	-	-
Total	\$ 474,276	\$ 566,313	\$ 566,313	\$ 507,997

PERSONNEL SUMMARY

PERSONNEL	2008 Actual	2009 Adopted	2009 Estimate	2010 Budget
Authorized Positions	2.25	2.25	2.25	2.25

ORGANIZATIONAL CHART



Shading indicates positions funded from this account.

PROFILE

The Risk Management Program is intended to identify, recommend, and implement actions that will minimize the adverse effects of accidental and business losses on the City of Lawrence. The Risk Management Division strives to responsibly and efficiently manage and administer the City's Risk Management Program utilizing industry best practices for public risk management. The Risk Management Division works hard to be a trusted resource for City Departments on issues of loss prevention and control. Risk Management administers the City's self-funded Workers' Compensation, General Liability, and Auto Liability programs and manages the City's portfolio of insurance coverage, including Property and Public Entity Liability.

CURRENT YEAR ACCOMPLISHMENTS

- Successfully marketed Fire/Medical auto liability coverage resulting in significant premium savings.
- Continued online training and loss control resources (Safety Cornerstones) provided by the City's current excess workers' compensation carrier.
- Hired a new Risk Manager.
- Completed Kansas Department of Labor inspections in all City departments.



PERFORMANCE INDICATORS

Indicator	2008 Actual	2009 Estimated	2010 Target
Percent change in General Liability Claims against the City	-25%	0%	-5%
Percent change in Auto Liability claims against the City	-59%	5%	-5%
Percent change in Workers' Compensation claims	22%	10%	-5%

MAJOR GOALS AND OBJECTIVES FOR 2010

1. Continue to improve service delivery, efficiencies and the overall effectiveness of the Risk Management Program.
2. Continue to identify and recommend training and loss control resources from various sources.

SIGNIFICANT ISSUES FOR 2010

The Risk Management Division will continue to identify ways to improve service delivery to citizens and City employees.

The City continues to see the impact of an aging workforce on our workers' compensation program. The advantages of older workers in the workforce are their skills and experience and generally they have a lower claim frequency than younger workers. However, national studies and our own losses are showing that older workers' claims are generally open longer and have a higher severity.

General Operating Fund

Financial Administration

Account 001-1060-551

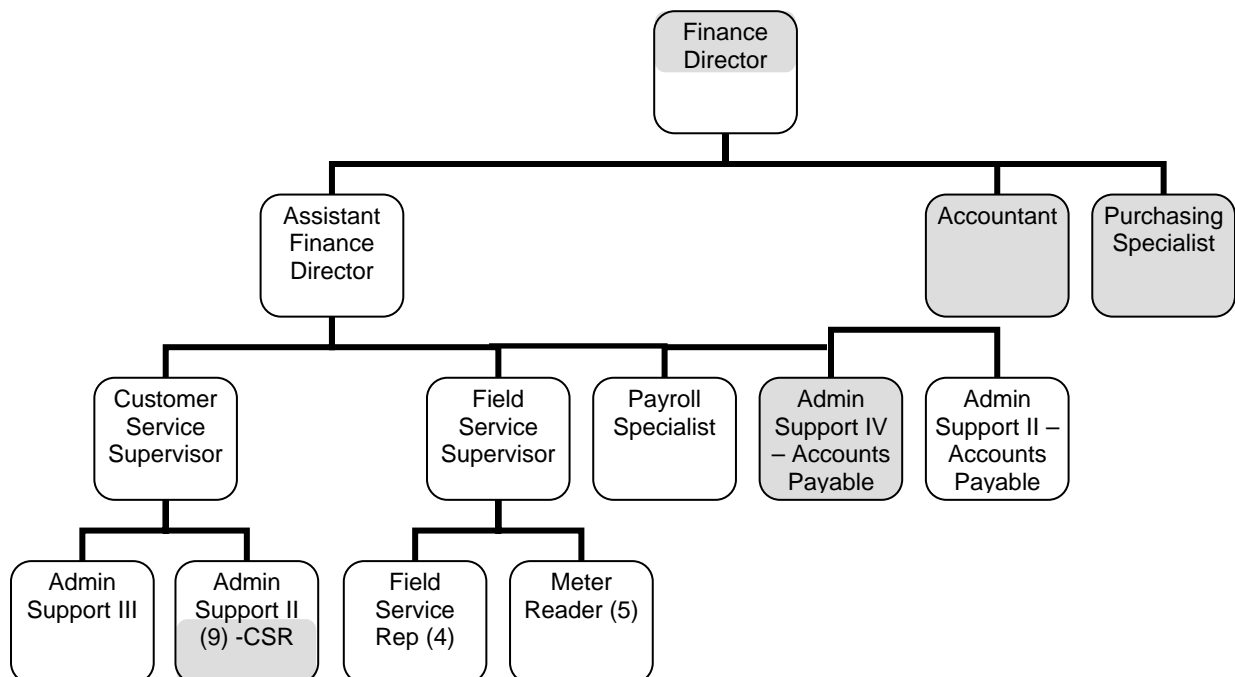
EXPENDITURE SUMMARY

EXPENDITURES	2008 Actual	2009 Adopted	2009 Estimate	2010 Budget
Personal Services	\$ 286,991	\$ 253,650	\$ 253,650	\$ 276,907
Contractual Services	5,530	8,600	8,600	\$ 8,100
Commodities	5,394	12,800	12,800	12,239
Capital Outlay	-	-	-	-
Debt Service	-	-	-	-
Transfers	-	-	-	-
Contingency	-	-	-	-
Total	\$ 297,915	\$ 275,050	\$ 275,050	\$ 297,246

PERSONNEL SUMMARY

PERSONNEL	2008 Actual	2009 Adopted	2009 Estimate	2010 Budget
Authorized Positions	5.13	4.13	4.13	4.13

ORGANIZATIONAL CHART



Shading indicates funding from this account.

PROFILE

The Administration Division of the Finance Department is responsible for the overall financial administration of the City. The financial operations of the City are governed by independent standards established for accounting and auditing functions. State statutes and internal policies also govern financial transactions.

Major responsibilities include accounting, investing, purchasing, accounts payable, and debt management. The division provides services to citizens, suppliers, and other city departments.

PERFORMANCE INDICATORS

Indicator	2008 Actual	2009 Estimated	2010 Target
Average rate of return on investment	3.15	2.72	1 Yr T-bill
Percent of bank reconciliations completed in 10 days	100	100	100
Percent of invoices paid within 30 days	90.18	83.26	85
Percent of payrolls processed on time	100	100	100

CURRENT YEAR ACCOMPLISHMENTS

- Received a Certificate of Achievement from the GFOA for the 2007 Comprehensive Annual Financial Report.
- Revised credit card procedures in response to the internal audit of purchases under \$1,000.
- Evaluated responses to the Request for Proposal for banking services.
- Initiated a review of the City's post employment benefits obligation under GASB 45.

MAJOR GOALS AND OBJECTIVES FOR 2010

1. Maintain the City's general obligation debt rating.
2. Select a financial institution to provide banking services to the City.
3. Improve the Finance Department's system of managing its documents.

SIGNIFICANT ISSUES FOR 2010

Maintaining the current level of service our Division provides based on the City budget concerns.



General Operating Fund

General Overhead

Account 001-1065-555

EXPENDITURE SUMMARY

EXPENDITURES	2008 Actual	2009 Adopted	2009 Estimate	2010 Budget
Personal Services	\$ -	\$ 880,000	\$ 880,000	\$ -
Contractual Services	2,941,010	3,016,713	3,016,713	2,928,075
Commodities	16,471	25,000	25,000	23,267
Capital Outlay	-	-	-	-
Refunds	-	-	-	-
Debt Service	-	-	-	-
Transfers	-	-	-	-
Contingency	-	200,000	200,000	112,098
Total	\$ 2,957,481	\$ 4,121,713	\$ 4,121,713	\$ 3,063,440

PERSONNEL SUMMARY

PERSONNEL	2008 Actual	2009 Adopted	2009 Estimate	2010 Budget
Authorized Positions	NA	NA	NA	NA

PROFILE

Personal Services – In 2009, this division budget included the total cost of compensation adjustments for merit increases and longevity for all eligible employees in the General Fund. In 2010, like in 2008, these costs are included in each division budget.

Contractual Services - In addition to postage and overhead expenses such as auditing services, emergency dispatch service, and office leases, this division budget includes grants to the following outside agencies:

Ballard Community Center	7,500	Lawrence Chamber of Commerce	185,500
Bert Nash City Homeless Outreach Team	164,000	Lawrence Community Shelter	57,000
Boys & Girls Club of Lawrence	143,722	Law. Doug. Co. Bioscience Authority	275,000
Douglas County CASA, Inc.	20,000	Lawrence Humane Society	256,320
Douglas County Legal Aid	40,000	Salvation Army	24,000
TFI Family Services	6,750	The Shelter, Inc.	32,000
Downtown Lawrence	42,500	Van Go Mobile Arts	35,000
Ecumenical Minister's Fellowship	4,000	Warm Hearts	6,000
Health Care Access-Pharmacy	26,000	Women's Transitional Care Services	6,000
Housing & Credit Counseling	17,100		
Jayhawk Area Agency on Aging	7,400		
Lawrence Arts Center	90,000		

General Operating Fund

Transfers

Account 001-1068-558

EXPENDITURE SUMMARY

EXPENDITURES	2008 Actual	2009 Adopted	2009 Estimate	2010 Budget
Personal Services	\$ 3,712,889	\$ 3,712,889	\$ 3,712,889	\$ 4,233,243
Contractual Services	-	-	-	-
Commodities	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service	-	-	-	-
Transfers	5,247,000	14,118,863	8,868,863	19,882,663
Contingency	-	-	-	-
Total	\$ 8,959,889	\$ 17,831,752	\$ 12,581,752	\$ 24,115,906

PERSONNEL SUMMARY

PERSONNEL	2008 Actual	2009 Adopted	2009 Estimate	2010 Budget
Authorized Positions	NA	NA	NA	NA

PROFILE

The Transfer Division is used to account for employer contributions to the City health care program and transfers from the General Fund to a number of City funds. The following transfers are budgeted for 2010:

Health Insurance Fund - This fund is used for the city's contribution to annual health insurance costs for employees and their families. \$4,233,243

Equipment Reserve Fund - This fund is reserved to cover the cost of repair and purchase of equipment as necessary. Also included in this fund is the transfer of funds for the .005% transportation sales tax and \$500,000 for fire apparatus from the 0.30% infrastructure sales tax approved in 2008. \$1,307,441

Capital Improvement Reserve Fund - This fund is reserved for capital improvement projects throughout the year. Revenue from the City 0.30% infrastructure sales tax is also transferred to this fund. A transfer of \$7,600,000 is budgeted in order to meet the state fund balance requirement but will only occur if revenues meet or exceed projections in 2009. \$11,194,646

Sales Tax Reserve Fund - This fund is historically reserved for capital projects related to Parks and Recreation throughout the year. 3,069,392

Recreation Fund - Part of the sales tax collected each year is transferred into the Recreation Fund (see pages F-1 through F-5) to pay for recreation projects and operations. 1,646,420

Liability Reserve Fund - This fund is reserved for liability claims that may occur throughout the year. 10,000

Worker's Comp Fund - This fund is reserved for worker's compensation claims that may occur throughout the year. 25,000

Transportation Fund - Revenue from the new 0.20% City transportation sales tax will be transferred to this fund. 2,629,764

TRANSFERS

General Operating Fund

Information Systems

Account 001-1070-557

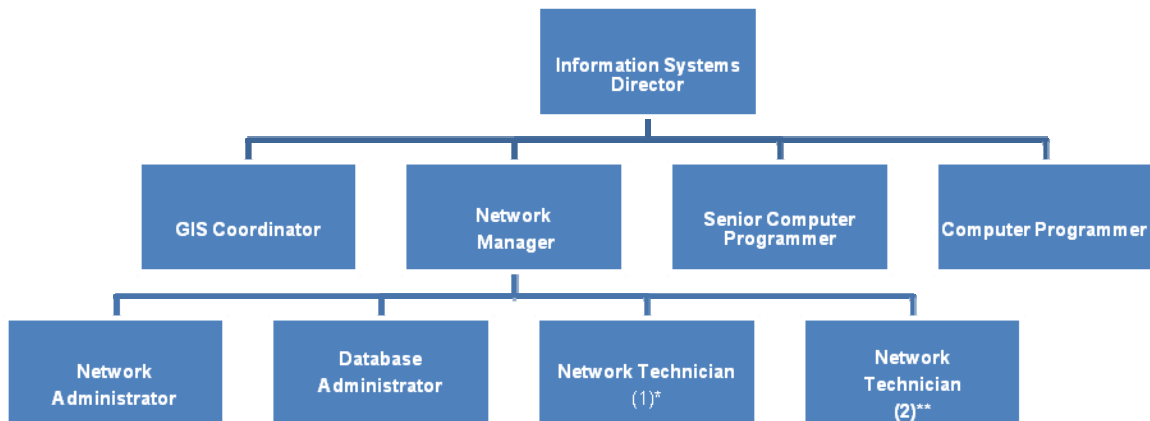
EXPENDITURE SUMMARY

EXPENDITURES	2008 Actual	2009 Adopted	2009 Estimate	2010 Budget
Personal Services	\$ 521,229	\$500,252	\$500,252	\$533,645
Contractual Services	200,032	248,432	248,432	237,982
Commodities	32,251	59,743	59,743	53,895
Capital Outlay	3,249	8,000	8,000	8,000
Debt Service	-	-	-	-
Transfers	-	-	-	-
Contingency	-	-	-	-
Total	\$ 756,761	\$ 816,427	\$ 816,427	\$ 833,522

PERSONNEL SUMMARY

PERSONNEL	2008 Actual	2009 Adopted	2009 Estimate	2010 Budget
Authorized Positions	8.0	7.0	7.0	7.0

ORGANIZATIONAL CHART



* Funded by Utilities

** Funded by Fire and Medical

PROFILE

The Information Systems Department has the responsibility to promote and optimize the delivery of information technology services to all city departments in support of Lawrence citizens.

The department's employees provide technology support in these primary areas: network management, security, desktop and server management, database management, geographic information systems (GIS), midrange (AS/400) application programming, document imaging, telecommunications, and eGovernment services.

Much of the department's efforts are geared to maintaining a technology infrastructure extending to 47 City facilities located around the city.

CURRENT YEAR ACCOMPLISHMENTS

- Consolidated servers and used VMWare technology to virtualize servers for higher availability.
- Completed Utilities SCADA network upgrades for both the Clinton and Kaw water treatment plants.
- Implemented wireless tablets using software designed for Fire's EMS personnel to automate the collection of data for ambulances.
- Assisted Planning with making Historic Resources and Board of Zoning Appeals agendas available online and updated City Commission room to use thin-client technology for City and Planning Commissioners.
- Installed wireless equipment at multiple facilities.
- Developed several databases to meet the needs of other departments.



PERFORMANCE INDICATORS

Indicator	2008 Actual	2009 Estimated	2010 Target
Percent of scheduled time systems are fully operational:			
Email	99.824	99.990	100.000
Network	99.826	100.000	100.000
Internet	99.826	99.950	100.000
E-Gov systems	99.826	99.950	100.000
Number of PCs supported per FTE	113	115	117
Avg hours spent completing programming requests per FTE	21.05	22.0	20.0
Percent of time telco system is fully operational	100	100	100

MAJOR GOALS AND OBJECTIVES FOR 2010

1. Complete implementation of server virtualization using VMWare technology to consolidate servers, reduce energy requirements, and reduce server downtime.
2. Continue with improvements in disaster recovery and business continuity planning and further develop the Business Continuity Plan Committee.
3. Work with Public Works in developing the proposed intelligent transportation system (ITS) network.
4. Improve data connection bandwidth to city facilities that currently use ISDN technology.

SIGNIFICANT ISSUES FOR 2010

- The City's primary phone system that is 16 years old needs to be replaced.
- The City's primary backup equipment needs replacement before 2011.
- The City's primary router needs to be replaced due to age of equipment
- Loss of a technical staff position in the 2009 budget has affected the performance capabilities of our department.

INFORMATION SYSTEMS

General Operating Fund

City Legal Services

Account 001-1080-522

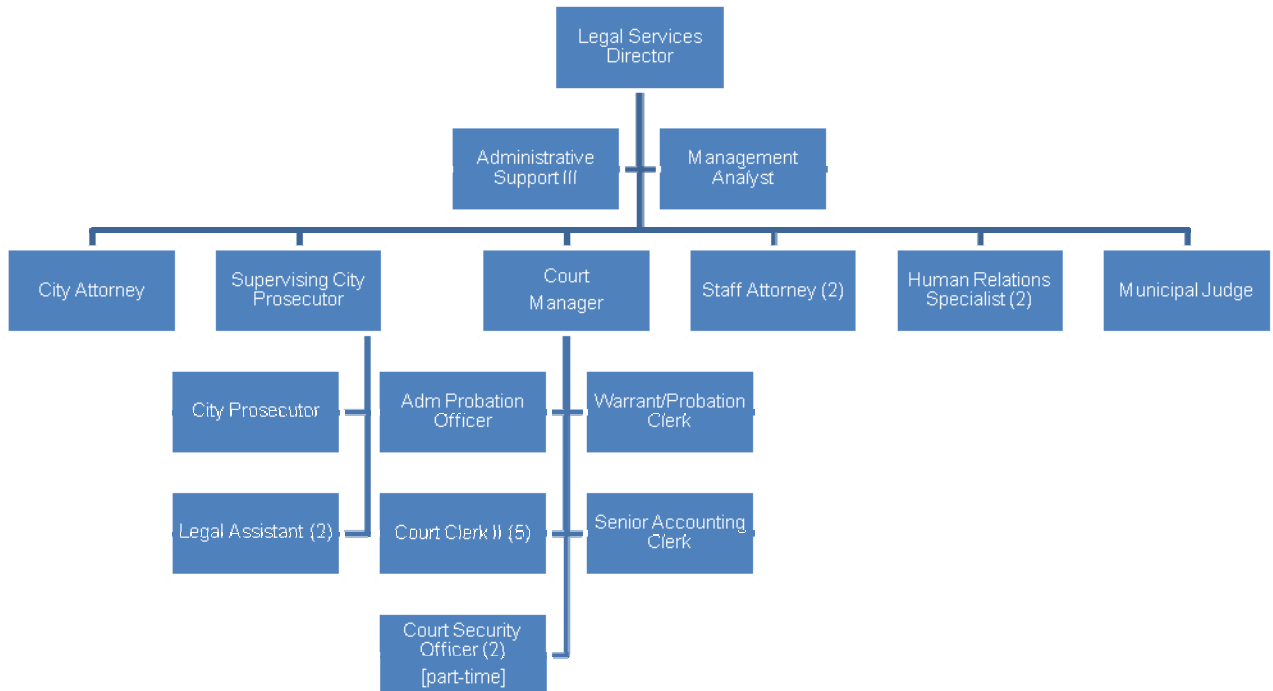
EXPENDITURE SUMMARY

EXPENDITURES	2008 Actual	2009 Adopted	2009 Estimate	2010 Budget
Personal Services	\$ 580,560	\$ 601,620	\$ 601,620	\$ 623,364
Contractual Services	293,984	142,750	142,750	216,550
Commodities	9,294	19,250	19,250	19,050
Capital Outlay	-	-	-	-
Debt Service	-	-	-	-
Transfers	-	-	-	-
Contingency	-	-	-	-
Total	\$ 883,838	\$ 763,620	\$ 763,620	\$ 858,964

PERSONNEL SUMMARY

PERSONNEL	2008 Actual	2009 Adopted	2009 Estimate	2010 Budget
Authorized Positions	9.00	9.00	9.00	9.00

ORGANIZATIONAL CHART



PROFILE

The Legal Services Department is made up of three divisions: City Legal Services/Prosecutor's Office, Human Relations and the Municipal Court.

The City Legal Services Division prepares and reviews ordinances and resolutions relating to various issues in the city. The City Prosecutor's Office prosecutes municipal misdemeanor offenses. The division drafts and assists in negotiation of legal documents including contracts, deeds, leases, and easements. The division also conducts legal research and provides legal guidance to City staff and the Commission when necessary. The City Attorney defends the City in claims and suits.



CURRENT YEAR ACCOMPLISHMENTS

- Prepared legal documents for local sales tax election and sales tax implementation.
- Provided legal support in the establishment of the Oread Redevelopment TIF District.
- Provided legal support for the creation of the Bauer Farms Transportation Development District.
- Coordinated annexation of Bauer Brook Estates and related special assessment benefit districts for water and sanitary sewer improvements.
- Staff Attorney for Public Safety provided instruction for the Lawrence Police Department 28th Basic Recruit Academy.

PERFORMANCE INDICATORS

Indicator	2008 Actual	2009 Estimated	2010 Target
Number of trainings provided	31	34	35
Number of online City Code updates made	15	16	16
Number of ordinances prepared/reviewed per FTE	12.5	14	14

MAJOR GOALS AND OBJECTIVES FOR 2010

1. To professionally respond to the increased level and complexity of legal services demanded by the City within the constraints of available resources.
2. To continue professional development in the municipal court and prosecutor functions seeking greater responsiveness and better results for the community.
3. To assist various City departments, in a legal capacity, in achieving the goals set by the City Commission.

SIGNIFICANT ISSUES FOR 2010

To manage outside counsel litigation expenses. This can be accomplished by processing some cases with in-house staff within existing resources.

General Operating Fund

Human Relations

Account 001-1085-541

EXPENDITURE SUMMARY

EXPENDITURES	2008 Actual	2009 Adopted	2009 Estimate	2010 Budget
Personal Services	\$ 155,478	\$142,778	\$142,778	\$0
Contractual Services	7,195	27,170	27,170	4,450
Commodities	4,590	14,657	14,657	8,607
Capital Outlay	-	-	-	-
Debt Service	-	-	-	-
Transfers	-	-	-	-
Contingency	-	-	-	-
Total	\$ 167,263	\$ 184,605	\$ 184,605	\$ 13,057

PERSONNEL SUMMARY

PERSONNEL	2008 Actual	2009 Adopted	2009 Estimate	2010 Budget
Authorized Positions	3.5	2.5	2.5	0.0

PROFILE / SIGNIFICANT ISSUES FOR 2010

Chapter X, Article 1 of the City Code authorizes staff to investigate and attempt to resolve complaints from those who allege unlawful discrimination within the city limits in employment, public accommodations or housing because of their race, sex, religion, color, national origin, age, ancestry, sexual orientation, disability, or familial status. The 2010 recommended budget includes elimination of staffing in this division. Responsibility for enforcement and training related to Chapter X will be reassigned to other legal department staff.



City of Lawrence

General Operating Fund

Municipal Court / Prosecutor

Account 001-1090-522

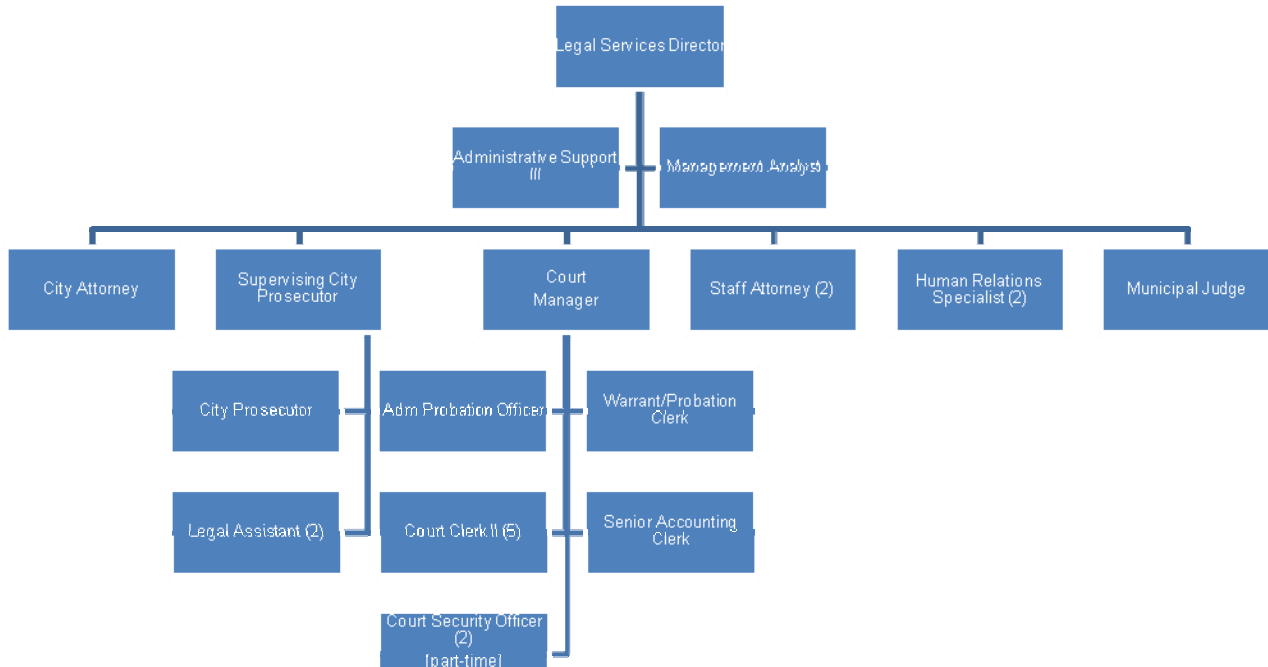
EXPENDITURE SUMMARY

EXPENDITURES	2008 Actual	2009 Adopted	2009 Estimate	2010 Budget
Personal Services	\$ 451,085	\$ 442,582	\$ 442,582	\$ 466,084
Contractual Services	173,149	185,642	185,642	184,542
Commodities	13,222	20,205	20,205	20,205
Capital Outlay	-	-	-	-
Debt Service	-	-	-	-
Transfers	-	-	-	-
Contingency	-	-	-	-
Total	\$ 637,456	\$ 648,429	\$ 648,429	\$ 670,831

PERSONNEL SUMMARY

PERSONNEL	2008 Actual	2009 Adopted	2009 Estimate	2010 Budget
Authorized Positions	8.5	7.5	7.5	7.5

ORGANIZATIONAL CHART



Only one Court Clerk II position is funded out of this account while three are funded from the Public Parking Fund.

PROFILE

The purpose of the City of Lawrence Municipal Court is to file, manage and adjudicate alleged violations of City ordinances in a timely and professional manner. The division is dedicated to providing impartial customer service to attorneys, defendants and citizens while utilizing available resources to continually improve service quality and professional integrity.

The Municipal Court of the City of Lawrence adjudicates alleged violations of the City Code. The City Prosecutor's office represents the City in all cases brought by the City and University Police Departments.

CURRENT YEAR ACCOMPLISHMENTS

- Maintained a high level of accuracy and professional integrity amid the steady increase in citations, court appearances and diversions.
- Improved focus on collections, including overtime parking collections.
- Implemented internal controls to verify payment posting accuracy.
- Implemented new meter payment processing system that improves the accuracy and efficiency of posting large volumes of meter payments.
- Conducted review of fines and other charges and made recommendations for changes.



PERFORMANCE INDICATORS

Indicator	2008 Actual	2009 Estimated	2010 Target
Percent of failure to appear notices mailed within 1 day of non-compliance	81%	90%	100%
Percent of warrants issued within 2 days of non-compliance	87%	95%	100%
Percent of drivers license suspensions issued within 35 calendar days of failure to appear notice	58%	75%	80%
Percent of case files retrieved within 15 minutes	88%	90%	100%

MAJOR GOALS AND OBJECTIVES FOR 2010

1. Continue to develop and improve court procedures, staff training, records management and fines collection methods.
2. Ensure an appropriate and timely disposition on all cases.
3. Dispose of all traffic and parking citations through payment, issuance of warrants or assignment to collections within 180 days of issue date.
4. Evaluate court's technology resources to ensure court is realizing maximum efficiency.

SIGNIFICANT ISSUES FOR 2010

Maintenance of existing levels of collections, tickets processed, court fines and notices mailed will be a continuing challenge with the current staffing levels.

The increase in contractual services can be attributed to an increase in the cost of the lease for the court, located at 10th and New Hampshire.

General Operating Fund

Police

Account 001-2100-561

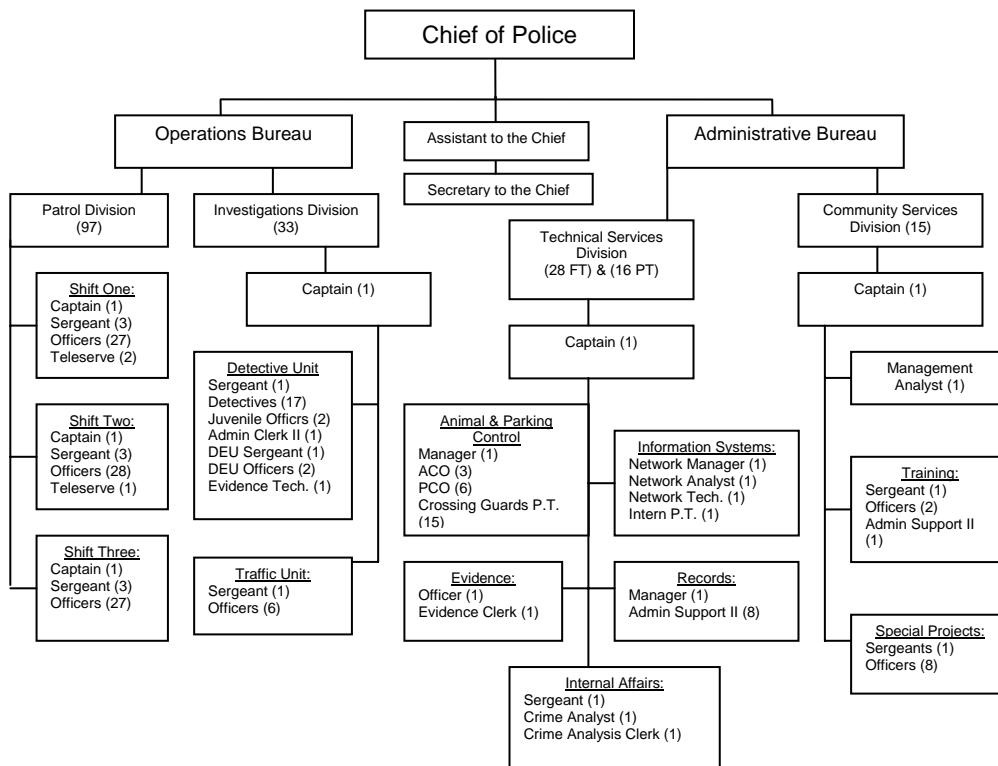
EXPENDITURE SUMMARY

EXPENDITURES	2008 Actual	2009 Adopted	2009 Estimate	2010 Budget
Personal Services	\$ 11,929,480	\$ 12,224,445	\$ 12,224,445	\$ 12,500,575
Contractual Services	973,404	993,369	993,369	1,017,430
Commodities	515,965	508,830	508,830	445,142
Capital Outlay	287,520	205,000	205,000	238,052
Debt Service	-	-	-	-
Transfers	-	-	-	-
Contingency	-	-	-	-
Total	\$ 13,706,369	\$ 13,931,644	\$ 13,931,644	\$ 14,201,199

PERSONNEL SUMMARY

PERSONNEL	2008 Actual	2009 Adopted	2009 Estimate	2010 Budget
Authorized Positions	164.0	164.0	164.0	164.0

ORGANIZATIONAL CHART



PROFILE

The goal of the Lawrence Police Department is to be the number one police organization within the confines of existing resources. To accomplish this goal, the Department has adopted the following Five Guiding Principles:

1. We Exist To Serve The Community
2. We Believe In The Personal Touch
3. We Are Fair But Firm
4. How We Get The Job Done Is As Important as Getting The Job Done
5. We Represent Civility And Order In A Changing World

CURRENT YEAR ACCOMPLISHMENTS

- Continued hosting a variety of law enforcement training programs including: the Central States Law Enforcement Development Seminar; the Homicide Investigation School; Kinesic Interview School; Capital Area Major Case Investigation School; Police Camp; and Citizen's Academy.
- Implemented in-car video fleet-wide.
- Continued working on technology issues including mobile data computer upgrades, and computer forensics equipment.
- Implemented a new personnel deployment assigning officers to a quadrant system for entire Patrol Division.
- Completed 2008-2009 Recruit Academy and prepared for immediate start of next academy group. Conducted promotional activities for captain and sergeant openings.

PERFORMANCE INDICATORS

Indicator	2008 Actual	2009 Estimate	2010 Target
Calls for Service	115,404	120,000	125,000
Offense Cases	17,235	18,000	18,500
Accident Investigation	3,200	3,500	3,600
Custodial Arrests	2,775	2,800	2,850

MAJOR GOALS AND OBJECTIVES FOR 2010

1. To maintain personnel, equipment, and technology for efficiency and effectiveness in providing innovative, timely, and quality police service to the citizens of Lawrence.
2. To provide investigative review of every major crime reported to the Lawrence, Kansas Police Department.
3. To manage the increasing calls of service levels impacting our organization.
4. To continue high productivity by all employees engaged in emergency police response.
5. To address significant issues associated with evidence processing and storage and increasing levels of property storage.
6. Ongoing development of long-term planning for adequate personnel levels, facilities, and equipment.

SIGNIFICANT ISSUES FOR 2010

The significant issue in 2010 is how to maintain existing service levels and quality of infrastructure while meeting critical budget levels.

General Operating Fund

Fire Medical

Account 001-2200-562

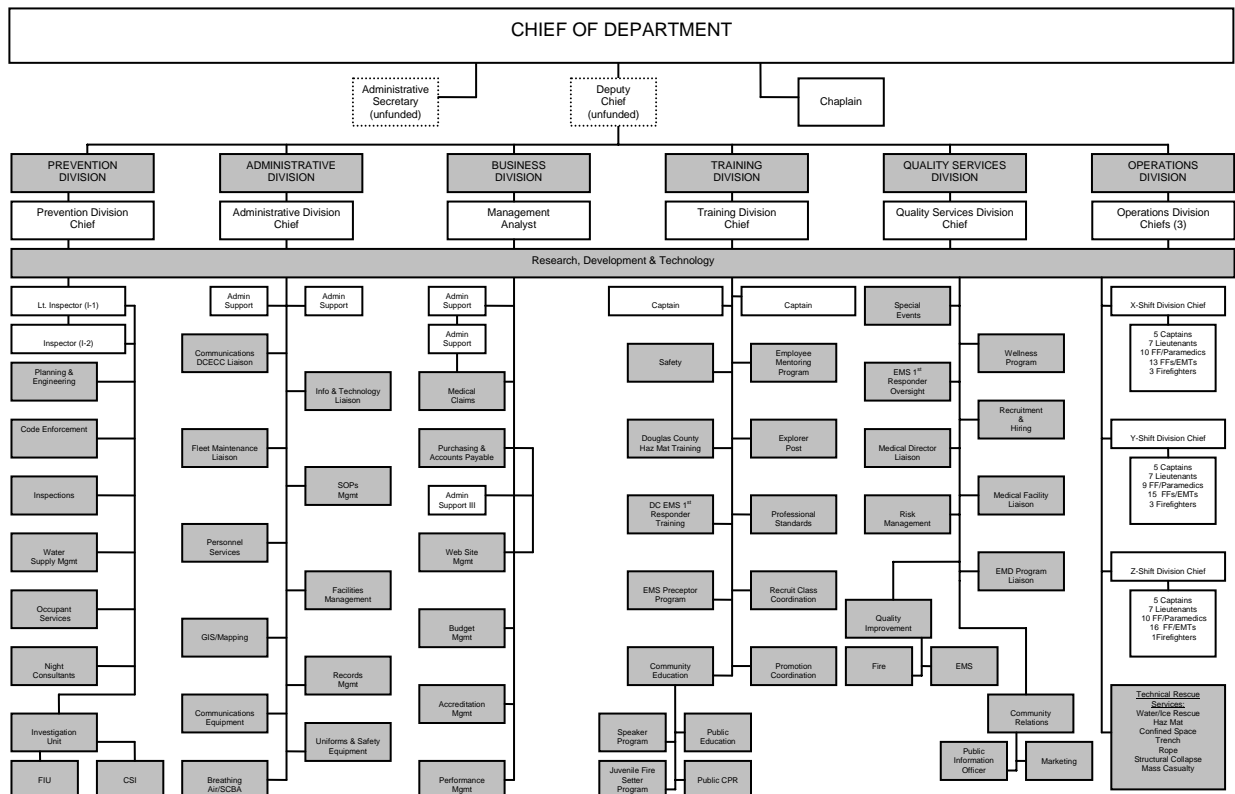
EXPENDITURE SUMMARY

EXPENDITURES	2008 Actual	2009 Adopted	2009 Estimate	2010 Budget
Personal Services	\$ 11,424,359	\$ 11,468,307	\$ 11,468,307	\$ 11,742,496
Contractual Services	813,374	1,020,324	1,020,324	1,041,999
Commodities	380,581	493,316	493,316	376,722
Capital Outlay	18,599	100,500	100,500	60,500
Refunds	414	-	-	-
Transfers	-	-	-	-
Contingency	-	-	-	-
Total	\$ 12,637,327	\$ 13,082,447	\$ 13,082,447	\$ 13,221,717

PERSONNEL SUMMARY

PERSONNEL	2008 Actual	2009 Adopted	2009 Estimate	2010 Budget
Authorized Positions	145.0	145.0	145.0	145.0

ORGANIZATIONAL CHART



PROFILE

"WE ARE COMMITTED TO SAVING AND PROTECTING LIVES AND PROPERTY." The Fire Medical department is equipped and staffed at a level that currently meets the minimum level required to protect the community in fire, EMS, hazardous materials, special rescue, disaster preparedness and terrorism responses.

The City of Lawrence and Douglas County jointly fund the department, with the City funding 74.36% and the County funding 25.64% according to an agreement. The City funds 75% of the shared costs. Fire services are only provided within the City of Lawrence while emergency medical services and hazardous material responses are provide County-wide.

The Administrative Division is responsible for communications, fleet maintenance, personnel services, GIS/mapping, information and technology, Standard Operating Procedures, facilities, records, and uniform/safety equipment.

The Business Division is responsible for medical claims and billing, purchasing and accounts payable, web site management, budget management, accreditation, and performance management.

The Operations Division is comprised of firefighters and paramedics who work traditional 24-hour shifts and are on duty three shifts in each nine-day cycle. Operations equipment includes engines, quints, aerial ladders, medic units, squads, one tender and a hazardous materials vehicle distributed among five stations located throughout Lawrence and one medic station in Baldwin.

Prevention is responsible for planning and engineering, enforcement of the Uniform Fire Code and Life Safety Code, water supply management, investigations, and night consultants.

Quality Services provides oversight for special events, the EMS First Responder Program, the Wellness Program, recruitment and hiring, risk management, and community relations.

Training is responsible for all training and education of department and community members, the Explorer Program, professional standards, recruit class training and the EMS Preceptor Program.

CURRENT YEAR ACCOMPLISHMENTS

- Responded to 9,799 incidents, 77% EMS.

PERFORMANCE INDICATORS

Indicator	2008 Actual	2009 Estimated	2010 Target
Fire emergency response time within the city limits	4:50	4:29*	Within 6:00 80% of the time*
EMS emergency response time within the city limits	3:54	4:13*	Within 6:00 80% of the time*
Percent of citizens indicating satisfied or very satisfied with department's professionalism	TBD	TBD	TBD
Percent of citizens indicating satisfied or very satisfied with department's quality of fire services	TBD	TBD	TBD

* Based on 2009 1Q performance measures

MAJOR GOALS AND OBJECTIVES FOR 2010

- Provide necessary continuing education of current staff, as well as additional training to increase the number of state-certified paramedics.
- Continue public education and prevention efforts for community safety and awareness.
- Continue strategic planning for the department including impact of urban growth areas.
- Replace fire and medical apparatus as outlined in the department's Apparatus Replacement Plan.
- Utilize new technology wherever possible to contribute to the effectiveness and safety of our service delivery efforts.
- Maintain agency accredited status through submittal of annual performance reports.

General Operating Fund

Health Department

Account 001-2500-565

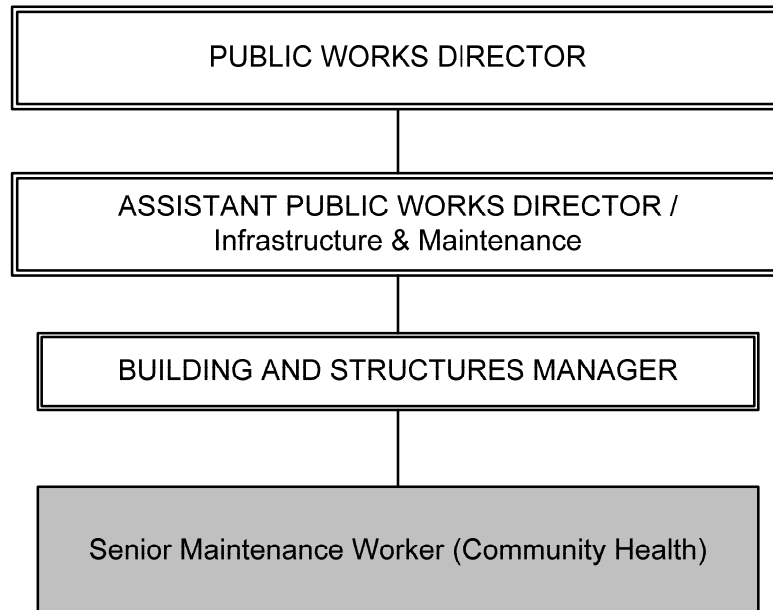
EXPENDITURE SUMMARY

EXPENDITURES	2008 Actual	2009 Adopted	2009 Estimate	2010 Budget
Personal Services	\$ 60,945	\$ 70,057	\$ 70,057	\$ 63,912
Contractual Services	886,957	963,682	963,682	912,073
Commodities	11,965	18,600	18,600	18,640
Capital Outlay	-	-	-	-
Debt Service	-	-	-	-
Transfers	-	-	-	-
Contingency	-	-	-	-
Total	\$ 959,867	\$ 1,052,339	\$ 1,052,339	\$ 994,625

PERSONNEL SUMMARY

PERSONNEL	2008 Actual	2009 Adopted	2009 Estimate	2010 Budget
Authorized Positions	1.0	1.0	1.0	1.0

ORGANIZATIONAL CHART



Shading indicates positions funded through this account.

PROFILE

The City makes an annual appropriation to the Lawrence/Douglas County Health Department (LDCHD), whose mission is to protect and promote the health of the people in Douglas County.

The 2010 budget includes \$648,929 for the City's share (40%) of the LDDCHD operating budget. The remaining 60% of the operations of the Health Department are paid by Douglas County .

The City and County also share responsibility for the repairs and maintenance of the City/County Health Building, which houses the offices of the LDCHD. Those repair and maintenance costs are added to the LDCHD operating budget to make up this division's budget for the General Fund.

Revenue from the County for their share (50%) of the repairs and maintenance is included in the revenue projections for the General Fund.

PERFORMANCE INDICATORS

Indicator	2008 Actual	2009 Est.	2010 Target
Total Immunizations	9,770	7,735	7,735
MCH Service Visits	2,532	2,525	2,575
WIC Caseload at end of Year	1,472	1,509	1,539
Child Care Facility Visits	443	420	420
Care Management for Seniors Visits	1,524	1,550	1,560
Swimming Pool Inspection Visits	516	500	500
Percent of 2 year old clients completing the primary immunization series	84%	82%	85%
Public Swimming Closure Rate	16%	13%	13%

CURRENT YEAR ACCOMPLISHMENTS

- With the assistance of a grant from the National Association of County and City Health Officials (NACCHO), the Health Department was one of 30 single local health departments nationwide to participate in an accreditation and quality improvements demonstration sites project.
- With grants from NACCHO and the Sunflower Foundation, the Health Department provided multiple staff trainings on quality improvement concepts and tools.



MAJOR GOALS AND OBJECTIVES FOR 2010

- Prevent disease by protecting individuals of all ages against vaccine-preventable diseases.
- Protect the health and safety of children by evaluating compliance with child care licensing regulations.
- Protect the health of the community by enforcing local environmental health codes and regulations.
- Provide communicable disease case investigation and follow-up in order to prevent or reduce the spread of communicable diseases.
- Promote improved health outcomes for pregnant women and their infants by placing pregnant women into early prenatal medical care.
- Promote health by helping teen parents become self-sufficient through goal setting and life skills development.
- Promote health by helping mothers and pregnant women meet their nutritional needs and those of their children.
- Reduce infant mortality and morbidity by continuing to work with the Kansas Children's League to expand their Healthy Families program to restore and expand case management services for teen and at-risk mothers and their families.
- Expand our work with local and state partners to prepare for potential public health emergencies.

HEALTH DEPARTMENT

General Operating Fund

Street Maintenance

Account 001-3000-571

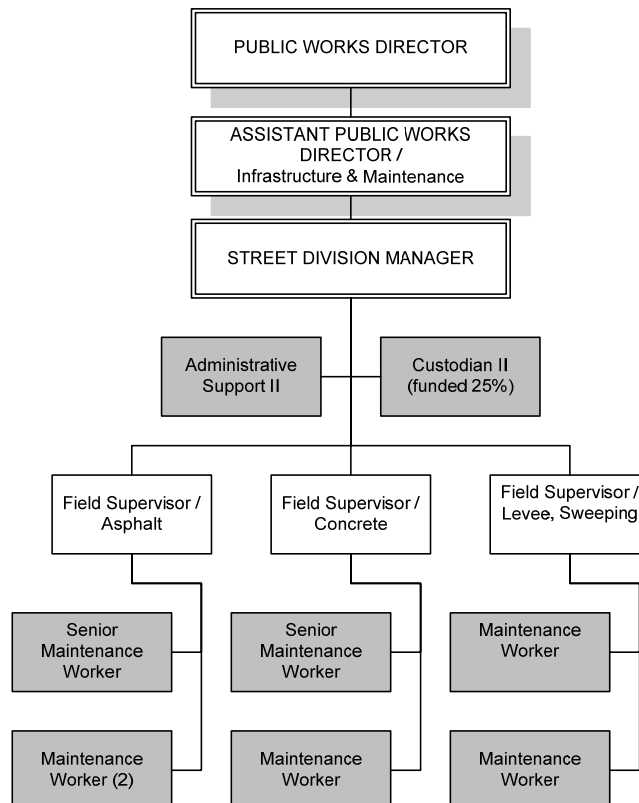
EXPENDITURE SUMMARY

EXPENDITURES	2008 Actual	2009 Adopted	2009 Estimate	2010 Budget
Personal Services	\$ 375,980	\$ 390,589	\$ 390,589	\$ 405,196
Contractual Services	385,664	290,490	290,490	391,990
Commodities	2,299,102	2,612,706	2,612,706	2,583,719
Capital Outlay	-	-	-	-
Debt Service	-	-	-	-
Transfers	-	-	-	-
Contingency	-	-	-	-
Total	\$ 3,060,746	\$ 3,293,785	\$ 3,293,785	\$ 3,380,905

PERSONNEL SUMMARY

PERSONNEL	2008 Actual	2009 Adopted	2009 Estimate	2010 Budget
Authorized Positions	8.25	8.25	8.25	8.25

ORGANIZATIONAL CHART



*Shading indicates positions funded from this account.

PROFILE

The Street Maintenance Division is responsible for the routine maintenance of the City's streets, alleys, curbs, and gutters. The budget provides funds for concrete, asphalt, sand and rock for street repairs, and salt for snow and ice control. Additional funds are budgeted for outside firms to assist in removing snow. The work crews require the use of a variety of equipment and vehicles. The cost of equipment maintenance and fuel is included in this budget.

The City maintains slightly over 319 centerline miles of streets. Core street maintenance services continue to be a priority focus. The department provides comprehensive planning for pavement rehabilitation and maintenance.

The Street Maintenance budget funds significant rehabilitation projects that are contracted, as well as staffing for routine maintenance completed in-house. Minor maintenance projects are completed in house. Major maintenance is contracted. The City uses mill and overlay, crack-sealing, and microsurfacing as treatments to maintain infrastructure. Significant issues for the Street Division are ensuring adequate funding for infrastructure maintenance and adequate staffing to meet demands.

CURRENT YEAR ACCOMPLISHMENTS

- Concrete and asphalt maintenance projects including resurfacing, base failure repairs, valley gutters and intersections, curb repairs and replacement, pedestrian and sidewalk issues, and special projects.
- Provided excellent snow and ice control during winter operations.
- Major crack-sealing and microsurfacing projects were completed.
- Special projects include Timberedge reconstruction and full-depth repairs before contractor addresses 9th Street maintenance project.
- Street sweeping for approximately 7,000 lane miles.

PERFORMANCE INDICATORS

Indicator	2008 Actual	2009 Estimated	2010 Target
% of pavement rated as acceptable or better (PCI)			
Arterials	57.5%	58 %	TBD
Collectors	75.4%	75 %	TBD
Residentials	75.5%	75 %	TBD
% of potholes on arterials filled within 24 hours (arterial streets)	44%	80%	85%
% of residents satisfied with street maintenance	26%	26%	26%
% of residents satisfied with snow removal on arterials streets	76%	76%	76%

MAJOR GOALS AND OBJECTIVES FOR 2010

1. To provide timely and preventive maintenance for street and related infrastructure by applying the most cost-effective maintenance treatments based on specific condition assessments.
2. To provide curb, gutter, and concrete repair and maintenance.
3. To provide asphalt maintenance through patching and replacement.
4. To maximize pavement life through an aggressive crack-sealing program.
5. To provide effective snow and ice control for public roadways.
6. To provide support, personnel, and equipment during emergency response and disaster recovery operations.

SIGNIFICANT ISSUES FOR 2010

Achieving appropriate levels of funding for major rehabilitation and routine maintenance and equipment replacement despite limited resources.

STREET MAINTENANCE

General Operating Fund

Engineering

Account 001-3100-571

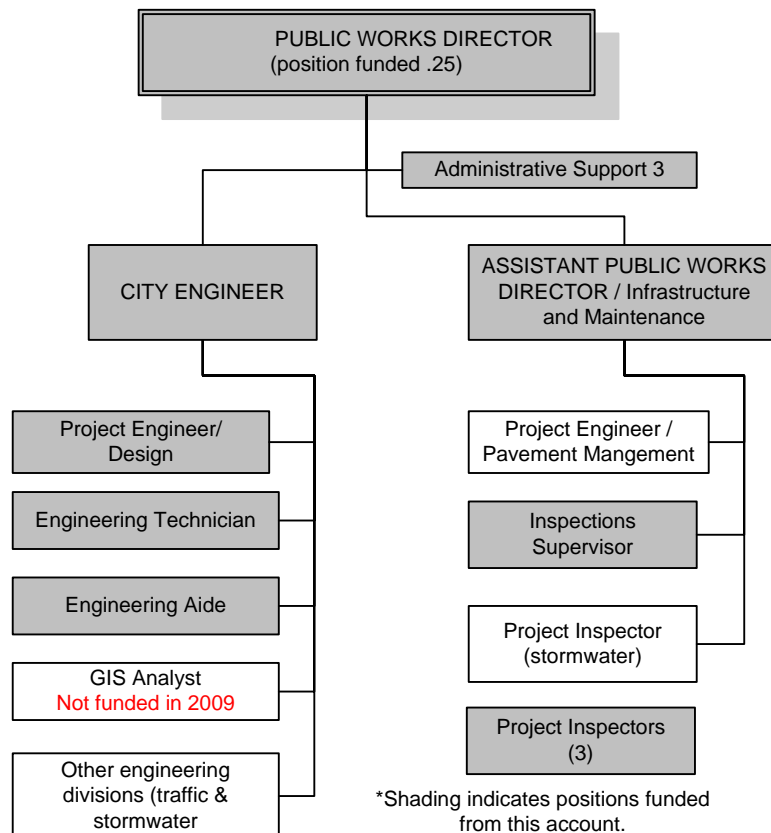
EXPENDITURE SUMMARY

EXPENDITURES	2008 Actual	2009 Adopted	2009 Estimate	2010 Budget
Personal Services	\$ 721,530	\$ 773,789	\$ 773,789	\$ 804,094
Contractual Services	34,696	44,785	44,785	48,353
Commodities	30,711	57,700	57,700	53,455
Capital Outlay	19,673	16,300	16,300	9,000
Debt Service	-	-	-	-
Transfers	-	-	-	-
Contingency	-	-	-	-
Total	\$ 806,610	\$ 892,574	\$ 892,574	\$ 914,902

PERSONNEL SUMMARY

PERSONNEL	2008 Actual	2009 Adopted	2009 Estimate	2010 Budget
Authorized Positions	11.66	10.66	10.66	10.66

ORGANIZATIONAL CHART



PROFILE

The Engineering Division is responsible for the review and approval of all plans for streets, sidewalks, and storm sewers. The division administers projects and inspects project construction, evaluates pavement condition and contracts for major pavement restoration and replacement. The Engineering Division solicits grants and other funding for major reconstruction or new construction projects. The City Engineer provides supervision for the traffic and stormwater engineering programs. The number and complexity of projects designed in-house has been increasing.

The Engineering staff offers technical assistance to other departments in consultant selection and contract administration. The office of the City Engineer is the custodian of "as built" plans as well as various maps and aerial photography information used extensively by builders, developers, and consultant engineers working in the City. Some of the GIS functions of the City were supported through this division, but the position is not budgeted in 2009.

CURRENT YEAR ACCOMPLISHMENTS

- In-house design of small projects, including Burroughs Creek Rail Trail, brick street reconstruction, and the Clinton Parkway multi-use path reconstruction.
- Centralized project review process, facilitating the coordinated review of plans by various workgroups.
- Community passed a sale tax increase for infrastructure projects, including major reconstruction projects and increased maintenance. Design work undertaken for the reconstruction of Kasold, Clinton Parkway to 31st Street. The first sales tax maintenance project will be 9th Street from Iowa to Kentucky.
- Reviewed and updated technical specifications including sections on pavement, subgrade materials, and maintenance activities.
- Continued work on 23rd Street Access Management Project.

PERFORMANCE INDICATORS

Indicator	2008 Actual	2009 Estimated	2010 Target
% of pavement rated as acceptable or better (PCI)			
Arterials	57.5%	58 %	TBD
Collectors	75.4%	75 %	TBD
Residentials	75.5%	75 %	TBD
% of engineering plans reviews completed within 10 business days	69%	90%	100%
% of residents satisfied with street maintenance	26%	26%	TBD
Total lane miles of street resurfacing completed			
Overlay	8.7	8.0	TBD
Micro-surfacing	12.9	13.5	TBD

MAJOR GOALS AND OBJECTIVES FOR 2010

1. Continue limited in-house engineering design services.
2. Complete second phase of re-inventory for the pavement maintenance inventory.
3. Provide comprehensive pavement management and implement a multi-year program.
4. Implement the public works portions of the comprehensive GIS system.
5. Provide thorough and timely inspection of all public improvements.

SIGNIFICANT ISSUES FOR 2010

- Limited resources have resulted in decreased engineering support of mapping services through GIS system.
- Pavement maintenance / management continue to be on-going critical issue.

General Operating Fund

Traffic Engineering

Account 001-3200-572

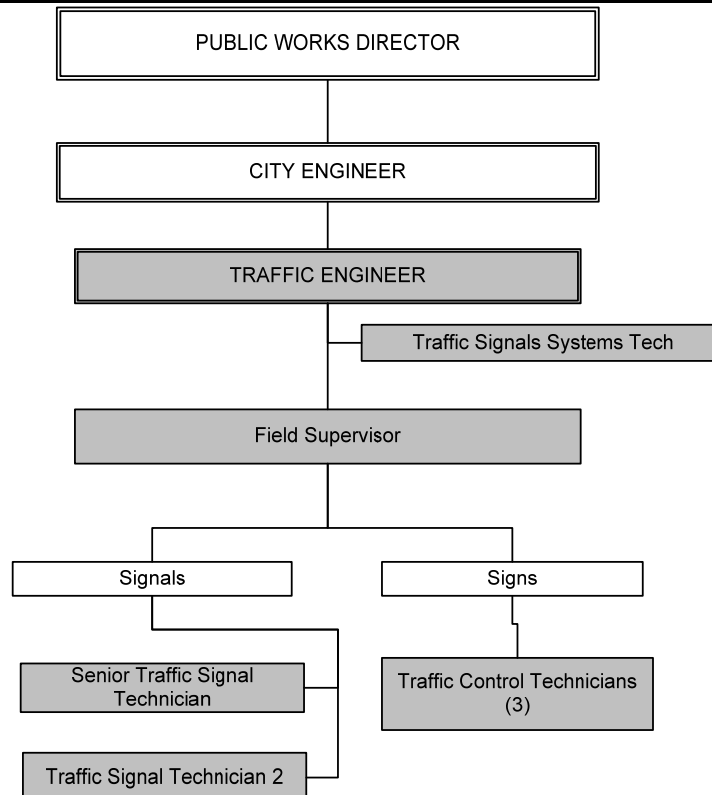
EXPENDITURE SUMMARY

EXPENDITURES	2008 Actual	2009 Adopted	2009 Estimate	2010 Budget
Personal Services	\$ 449,998	\$ 450,069	\$ 450,069	\$ 465,294
Contractual Services	33,501	39,800	39,800	39,800
Commodities	98,668	91,400	91,400	86,090
Capital Outlay	-	-	-	-
Debt Service	-	-	-	-
Transfers	-	-	-	-
Contingency	-	-	-	-
Total	\$ 582,167	\$ 581,269	\$ 581,269	\$ 591,184

PERSONNEL SUMMARY

PERSONNEL	2008 Actual	2009 Adopted	2009 Estimate	2010 Budget
Authorized Positions	8.0	8.0	8.0	8.0

ORGANIZATIONAL CHART



*Shading indicates positions funded from this account

PROFILE

The Traffic Engineering Division reviews plats and site plans, street plans, analyzes traffic data, and provides professional and technical data to the Traffic Safety Commission. Field crews are responsible for signal maintenance, signal timing, street signs, and pavement markings. Crews also maintain school beacons, conduct electronic and manual traffic counts and school crossing counts. Traffic division crews are responsible for overhead decorative lighting in the central business district.

The Traffic Engineering Division works with community and neighborhood groups to address specific concerns. The Traffic Engineer provides professional staffing and recommendations to the Traffic Safety Commission.

The Traffic Engineering Division is currently located at 445 Mississippi. The long-term operational goal is to move this work unit to the Wakarusa Service Center with other street maintenance operations.

CURRENT YEAR ACCOMPLISHMENTS

- Worked with neighborhoods and localized areas on traffic calming plans.
- Optimized traffic signal coordination plans throughout the city.
- Continued installation of battery back-up systems at major signalized intersections.
- Continued program installing countdown timers at signalized pedestrian crossings.
- Continued LED upgrade program for pedestrian signals.
- Continued coordination with consultant for the design of the architecture for intelligent transportation systems within the city.
- Inspected signal construction at 6th and Congressional.

PERFORMANCE INDICATORS

Indicator	2008 Actual	2009 Estimated	2010 Target
% of downed signed reinstalled within 3 days of completed locates	100%	100%	100%
% of traffic signal heads converted to LED	62%	63%	65%
% of residents satisfied with ease of east/west travel (survey)	30%	30%	30%
% of residents satisfied with ease of north/south travel (survey)	49%	49%	49%
% of residents satisfied with maintenance of street signs	72%	72%	72%

MAJOR GOALS AND OBJECTIVES FOR 2010

1. To provide traffic signal, traffic signing, and pavement marking public services at the current level without an increase in funding.
2. Develop comprehensive Intelligent Transportation Systems (ITS) Plan.
3. To inventory approximately 20% of traffic control signs in place.
4. To complete installation of LED's in all pedestrian signals.
5. To continue working with neighborhood organizations to provide solutions to traffic problems that can improve the quality of life within the neighborhood.

SIGNIFICANT ISSUES FOR 2010

The provision of adequate equipment for safe, effective, and efficient traffic engineering operations is a significant issue.

General Operating Fund

Airport Maintenance

Account 001-3300-573

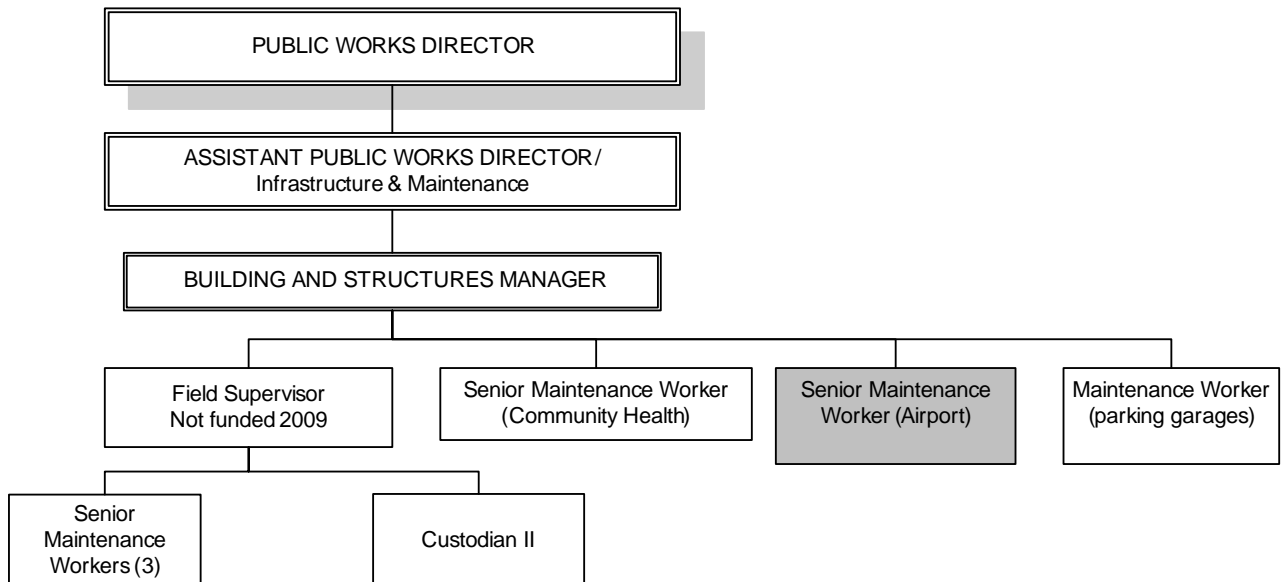
EXPENDITURE SUMMARY

EXPENDITURES	2008 Actual	2009 Adopted	2009 Estimate	2010 Budget
Personal Services	\$ 57,260	\$ 60,690	\$ 60,690	\$ 62,523
Contractual Services	61,325	58,000	58,000	58,065
Commodities	13,652	3,700	3,700	6,700
Capital Outlay	13,038	17,000	17,000	70,000
Debt Service	-	-	-	-
Transfers	-	-	-	-
Contingency	-	-	-	-
Total	\$ 145,275	\$ 139,390	\$ 139,390	\$ 197,288

PERSONNEL SUMMARY

PERSONNEL	2008 Actual	2009 Adopted	2009 Estimate	2010 Budget
Authorized Positions	1.0	1.0	1.0	1.0

ORGANIZATIONAL CHART



*Shading indicates positions funded from this account

PROFILE

The Lawrence Municipal Airport is operated by a fixed base operator under agreement with the City. A public works employee serves as Airport Manager and serves as the primary staff liaison for the Airport Advisory Board.

Maintenance that is not assigned to the fixed based operator is the responsibility of the Public Works Department. Operational functions were reorganized in 2007 to the Building and Structures Division. A Senior Maintenance Worker position is assigned primary responsibilities at the airport, including mowing, snow removal, and other operational support. Assistance is provided to this operation from the Street Division and other building maintenance staff.

Contractual agreements such as insurance and electricity are budgeted in this division as well as capital expenditures for maintenance and improvements.

CURRENT YEAR ACCOMPLISHMENTS

- Increased services at airport through dedicated maintenance staff reporting to facility on a daily basis.
- On-going project to widen the safety area for the runway 15-33.
- Acquired new finish mower for facility, to improve overall visual appeal.
- Coordination of the 80th anniversary celebration events.



PERFORMANCE INDICATORS

Indicator	2008 Actual	2009 Estimated	2010 Target
% occupancy of t-hanger space	100%	100 %	100 %
% of construction inspection services provided in-house	100%	100%	100%
% of monthly safety inspections completed on time	80%	85%	90%
Waiting list for t-hanger space	Yes	Yes (32)	Yes

MAJOR GOALS AND OBJECTIVES FOR 2010

1. To continue maintenance of primary runways and taxiways.
2. To provide routine inspections for regulatory compliance.
3. To provide facility and grounds maintenance at the airport terminal and hangars, per agreements.
4. To replace concrete apron on the west side of FBO Hangar.
5. City staff to provide inspection on construction projects.
6. Evaluate alternative snow removal and ice control methodologies for runways.

SIGNIFICANT ISSUES FOR 2010

The provision of adequate equipment for safe, effective, and efficient operations at the airport is a significant issue.

AIRPORT MAINTENANCE

General Operating Fund

Building Maintenance

Account 001-3400-574

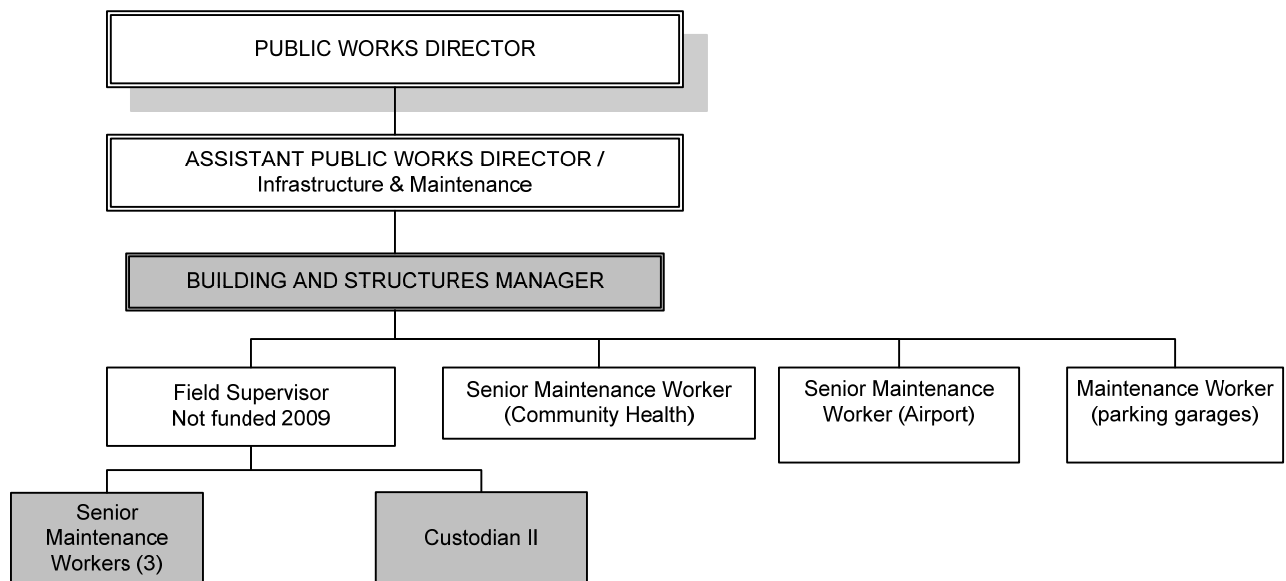
EXPENDITURE SUMMARY

EXPENDITURES	2008 Actual	2009 Adopted	2009 Estimate	2010 Budget
Personal Services	\$ 302,783	\$ 305,527	\$ 305,527	\$ 318,363
Contractual Services	445,825	549,547	549,547	517,883
Commodities	33,257	35,200	35,200	36,300
Capital Outlay	-	-	-	-
Debt Service	-	-	-	-
Transfers	-	-	-	-
Contingency	-	-	-	-
Total	\$ 781,865	\$ 890,274	\$ 890,274	\$ 872,546

PERSONNEL SUMMARY

PERSONNEL	2008 Actual	2009 Adopted	2009 Estimate	2010 Budget
Authorized Positions	5.0	5.0	5.0	5.0

ORGANIZATIONAL CHART



*Shading indicates positions funded from this account

PROFILE

This division is responsible for building maintenance for municipal buildings except where such services are provided contractually. In addition to maintenance costs, utility costs for some buildings are paid out of this division's budget. The costs of operation of the Law Enforcement Center, which are shared with the County, are budgeted in this section. The division provides maintenance services and/or technical support for approximately 30 facilities: City Hall; Court Services; five Public Works facilities; Fire/Medical facilities; six buildings at the Lawrence Municipal Airport; the Public Library; the Police annex facility; the Riverfront Parking Garage; New Hampshire Parking Garage and four city owned buildings occupied by community service agencies – the Arts Center, Health Care Access, Lawrence/Douglas County Senior Center, and the Community Health facility. The division also provides assistance with downtown lighting, canopies, and various buildings at the cemeteries.

CURRENT YEAR ACCOMPLISHMENTS

- Completion of generator project, installing back up systems in two fire stations and City Hall, for primary computer room.
- Riverfront Parking Garage structural T repairs completed and column tie re-weld in New Hampshire Parking Garage.
- Completion of downtown projects including support of lighting and electrical improvements, such as pole replacement.
- Continued to provide core maintenance functions for municipal building infrastructure.

PERFORMANCE INDICATORS

Indicator	2008 Actual	2009 Estimated	2010 Target
% of scheduled repairs completed on time	tbd	80%	90%
% of emergency requests responded to within 2 hours	92%	95%	95%
% of respondents rating cleanliness of facilities as good or excellent	Na	Na	Na
% of respondents rating timeliness of repairs as good or excellent	Na	Na	Na

MAJOR GOALS AND OBJECTIVES FOR 2010

1. Refine work order system to provide comprehensive facilities maintenance information to allow for comprehensive planning.
2. Provide appropriate levels of support and responsiveness for customer departments within given budget constraints.
3. Provide core maintenance for municipal building services for all facilities assigned.
4. Provide custodial services by in-house personnel or contract where required.

SIGNIFICANT ISSUES FOR 2010

- Increasing fuel, energy, and materials costs are continuing issues.
- Staffing and/or resources to provide custodial services at specified buildings to appropriate levels.
- Limited resources mean a reduction in contractual services, including selective preventive maintenance and building repairs.

General Operating Fund

Street Lights

Account 001-3600-576

EXPENDITURE SUMMARY

EXPENDITURES	2008 Actual	2009 Adopted	2009 Estimate	2010 Budget
Personal Services	\$ -	\$ -	\$ -	\$ -
Contractual Services	591,815	630,000	630,000	659,627
Commodities	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service	-	-	-	-
Transfers	-	-	-	-
Contingency	-	-	-	-
Total	\$ 591,815	\$ 630,000	\$ 630,000	\$ 659,627

PERSONNEL SUMMARY

PERSONNEL	2008 Actual	2009 Adopted	2009 Estimate	2010 Budget
Authorized Positions	NA	NA	NA	NA

PROFILE

The lighting of city streets is paid out of this account. The City does not own streetlights, with the exception of downtown lighting, roundabouts, and some specialty area lighting. Westar Energy owns and maintains the lights. Cost for lighting varies based on the wattage of the light used and the type of pole that the light is mounted on (steel, aluminum, or wood). This account also funds electricity fees for traffic signals.

SIGNIFICANT ISSUES FOR 2010

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

STREET LIGHTS



City of Lawrence

General Operating Fund

Levee Maintenance

Account 001-3700-577

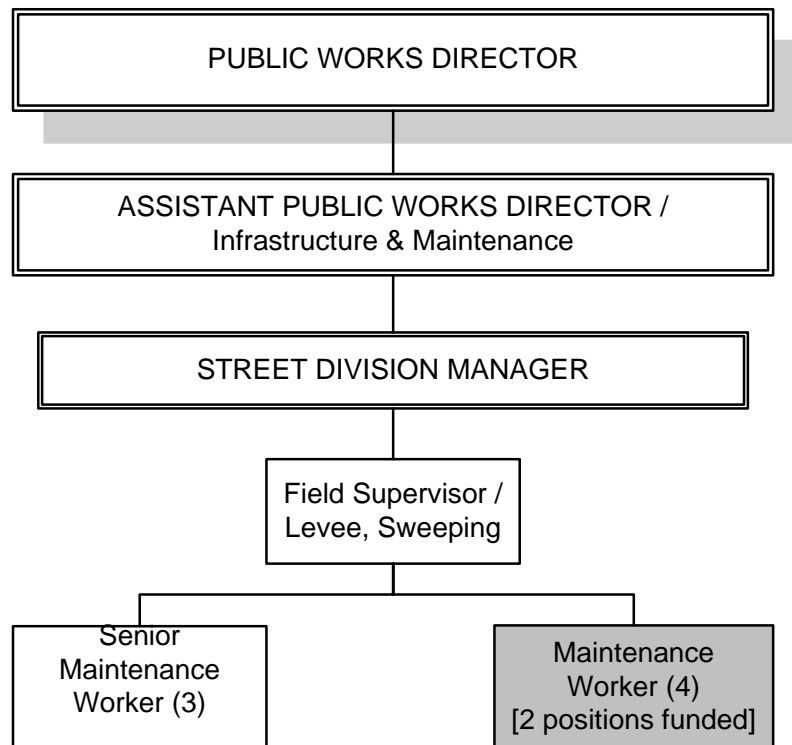
EXPENDITURE SUMMARY

EXPENDITURES	2008 Actual	2009 Adopted	2009 Estimate	2010 Budget
Personal Services	\$ 85,802	\$ 85,976	\$ 85,976	\$ 89,571
Contractual Services	31,396	33,500	33,500	33,500
Commodities	14,859	21,300	21,300	21,300
Capital Outlay	13,038	16,000	16,000	-
Debt Service	-	-	-	-
Transfers	-	-	-	-
Contingency	-	-	-	-
Total	\$ 145,095	\$ 156,776	\$ 156,776	\$ 144,371

PERSONNEL SUMMARY

PERSONNEL	2008 Actual	2009 Adopted	2009 Estimate	2010 Budget
Authorized Positions	2.0	2.0	2.0	2.0

ORGANIZATIONAL CHART



*Shading indicates positions funded from this account

PROFILE

The Levee maintenance budget is for personnel, equipment, and materials to maintain the flood control levee along the Kansas River and Mud Creek. Operations are partially funded by the KAW Drainage District. This budget provides for weed control, mowing, and slope repair along the length of the levee as well as maintenance of the flood control gates. Maintenance requirements for the levee are regulated by the U.S. Army Corps of Engineers and inspected annually.

CURRENT YEAR ACCOMPLISHMENTS

- Provided mowing and weed control along the levee
- Provided maintenance of flood control gates
- Made modifications to access gates



PERFORMANCE INDICATORS

Indicator	2008 Actual	2009 Estimated	2010 Target
# of events requiring flood gate closures	3	3	1
# of events requiring 24 hour flood patrol	3	1	1
% of 24-hour mandatory flood patrol completed on time	100%	100%	100%
# of major violations identified in USACE inspection	0	0	0

MAJOR GOALS AND OBJECTIVES FOR 2010

1. To provide continuous maintenance for levee system.
2. To meet all regulatory requirements as provided by the U.S. Army Corps of Engineers.
3. To protect North Lawrence from flooding from the Kansas River or Mud Creek.
4. To obtain policy direction on levee recertification requirements.

SIGNIFICANT ISSUES FOR 2010

The provision of adequate equipment for safe, effective, and efficient operations on the levee is a significant issue.

LEVEE MAINTENANCE

General Operating Fund

Parks / Facility Maintenance

Account 001-4500-595

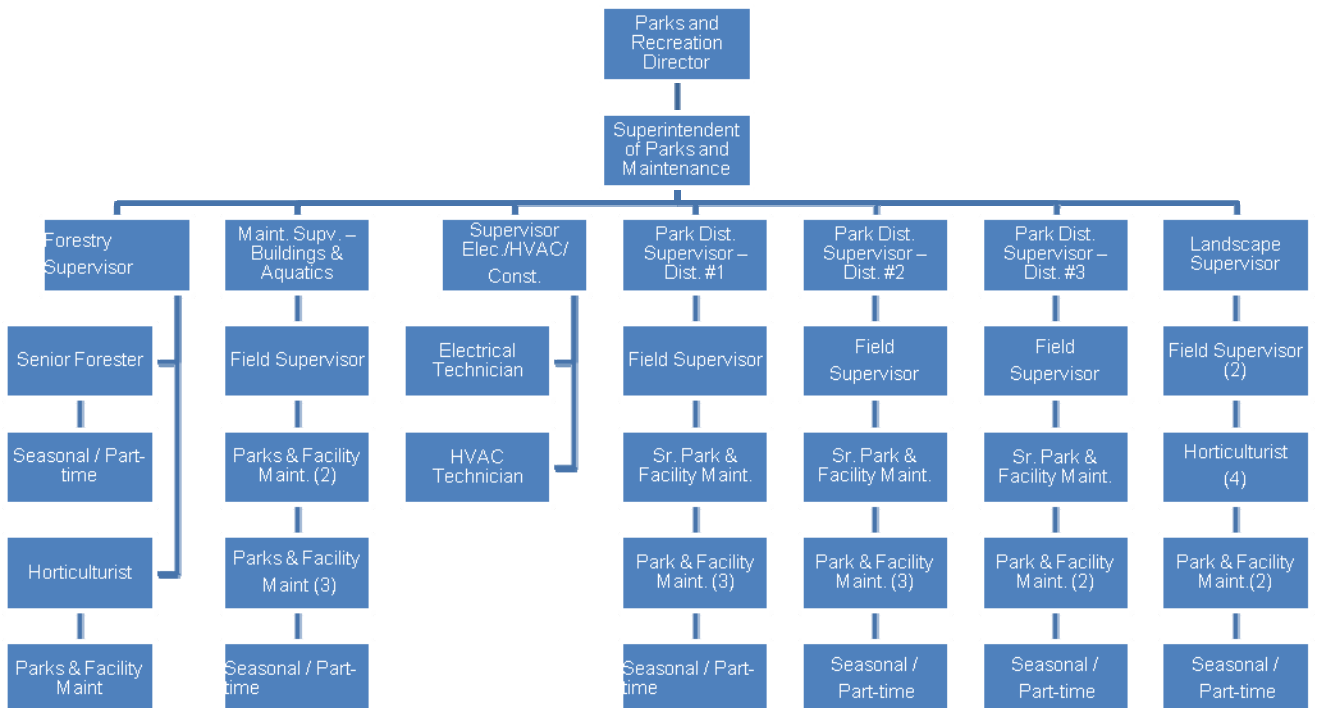
EXPENDITURE SUMMARY

EXPENDITURES	2008 Actual	2009 Adopted	2009 Estimate	2010 Budget
Personal Services	\$ 2,203,189	\$ 2,264,808	\$ 2,264,808	\$ 2,302,266
Contractual Services	626,867	652,354	652,354	688,354
Commodities	362,585	343,100	343,100	311,800
Capital Outlay	67,588	32,000	32,000	32,000
Debt Service	-	-	-	-
Transfers	-	-	-	-
Contingency	-	-	-	-
Total	\$ 3,260,229	\$ 3,292,262	\$ 3,292,262	\$ 3,334,420

PERSONNEL SUMMARY

PERSONNEL	2008 Actual	2009 Adopted	2009 Estimate	2010 Budget
Authorized Positions	41.0	36.5	36.5	34.75

ORGANIZATIONAL CHART



The Director is only partially funded from this account.

PROFILE

This budget provides maintenance funding for the divisions of Parks and Recreation that operate under the direction of the parks & maintenance superintendent:

- Park District #1 (Includes most athletic fields and all parks in the western part of the city),
- Park District #2 (Includes many high use parks such as South Park, Centennial Park, Watson Park and all other parks in the central part of town),
- Parks District #3 (cemetery operations and all parks in north and east Lawrence),
- Facility Maintenance (maintenance of four recreation centers, depot, nature center, four pools and three fountains),
- Horticulture (city-wide landscape maintenance and downtown streetscape),
- Forestry (city-wide street tree maintenance and management of right-of-way mowing contracts),
- Construction (oversees park construction, electric & HVAC).

The mission of this division is to provide high quality maintenance and development of all City owned parks, trails, cemeteries, landscape areas, recreation buildings, pools, athletic fields, open spaces, street trees and nature areas.

CURRENT YEAR ACCOMPLISHMENTS

- Completed multiple maintenance projects on the recreation centers and park facilities
- Assumed full ownership and maintenance of the Youth Sports Athletic Complex (YSI)
- Completed multiple upgrades to ball diamonds. Including taking over maintenance of the DCABA fields at the fairgrounds
- Completed renovation of Hobbs Park
- Started construction on Burroughs Creek Park
- Increased use of contractual labor to complete tasks previously performed by employees

PERFORMANCE INDICATORS

Indicator	2008 Actual	2009 Estimated	2010 Target
% of residents satisfied with appearance / cleanliness of city parks	88.3%	NA	TBD
% of residents satisfied with the condition of equipment at city parks	80.7	NA	TBD

MAJOR GOALS AND OBJECTIVES FOR 2010

1. To provide quality and efficient maintenance of all Parks and Recreation facilities.
2. To continue to propose and oversee maintenance and construction projects funded by the General Fund & Sales Tax.
3. Continue to evaluate the benefits of contractual labor vs. in-house labor.

SIGNIFICANT ISSUES FOR 2010

The submitted operating budget for the general fund is a source of concern for the department. Within these budget lines are located the funds for maintenance of all parks and most of the funding for maintaining recreation facilities and athletic fields in the community. The increasing cost of electric and gas utilities to operate these facilities make it difficult to maintain a minimal growth budget. The submitted budget eliminates a permanent part-time Admin Support position to cover some of these increases.

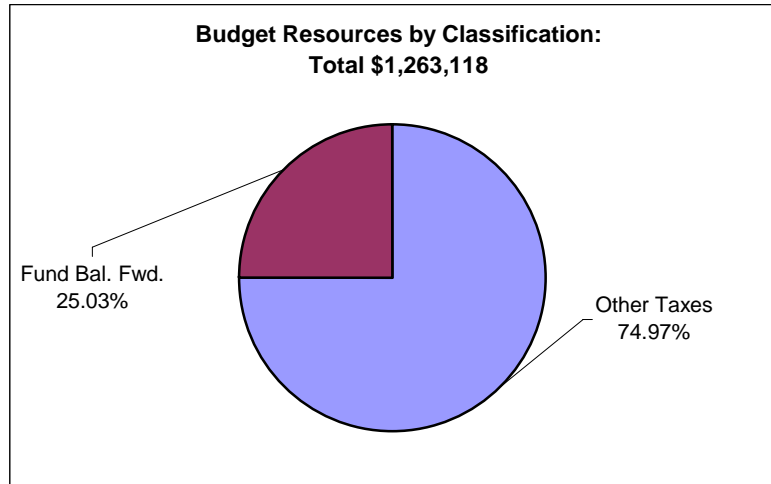
Looking forward, the main concern is the lack of flexibility remaining in the general fund operating budget. Over the past 2-3 years, we have increased fuel costs, utility costs and vehicle maintenance costs, which has resulted in the elimination of full-time staff in all areas of maintenance. This, combined with increasing facility and program demand, creates the real potential for maintenance needs not being able to keep up with programmed use of the facilities.



City of Lawrence

GUEST TAX FUND

Fund 206- GUEST TAX



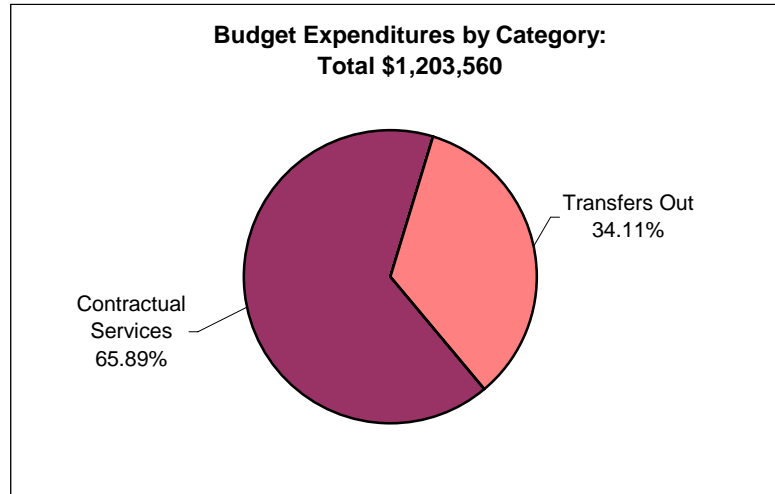
RECEIPTS	2008 Actual	2009 Budget	2009 Estimated	2010 Budget
5% Guest Tax Income	917,859	846,300	846,300	947,000
TOTAL RECEIPTS	917,859	846,300	846,300	947,000
Balance, January 1	288,219	39,019	316,118	316,118
TOTAL RESOURCES AVAILABLE	1,206,078	885,319	1,162,418	1,263,118

Revenue Sources - Descriptions and Trends

Revenue Sources- City Charter Ordinance No. 36 provides that, in substitution of K.S.A. 12-1698(e), a transient guest tax of five percent (raised to 5% in 2004) shall be levied upon the gross receipts derived from or paid by transient guests for sleeping accommodations, exclusive of charges for incidental services or facilities, in any hotel, motel, or tourist court in the City. It is recommended that the charter ordinance be amended, increasing the tax rate to 6% for 2010.

Trends- The guest tax rate was increased from 4% to 5% in 2004 and revenues have increased since that time. However, according to information provided by the Lawrence Convention and Visitors Bureau, continued growth in sleeping rooms as well as meeting facilities in competing markets continues to have an effect on the Lawrence market so revenue estimates show conservative growth.

Fund 206- GUEST TAX



EXPENDITURES	2008 Actual	2009 Budget	2009 Estimated	2010 Budget
DMI /CVB Contract	657,960	684,300	684,300	685,560
Sister Cities	12,000	7,500	7,500	7,500
Other	70,000	-	-	100,000
Transfers	150,000	154,500	154,500	410,500
TOTAL EXPENDITURES	889,960	846,300	846,300	1,203,560
FUND BALANCE FORWARD	316,118	39,019	316,118	59,558

Expenditures - Descriptions and Trends

DMI/CVB Contract- Under a contract between the City and the Lawrence Destination Management, Inc. (DMI), transient guest tax funds are used principally to operate the Lawrence Convention and Visitors Bureau (CVB). The CVB seeks to attract visitors to Lawrence and promote Lawrence as a destination for tourism, convention, film and group tour industry. Expenditures are based on available revenues and have seen a steady increase over the years.

Sister Cities- The City has two sister cities: Eutin, Germany and Hiratsuka, Japan. Moneys from this fund are used to support programs that promote our relationships with these two communities and to defray student travel costs related to the student exchange program.

Other- Funds will be used to support restoration of the Carnegie Library to serve as the offices of DMI and the CVB, as well as to support heritage tourism efforts of the Freedoms Frontier National Heritage Area and the celebration of the Sesquicentennial of the US Civil War.

Transfers- A transfer to the Guest Tax Reserve Fund is budgeted in the amount of \$154,500. Created by City Charter Ordinance 30, money from this reserve fund shall be expended for such purposes as the City Commission determines promotes, enhances, maintains, or improves the tourism, visitor, or convention business of the City. The remaining transfer is budgeted to achieve the statutory limit on fund balance.

Memorandum
City of Lawrence
City Manager's Office

TO: Cynthia Boecker, Assistant City Manager
FROM: Michelle Stevens, Intern
Date: May 27, 2009
RE: Staff memo on selected Kansas cities Transient Guest Tax

This memo is in response to your request that staff research and contact cities regarding how guest taxes are used. I reviewed the selected cities budgets and contacted some city manager and administrator offices as needed to determine the uses for transient guest taxes in the selected cities. The table below shows the 2009 revenues, expenditures and uses of transient guest tax receipts for the selected cities. We are still awaiting specific information of the transient guest tax uses for the city of Wichita.

City	2009 Projected Revenue	2009 Projected Expenditures	Transient Guest Tax Rate/Active Accounts	Transient Guest Tax Uses	Other
Lawrence	\$846,300 -5% Guest Tax Income \$39,019 Balance, 1/1/09 Total resources available \$885,319	\$684,300 Contractual Services \$154,500 Reserves \$7,500 Sister Cities Total expenditures: \$864,300	5% & 20 account hotels	Contract with Destination Management, Inc. for tourism and convention promotion.	
Lenexa	\$588,540	\$565,540 Contractual Services \$392,025 Transfers/Reserves	6% & 9 account hotels	\$220,000 CVB \$300,000 Lenexa Economic Development Council \$23,000 for Arts	
Manhattan	\$707,800	\$635,800 Contractual Services \$72,000 Transfers Debt Service	5% & 8 account hotels	Contract with Chamber of Commerce for tourism and convention promotion	The \$72,000 debt service is on the airport passenger facility terminal.
Olathe	\$990,000	\$495,000 CVB \$495,000 Economic Development	6% & 12 account hotels	The Chamber under contract with the city divides funding equally between CVB and economic development.	
Overland Park	\$8,999,000	\$1,892,111 hotel debt service support, \$503,800 convention center operations and capital outlay, \$1,555,556 CVB contract, \$6,444,990 Debt \$725,000 convention center capital improvements	9% & 34 account hotels	Contract with Chamber of Commerce for tourism and convention promotion. Debt service is used to pay for soccer complex and convention center. Capital improvements associated with the Convention center are also financed.	The City uses transient guest tax revenue only for the purpose of promoting visitors to the City.
Shawnee	\$327,800	\$143,900 CVB \$40,000 Tourism \$143,900 Transfer General Fund	6% & 3 account hotels	Contract with Chamber of Commerce for tourism and convention promotion	Tourism includes two projects: Old Shawnee Days and Wonderscope Children's Museum.

Topeka	\$2,181,000	\$800,000 (Visit Topeka) \$840,500 Tourism Dev. Grant \$200,000 Great Overland Station \$500 Transfers	6% & 39 account hotels	The monies are targeted generally towards uses that promote tourism and economic development. Overland Station debt service	Transfer monies support Parks & Recreation; Historic Preservation, Zoo and general fund
Unified Government - KCK	\$805,000	\$650,000 CVB \$200,000 Debt	8% & 15 account hotels	Contract with Chamber of Commerce for tourism and convention promotion	The debt services is for the downtown hotel, a public/private partnership
Wichita	\$5,938,580	\$3,702,780 Contractual services, \$4,047,210 Other expenditures	6% & 99 account hotels	<p>Contractual services include: \$2,196,390 Greater Wichita Convention & Visitor's Bureau Allocation \$100,00 GWCVB Allocation -Contingency \$150,000 Convention Promotion Contingency \$75,000 Tourism Research / Marketing \$390 Administrative Charge \$75,000 Wichita Flight Festival (WFF) \$336,000 Wichita Flight Festival (WFF) - Loss contingency \$770,000 Appropriated Reserve</p> <p>Other expenditures includes: \$35,000 Transfer - Information Technology - Tourism Website \$1,293,020 Transfer - General Fund; \$1,220,000 Transfer - Debt Service Fund; Conference Center \$324,190 Transfer - Debt Service Fund; Conference Ctr Parking Garage \$1,150,000 Transfer - Improvement Project; CII / Expo Hall Renovations \$25,000 Transfer - Project; National Baseball Congress</p>	The fund priorities are: debt service for tourism and convention facilities, operational deficit subsidies and care and maintenance of Century II

Memorandum
City of Lawrence
City Manager's Office

TO: Cynthia Boecker, Assistant City Manager
FROM: Michelle Stevens, Intern
Date: May 27, 2009
RE: Staff memo on selected Big 12 cities Transient Guest Tax

This memo is in response to your request that staff research and contact cities regarding how guest taxes are used. I reviewed the selected cities budgets and contacted some city manager and administrator offices as needed to determine the uses for transient guest taxes in the selected cities. The table below shows the 2009 revenues, expenditures and uses of transient guest tax receipts for the selected cities.

City	2009 Projected Revenue	2009 Projected Expenditures	Transient Guest Tax Rate/Active Accounts	Transient Guest Tax Uses	Other
Columbia, MO	\$1,859,500	\$610,671 to Personnel Services, \$54,300 to Supplies & Materials, 9,700 to Travel & Training, \$89,526 to Intragovernmental Charges, \$1,406,788 to Utilities, Services & Other Misc., \$30,000 transfer to general funds	4% & 35 account hotels	Contract with CVB for tourism and convention promotion	CVB created the Tourism Development program and it is divided into three separate funds: Festivals and Events, Attraction Development, and Sports Development
Norman, OK	\$878,000	\$26,340 to administrative fee, \$212,915 to arts and humanities, \$212,915 to park development, \$425,830 to convention and tourism	4% & 27 account hotels	Contract with the Norman Arts Council for promotion of arts and humanities, parks and development; Contract with CVB for promoting tourism	The parks and development portion is allocated to debt service payments for the Westwood Park Golf Course
Boulder, CO	\$ 2,556,000	9.1% to Boulder Convention and Visitors Bureau (BCVB), 90.9% to General Fund	5.5% & 30 account hotels	BCVB promotes tourism	
Ames, IA	\$ 1,440,000	\$540 to human resources, \$707 to merit pay, \$70,474 to city staff economic development, \$90,000 to economic development projects, \$1,885 to chamber of commerce dues, \$5,000 to FACES celebration, \$50,000 to down façade, \$1,028,571 to Ames Convention and Visitors, \$205,715 transfers general fund	7% & 20 account hotels	Contract with CVB for community attractions	Debt service payments for Homewood Golf

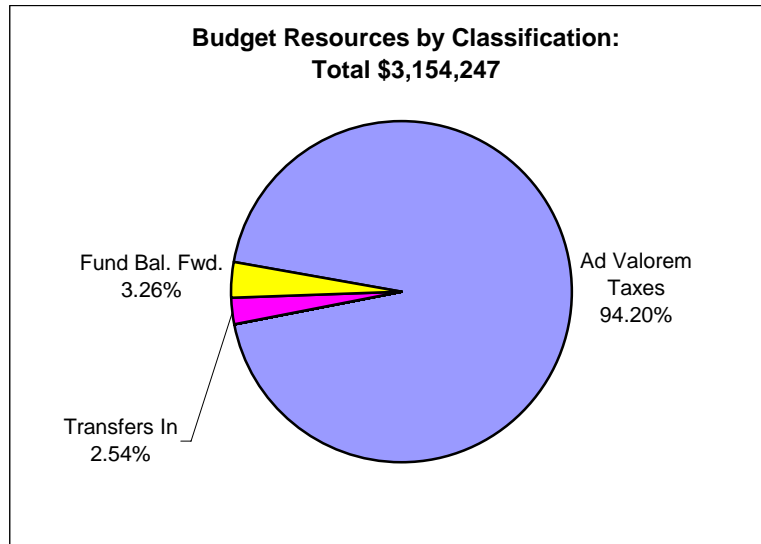
Austin, TX	\$46,474,056	\$23,237,028 to debt services for convention center, \$10,327,568 to venue project fund, \$7,487,487 tourism and promotion fund, \$5,421,973 cultural arts fund	9% & 233 account hotels	Contract with Austin Convention and Visitor's Bureau (ACVB) to promote tourism and potential events for the Convention Center.	ACVB's proposed budget for 2009 is \$275,000 for heritage funding to develop the conditions reports and plans needed to work on restoring several historic buildings in the immediate Convention Center area
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City of Lawrence

LIBRARY FUND

Fund 209- LIBRARY



RECEIPTS	2008 Actual	2009 Adopted	2009 Estimated	2010 Budget
Taxes - Current	2,734,829	2,714,789	2,714,789	2,693,038
Taxes - Delinquent	37,672	40,000	40,000	38,000
Motor Vehicle Taxes	240,135	248,997	248,997	240,177
Payment in Lieu of Taxes	2,337	2,453	9,000	116
Miscellaneous	12,409	32,179	-	-
Transfer In	-	-	-	80,000
TOTAL RECEIPTS	3,027,382	3,038,418	3,012,786	3,051,331
Balance, January 1	134,748	72,047	141,130	102,916
TOTAL RESOURCES AVAILABLE	3,162,130	3,110,465	3,153,916	3,154,247

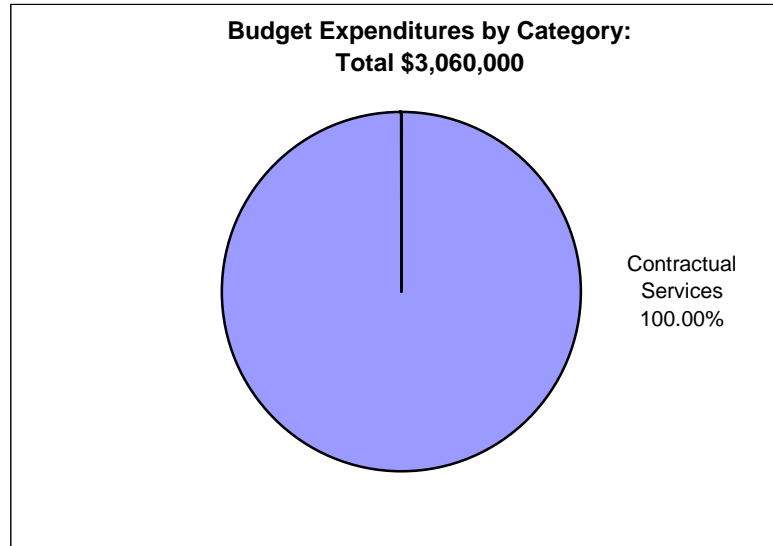
Revenue Sources - Descriptions and Trends

Revenue Sources - The Lawrence Public Library anticipates receiving approximately 92% of their 2010 funding from the City of Lawrence Library Fund. The remaining sources of revenue for the Library operations include State aid, grants, and income from overdue fines and misc. library services.

Property taxes are the major source of revenue for the Library Fund, followed by motor vehicle tax. In 2009, the miscellaneous category included a payment from the State of Kansas to offset the impact of the exemption of machinery and equipment from property taxes. This payment was eliminated from the State budget in 2009 and will not be received in 2010.

Trends – Assessed valuation is expected to decrease in 2010. In addition, the State will not provide the payment to offset the machinery and equipment exemption for 2010. Therefore it will be necessary to transfer in reserve funds to provide sufficient resources for recommended expenditure levels in 2010.

Fund 209- LIBRARY



EXPENDITURES	2008 Actual	2009 Adopted	2009 Estimated	2010 Budget
Personal Services	-	-	-	-
Contractual Services	3,021,000	3,051,000	3,051,000	3,060,000
Commodities	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service	-	-	-	-
Contingency	-	-	-	-
Transfer to Reserve	-	-	-	-
TOTAL EXPENDITURES	3,021,000	3,051,000	3,051,000	3,060,000
FUND BALANCE FORWARD	141,130	59,465	102,916	94,247

Expenditures - Descriptions and Trends

Contractual Services - Under City Charter Ordinance 16, the Governing Body of the City of Lawrence shall annually levy Ad Valorem and motor vehicle property taxes for the equipping, operating and maintenance of the Free Public Library of the City of Lawrence. The tax is not to exceed 4.5 mills. The Library in turn provides salaries, wages, and benefits for library staff, purchases books, non-print materials, periodicals, and library supplies, and is responsible for the ongoing operations and maintenance of the library facility.

Fund 209- LIBRARY

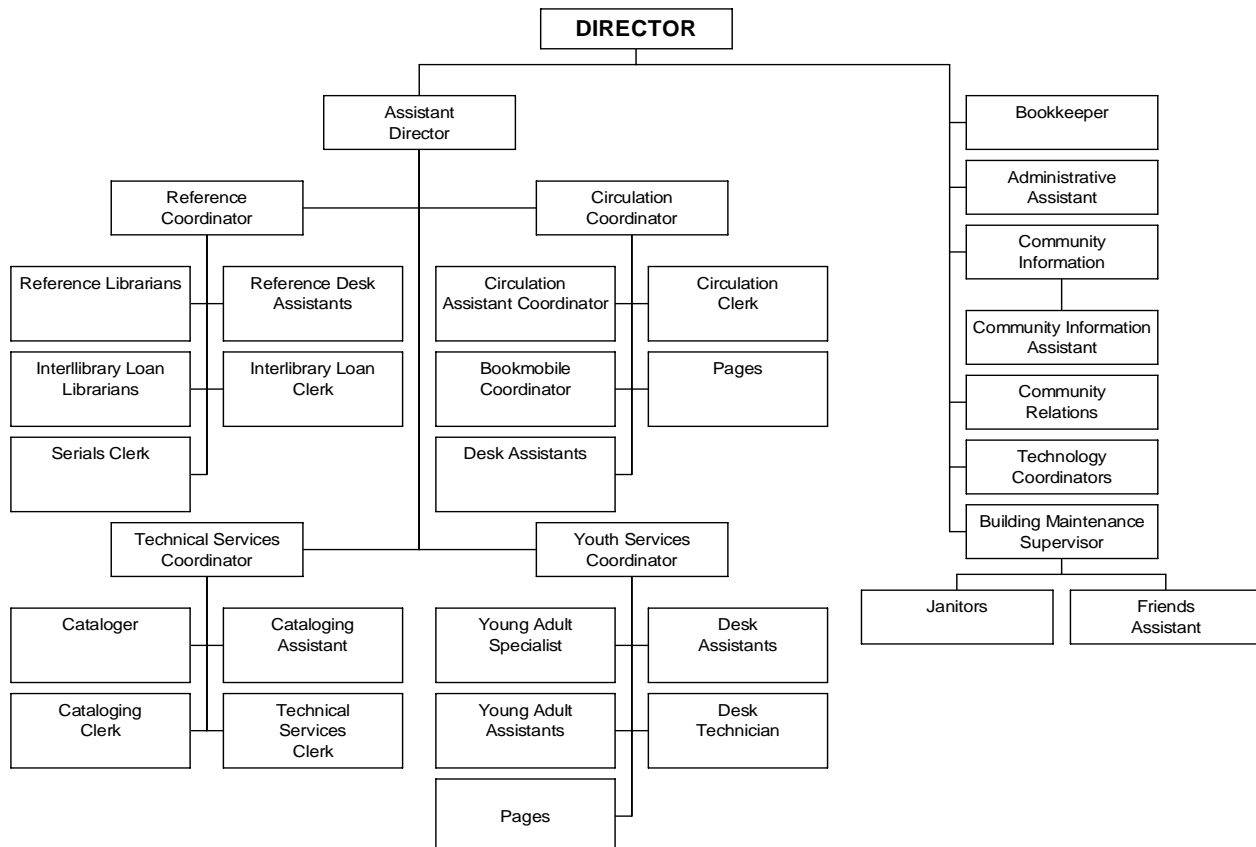
EXPENDITURE SUMMARY

EXPENDITURES	2008 Actual	2009 Adopted	2009 Estimate	2010 Budget
Personal Services	\$ -	\$ -	\$ -	\$ -
Contractual Services	3,021,000	3,051,000	3,051,000	3,060,000
Commodities	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service	-	-	-	-
Transfers	-	-	-	-
Contingency	-	-	-	-
Total	\$ 3,021,000	\$ 3,051,000	\$ 3,051,000	\$ 3,060,000

PERSONNEL SUMMARY

PERSONNEL	2008 Actual	2009 Adopted	2009 Estimate	2010 Budget
Authorized Positions	N/A	N/A	N/A	N/A

ORGANIZATIONAL CHART



PROFILE

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

CURRENT YEAR ACCOMPLISHMENTS

- Implemented building renovations and space reallocations in order to make services and collections more effective within the very limited space provided by the existing library building. Completed plan for renovation projects: Business Center and Computer Lab to open by November 2009.
- Implement new marketing initiatives in order to further increase library usage in the community. Library usage has increased every year for the past decade, but there are still members of the community who do not use the library's collections, services, technology and programming as they could – advertising in local newspaper and on local radio, use library website to promote events, programs and services, using social media (Facebook, Twitter).
- Implement expanded volunteer coordination in order to vastly increase volunteer assistance opportunities at the library. This will extend the effectiveness of the library in a time when additional staff positions are not an option – continued VolunTeen program and have expanded use of volunteers in support of routine tasks.
- Expand the availability of Internet access through the installation of additional public-access computer workstations. Expand access to online subscription databases for business research. Continue to look for opportunities to offer digitally-based library services. Continue to enhance the library website – library redesigned in February 2009, plan to add new business reference databases prior to end of 2009, have added two new public-access computer workstations.
- Explore opportunities to better serve business startups and local entrepreneurial ventures through information resource support and office technology support – Business Center opening by November 2009.

PERFORMANCE INDICATORS

Indicator	2008 Actual	2009 Estimated	2010 Target
Circulation	1,230,286	1,350,000	1,400,000
User Visits	473,446	480,000	500,000
Website Visits	184,852	200,000	220,000
Reference transactions	36,455	38,000	40,000

MAJOR GOALS AND OBJECTIVES FOR 2010

1. Facility: continue space reallocation/ renovation work and continue to work on major building shell issues.
2. Marketing: enhance advertising campaign, develop new visuals and retailing through signage, displays and seasonal decorations.
3. Planning: evaluate and revise three year strategic plan and technology plan.
4. Services: develop an e-newsletter to augment or replace print newsletters; implement remote drop boxes.
5. Staff and Trustees: implement staff committee to study compensation and develop a pay structure; expand CPR and first aid training for staff; provide continuing education opportunities.
6. Technology: provide new information on the website in a timely manner; implement new online calendaring system; implement online meeting room booking calendar; enhance the library catalog by implementing a new catalog interface, new format, icons and additional catalog features.

SIGNIFICANT ISSUES FOR 2010

The two most notable issues facing the library in 2010 are sustainable funding and the provision of excellent library service from an aging library facility. Funding constraints present challenges for collections, staffing, technology, programming, programming and services. We are also challenged by the limitations posed by a library building which will be 38 years old in 2010.

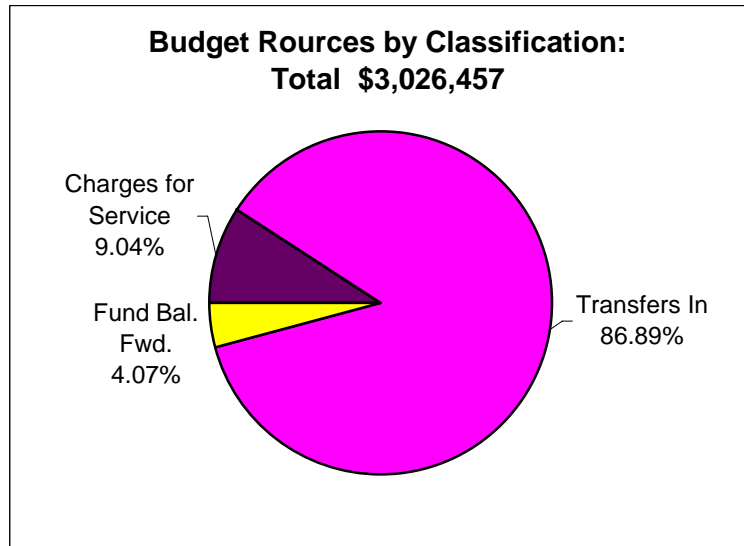
LIBRARY



City of Lawrence

TRANSPORTATION FUND

Fund 210 –TRANSPORTATION



RECEIPTS*	2008 Actual	2009 Adopted	2009 Estimated	2010 Budget
Ad Valorem - Current Taxes	982,675	-	-	-
Ad Valorem - Delinquent Taxes	10,762	-	-	-
Motor Vehicle Taxes	55,331	-	-	-
Payment in Lieu of Taxes	840	-	-	-
Intergovernmental Revenues	4,459	595,000	-	-
Fare Box Receipts	287,894	312,000	312,000	273,499
Interest on Investments	-	-	-	-
Miscellaneous	376	-	-	-
Transfers In	-	1,503,950	1,879,938	2,629,764
TOTAL RECEIPTS	1,342,337	2,410,950	2,191,938	2,903,263
Balance, January 1	546,504	129,065	356,740	123,194
TOTAL RESOURCES AVAILABLE	1,888,841	2,540,015	2,548,678	3,026,457

Revenue Sources - Descriptions and Trends

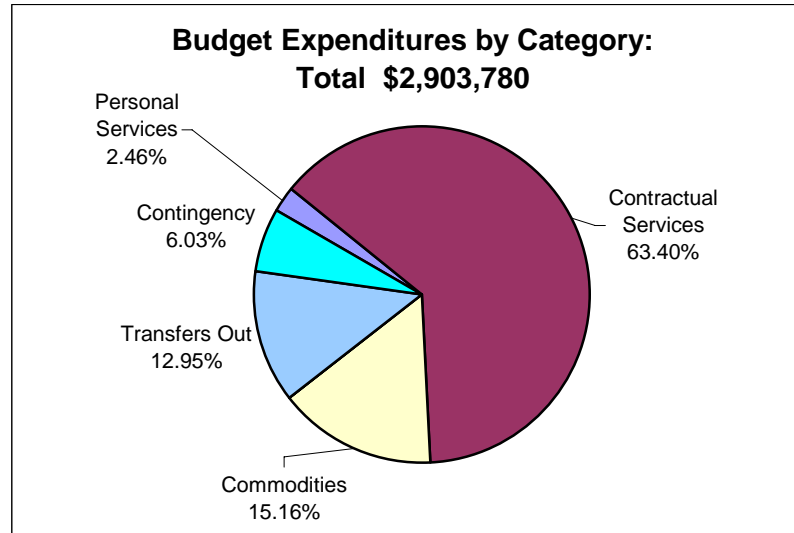
Transfer In – In 2008, voters approved a 0.20% local sales tax to fund the operations of the existing level of transit service and an additional 0.05% sales tax for expanded transit service. According to State law, all proceeds from sales tax must be deposited in the City's General Operating Fund then transferred into other funds. In 2009, the revenue from both the 0.20% and 0.05% was transferred into this fund. In 2010, only the proceeds from the 0.20% will be transferred into this fund. The proceeds from the 0.05% will be transferred into a reserve fund for future transit capital needs. The 2010 budget assumes 2% growth over 2008 actual sales tax receipts.

Intergovernmental Revenue - Because of the first distribution of sales tax did not occur until July 2009, it was necessary to budget a loan from another City fund to cover the cost of operations for the first six months of 2009. This loan will not be necessary in 2010.

Fare Box Receipts – Fares collected from passengers as well as proceeds from the sale of bus passes are accounted for here. While ridership has been up in 2009, an agreement allowing anyone with a KUID to ride the T for no additional charge has resulted in a slight decrease in receipts in 2009. This trend is expected to continue in 2010.

*Funding from state and federal grants, anticipated to be approximately \$1.7M in 2009, is not reflected in the revenue sources for this fund, but is tracked through a non-budgeted fund.

Fund 210 –TRANSPORTATION



EXPENDITURES*	2008 Actual	2009 Adopted	2009 Estimated	2010 Budget
Personal Services	60,321	90,070	90,070	71,388
Contractual Services	1,471,261	1,667,439	1,667,439	1,841,104
Commodities	519	667,975	667,975	440,300
Capital Outlay	-	-	-	-
Debt Service	-	-	-	-
Contingency	-	-	-	175,000
Transfer to Other Funds	-	-	-	375,988
TOTAL EXPENDITURES	1,532,101	2,425,484	2,425,484	2,903,780
FUND BALANCE FORWARD	356,740	114,531	123,194	122,677

Expenditures - Descriptions and Trends

Personal Services - The cost of providing wages, salaries, retirement, and other fringe benefits for City employees. The decrease in 2010 is due to a change in the percentage of these costs eligible to be paid with outside agency funding (e.g. state and federal grants).

Contractual Services – MV Transportation, Inc. (MV) was selected by the City and University to provide transportation services in 2008. The cost of the second year of the five-year contract with MV will be greater in 2010.

Commodities – The cost of fuel and motor vehicles is accounted for here. Beginning in 2009, the City is paying for the fuel used by the transit system as well as the repair and replacement cost for major components. Prior to 2009, these costs were included in the contract payments to MV. Lower fuel prices are expected in 2010 however, the cost of maintaining the City's aging fleet is expected to be higher.

Transfer to Other Funds – The proceeds from the 0.05% sales tax transferred into the fund in 2009 will be transferred into the City's Equipment Reserve Fund in 2010 for future capital needs of the transit system.

* Expenditures expected to be reimbursed by state and local grant funds are not reflected in the expenditures for this fund, but are tracked through a non-budgeted fund.

Fund 210 –TRANSPORTATION

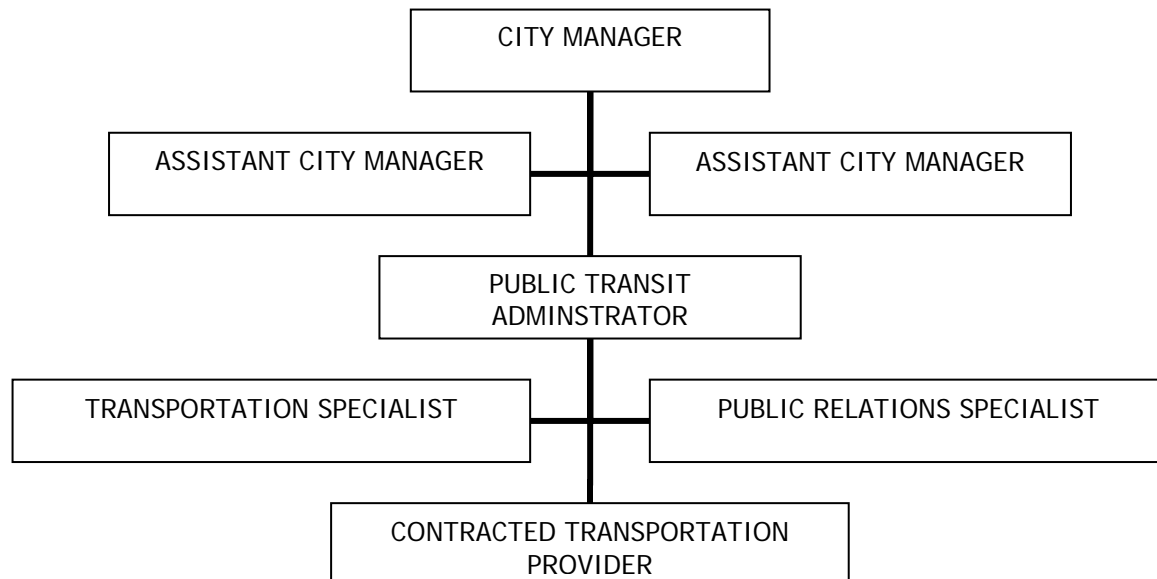
EXPENDITURE SUMMARY

Expenditures	2008 Actual	2009 Adopted	2009 Estimate	2010 Budget
Personal Services	\$ 60,321	\$ 90,070	\$ 90,070	\$ 71,388
Contractual Services	1,471,261	1,667,439	1,667,439	1,841,104
Commodities	519	667,975	667,975	440,300
Capital Outlay	-	-	-	-
Debt Service	-	-	-	-
Transfers	-	-	-	375,988
Contingency	-	-	-	175,000
Total	\$ 1,532,101	\$ 2,425,484	\$ 2,425,484	\$ 2,903,780

PERSONNEL SUMMARY

PERSONNEL	2008 Actual	2009 Adopted	2009 Estimate	2010 Budget
Authorized Positions	0.40	0.40	0.40	0.61

ORGANIZATIONAL CHART



PROFILE

The **Public Transit Department** is responsible for all aspects of the City's transit program including providing safe, accessible and reliable transportation service in the community. The department primarily provides oversight activities of the public transit provider contract which operates our fixed route and Para-transit service and is charged with ADA eligibility certification. The department follows all federal, state and local regulations in relation to procurement, contract negotiation and oversight.

The department is responsible for fiscal management of federal, state and local funds. Additional responsibilities include the development of policies and procedures for the transit system; short and long-range planning and implementation of service improvements; public education/outreach, travel training, and marketing activities to increase public awareness about service availability and its benefits; and coordination of transit needs in the community.

CURRENT YEAR ACCOMPLISHMENTS

- Worked with the University of Kansas in jointly drafting a RFP and soliciting the services of Olsson Associates to assist with the design of routes and schedules for coordinated transit services in Lawrence.
- Implemented the first part of Olsson Associates recommendations for coordinated transit service including:
 - Design of a joint route map featuring all of the city and university transit routes and timetables in a more user-friendly, booklet style format;
 - establishment of a single customer service telephone number;
 - consolidation of one city route with two university routes to create one jointly provided route. Route 11 will increase frequency for city riders and increase daily service hours and days of operation for students.
- Established a fuels task force to analyze how to incorporate alternative fuel technology into the transit fleet. Recommendations resulted in the purchase of biodiesel and hybrid electric/biodiesel vehicles.
- Successfully obligated approximately \$2.9

million in federal stimulus funds for transit received through the American Reinvestment in Recovery Act (ARRA.) These funds were used toward the purchase of new vehicles to replace those in the fixed route fleet that have reached the end of the useful service life.

- Conducted travel training with various school groups, employers, neighborhood associations, citizen organizations, as well as seniors, to educate them about transit services in the community and how the services can benefit them.

PERFORMANCE INDICATORS

Indicator	2008 Actual	2009 Estimated	2010 Target
Passengers per vehicle hour on fixed route	9.04	10	10
Paratransit	2.21	2.5	2.5
On-time performance of fixed-route	99.21%	99.5%	99.5%
Passenger complaints per 1,000 riders	0.04	0.05	.05

MAJOR GOALS AND OBJECTIVES FOR 2010

1. Implement Part 2 of the recommendations of Olsson Associates related to coordinated transit services with the University of Kansas by August 2010.
2. Continue to pursue sufficient Federal, state and local funding needed to replace the maintenance facility used by the contractor for both the City and University.

SIGNIFICANT ISSUES FOR 2010

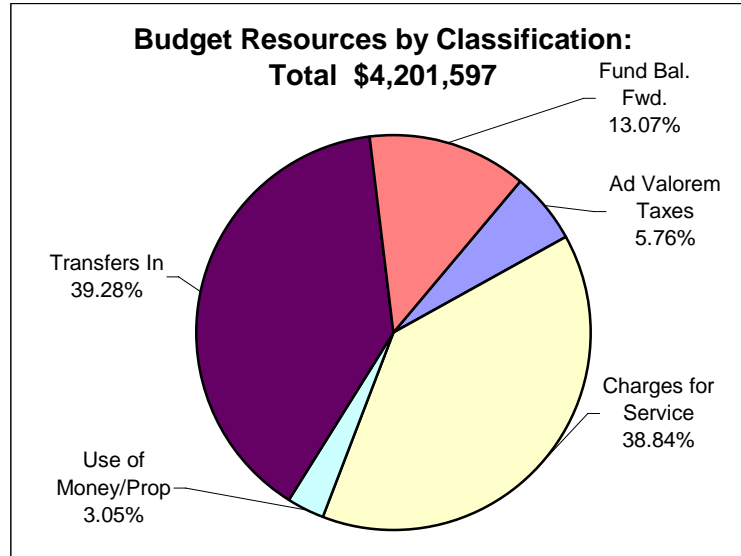
Steadily increasing fuel prices are adversely impacting the transit budget as does the cost of maintaining the aging fleet. Implementation of comprehensive route changes will also be significant.



City of Lawrence

RECREATION FUND

Fund 211 – RECREATION



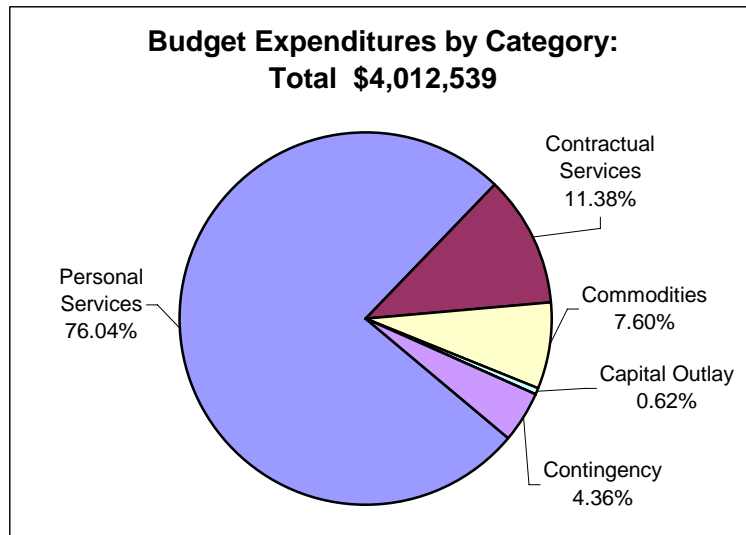
	2008 Actual	2009 Adopted	2009 Estimated	2010 Budget
RECEIPTS				
Taxes - Current	405,315	402,345	402,345	199,561
Taxes -Delinquent	5,550	8,000	8,000	6,000
Motor Vehicle Taxes	35,494	36,892	36,892	35,595
Payment in Lieu of Taxes	346	363	363	317
Fees	557,918	550,000	550,000	622,500
Aquatic Programs	658,106	647,100	647,100	669,500
Building Rental	103,928	102,500	102,500	110,000
Concessions	3,151	5,000	5,000	4,000
Special Populations	53,619	55,000	55,000	60,000
Field Rent	18,258	20,000	20,000	18,000
Class Enrollment	274,840	247,000	247,000	272,000
Miscellaneous	1,012	4,768	4,768	10,000
Transfer from General Fund	1,447,000	1,447,000	1,447,000	1,646,420
TOTAL RECEIPTS	3,564,537	3,525,968	3,525,968	3,653,893
Balance, January 1	495,308	350,204	720,862	547,704
TOTAL RESOURCES AVAILABLE	4,059,845	3,876,172	4,246,830	4,201,597

Revenue Sources - Descriptions and Trends

Revenue Sources- Sales tax, property taxes, and user fees derived from recreational and cultural events are the major sources of revenue for the Recreation Fund. User fees include the programs and classes available at the City's community recreation centers, the aquatic centers, and other miscellaneous sites and venues. Revenue from the countywide sales tax is transferred from the General Fund to the Recreation Fund in order to provide support for the Aquatic Center and the Nature Center.

Trends- Fee increases are recommended for a number of programs and events, however, no increase in aquatic fees is budgeted for 2010. The level of property tax is decreasing in 2010, and is being replaced with increased support from the countywide sales tax.

Fund 211 – RECREATION



EXPENDITURES	2008 Actual	2009 Adopted	2009 Estimated	2010 Budget
Personal Services	2,697,486	2,937,700	2,937,700	3,051,160
Contractual Services	373,587	439,459	439,459	456,479
Commodities	262,425	271,967	271,967	304,900
Capital Outlay	5,485	-	-	25,000
Debt Service	-	-	-	-
Contingency	-	50,000	50,000	175,000
Transfer to Other Funds	-	-	-	-
TOTAL EXPENDITURES	3,338,983	3,699,126	3,699,126	4,012,539
FUND BALANCE FORWARD	720,862	177,046	547,704	189,058

Expenditures - Descriptions and Trends

Personal Services - Cost of providing wages, salaries, retirement, and other fringe benefits for City employees and to some extent, part-time, seasonal staff. Increases in 2010 can be attributed to additional staffing for new programs as well as an increase in the minimum wage and a 1% merit increase for eligible employees.

Contractual Services - Services provided to the City by firms, individuals, or other City departments. Expenditures have fluctuated in order to stay within revenue constraints over the years. In 2010, increases can be attributed to additional programs.

Fund 211 – RECREATION

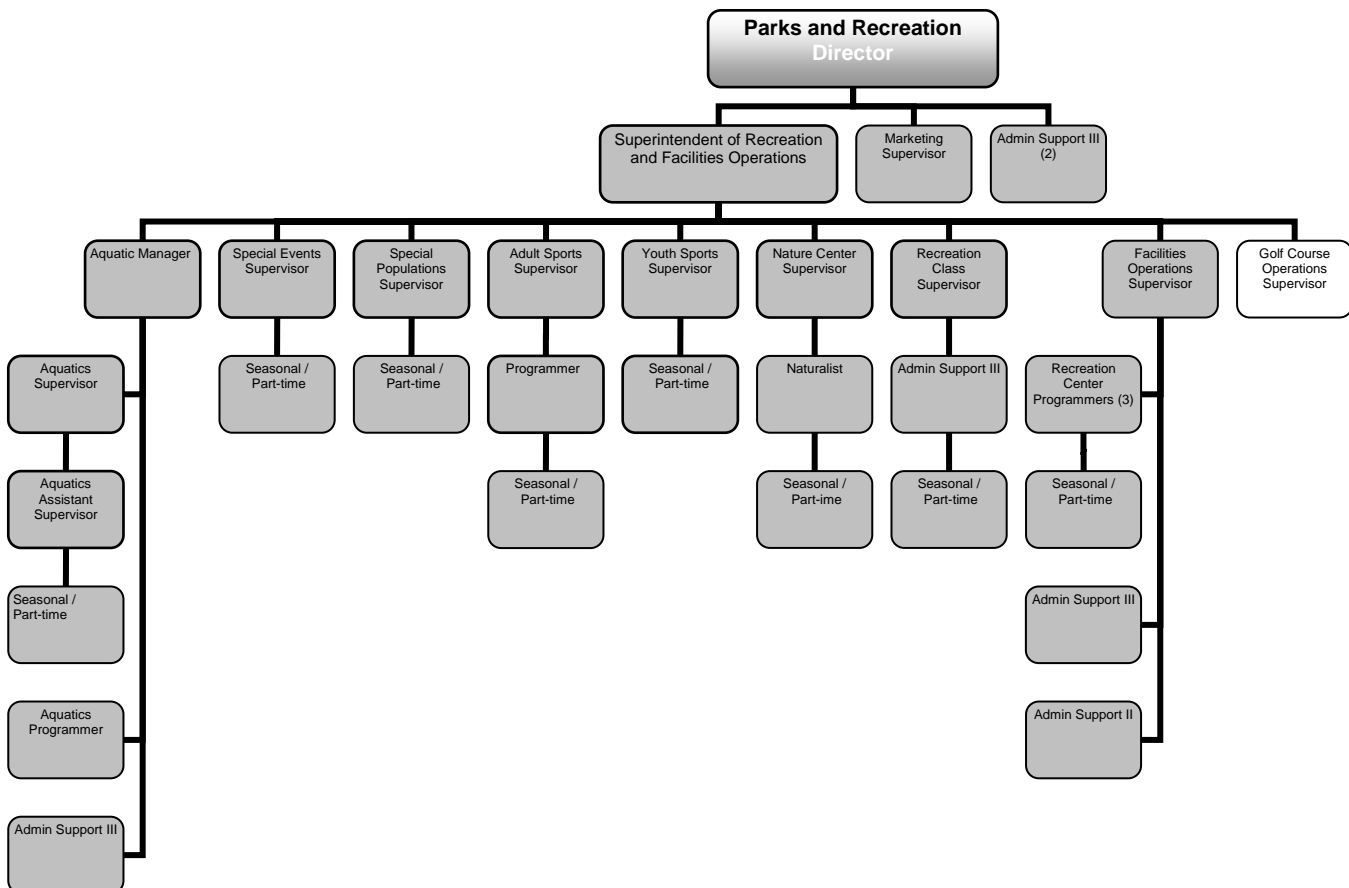
EXPENDITURE SUMMARY

EXPENDITURES	2008 Actual	2009 Adopted	2009 Estimate	2010 Budget
Personal Services	\$ 2,697,486	\$ 2,937,700	\$ 2,937,700	\$ 3,051,160
Contractual Services	373,587	439,459	439,459	456,479
Commodities	262,425	271,967	271,967	304,900
Capital Outlay	5,485	-	-	25,000
Debt Service	-	-	-	-
Transfers	-	-	-	-
Contingency	-	50,000	50,000	50,000
Total	3,338,983	3,699,126	3,699,126	3,887,539

PERSONNEL SUMMARY

PERSONNEL	2008 Actual	2009 Adopted	2009 Estimate	2010 Budget
Authorized Positions	28.78	28.78	28.78	29.28

ORGANIZATIONAL CHART



Shaded Positions are funding in this budget. Only part of the Director's position is funded in this budget.

PROFILE

The **recreation division** of the Department of Parks and Recreation is responsible for providing a broad cross-section of recreation programs and services that meet the needs of the citizens of Lawrence. The division is directly responsible for staffing, scheduling, operating and programming of five recreation centers, four swimming facilities, the tennis center, softball/baseball/soccer/football complexes and a wide variety of multipurpose play areas.

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

CURRENT YEAR ACCOMPLISHMENTS

- Held a community-wide public forum to gather input about departments and services. A public survey was given out to gauge public's perception of program value and worth. The forum was attended by over 120 community members. The survey was also made available online, which saw over 1000 people provide input and comments about the department's services and delivery.
- 20% increase in website visits.
- Annette Deghand, Special Populations Supervisor, received 2009 KRPA Distinguished Professional Award at the State conference in Hutchinson, Kansas in January
- 11% increase in 1st quarter enrollment.
- Started incorporating the DCABA baseball association which includes 37 teams and 444 participants to the youth sports program.
- Had 65 more participants in Special Populations programming in first quarter of 2009 than first quarter 2008.

PERFORMANCE INDICATORS

Indicator	2008 Actual	2009 Estimated	2010 Target
% Leisure program as satisfied or very satisfied	83.0%	NA	92%
% Facility reservation system as satisfied or very satisfied	91.1%	NA	94%
% residents satisfied with City recreation facilities	96.1%	NA	90%
% residents satisfied with the City's indoor aquatic facility	94.7%	NA	90%
% residents satisfied with the City's outdoor aquatic facilities	91.9%	NA	90%

MAJOR GOALS AND OBJECTIVES FOR 2010

1. Maintain awareness of programs, services and facilities to the public through multi-mediums.
2. Continue to provide high quality program and services despite budget cutbacks and increase enrollments for services
3. Provide more large space areas for activities, such as gymnastics, sports and fitness programming.
4. Continue to engage the public to assist in developing department plans for future

SIGNIFICANT ISSUES FOR 2010

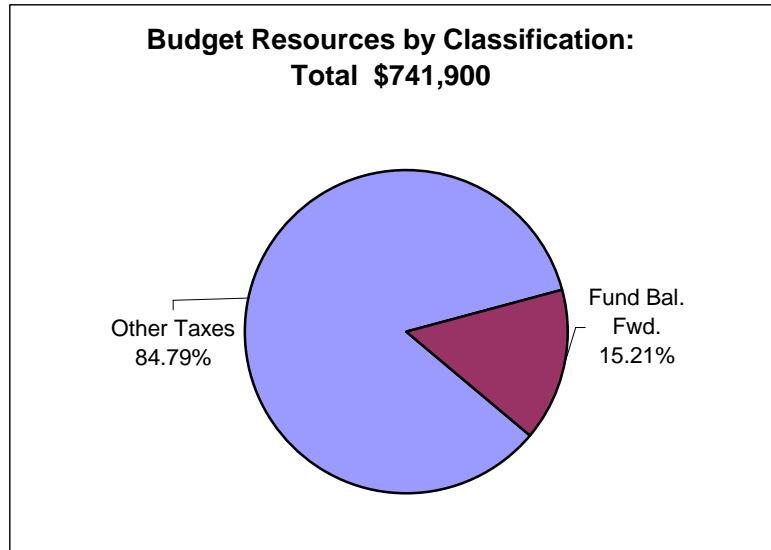
The 2010 budget includes the addition of a number of activities, including Douglas Co. Amateur Baseball and Girls Fast Pitch Developmental Softball. These additional programs, along with a number of new recreational offerings, will continue to show growth and help us to expand the offerings of the department that the community considers an essential function. Over the past few years, enrollment numbers have continued to increase an average of 3% per year. With the high need for recreational services, we are in desperate need of additional facilities – current facilities are limiting the number of citizens that can take part in programming opportunities.



City of Lawrence

SPECIAL ALCOHOL FUND

Fund 213 – SPECIAL ALCOHOL



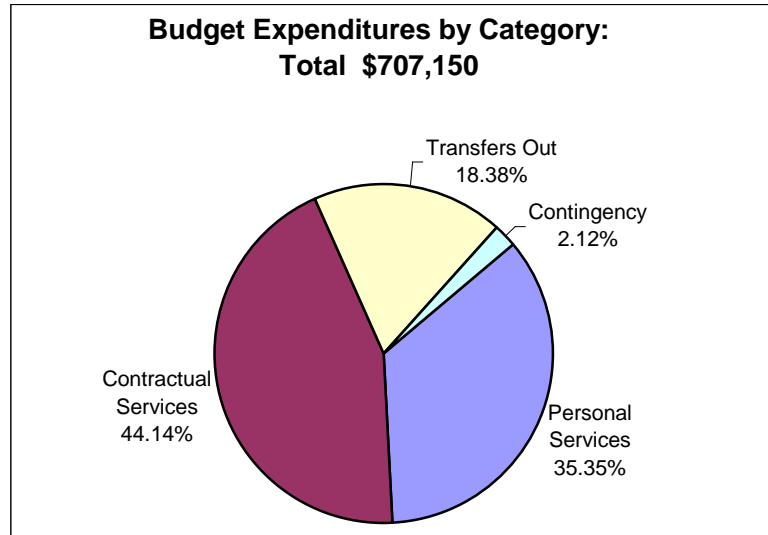
	2008 Actual	2009 Adopted	2009 Estimated	2010 Budget
RECEIPTS				
Liquor Tax	638,887	594,228	594,228	629,052
Miscellaneous	-	-	-	-
TOTAL RECEIPTS	638,887	594,228	594,228	629,052
Balance, January 1	88,538	10,384	95,770	112,848
TOTAL RESOURCES AVAILABLE	727,425	604,612	689,998	741,900

Revenue Sources - Descriptions and Trends

Revenue Sources- Under K.S.A. 79-41a04, cities receive 70% of the funds collected by the state from clubs or drinking establishments located within the city, from caterers whose principal places of business are in the city, or from temporary permit holders whose events are located in the city. These moneys are allocated evenly between the city's General Operating Fund, Special Recreation Fund, and Special Alcohol Fund. Moneys in this Special Alcohol Fund must be used for the "purchase, establishment, maintenance or expansion of services or programs whose principal purpose is alcoholism and drug abuse prevention and education, alcohol and drug detoxification, intervention in alcohol and drug abuse or treatment of persons who are alcoholics or drug abusers or are in danger of becoming alcoholics or drug abusers". Charter Ordinance #33 establishes these criteria for the disbursement of funds in the Special Alcohol Fund.

Trends- Historically, this fund has seen annual increases in the total receipts collected by the state via the liquor tax. However, 2010 revenues are expected to be below 2008 actual levels. The state legislature has continued to discuss the idea of reducing or eliminating this sharing of liquor tax revenue in light of the state's budget woes. Lobbying by the municipalities, state and local parks/recreation organizations and others has assisted in keeping the current law intact but projected increases in revenues remain conservative.

Fund 213 – SPECIAL ALCOHOL



EXPENDITURES	2008 Actual	2009 Adopted	2009 Estimated	2010 Budget
Personal Services	228,797	250,000	250,000	250,000
Contractual Services	398,156	312,150	312,150	312,150
Commodities	4,702	-	-	-
Capital Outlay	-	-	-	-
Debt Service	-	-	-	-
Contingency	-	15,000	15,000	15,000
Transfer to achieve 5% fund balance	-	-	-	130,000
TOTAL EXPENDITURES	631,655	577,150	577,150	707,150
FUND BALANCE FORWARD	95,770	27,462	112,848	34,750

Expenditures - Descriptions and Trends

Personal Services - Expenditures related to the salary and benefits for three of the City's School Resource Officers, who provide drug and alcohol prevention training at Lawrence Public Schools, will be funded out of the Special Alcohol Fund.

Contractual Services - The City Manager is recommending funding for the following agencies in 2010:

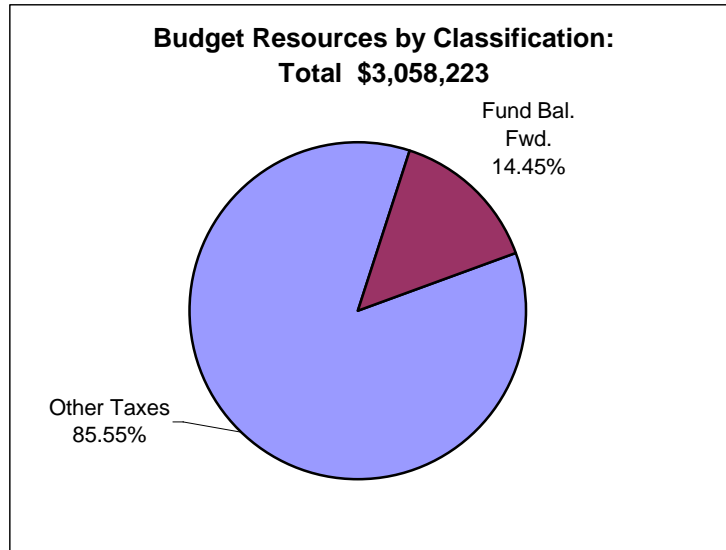
Ballard Community Center	\$ 4,500
Big Brothers/Big Sisters CORE	27,000
Boys & Girls Club of Lawrence	100,000
DCCCA	41,000
DCCCA d/b/a First Step House	29,150
Headquarters, Inc - First Call	22,500
Lawrence Community Shelter	27,000
Van Go Mobile Arts, Inc.	44,000
Women's Transitional Care Services	17,000
Total Contractual Services	\$ 312,150



City of Lawrence

SPECIAL GAS TAX FUND

Fund 214 – SPECIAL GAS TAX



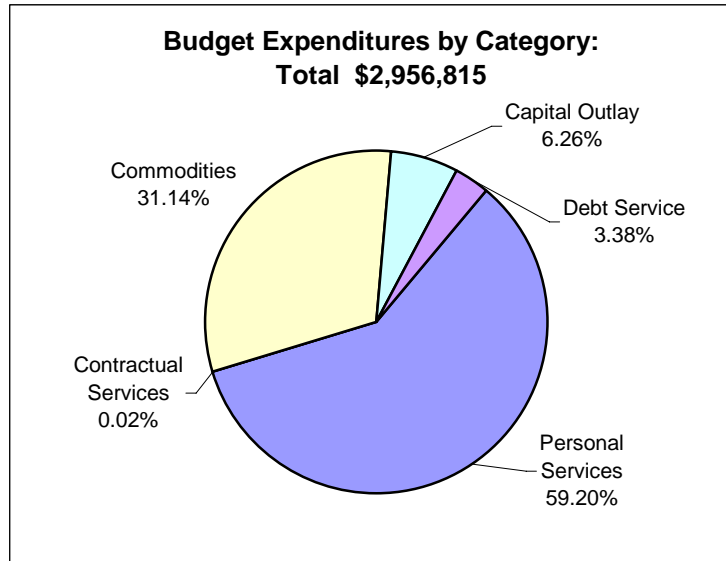
RECEIPTS	2008 Actual	2009 Adopted	2009 Estimated	2010 Budget
Fuel Tax	2,760,250	2,788,861	2,788,861	2,616,174
Miscellaneous	499	-	-	-
TOTAL RECEIPTS	2,760,749	2,788,861	2,788,861	2,616,174
Balance, January 1	448,595	257,275	606,601	442,049
TOTAL RESOURCES AVAILABLE	3,209,344	3,046,136	3,395,462	3,058,223

Revenue Sources - Descriptions and Trends

Revenue Sources- Fuel tax is a tax levied by the state, under K.S.A. 79-3401 et. seq., on motor vehicle fuel for the purpose of defraying in whole, or in part, the cost of constructing, widening, purchasing of right-of-way, reconstructing, maintaining, surfacing, resurfacing and repairing public highways and roads, including the payment of bonds issued for highways included in the state system. State law provides that the State apportion motor vehicle tax revenue to cities and counties in Kansas. Money is allocated to cities based on the population of each city in proportion to the total population of the state. State law also requires counties to give a portion of the fuel tax revenue they receive to cities. Douglas County credits 90% of the funds received from the State to their road and bridge fund and allocates the remainder among the several cities in the county. Revenues must be used for the construction, reconstruction, alteration, repair and maintenance of the streets and highways, and for the payment of bonds and interest thereon.

Trends- Historically, revenues have increased modestly for this fund, however, the tax rate per gallon (\$0.24/gallon gasoline, \$0.26/gallon diesel) has not increased since 2003. Based on economic, environmental, and technological trends, a decrease in motor fuels tax is planned in 2010. Revenue projections are based on projections from the Director of Finance and data from the Kansas League of Municipalities.

Fund 214 – SPECIAL GAS TAX



EXPENDITURES	2008 Actual	2009 Adopted	2009 Estimated	2010 Budget
Personal Services	1,667,322	1,747,133	1,747,133	1,750,535
Contractual Services	12,718	480	480	480
Commodities	812,476	1,010,800	1,010,800	920,800
Capital Outlay	110,227	195,000	195,000	185,000
Debt Service	-	-	-	-
Contingency	-	-	-	100,000
Transfer to Other Funds	-	-	-	-
TOTAL EXPENDITURES	2,602,743	2,953,413	2,953,413	2,956,815
FUND BALANCE FORWARD	606,601	92,723	442,049	101,408

Expenditures - Descriptions and Trends

Personal Services- Cost of providing wages, salaries, retirement, and other fringe benefits for City employees and to some extent, part-time, seasonal staff. Increases continue due to projected merit increases for eligible employees.

Contractual Services – A very limited jean allowance program for field supervisors, in lieu of the uniform program for field employees. The level of funding is expected to remain stable.

Commodities - This includes expenditures for the chip and seal program, overlay program, and curb repair program. While the cost of these items has increased, funding is based on available resources.

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

Fund 214 – SPECIAL GAS TAX

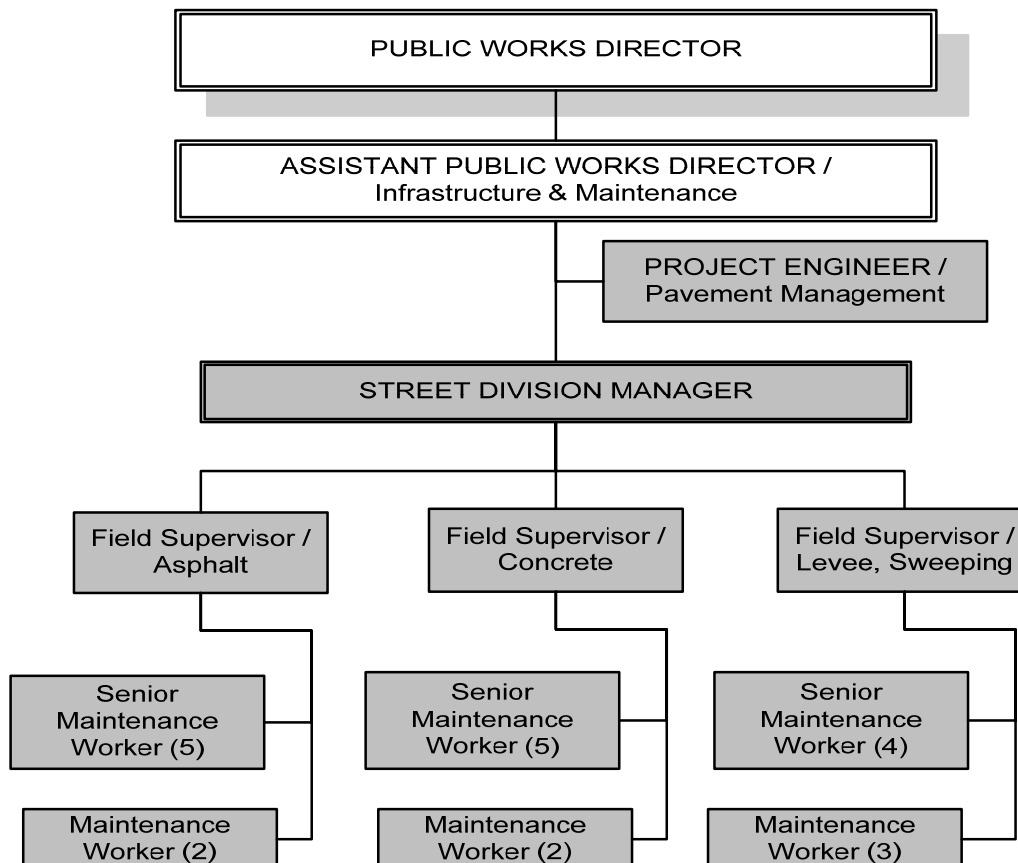
EXPENDITURE SUMMARY

EXPENDITURES	2008 Actual	2009 Adopted	2009 Estimate	2010 Budget
Personal Services	\$ 1,667,322	\$ 1,747,133	\$ 1,747,133	\$ 1,750,535
Contractual Services	12,718	480	480	480
Commodities	812,476	1,010,800	1,010,800	920,800
Capital Outlay	110,227	195,000	195,000	185,000
Debt Service	0	0	0	0
Transfers	0	0	0	0
Contingency	0	0	0	100,000
Total	\$ 2,602,743	\$ 2,953,413	\$ 2,953,413	\$ 2,956,815

PERSONNEL SUMMARY

PERSONNEL	2008 Actual	2009 Adopted	2009 Estimate	2010 Budget
Authorized Positions	25.50	25.50	25.50	25.50

ORGANIZATIONAL CHART



*Shading indicates positions funded from this account

Fund 214 – SPECIAL GAS TAX

PROFILE

The City receives revenue generated by the state motor fuel tax and receives a share of Douglas County's receipts from property taxes collected on motor vehicles. These funds must be credited to a separate fund and used only for roadway maintenance. The activities are the same as those described in the **street maintenance division** budget including routine maintenance of the City's streets and snow and ice control. The Special Gas Tax fund is also a significant source of funding for the annual contracts for the Overlay and Curb Repair programs.

The Street Maintenance budget funds significant rehabilitation projects that are contracted, as well as staffing for routine maintenance completed in-house. Significant issues for the Street Division are ensuring adequate funding for infrastructure maintenance and adequate staffing to meet demands.

CURRENT YEAR ACCOMPLISHMENTS

- Concrete and asphalt maintenance projects including resurfacing, base failure repairs, valley gutters and intersections, curb repairs and replacement, pedestrian and sidewalk issues, and special projects.
- Provided excellent snow and ice control during winter operations.
- Significant crack-sealing and microsurfacing programs to maintain condition of existing roadways.
- Street sweeping for approximately 6000 lane miles.



PERFORMANCE INDICATORS

Indicator	2008 Actual	2009 Estimated	2010 Target
% residents satisfied with snow removal on major city streets	75.8%	75.8%	75.8%
% residents satisfied with the condition of major city streets	40.2%	40.2%	40.2%
% residents satisfied with the timeliness of street maintenance repairs	27.7%	27.7%	27.7%

MAJOR GOALS AND OBJECTIVES FOR 2010

1. To provide timely and preventive maintenance for street and related infrastructure by applying the most cost-effective maintenance treatments based on specific condition assessments.
2. To provide curb, gutter, and concrete repair and maintenance.
3. To provide asphalt maintenance through patching and replacement.
4. To maximize pavement life through an aggressive crack-sealing program.
5. To provide effective snow and ice control for public roadways.
6. To provide support, personnel, and equipment during emergency response and disaster recovery operations.

SIGNIFICANT ISSUES FOR 2010

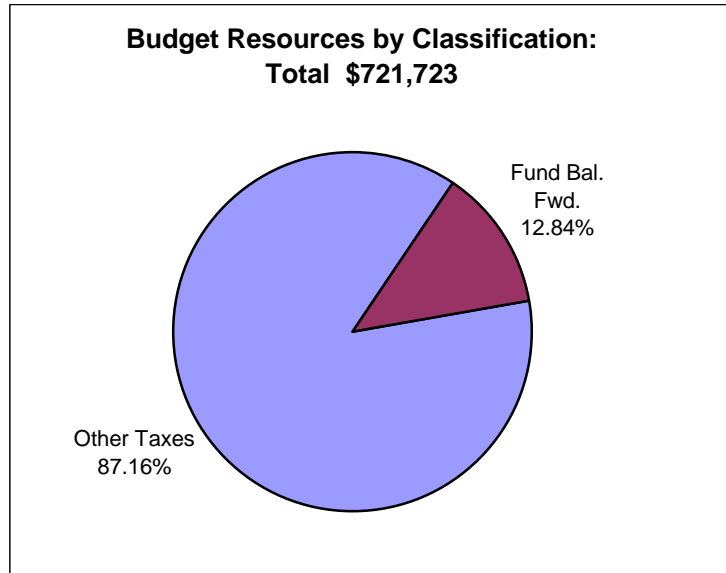
Achieving appropriate levels of funding for major rehabilitation and routine maintenance and equipment replacement despite limited resources.



City of Lawrence

SPECIAL RECREATION FUND

Fund 216 – SPECIAL RECREATION



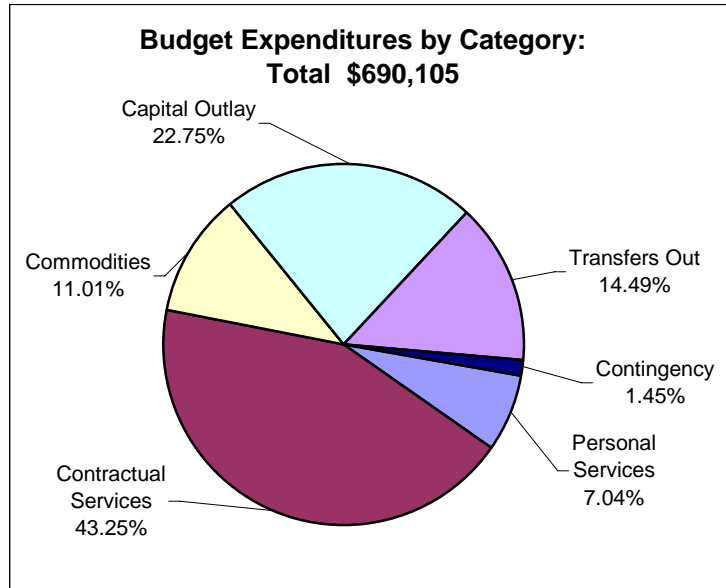
RECEIPTS	2008 Actual	2009 Adopted	2009 Estimated	2010 Budget
Liquor Tax	638,887	594,228	594,228	629,052
Miscellaneous	2,000	-	-	-
TOTAL RECEIPTS	640,887	594,228	594,228	629,052
Balance, January 1	32,491	10,091	88,548	92,671
TOTAL RESOURCES AVAILABLE	673,378	604,319	682,776	721,723

Revenue Sources - Descriptions and Trends

Revenue Sources- Under K.S.A. 79-41a04, cities receive 70% of the funds collected by the state from clubs or drinking establishments located within the city, from caterers whose principal places of business are in the city, or from temporary permit holders whose events are located in the city. These moneys are allocated evenly between the city's General Operating Fund, Special Recreation Fund, and Special Alcohol Fund. Moneys in this Special Recreation Fund must be used for "the purchase, establishment, maintenance or expansion of park and recreational services, programs and facilities." Charter Ordinance #33 establishes these criteria for the disbursement of funds in the Special Recreation Fund.

Trends- Historically, this fund has seen annual increases in the total receipts collected by the state via the liquor tax. However, 2010 revenues are expected to be below 2008 actual levels. The state legislature has continued to discuss the idea of reducing or eliminating this sharing of liquor tax revenue in light of the state's budget woes. Lobbying by the municipalities, state and local parks/recreation organizations and others has assisted in keeping the current law intact but projected increases in revenues remain conservative.

Fund 216 – SPECIAL RECREATION



EXPENDITURES	2008 Actual	2009 Adopted	2009 Estimated	2010 Budget
Personal Services	45,779	48,605	48,605	48,605
Contractual Services	367,330	290,500	290,500	298,500
Commodities	98,729	81,000	81,000	76,000
Capital Outlay	72,992	160,000	160,000	157,000
Debt Service	-	-	-	-
Contingency	-	10,000	10,000	10,000
Transfer to achieve 5% fund balance	-	-	-	100,000
TOTAL EXPENDITURES	584,830	590,105	590,105	690,105
FUND BALANCE FORWARD	88,548	14,214	92,671	31,618

Expenditures - Descriptions and Trends

Contractual Services- Services provided to the City by firms, individuals, or other City departments. Also included are funds for the following outside agencies:

Lawrence Arts Center Scholarship	\$25,000
Arts Commission	<u>\$25,500</u>
	\$50,500

Commodities- Operating supplies utilized by department for operations including software, licenses, additional trees, seeds, and plants for recreation facilities, and computer and printer replacements. Expenditure levels are expected to decrease in 2010 in order to address increases in other categories.

Capital Outlay - The cost of equipment and materials used to make improvements to parks and recreation facilities including athletic fields, playgrounds, trails, etc. Funding for capital outlay fluctuates as needs change.

Fund 216 – SPECIAL RECREATION

PROFILE

The purpose of the **Special Recreation Fund** is to provide diverse cultural and recreational opportunities for the community as it continues to grow. Some of the expenses reflected in this fund include the City's share of the operation of the Lawrence Arts Center, the Outdoor Sculpture Exhibition (sponsored by the Lawrence Arts Commission), concert performances of the Lawrence City Band, and the Bicycle Pedal Plan.

The fund also provides for improvements and upgrades to parks and recreation facilities, programs, athletic fields, and playgrounds.

PERFORMANCE INDICATORS

Indicator	2008 Actual	2009 Estimated	2010 Target
% of residents satisfied with the cleanliness of public areas	75.8%	NA	TBD
% of residents satisfied with the number of walking and biking trails	62%	NA	TBD

CURRENT YEAR ACCOMPLISHMENTS

- Held a public forum to discuss the future of programs funded through this budget.
- Various recreation facility repairs and improvements.
- Various paths, walks and fence repairs.

MAJOR GOALS AND OBJECTIVES FOR 2010

1. To maintain a variety of recreational facilities and programming throughout the community.
2. To support artistic exhibits and performances for the enjoyment of the community.

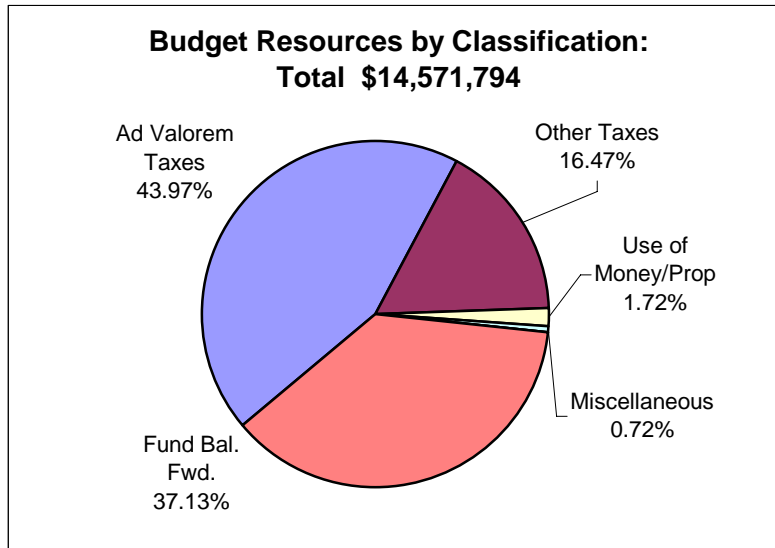
SIGNIFICANT ISSUES FOR 2010

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



BOND AND INTEREST FUND

Fund 301 – BOND AND INTEREST



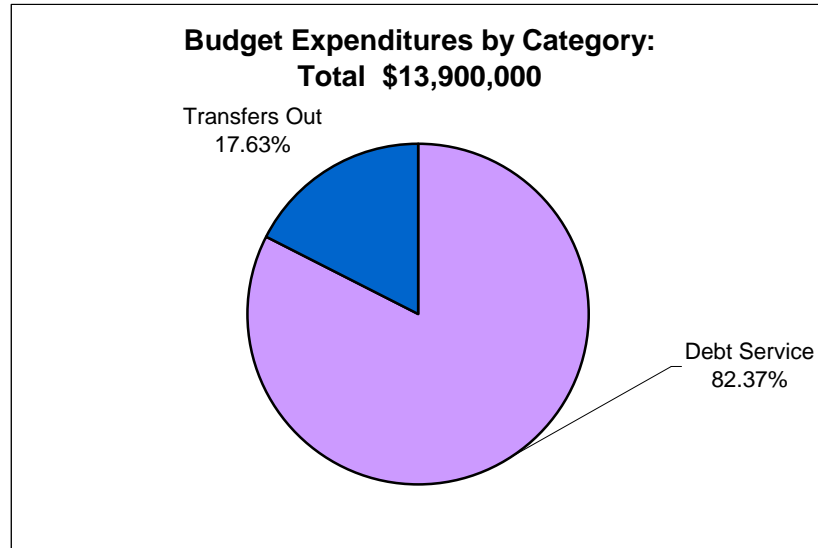
	2008 Actual	2009 Adopted	2009 Estimated	2010 Budget
RECEIPTS				
Taxes - Current	5,879,172	5,914,392	5,914,392	5,784,371
Taxes - Delinquent	82,271	100,000	100,000	95,000
Motor Vehicle Taxes	516,324	535,255	535,255	523,245
Payment In Lieu of Taxes	5,023	5,273	5,273	4,252
Special Assessments	3,172,277	2,300,000	2,300,000	2,400,000
Intergovernmental Revenues	26,676	-	0	-
Interest on Investments	303,918	300,000	300,000	250,000
Airport Charges	-	-	0	-
Miscellaneous	146,160	169,173	169,173	105,000
Other Transfers	1,667,570	-	-	-
TOTAL RECEIPTS	11,799,391	9,324,093	9,324,093	9,161,868
Balance, January 1	7,732,875	4,332,918	9,150,833	5,409,926
TOTAL RESOURCES AVAILABLE	19,532,266	13,657,011	18,474,926	14,571,794

Revenue Sources - Descriptions and Trends

Revenue Sources- Property taxes are the major source of revenue for the Bond and Interest Fund, followed by special assessments, motor vehicle tax, and interest on investments. This fund is used to account for the accumulation of resources to pay general obligation bond principal and interest and bond principal and interest from special assessment levies of the City. The City is obligated to pledge its full faith and credit for the payment of general obligation bonds.

Trends- Assessed valuation is estimated to decrease in 2010. In addition, the mill levy for the Bond and Interest Fund has been reduced 0.10 mills, resulting in lower revenues from property tax in 2010 than 2009 and 2008.

Fund 301 – BOND AND INTEREST



EXPENDITURES	2008 Actual	2009 Adopted	2009 Estimated	2010 Budget
GO Bonds - Principal	7,627,975	9,455,000	9,455,000	8,100,000
GO Bonds - Interest	2,753,458	3,100,000	3,100,000	2,850,000
Commission / Postage	-	10,000	10,000	
Cash Basis Reserve	-	500,000	500,000	500,000
Transfer to achieve 5% fund balance	-	-	-	2,450,000
TOTAL EXPENDITURES	10,381,433	13,065,000	13,065,000	13,900,000
FUND BALANCE FORWARD	9,150,833	592,011	5,409,926	671,794

Expenditures - Descriptions and Trends

GO Bonds - Principal- The amount owed as long-term debt. It is payable from the full faith and credit of the City, and is the basis upon which interest is calculated. The expenditures reflect the capital improvement projects funded from general obligation (GO) bonds approved by previous City Commissions. These projects are related to expansion, growth, and maintenance of existing facilities.

GO Bonds - Interest- The expense for issuing long term debt. It is payable from the full faith and credit of the City.

Cash Basis Reserve- An amount of funds set aside to insure that sufficient cash is available to pay principal and interest payments in the case there is a delay in receiving property taxes. The budgeted amount provides a safety net to fund unanticipated projects.

Bond and Interest Fund

Bond and Interest

Account 301-1066-556

EXPENDITURE SUMMARY

EXPENDITURES	2008 Actual	2009 Adopted	2009 Estimated	2010 Budget
Personal Services	-	-	-	-
Commodities	-	10,000	10,000	-
Capital Outlay	-	-	-	-
Debt Service	10,381,433	12,555,000	12,555,000	10,950,000
Transfers	-	-	-	2,450,000
Contingency	-	500,000	500,000	500,000
TOTAL EXPENDITURES	10,381,433	13,065,000	13,065,000	13,900,000

PROFILE

This fund is used to account for the resources dedicated to the payment of the principal and interest on the City's general obligation bonds. Revenues come from ad valorem property taxes, special assessments, interest earnings and transfers of surplus funds from capital projects.

As of June 30, 2009, the total general obligation debt for the city was \$99,545,000. The City is limited by State law in the amount of general obligation debt it can incur.* This limit is set at 30% of the total assessed valuation, including motor vehicle assessments. The legal debt margin as of June 30, 2009 can be computed as follows:

Assessed Valuation - January 1, 2008	\$ 935,616,472	
Debt Limitation (30% of assessed valuation)		280,684,942
Total Bonded Debt (including notes)	145,835,000	
Less Revenue Bonds	<u>(46,290,000)</u>	
Total Debt applicable to limitation		<u>\$ 99,545,000</u>
Legal Debt Margin		<u>\$ 181,139,942</u>

*For more information related to debt, see the Debt Management Policy and Debt Issuance Guidelines in the introduction section of this document.

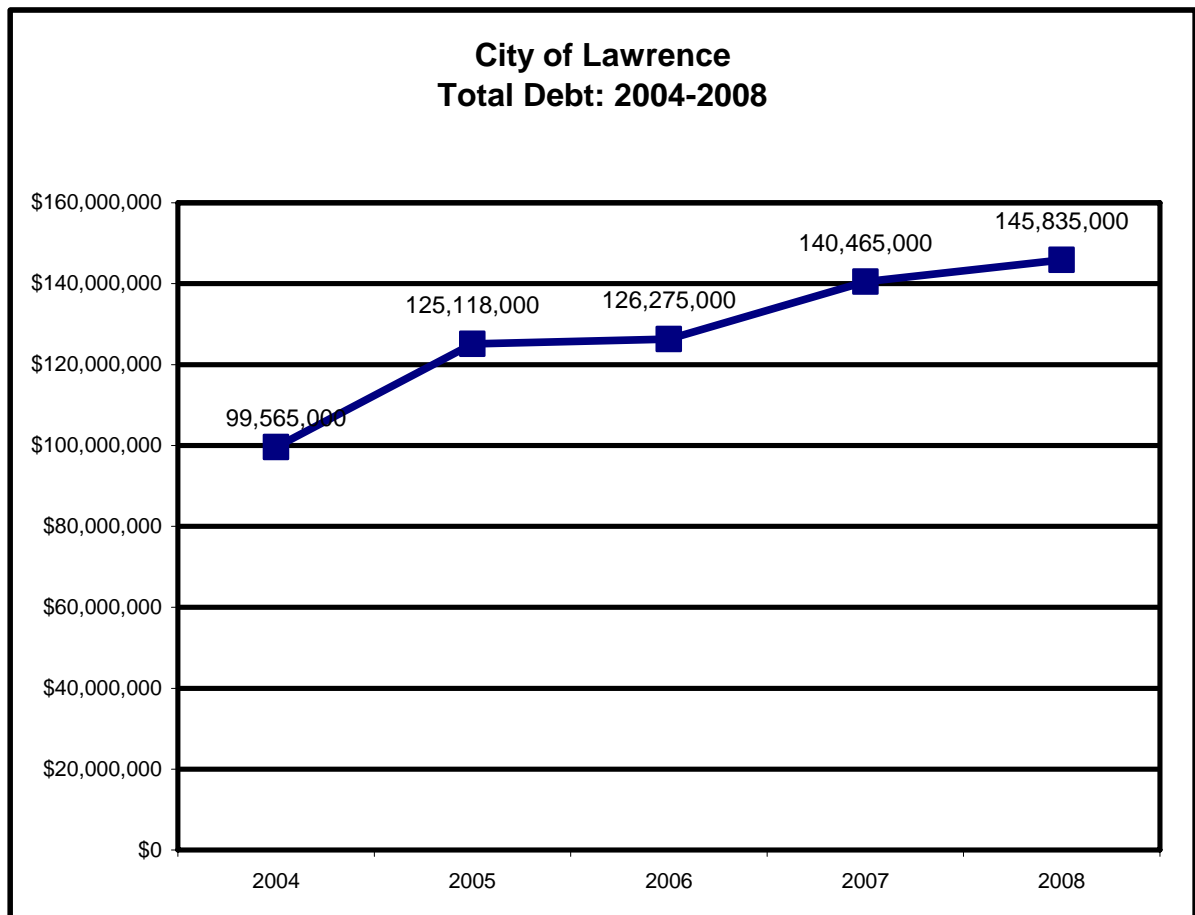
CURRENT YEAR ACCOMPLISHMENTS

- Maintained a G.O. Debt rating of Aa2.
- Maintained a rating on the City's outstanding revenue bonds of Aa3.
- Updated the capital financing and rate plan for the Water and Wastewater Fund.
- Issued over \$10 million in general obligation bonds for infrastructure improvements.

Bond and Interest Fund

Statement Of Outstanding Indebtedness

	Outstanding 01/01/2008	Retired in 2008	Issued in 2008	Outstanding 12/31/2008
General Obligation Bonds	\$ 86,775,000	9,755,000	\$ 11,890,000	88,910,000
Temporary Notes	10,225,000	10,225,000	10,635,000	10,635,000
TOTAL	97,000,000	19,980,000	22,525,000	99,545,000
Revenue Bonds	43,465,000	1,445,000	4,270,000	46,290,000
TOTAL	43,465,000	1,445,000	4,270,000	46,290,000
TOTAL DEBT	\$ 140,465,000	\$ 21,425,000	\$ 26,795,000	\$ 145,835,000



Bond and Interest Fund

Current

Debt Issue

DESIGNATION	ORIGINAL AMOUNT	OUTSTANDING 1/1/2008	ISSUED AFTER 1/1/2008	RETIRED IN 2008	ESTIMATED OUTSTANDING 12/31/2008
GENERAL OBLIGATION					
Series 1999-A	4,405,000	570,000		570,000	0
Series 1999-B	2,110,000	610,000		300,000	310,000
Series 2000-A	2,330,000	845,000		410,000	435,000
Series 2000-B	2,455,000	865,000		275,000	590,000
Series 2000-C	560,000	175,000		55,000	120,000
Series 2000-D	4,280,000	2,380,000		135,000	2,245,000
Series 2000-E	4,990,000	2,675,000		850,000	1,825,000
Series 2000-F	8,645,000	7,235,000		405,000	6,830,000
Series 2001-A	2,840,000	1,340,000		250,000	1,090,000
Series 2001-B	1,420,000	800,000		120,000	680,000
Series 2002-A	9,070,000	4,975,000		730,000	4,245,000
Series 2002-B	2,115,000	1,730,000		135,000	1,595,000
Series 2002-C	920,000	600,000		75,000	525,000
Series 2003-A	4,270,000	2,150,000		205,000	1,945,000
Series 2003-B	10,190,000	7,205,000		690,000	6,515,000
Series 2003-C	2,905,000	1,785,000		230,000	1,555,000
Series 2003-D	3,145,000	2,275,000		240,000	2,035,000
Series 2004-A	3,520,000	2,400,000		275,000	2,125,000
Series 2004-B	10,600,000	8,205,000		820,000	7,385,000
Series 2004-C	1,600,000	1,240,000		125,000	1,115,000
Series 2005-A	11,095,000	9,460,000		835,000	8,625,000
Series 2006-A	17,130,000	15,910,000		1,230,000	14,680,000
Series 2007-A	11,345,000	11,345,000		795,000	10,550,000
Series 2008-A	11,890,000	0	11,890,000	0	11,890,000
Subtotal	\$ 133,830,000	\$ 86,775,000	\$ 11,890,000	\$ 9,755,000	\$ 88,910,000
TEMPORARY NOTES					
Temp Note 2007-I	10,225,000	10,225,000		10,225,000	0
Temp Note 2008-I	10,635,000	0	10,635,000	0	10,635,000
Subtotal	\$ 20,860,000	\$ 10,225,000	\$ 10,635,000	\$ 10,225,000	\$ 10,635,000
REVENUE BONDS					
Series 2005	25,910,000	23,665,000		1,340,000	22,325,000
Series 2007	19,800,000	19,800,000		105,000	19,695,000
Series 2008	4,270,000	0	4,270,000	-	4,270,000
Subtotal	\$ 49,980,000	\$ 43,465,000	\$ -	\$ 1,445,000	\$ 46,290,000

Bond and Interest Fund

Current

Debt Service Schedule

GENERAL OBLIGATION BONDS AT- LARGE

	Principal	Interest	Total
2009	7,914,340	2,882,062	10,796,402
2010	7,438,276	2,590,367	10,028,643
2011	7,069,824	2,302,106	9,371,930
2012	7,328,895	2,038,369	9,367,264
2013	7,344,471	1,760,378	9,104,849
2014	6,684,975	1,477,275	8,162,250
2015	6,828,626	1,220,325	8,048,951
2016	6,652,175	948,987	7,601,162
2017	4,800,730	670,990	5,471,720
2018	5,027,953	465,009	5,492,962
2019	3,510,000	256,900	3,766,900
2020	2,315,000	104,325	2,419,325
	<u>72,915,265</u>	<u>16,717,091</u>	<u>89,632,356</u>

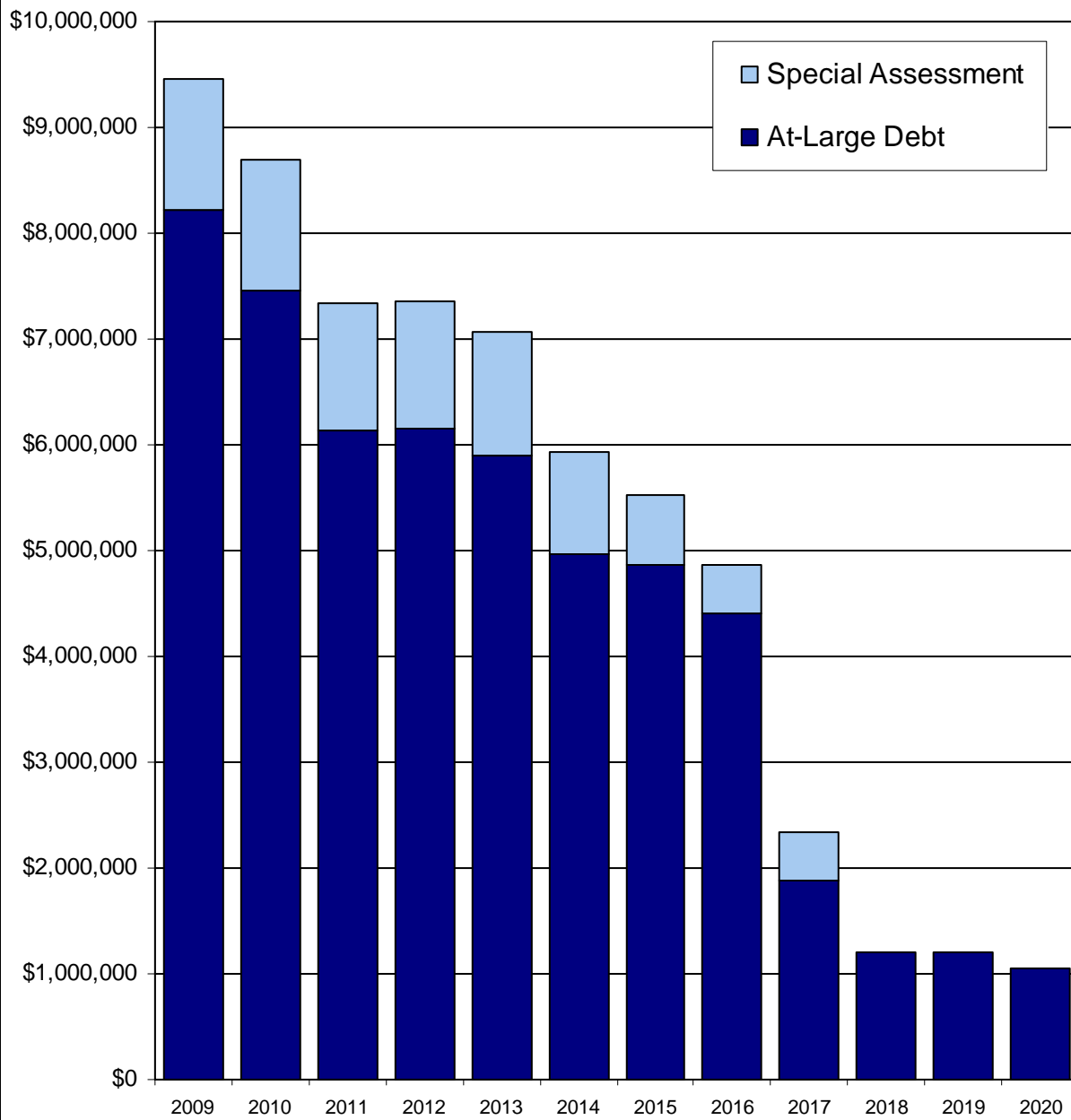
SPECIAL ASSESSMENT AMORTIZATION SCHEDULE

	Principal	Interest	Total
2009	1,815,660	601,628	2,417,288
2010	1,881,724	535,151	2,416,875
2011	1,920,176	465,960	2,386,136
2012	1,991,105	395,818	2,386,923
2013	2,030,529	320,477	2,351,006
2014	1,905,025	246,103	2,151,128
2015	1,686,374	174,957	1,861,331
2016	1,537,825	109,811	1,647,636
2017	1,174,270	48,541	1,222,811
2018	52,047	1,822	53,869
	<u>15,994,735</u>	<u>2,900,268</u>	<u>18,895,003</u>

DEBT SERVICE SCHEDULE FOR ALL BONDS

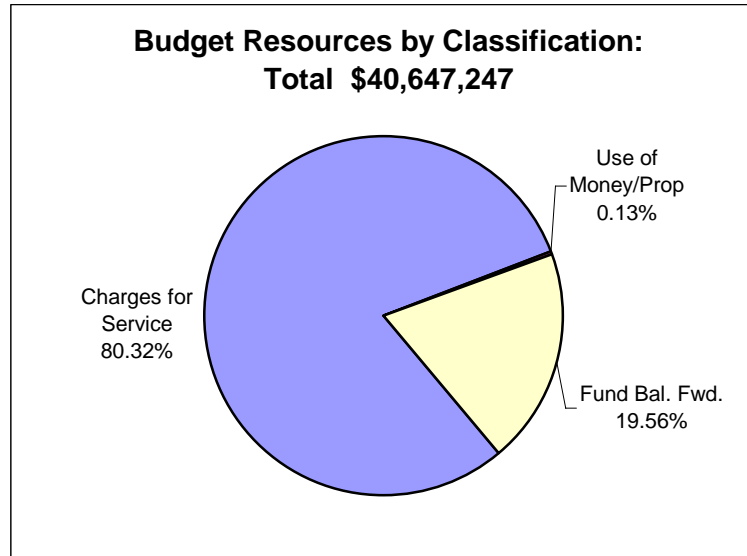
	Principal	Interest	Total
2009	9,730,000	3,483,690	13,213,690
2010	9,320,000	3,125,518	12,445,518
2011	8,990,000	2,768,066	11,758,066
2012	9,320,000	2,434,187	11,754,187
2013	9,375,000	2,080,855	11,455,855
2014	8,590,000	1,723,378	10,313,378
2015	8,515,000	1,395,282	9,910,282
2016	8,190,000	1,058,798	9,248,798
2017	5,975,000	719,531	6,694,531
2018	5,080,000	466,831	5,546,831
2019	3,510,000	256,900	3,766,900
2020	2,315,000	104,325	2,419,325
	<u>\$ 88,910,000</u>	<u>\$ 19,617,359</u>	<u>\$ 108,527,359</u>

City Of Lawrence General Obligation Debt Service



WATER AND WASTEWATER FUND

Fund 501 – WATER AND WASTEWATER



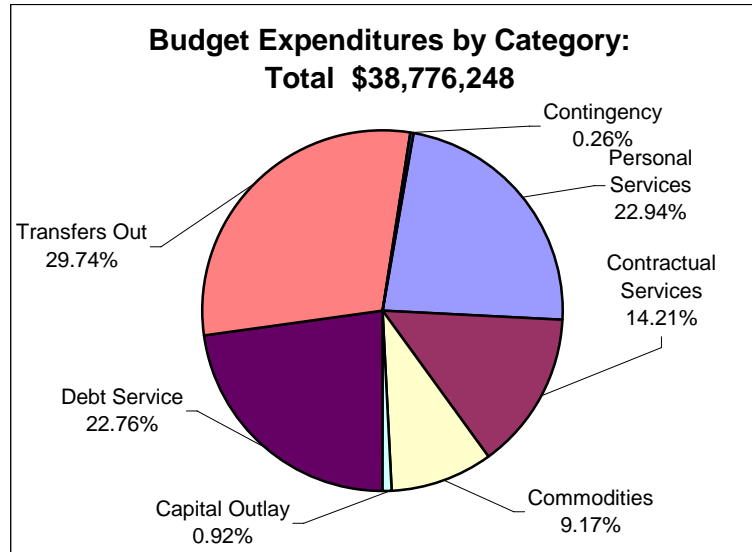
	2008 Actual	2009 Adopted	2009 Estimated	2010 Budget
RECEIPTS				
Water and Sewer Charges	27,034,415	28,278,400	28,278,400	30,972,900
Interest on Investments	238,761	1,000,000	1,000,000	51,400
Development Charges	919,320	800,000	800,000	1,000,000
Miscellaneous & Other	273,425	150,000	150,000	673,100
TOTAL RECEIPTS	28,465,921	30,228,400	30,228,400	32,697,400
Balance, January 1	12,971,944	6,811,530	13,232,595	7,949,847
TOTAL RESOURCES AVAILABLE	41,437,865	37,039,930	43,460,995	40,647,247

Revenue Sources – Descriptions and Trends

Revenue Sources- The Water and Wastewater Fund is an Enterprise Fund for the City and is used to account for the operations that are financed and operated in a manner similar to private business enterprises. The intent of the governing body is that the costs of providing services (water and sewer) to the general public on a continuing basis is financed or recovered primarily through user charges. The primary revenue source for this fund is the charges for water and sewer, which are determined via rate studies that are typically performed every five years. Interest on investments and development charges are two other major revenue sources for the fund. Development charges are levied at the time building permits are requested and help offset the costs for increased capacity in the water and/or wastewater systems to accommodate the growth of the system for the particular development.

Trends- Traditionally, the revenue for this fund increases in direct proportion to the amount of growth in the city as well as through the incremental rate increases dictated by the City Commission's approval of recommendations from the rate study. System growth, meeting regulatory requirements, and replacing aging infrastructure are the three main reasons for increasing revenue for this fund. Projections are conservative and based on the revenue requirements outlined in the 2004 rate study. To generate sufficient revenue for 2010, rates for water and wastewater are recommended to increase \$0.69 to \$1.43 for 44% of residential customers.

Fund 501 – WATER AND WASTEWATER



EXPENDITURES	2008 Actual	2009 Adopted	2009 Estimated	2010 Budget
Personal Services	8,575,056	9,392,818	9,392,818	8,895,508
Contractual Services	5,107,067	5,734,823	5,734,823	5,509,966
Commodities	2,962,044	3,650,650	3,650,650	3,556,821
Capital Outlay	382,375	838,000	838,000	357,000
Debt Service	7,173,485	9,000,000	9,000,000	8,798,900
Transfers to General Fund	2,614,150	2,744,858	2,744,858	2,882,101
Transfers to Reserve Funds	350,000	540,000	540,000	550,000
Transfers to Non Bonded Construction	1,000,000	3,000,000	3,000,000	2,000,000
Transfers to Achieve 5% Fund Balance	0	0	0	6,100,000
Other	41,093	35,000	35,000	25,000
Contingency	0	575,000	575,000	100,952
TOTAL EXPENDITURES	28,205,270	35,511,148	35,511,148	38,776,248
FUND BALANCE FORWARD	13,232,595	1,528,782	7,949,847	1,870,999

Expenditures – Descriptions and Trends

Personal Services – Cost of providing wages, salaries, retirement, and other fringe benefits for City employees and to some degree, part-time, seasonal staff. Decreases are due to restructuring within the department.

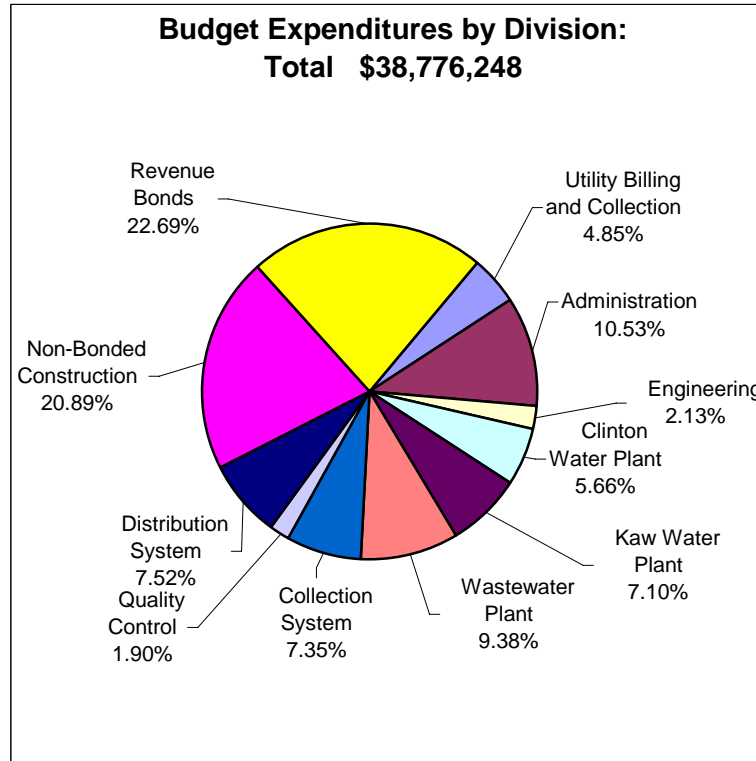
Contractual Services – The cost of services provided to the City by firms, individuals, or other City departments have increased steadily over the years. A slight decrease is budgeted for 2010 due to revenue constraints, despite the increased cost for electricity and gas.

Commodities – Revenue constraints require a reduction in this category of expenditures, despite the increase in the cost of chemicals and other operating supplies.

Capital Outlay – Equipment valued at more than \$1,000 and having a useful life of more than one year. The budget for capital outlay has fluctuated over the years as equipment needs change.

Transfers - Budgeted transfers in 2010 include transfers from the divisions to the General Operating Fund totaling \$2,882,101 for overhead expenses, \$2,000,000 to the Capital Improvement Fund to fund construction of water and wastewater projects for which no debt will be issued, and \$550,000 to other reserve funds. A large transfer is also budgeted to achieve the statutory limit on fund balance.

Fund 501 – WATER AND WASTEWATER



EXPENDITURES	2008 Actual	2009 Adopted	2009 Estimated	2010 Budget
Utility Billing and Collection	1,753,858	1,872,503	1,872,503	1,879,331
Administration	3,539,615	4,484,946	4,484,946	4,084,954
Engineering	788,872	1,146,756	1,146,756	825,669
Clinton Water Plant	1,790,696	2,393,394	2,393,394	2,194,252
Kaw Water Plant	2,518,592	3,006,358	3,006,358	2,751,827
Wastewater Plant	3,257,738	3,575,051	3,575,051	3,637,275
Collection System	2,512,979	3,058,595	3,058,595	2,851,693
Quality Control	606,342	730,600	730,600	737,206
Distribution System	3,068,825	3,242,945	3,242,945	2,915,142
Non-Bonded Construction	1,194,268	3,000,000	3,000,000	8,100,000
Debt Service				
Temp Note Interest	-	-	-	-
Revenue Bonds	7,173,485	9,000,000	9,000,000	8,798,900
TOTAL EXPENDITURES	28,205,270	35,511,148	35,511,148	38,776,248
FUND BALANCE FORWARD	13,232,595	1,528,782	7,949,847	1,870,999

Expenditures - Descriptions and Trends

For information on expenditures by division, see pages K-6 through K-24



City of Lawrence

Water and Wastewater Fund

Utility Billing

Account 501-1069-559

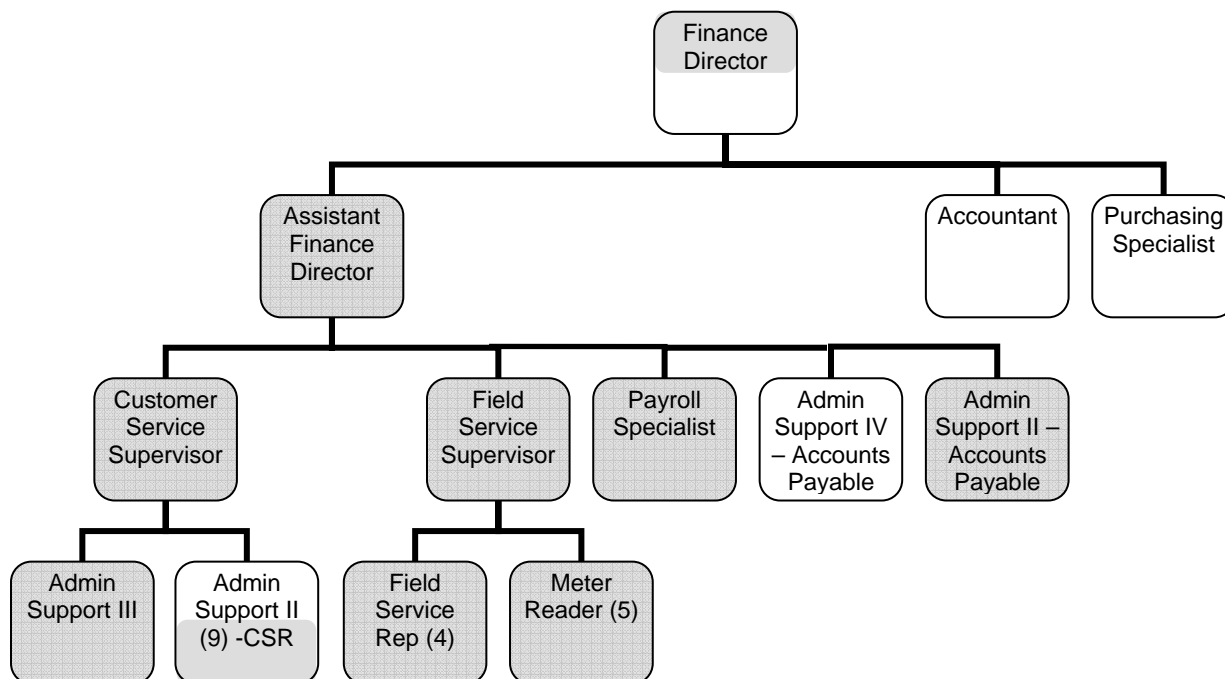
EXPENDITURE SUMMARY

EXPENDITURES	2008 Actual	2009 Adopted	2009 Estimate	2010 Budget
Personal Services	\$ 1,237,972	\$ 1,291,330	\$ 1,291,330	\$ 1,299,171
Contractual Services	296,250	344,573	344,573	364,166
Commodities	82,030	95,650	95,650	82,896
Capital Outlay	17,513	23,000	23,000	21,000
Debt Service	-	-	-	-
Transfers	79,000	82,950	82,950	87,098
Other	41,093	35,000	35,000	25,000
Total	\$ 1,753,858	\$ 1,872,503	\$ 1,872,503	\$ 1,879,331

PERSONNEL SUMMARY

PERSONNEL	2008 Actual	2009 Adopted	2009 Estimate	2010 Budget
Authorized Positions	22.26	22.26	22.26	22.26

ORGANIZATIONAL CHART



Shading indicates funding from this account.

PROFILE

The **Utility Billing Division** of the Finance Department is responsible for the billing and collecting of water, wastewater, sanitation, and storm sewer charges. Each week, utility bills are prepared for approximately one-fourth of the City's 33,000 customers.

Customers can initiate, transfer, terminate, and pay for services on a 24/7 basis through the website.

CURRENT YEAR ACCOMPLISHMENTS

- Prepared a rate plan to provide adequate cash flow to fund the proposed capital improvement plan.
- Purchased new telephones in order to improve communications between office and field personnel
- Enhanced the division's website to make it easier to navigate



PERFORMANCE INDICATORS

Indicator	2008 Actual	2009 Estimated	2010 Target
Percent of utility bills sent as scheduled	98.35%	98.39%	99%
Percent of telephone calls abandoned	8.55%	8.17%	8%
Percent of water meters needing reread	0.73%	0.70%	1%
Percent of water meters read as scheduled	91.3%	100%	100%

MAJOR GOALS AND OBJECTIVES FOR 2010

1. Maintain the City's revenue bond debt rating.
2. Improve the collection of past due utility accounts.
3. Implement new utility rates to fund capital improvement plan and operations.

SIGNIFICANT ISSUES FOR 2010

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

Water and Wastewater Fund

Administration

Account 501-7100-580

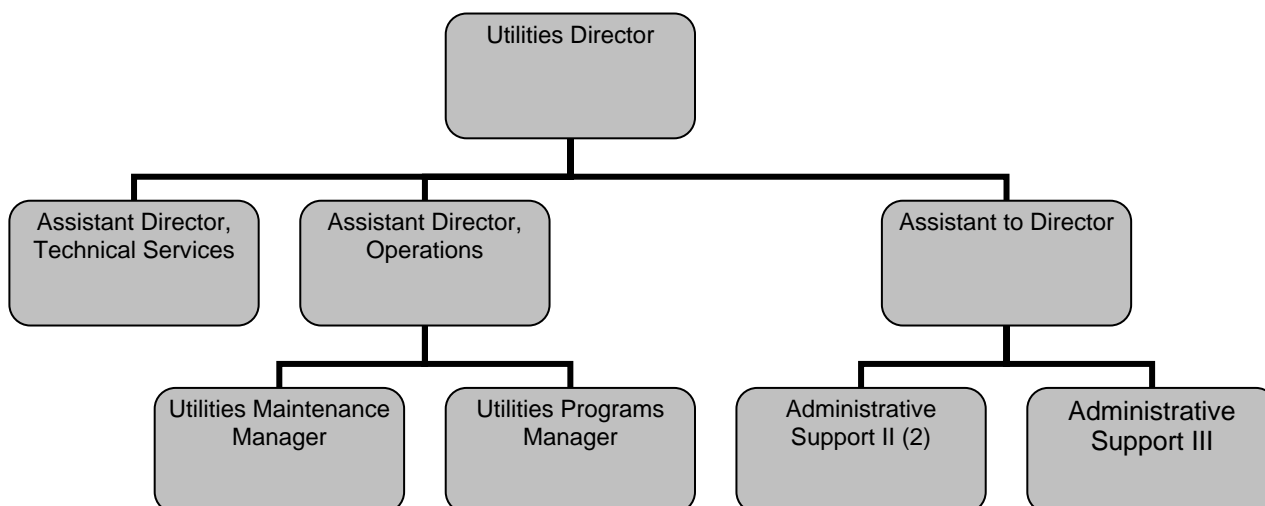
EXPENDITURE SUMMARY

EXPENDITURES	2008 Actual	2009 Adopted	2009 Estimate	2010 Budget
Personal Services	\$ 1,174,842	\$ 1,453,302	\$ 1,453,302	\$ 1,262,350
Contractual Services	296,608	398,150	398,150	361,600
Commodities	61,790	99,300	99,300	84,850
Capital Outlay	-	255,000	255,000	-
Debt Service	-	-	-	-
Transfers	2,006,375	2,279,194	2,279,194	2,376,154
Contingency	-	-	-	-
Total	\$ 3,539,615	\$ 4,484,946	\$ 4,484,946	\$ 4,084,954

PERSONNEL SUMMARY

PERSONNEL	2008 Actual	2009 Adopted	2009 Estimate	2010 Budget
Authorized Positions	14.00	14.00	14.00	13.00

ORGANIZATIONAL CHART



In addition to the positions show above, this Division funds 0.5 of the two Assistant City Managers, 0.5 of the Budget Manager, 0.5 of the City Auditor, a Network Technician, and a Staff Attorney.

Shading indicates positions funded from this Division Account.

PROFILE

The **Administrative Division** provides direction, analysis, and support services for all other divisions in such areas as budgeting, management system, policy development, employee development, business practices and public communications and programming.

CURRENT YEAR ACCOMPLISHMENTS

- Identification of “green initiative” possibilities for energy savings, such as energy efficient HVAC equipment for the Wastewater Plant, alternative energy generation through the new anaerobic digester, and load control monitoring for electrical usage through system control integration.
- ISO 9001 Quality Management System Certification.
- Recertification of the Department's Management System for ISO 14001 Environmental Management, OHSAS 18001 Occupational Health & Safety Management and NPB EMS for Biosolids Management Systems.
- Continued participation in Kansas One-Call, with Utilities as first responder for all incoming locates requests for City infrastructure.
- Implementation of GBA Master Series for all Utilities' operational work orders. Combined with last year's establishment of after-hours call notification through a local answering service, this has expanded Utilities' responsiveness to customer service questions, action and follow-up.

PERFORMANCE INDICATORS

Indicator	2008 Actual	2009 Estimated	2010 Target
GBA service request work orders entered	184	1200	1200
Invoices processed under Detail Budget	3,057	3,000	3,000
Lost time accidents	0	0	0

MAJOR GOALS AND OBJECTIVES FOR 2010

1. Long-term planning, facilitation and implementation of water and wastewater capital improvement program.
2. Increase energy efficiency across all Utilities operations, reduce fuel usage and substitute clean
3. Maintain ISO, OSHAS and NPD EMS certifications for Utilities operations through Lawrence Utilities Management System.
4. Strategically develop and use employee strengths to address department needs through cross-training, professional certifications and ongoing safety and competency training.
5. Improve business practices.

SIGNIFICANT ISSUES FOR 2010

Ensuring sufficient funds are available to maintain an aging infrastructure.

Planning future CIP projects and water and wastewater rates based on new master plans.

Justifying infrastructure expansion, particularly when the growth intended to fund new infrastructure has slowed or is inadequate for recouping costs incurred and/or leveraged.

Funding substantial increases in General Fund transfers over the past few years, which both impact user rates and reduce available revenues for water and wastewater costs of service.

Increasing regulatory requirements for water and wastewater operations.

Water and Wastewater Fund

Engineering

Account 501-7110-580

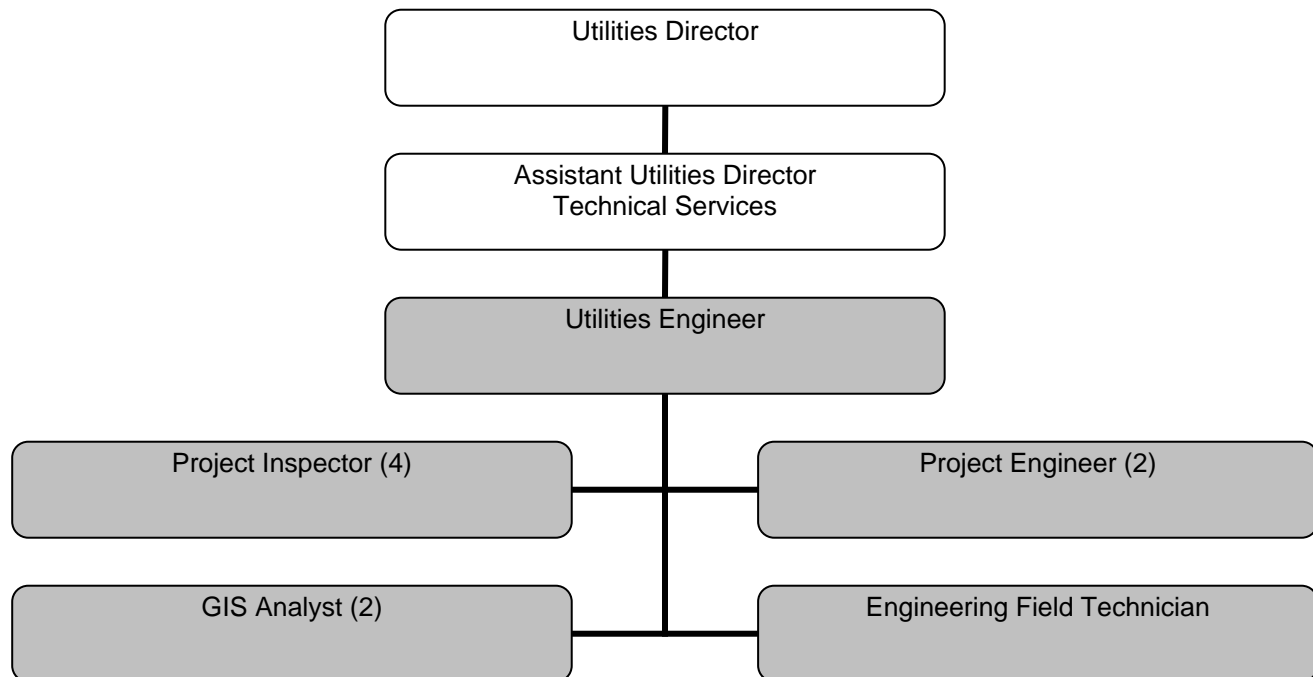
EXPENDITURE SUMMARY

EXPENDITURES	2008 Actual	2009 Adopted	2009 Estimate	2010 Budget
Personal Services	\$ 712,643	\$ 946,930	\$ 946,930	\$ 687,915
Contractual Services	18,266	79,100	79,100	35,600
Commodities	46,938	79,150	79,150	90,000
Capital Outlay	-	30,000	30,000	-
Debt Service	-	-	-	-
Transfers	11,025	11,576	11,576	12,155
Contingency	-	-	-	-
Total	\$ 788,872	\$ 1,146,756	\$ 1,146,756	\$ 825,669

PERSONNEL SUMMARY

PERSONNEL	2008 Actual	2009 Adopted	2009 Estimate	2010 Budget
Authorized Positions	12.00	12.00	12.00	10.00

ORGANIZATIONAL CHART



Shading indicates positions funded from this Division Account.

PROFILE

The **Engineering Division** manages all Utilities capital improvements projects, as well as design, contract administration and inspection services for internal and contracted projects. The Division maintains Utilities' GIS data and mapping; administers contracts for and inspects developer-designed and funded utility extensions; and provides technical support for electronic data initiatives.

CURRENT YEAR ACCOMPLISHMENTS

- Updated GIS Water System Layers following comprehensive review of water system map books, as-built drawings and field GPS information.
- Updated water and wastewater design guidelines and technical specifications.
- Synchronization of GBA Master Series with Utilities GIS and integration into Field Operations and Administrative work flow.
- Establishment of a database tracking system for water and sanitary sewer GIS edit requests.
- Ongoing management of non-Master Plan projects, including utility relocations and utility improvements, e.g., watermain relocation in conjunction with the N 2nd and Locust intersection improvements, Kaw WTP Conversion to Sodium Hypochlorite and Hobbs Park Sanitary Sewer Extension.
- Ongoing management of multiple projects from the 2003 Water and Wastewater Master Plans, e.g., Clinton Water Treatment Plant Expansion, Stoneridge Elevated Tank, SE Area Sanitary Sewer Benefit Districts, 2008 – 2010 Watermain Rehab Projects and Anaerobic Digester Improvements.

PERFORMANCE INDICATORS

Indicator	2008 Actual	2009 Estimated	2010 Target
Master Plan Water Projects completed on time	75%	90%	100%
Master Plan Waste Water Projects completed on time	100%	90%	100%
Lost time accidents	0	0	0

MAJOR GOALS AND OBJECTIVES FOR 2010

1. Completion of Master Plans for Water and Wastewater.
2. Ongoing implementation of GIS technology including Water Distribution GIS corrections and integration of GBA Master Series.
2. Initiate all Water and Wastewater Master Plan Projects scheduled for 2010.
3. Implement computerized hydraulic modeling for water and wastewater systems.
4. Implement updated inspector training and certification program.



SIGNIFICANT ISSUES FOR 2010

Anticipated escalation of project costs beyond those forecast in the Master Plans and Rate Plan.

Integration of current and archive project records into an electronic library for access online and via GIS.

Continued work toward complete and accurate GIS mapping of water and sanitary sewer infrastructure.

Implementation of field applications for data and map acquisition.

Water and Wastewater Fund

**Clinton
Water Treatment Plant
Account 501-7210-581**

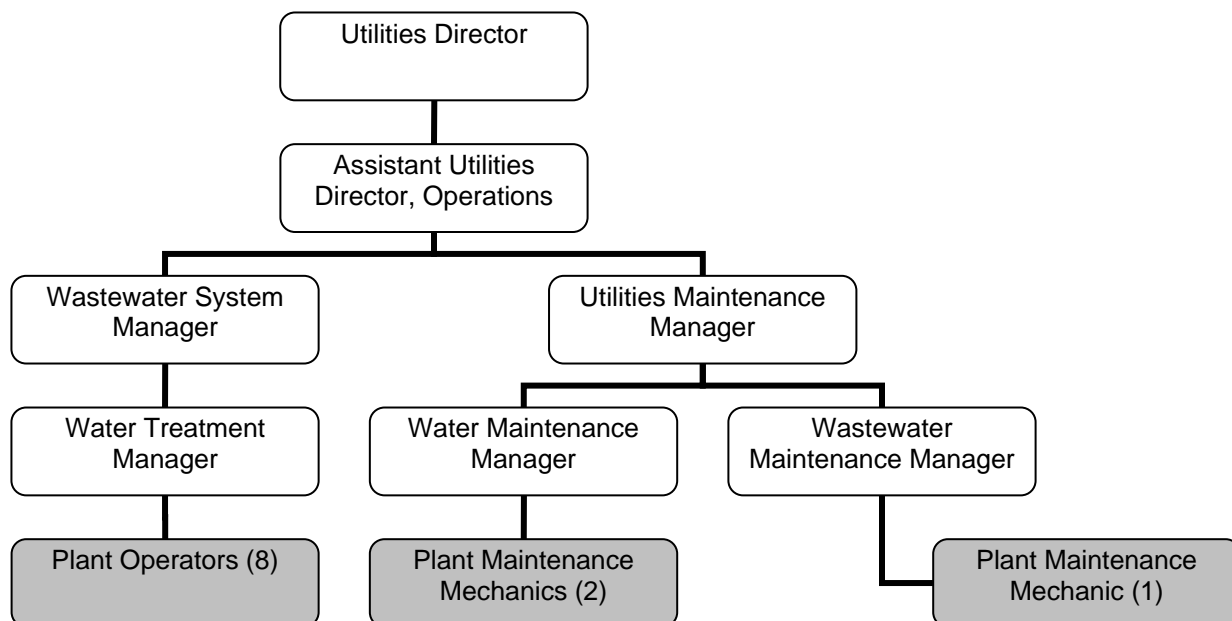
EXPENDITURE SUMMARY

EXPENDITURES	2008 Actual	2009 Adopted	2009 Estimate	2010 Budget
Personal Services	\$ 643,101	\$ 700,444	\$ 700,444	\$ 707,307
Contractual Services	648,428	649,400	649,400	611,950
Commodities	481,167	854,650	854,650	830,150
Capital Outlay	-	75,000	75,000	25,000
Debt Service	-	-	-	-
Transfers	18,000	18,900	18,900	19,845
Contingency	-	95,000	95,000	0
Total	\$ 1,790,696	\$ 2,393,394	\$ 2,393,394	\$ 2,194,252

PERSONNEL SUMMARY

PERSONNEL	2008 Actual	2009 Adopted	2009 Estimate	2010 Budget
Authorized Positions	11.00	11.00	11.00	11.00

ORGANIZATIONAL CHART



Shading indicates positions funded from this Division Account.

PROFILE

The mission of the **Clinton Water Treatment Division** is to produce an adequate supply of potable water for public consumption and fire suppression in compliance with all regulatory requirements through operation and maintenance of a 15 million gallons per day capacity water treatment facility (with a soon-to-be expanded capacity of 25 MGD).

CURRENT YEAR ACCOMPLISHMENTS

- Treated and pumped a combined total of 999 Million gallons of water from January 1 through April 30, 2009 from Clinton and Kaw Plants.
- Substantial completion of Phase II Plant Expansion Project, including extensive upgrade of existing instrumentation and control system.
- Replaced chlorine gas storage and system with sodium hypochlorite disinfection system.
- Use of automation and other technologies to manage a large, expanding infrastructure.
- Submission to Partnership for Safe Water, Level III, Director's Award.

PERFORMANCE INDICATORS

Indicator	2008 Actual	2009 Estimated	2010 Target
% Water pumped that is billed	91%	94%	95%
Lost time accidents	1	0	0
% Tests in compliance with regulations	100	100	100
NPDES violations	0	0	0

MAJOR GOALS AND OBJECTIVES FOR 2010

1. Continue to address taste and odor concerns noted in 2007 Citizen Survey.
2. Replace dust collector.
3. Improve early warning awareness of blue-green algae outbreaks in source water.
4. Filter profiling to expand the Clinton Plant capacity to 25 million gallons per day capacity.



SIGNIFICANT ISSUES FOR 2010

Completion of the Clinton Plant Phase II Expansion Project and incorporation of automated facility improvements into ongoing operational processes.

Increasing regulatory requirements for water operations.

Water and Wastewater Fund

**Kaw
Water Treatment Plant
Account 501-7220-582**

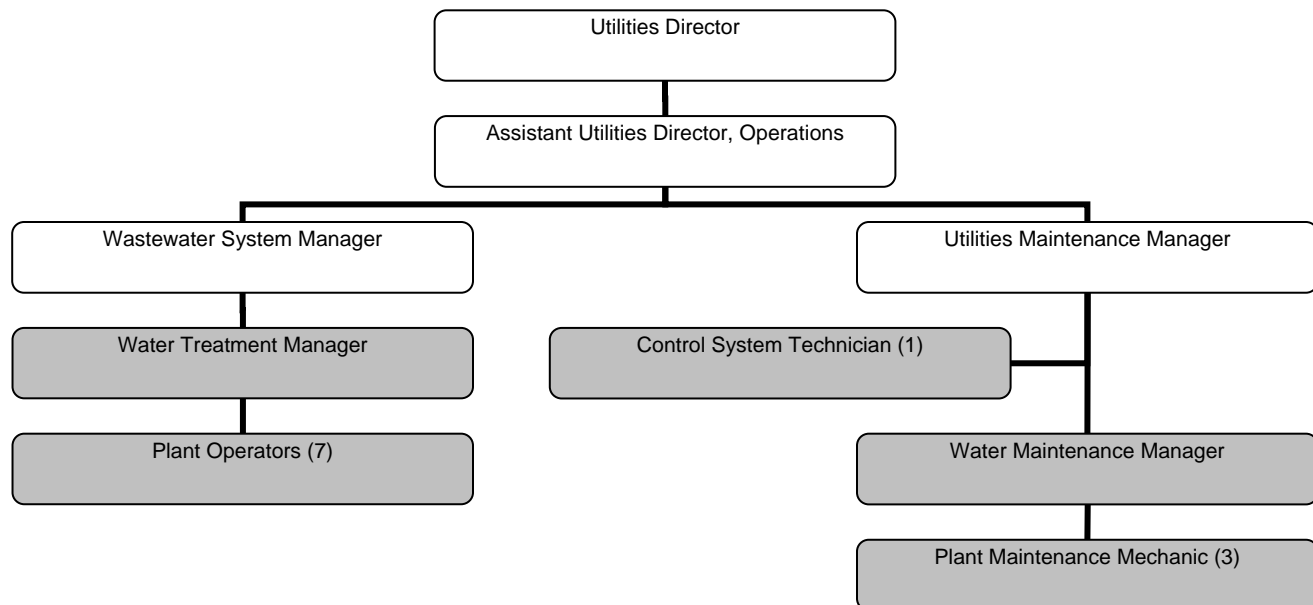
EXPENDITURE SUMMARY

EXPENDITURES	2008 Actual	2009 Adopted	2009 Estimate	2010 Budget
Personal Services	\$ 1,012,751	\$ 1,058,906	\$ 1,058,906	\$ 952,666
Contractual Services	935,456	1,070,200	1,070,200	996,950
Commodities	539,538	642,100	642,100	717,900
Capital Outlay	8,797	62,000	62,000	60,000
Debt Service	-	-	-	-
Transfers	22,050	23,153	23,153	24,311
Contingency	-	150,000	150,000	-
Total	\$ 2,518,592	\$ 3,006,358	\$ 3,006,358	\$ 2,751,827

PERSONNEL SUMMARY

PERSONNEL	2008 Actual	2009 Adopted	2009 Estimate	2010 Budget
Authorized Positions	15.00	15.00	15.00	13.00

ORGANIZATIONAL CHART



PROFILE

The mission of the **Kaw Water Treatment Division** is to produce an adequate supply of potable water for public consumption and fire suppression in compliance with all regulatory requirements through operation and maintenance of a 16.5 million gallons per day capacity water treatment facility.

CURRENT YEAR ACCOMPLISHMENTS

- Treated and pumped a combined total of 999 million gallons of water from January 1 through to April 30, 2009 from Clinton and Kaw Plants.
- Replaced chlorine gas storage and system with sodium hypochlorite disinfection system.
- Use of automation and other technologies to manage a large, expanding infrastructure.
- Submission to Partnership for Safe Water, Level III, Director's Award.
- Completed Phase II of Kaw Plant exterior brick rehabilitation.
- Installed six new high service pumps.
- Renovated ammonia feed system.
- Renovated computer server room and network wiring.

MAJOR GOALS AND OBJECTIVES FOR 2010

1. Continue to address taste and odor concerns noted in 2007 Citizen Survey.
2. Relocate chemical feed equipment.
3. Replace basin equipment.
4. Replace maintenance shop roof.
5. Complete Phase III of the Kaw Plant brick rehabilitation project.
6. Repair basin caps and walkways.
7. Continued upgrades to instrumentation and control system.



PERFORMANCE INDICATORS

Indicator	2008 Actual	2009 Estimated	2010 Target
% Water pumped that is billed	91%	94%	95%
Lost time accidents	1	0	0
% Tests in compliance with regulations	100	100	100
NPDES violations	0	0	0

SIGNIFICANT ISSUES FOR 2010

Address the infrastructure and equipment needs of an aging plant facility.

Increasing regulatory requirements for water operations.

Water and Wastewater Fund

**Wastewater
Treatment Plant**

Account 501-7310-583

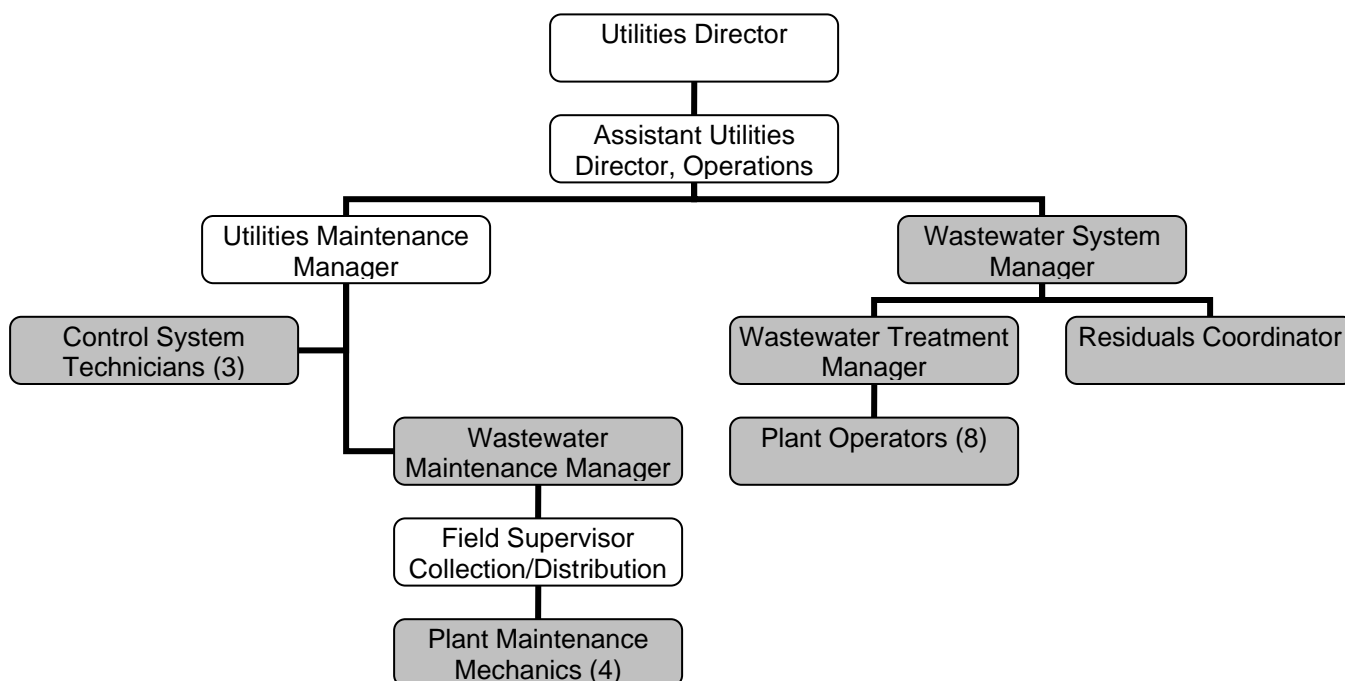
EXPENDITURE SUMMARY

EXPENDITURES	2008 Actual	2009 Adopted	2009 Estimate	2010 Budget
Personal Services	\$ 1,260,445	\$ 1,280,351	\$ 1,280,351	\$ 1,376,364
Contractual Services	1,361,687	1,415,000	1,415,000	1,482,500
Commodities	599,663	697,300	697,300	627,600
Capital Outlay	7,943	28,000	28,000	75,000
Debt Service	-	-	-	-
Transfers	28,000	29,400	29,400	30,870
Contingency	-	125,000	125,000	44,941
Total	\$ 3,257,738	\$ 3,575,051	\$ 3,575,051	\$ 3,637,275

PERSONNEL SUMMARY

PERSONNEL	2008 Actual	2009 Adopted	2009 Estimate	2010 Budget
Authorized Positions	19.00	19.00	19.00	19.00

ORGANIZATIONAL CHART



Shading indicates positions funded from this Division Account.

PROFILE

The mission of the **Wastewater Treatment Division** is to treat wastewater and return treated water and biosolids to the environment through use of environmentally safe standards to operate and maintain the Wastewater Treatment facility.

CURRENT YEAR ACCOMPLISHMENTS

- Use of automation and other technologies to manage a large and expanding infrastructure.
- 2008 USEPA Clean Water Act Recognition Award for Exemplary Biosolids Management (first year Utilities was eligible to apply after first receiving it in 2005).
- Replace lime slaker and controls.
- Installation of extended valve actuators to eliminate confined space entries in several plant locations.
- Replacement of flow diversion control gate.

PERFORMANCE INDICATORS

Indicator	2008 Actual	2009 Estimated	2010 Target
NPDES Violations	1	1	0
Lost time accidents	0	0	0
Complaints received	0	0	0
% Biosolids beneficially reused	100	100	100



MAJOR GOALS AND OBJECTIVES FOR 2010

1. Continue 100% compliance with regulations, including removal of more than 97% of Biochemical Oxygen Demand and Total Suspended Solids from wastewater prior to discharge to the Kaw River.
2. Increased usage of methane as an energy source through anaerobic digester improvements.
3. Replacement of electrical switch gear.
4. Beneficially reuse 100% of biosolids produced from the wastewater treatment process through Class A Biosolids Public Distribution and Class B.
5. Agricultural Land Distribution.
6. Increase quantity of Class A Biosolids for Public Distribution.
7. Investigate technological solution for optimization of blower system in aeration basins for decreased energy usage and improved performance.

SIGNIFICANT ISSUES FOR 2010

Planning for and implementation of expansion/rehabilitation of the anaerobic digester complex.

New regulatory requirements for wastewater operations under the new NPDES permit for additional testing and monitoring as well as studies for assessing cost and feasibility for WWTP to meet effluent nutrient goals.

WASTEWATER TREATMENT PLANT

Water and Wastewater Fund

Sanitary Sewer Collection

Account 501-7410-583

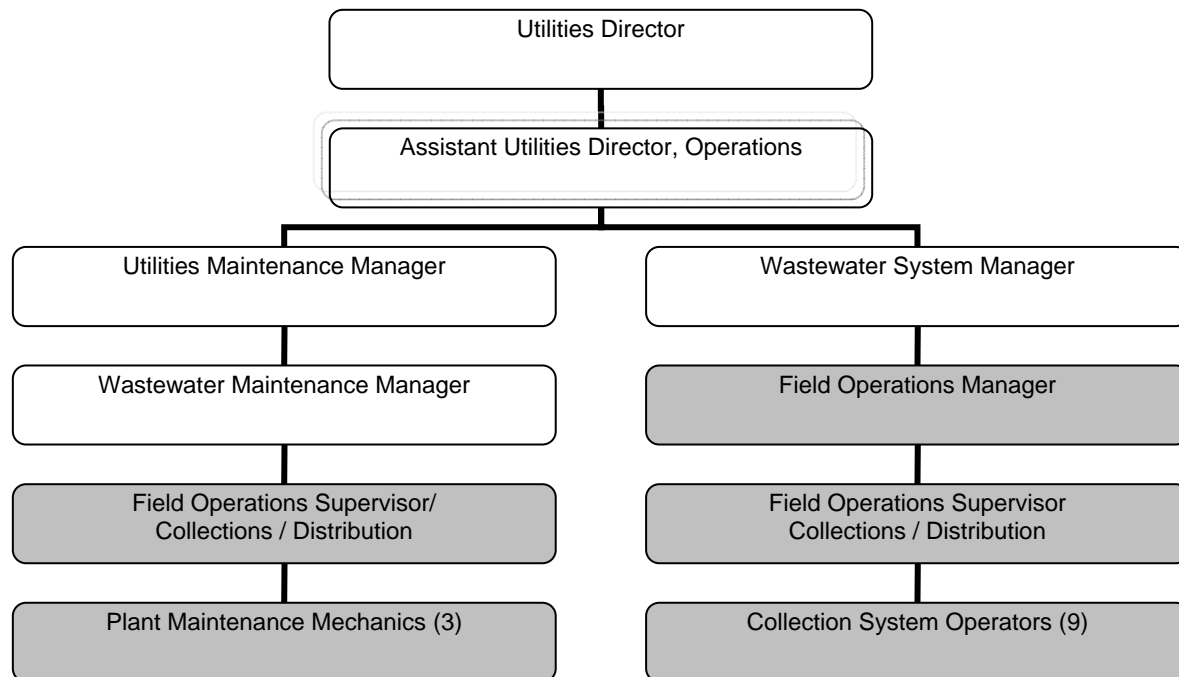
EXPENDITURE SUMMARY

EXPENDITURES	2008 Actual	2009 Adopted	2009 Estimate	2010 Budget
Personal Services	\$ 892,954	\$ 921,145	\$ 921,145	\$ 960,156
Contractual Services	934,176	1,209,000	1,209,000	1,248,600
Commodities	173,052	267,825	267,825	194,625
Capital Outlay	250,297	325,000	325,000	105,000
Debt Service	-	-	-	-
Transfers	262,500	275,625	275,625	289,406
Contingency		60,000	60,000	53,906
Total	\$ 2,512,979	\$ 3,058,595	\$ 3,058,595	\$ 2,851,693

PERSONNEL SUMMARY

PERSONNEL	2008 Actual	2009 Adopted	2009 Estimate	2010 Budget
Authorized Positions	15.00	15.00	15.00	15.00

ORGANIZATIONAL CHART



Shading indicates positions funded from this Division Account.

PROFILE

The mission of the **Sanitary Sewer Collection Division** is to convey wastewater from customers to the Wastewater Treatment Plant, prevent sanitary sewer overflows and maintain the wastewater collection system by preventing significant health, safety and environmental impacts. Division responsibilities include approximately 402 miles of sanitary sewer gravity main, 22 miles of sanitary sewer force main, 9,853 manholes, 1,500 clean outs and 31 lift stations.

CURRENT YEAR ACCOMPLISHMENTS

- A 45% reduction in number of city sewer main blockages relative to comparative data for the first 3 months of 2008.
- Inspection of 37 miles of sanitary sewer pipe via Closed Circuit Television.
- Cleaning of 32% of the gravity system through 4-Year Section Cleaning Program and scheduled preventive maintenance.
- Ongoing SCADA instrumentation upgrades in lift stations.
- Installation of flow meters on pump stations 4,5 and 9 as part of Permanent Flow Meter Program, with 31 meters now installed city wide for gathering accurate wastewater flow data 24/7.

PERFORMANCE INDICATORS

Indicator	2008 Actual	2009 Estimated	2010 Target
City Main Blockages	33	30	28
% Planned maintenance completed	100	100	100
% Planned TV Inspection Completed	100	100	100
Lost time accidents	0	0	0

MAJOR GOALS AND OBJECTIVES FOR 2010

1. Further reduction of city main blockages through proactive maintenance programs; including cured in place pipe program, point repairs, chemical root control program, section cleaning, scheduled preventive maintenance, grease program and TV inspections.
2. Rehabilitation of aging collection system infrastructure.
3. Replacement of aging equipment.
4. Continuation of pump rehabilitation program.
5. Elimination of sanitary sewer overflows due to lift station operations.



SIGNIFICANT ISSUES FOR 2010

Conveying and treating private inflow and infiltration from home/building foundation drains. This storm water flow drains into the public sewer causing capacity and treatment challenges.

Water and Wastewater Fund

Quality Control

Account 501-7510-585

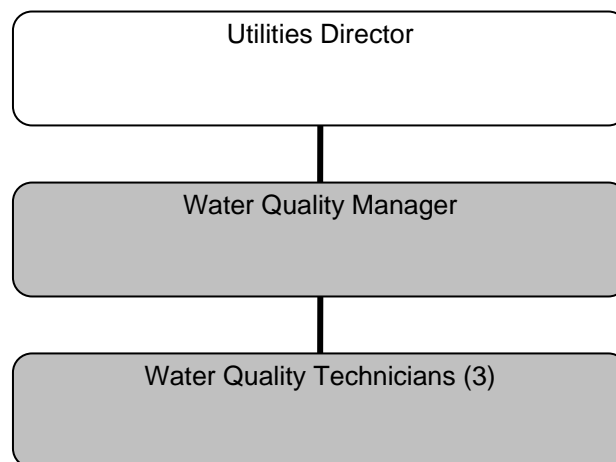
EXPENDITURE SUMMARY

EXPENDITURES	2008 Actual	2009 Adopted	2009 Estimate	2010 Budget
Personal Services	\$ 262,758	\$ 329,115	\$ 329,115	\$ 299,351
Contractual Services	186,692	182,400	182,400	167,100
Commodities	144,692	186,275	186,275	184,200
Capital Outlay	-	-	-	71,000
Debt Service	-	-	-	-
Transfers	12,200	12,810	12,810	13,451
Contingency		20,000	20,000	2,105
Total	\$ 606,342	\$ 730,600	\$ 730,600	\$ 737,206

PERSONNEL SUMMARY

PERSONNEL	2008 Actual	2009 Adopted	2009 Estimate	2010 Budget
Authorized Positions	5.00	5.00	5.00	4.00

ORGANIZATIONAL CHART



PROFILE

The mission of the **Quality Control Division** is to ensure compliance with the Clean Water Act and the Safe Drinking Water Act. The Division operates three accredited laboratories and the industrial pretreatment program and supports the biosolids program. Division responsibilities include: (a) knowledge and implementation of requirements in federal and state environmental laws and regulations; (b) monitoring, and reporting in compliance with those regulations; and (c) technical support to plant operations.

CURRENT YEAR ACCOMPLISHMENTS

- Annual Compliance Summary for Industrial Pretreatment Program was completed February 2009.
- Industrial Pretreatment Permits and on site inspections of industrial facilities completed as required by city ordinance.
- Water and Wastewater Compliance Reports submitted within established deadlines.
- 2008 Consumer Confidence Report completed and ready for mailing to customers in April 2009.
- All 3 laboratories received accreditation under the National Environmental Laboratory Accreditation Program for Year 2008/2009.

PERFORMANCE INDICATORS

Indicator	2008 Actual	2009 Estimated	2010 Target
Lab Analyses In-house	19,039	16,000	18,000
Lab Analyses Outsourced*	4,842	3,000	3,000
Compliance Rate	100%	100%	100%
Lost time accidents	0	0	0
Industrial Pretreatment inspections	4	8	8
Industrial Pretreatment Surcharge Billing	45,594	47,000	47,000

MAJOR GOALS AND OBJECTIVES FOR 2010

1. Provide testing, reporting and other services to water and wastewater operations for compliance with the Safe Drinking Water Act and the Clean Water Act requirements.
2. Track customer taste and odor calls, locations and trend water quality problems.
3. Identify potential water quality issues by expanded analysis of incoming data.
4. Implement Grease Control Program for reduction of obstructions and process costs in wastewater transmission and treatment.
5. Improve turnaround of laboratory analyses to provide faster results to operations.
6. Identify and monitor sources of total phosphorous discharges to minimize impact in plant effluent discharges.



SIGNIFICANT ISSUES FOR 2010

Increased capital outlay expenditures and complexity in process control monitoring and compliance testing of water and wastewater to meet changes in regulatory requirements.

Water and Wastewater Fund

Water Distribution System

Account 501-7610-586

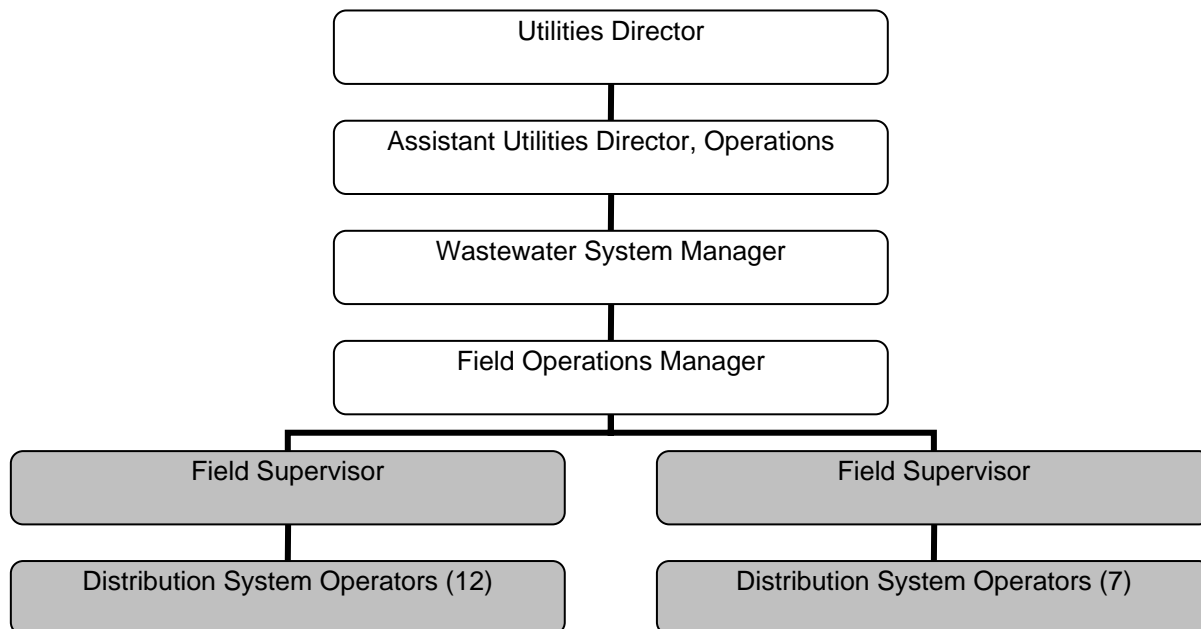
EXPENDITURE SUMMARY

EXPENDITURES	2008 Actual	2009 Adopted	2009 Estimate	2010 Budget
Personal Services	\$ 1,377,590	\$ 1,411,295	\$ 1,411,295	\$ 1,350,229
Contractual Services	235,236	387,000	387,000	241,500
Commodities	833,174	728,400	728,400	744,600
Capital Outlay	97,825	40,000	40,000	-
Debt Service	-	-	-	-
Transfers	525,000	551,250	551,250	578,813
Contingency	-	125,000	125,000	-
Total	\$ 3,068,825	\$ 3,242,945	\$ 3,242,945	\$ 2,915,142

PERSONNEL SUMMARY

PERSONNEL	2008 Actual	2009 Adopted	2009 Estimate	2010 Budget
Authorized Positions	22.00	22.00	22.00	21.00

ORGANIZATIONAL CHART



Shading indicates positions funded from this Division Account.

PROFILE

The mission of the **Water Distribution Division** is to provide for the installation, maintenance and repair of the water distribution system. The distribution system is the network of pipes conveying clean, safe, potable water for consumption to residences, businesses, industries and rural water districts. The distribution system consists of 441 miles of water main, 8,569 valves, 3,365 fire hydrants and approximately 32,500 service connections. The system also provides water for fire protection.

CURRENT YEAR ACCOMPLISHMENTS

- Installed 64 water services to new customers and repaired 29 main leaks.
- Replaced 4,292 feet of water mains in January 1 through March 31, 2009 as compared to 960 feet of replacement main for first 3 months of 2008.
- Exercised 859 distribution valves in January 1 through March 31, 2009 as compared to 21 replacement valves for first 3 months of 2008.
- Ongoing point responsibility for City locates requests, with over 2,597 utility locates completed to date.
- Targeted replacement of 50 meters equal to or larger than 1.5-inches pursuant to the Water Meter Replacement Program for improved accuracy in tracking water usage.

PERFORMANCE INDICATORS

Indicator	2008 Actual	2009 Estimated	2010 Target
Hydrants painted, inspected, repaired	1,969	2,082	2,082
Lost time accidents	1	0	0
Water services installed	340	256	256
Water main breaks	67	60	54
Water Main Installed (feet)	11,783	17,168	20,000
Valves Exercised	323	1,735	1,735
Hydrant Flow Test	978	842	842

MAJOR GOALS AND OBJECTIVES FOR 2010

1. Continue Pro-Active maintenance programs that are guided by AWWA standards that assure distribution reliability and delivery of clean, safe water to customers.
2. Water Main Rehabilitation. Continue water main replacement program replacing 4 inches and smaller pipe, aged pipe in the system and deteriorating mains.
3. Valve Exercise Program. Continue exercising distribution system valves 14 inch and smaller every 4 years and 16 inch and larger valves annually.
4. 15-Year Meter Replacement. Continue replacing water meters so that accurate water measurement readings can be used to cover expenses, charge each customer equitably and prevent waste of water.



SIGNIFICANT ISSUES FOR 2010

Condition assessment of 1954 concrete pipe transmission main.

Corrosion with cast iron and ductile iron water pipe causing leaks.

Water and Wastewater Fund

Debt Service

Account 501-7700-587

EXPENDITURES	2008 Actual	2009 Adopted	2009 Estimate	2010 Budget
Personal Services	\$ -	\$ -	\$ -	\$ -
Contractual Services	-	-	-	-
Commodities	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service	7,173,485	9,000,000	9,000,000	8,798,900
Transfers	-	-	-	-
Contingency	-	-	-	-
Total	\$ 7,173,485	\$ 9,000,000	\$ 9,000,000	\$ 8,798,900

PERSONNEL	2008 Actual	2009 Adopted	2009 Estimate	2010 Budget
Authorized Positions	NA	NA	NA	NA

Water and Wastewater Fund

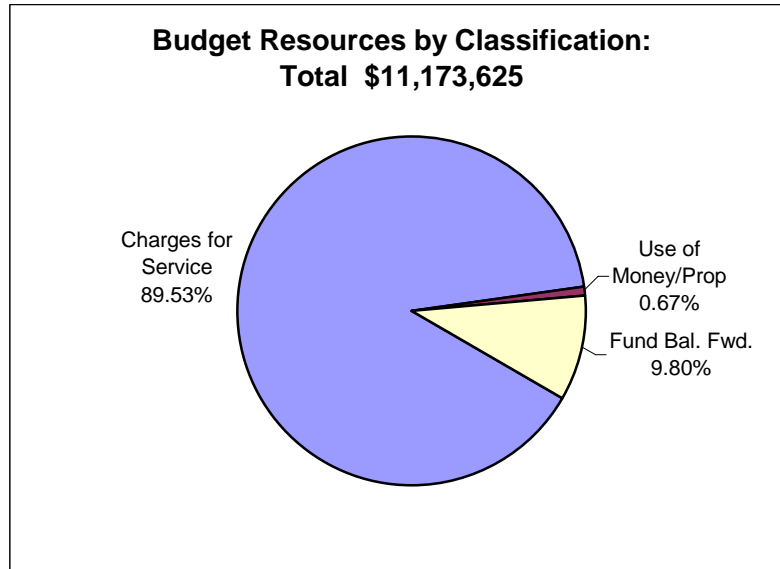
Non-Bonded Construction

Account 501-7800-587

EXPENDITURES	2008 Actual	2009 Adopted	2009 Estimate	2010 Budget
Personal Services	\$ -	\$ -	\$ -	\$ -
Contractual Services	194,268	-	-	-
Commodities	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service	-	-	-	-
Transfer to Non - Bonded Construction	1,000,000	3,000,000	3,000,000	2,000,000
Transfer to Achieve Fund Balance				6,100,000
Contingency	-	-	-	-

SOLID WASTE FUND

Fund 502 – SOLID WASTE



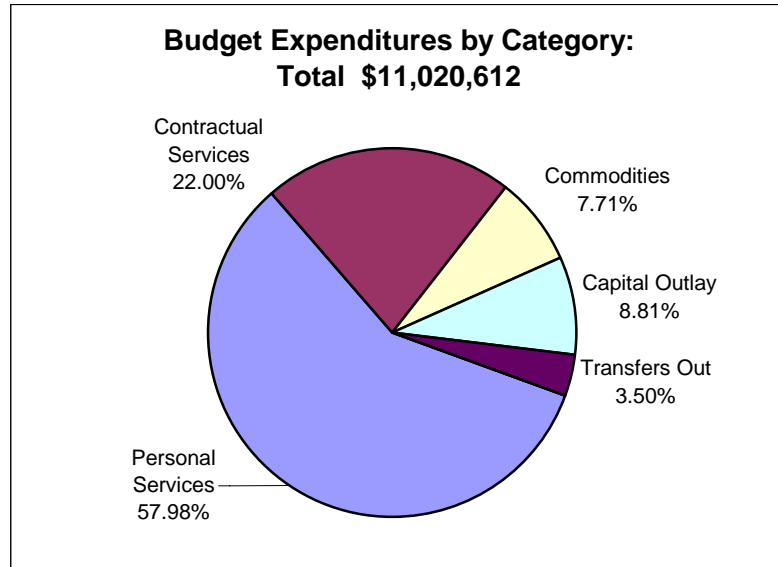
	2008 Actual	2009 Adopted	2009 Estimated	2010 Budget
RECEIPTS				
Sanitation Service Charge	7,579,443	7,618,335	7,618,335	8,081,037
Roll Off	1,545,292	1,600,000	1,600,000	1,530,000
Extra Pickups, Miscellaneous	505,569	477,000	477,000	393,000
State Grants	-	-	-	-
Interest on Investments	85,097	100,000	100,000	75,000
TOTAL RECEIPTS	9,715,401	9,795,335	9,795,335	10,079,037
Balance, January 1	2,888,553	1,604,652	2,374,935	1,094,588
TOTAL RESOURCES AVAILABLE	12,603,954	11,399,987	12,170,270	11,173,625

Revenue Sources - Descriptions and Trends

Revenue Sources- The Solid Waste Fund is an Enterprise Fund used to account for the operations that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs of providing services (recycling, solid waste, and disposal of refuse) to the general public on a continuing basis is financed or recovered primarily through user charges. The primary revenue source for this fund is the charges for sanitation services, followed by roll-off charges to commercial and some residential customers. Rates for both residential and commercial solid waste services will increase in 2010.

Trends- As indicated, the solid waste revenues are projected conservatively and incrementally, to avoid large jumps in service charges in any one year. Increased maintenance and operating costs, including employee benefit costs, as well as minimal growth in the number of customers and geographic size of the service area, continue to impact the revenue requirements for this fund.

Fund 502 – SOLID WASTE



EXPENDITURES	2008 Actual	2009 Adopted	2009 Estimated	2010 Budget
Personal Services	6,081,297	6,390,392	6,390,392	6,389,717
Contractual Services	2,371,555	2,556,472	2,456,612	2,424,220
Commodities	849,500	890,653	890,653	849,650
Capital Outlay	540,642	1,062,000	952,000	971,000
Debt Service	-	-	-	-
Transfer to Other Funds	386,025	386,025	386,025	386,025
Contingency	-	-	-	-
TOTAL EXPENDITURES	10,229,019	11,285,542	11,075,682	11,020,612
FUND BALANCE FORWARD	2,374,935	114,445	1,094,588	153,013

Expenditures - Descriptions and Trends

Personal Services - Cost of providing wages, salaries, retirement, and other fringe benefits for City employees. Increases continue due to projected merit increases for eligible employees.

Commodities - Goods and supplies for operating the divisions and providing the services of the department. The commodities category includes fuel costs.

Capital Outlay - Funds for scheduled vehicle and equipment replacement. The needs to replace failing equipment and add additional equipment fluctuate as do expenditure levels. The cost of trucks is anticipated to increase significantly in 2010 due to the cost of raw materials as well as new federal emission standards going into effect for 2010 model year.

Transfer to Other Funds - These funds are transferred to the City's Worker's Compensation Fund and the City's general operating fund. Due to revenue constraints, 2010 transfers equal those made in 2008 and 2009.

Solid Waste Fund

Residential Solid Waste

Account 502-3510-571

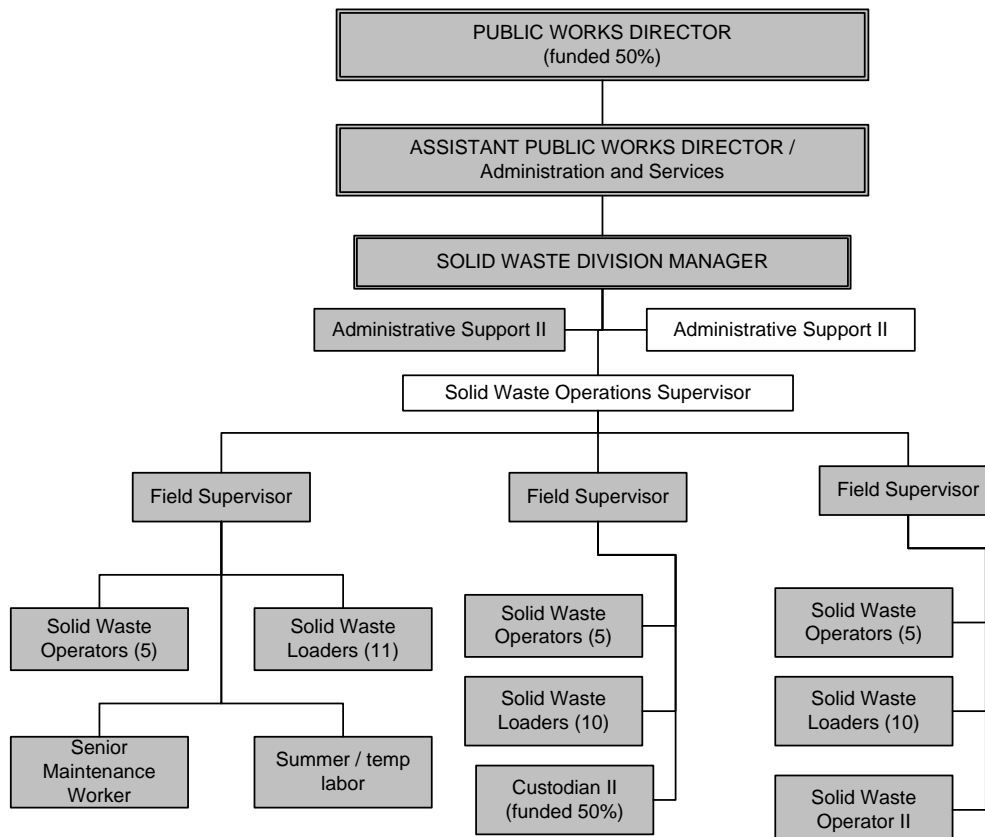
EXPENDITURE SUMMARY

EXPENDITURES	2008 Actual	2009 Adopted	2009 Estimate	2010 Budget
Personal Services	\$ 3,199,115	\$ 3,344,971	\$ 3,344,971	\$ 3,328,421
Contractual Services	956,796	1,025,172	981,482	952,456
Commodities	365,557	391,067	391,067	377,150
Capital Outlay	364,956	320,000	290,000	510,000
Debt Service	-	-	-	-
Transfers	224,225	224,225	224,225	224,225
Contingency	-	-	-	-
Total	\$ 5,110,649	\$ 5,305,435	\$ 5,231,745	\$ 5,392,252

PERSONNEL SUMMARY

PERSONNEL	2008 Actual	2009 Adopted	2009 Estimate	2010 Budget
Authorized Positions	53.84	53.84	53.84	53.84

ORGANIZATIONAL CHART



*Shading indicates positions funded from this account

PROFILE

The **Solid Waste Residential Collection Division** of the Public Works Department is charged with collection of refuse generated from residential areas. Residential collection is on Tuesday, Wednesday, and Thursday. Monday is used for yard waste pick-up and Friday is for training, equipment maintenance, bulk pick-up and special projects such as alley cleaning and neighborhood clean-ups.

Residential collection service is one of three divisions that make up this financially self-supporting enterprise fund. The Department of Finance handles billing in conjunction with their water and sewer utility billings. Other services include separate collection of tires from residential sources, collection of appliances, and neighborhood and alley clean-ups.

PERFORMANCE INDICATORS

Indicator	2008 Actual	2009 Estimated	2010 Target
% of residents satisfied or very satisfied with solid waste collection services	91%	91%	91%
% of residents satisfied or very satisfied with yard waste collection services	86%	86%	86%
pounds of municipal solid waste disposed per person per day (KS normalized data)	3.44	3.46	3.5
% of yard waste in preferred containers	99.1%	99.4%	99.4%

CURRENT YEAR ACCOMPLISHMENTS

- Continued yard waste collection using preferred containers only with very positive rates of compliance.
- Provided residential yard waste services for more than 31,000 units with a citizen survey satisfaction rate over 90%.
- Expanded use of roll-out carts, providing convenience to customers and reducing the potential for injuries to solid waste employees.
- 17 3-member crews provide residential collection for solid waste, grass and leaves, and integrated commercial rear load dumpster services.



MAJOR GOALS AND OBJECTIVES FOR 2010

- To provide efficient collection of residential solid waste in a challenging environment, given a growing customer base and an expanding geographic service area.
- To improve efficiency and effectiveness of grass and leaf collection processes from residential areas.
- Continue increasing use of poly-carts for collection of residential solid waste.

SIGNIFICANT ISSUES FOR 2010

- Adequacy and condition of primary office facility needs attention.
- Reasonable and consistent rate adjustments to address operational needs and increasing costs (fuel, steel, labor).
- Replacement of equipment in a cost effective manner.

Solid Waste Fund

Commercial Solid Waste

Account 502-3520-572

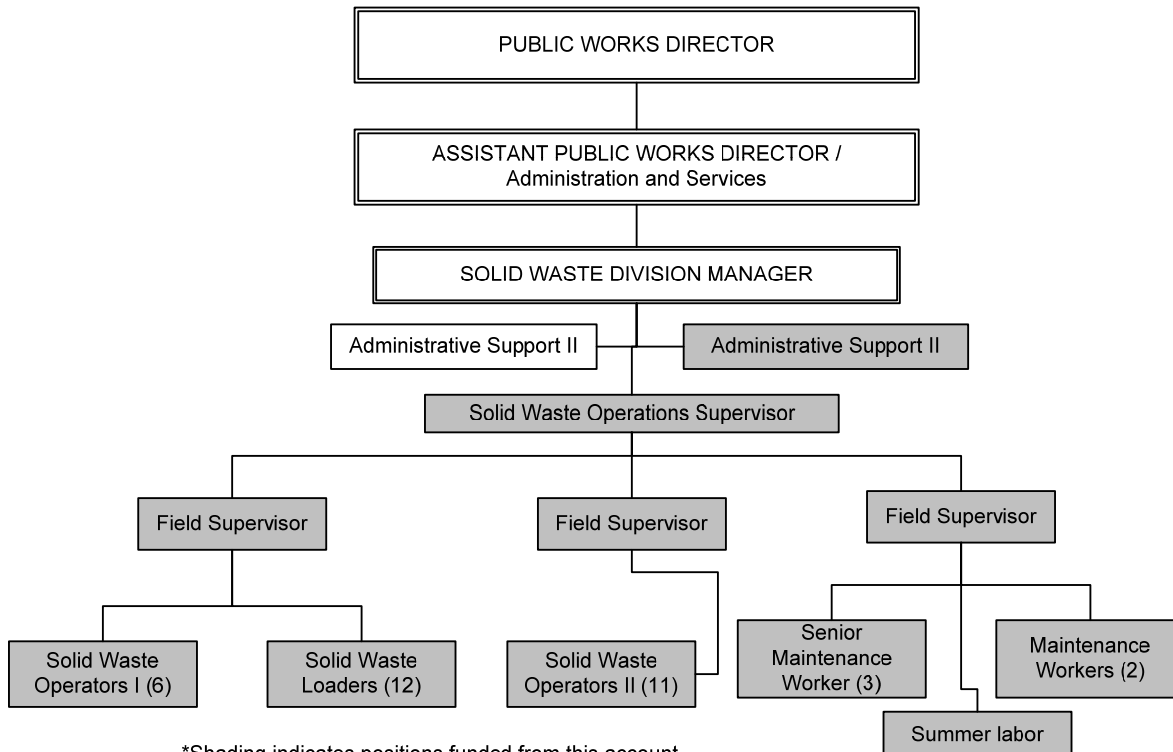
EXPENDITURE SUMMARY

EXPENDITURES	2008 Actual	2009 Adopted	2009 Estimate	2010 Budget
Personal Services	\$ 2,385,628	\$ 2,538,110	\$ 2,538,110	\$ 2,517,142
Contractual Services	1,232,977	1,325,564	1,269,871	1,266,477
Commodities	405,056	407,346	407,346	385,760
Capital Outlay	166,016	712,000	632,000	444,000
Debt Service	-	-	-	-
Transfers	158,500	158,500	158,500	158,500
Contingency	-	-	-	-
Total	\$ 4,348,177	\$ 5,141,520	\$ 5,005,827	\$ 4,771,879

PERSONNEL SUMMARY

PERSONNEL	2008 Actual	2009 Adopted	2009 Estimate	2010 Budget
Authorized Positions	39.00	39.00	39.00	39.00

ORGANIZATIONAL CHART



PROFILE

The Solid **Waste Commercial Collection Division** of the Public Works Department is responsible for the collection and disposal of all refuse and solid waste generated by commercial establishments, apartment complexes, industry, and most of the University of Kansas.

The division uses various types of equipment to handle the large volume of trash generated by these establishments. Regular rear-loading packer trucks are used where limited space prohibits the use of more highly mechanized equipment. Where possible, commercial accounts are served with front-loader trucks and the use of special containers.

Industries and large commercial trash generators may be served by roll-off units, which provide for compaction of the refuse in the container before disposal, or with open top containers. Most Commercial accounts are serviced on a fixed scheduled basis with extra pick-ups available on request. Roll-off accounts may be served on a scheduled basis or on-call.

Billing is handled through the Department of Finance in conjunction with regular water and sewer utility billing.

CURRENT YEAR ACCOMPLISHMENTS

- Use of the roll-off program continued to increase.
- Expansion of compactor lease programs, including the addition of several schools.
- Provided commercial solid waste services to over 1400 customers and industrial accounts.



PERFORMANCE INDICATORS

Indicator	2008 Actual	2009 Estimated	2010 Target
% of residents satisfied or very satisfied with solid waste collection services	91%	91%	91%
% of roll-off accounts that are permanent placements	64%	64%	65%
% change in number of roll-off service calls	(6.2)%	1%	2%

MAJOR GOALS AND OBJECTIVES FOR 2010

1. To accommodate growth in commercial sector with greater number of dumpsters.
2. To address roll off service demands and facilitate compactor installations.
3. Reconstruct two downtown trash enclosures per year.
4. Coordinate with the University of Kansas for dormitory closings and openings to handle large volumes of waste generated in an efficient and effective manner.

SIGNIFICANT ISSUES FOR 2010

- Adequacy and condition of primary office facility needs attention.
- Reasonable and consistent rate adjustments to address operational needs and increasing costs (fuel, steel, labor).
- Replacement of equipment in a cost effective manner.
- No service enhancements planned for 2010.

Solid Waste Fund

Waste Reduction / Recycling

Account 502-3530-573

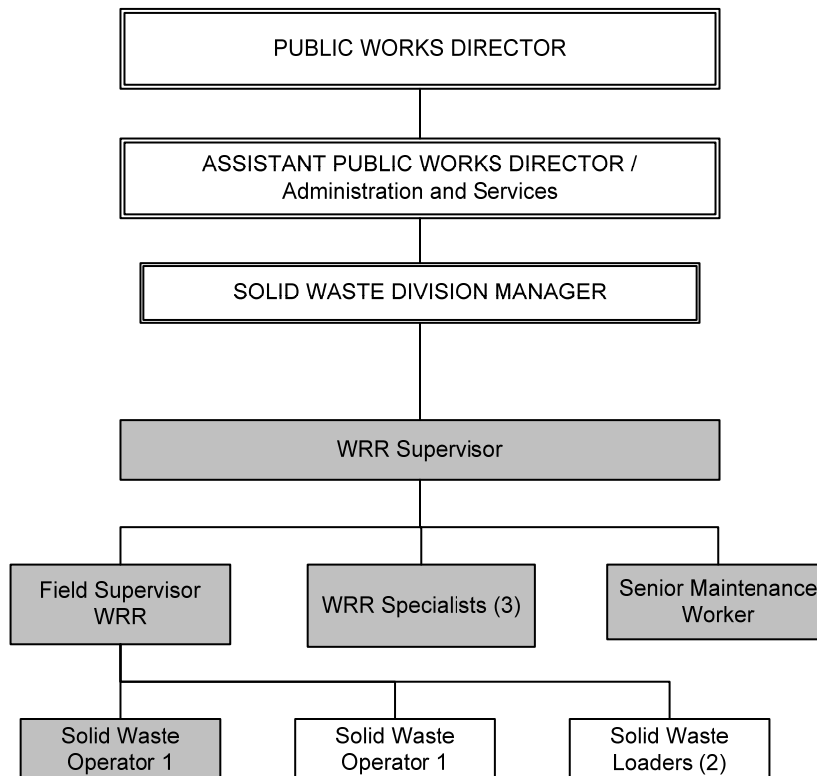
EXPENDITURE SUMMARY

EXPENDITURES	2008 Actual	2009 Adopted	2009 Estimate	2010 Budget
Personal Services	\$ 496,554	\$ 507,312	\$ 507,312	\$ 544,153
Contractual Services	181,782	205,736	205,259	205,287
Commodities	78,887	92,240	92,240	86,740
Capital Outlay	9,670	30,000	30,000	17,000
Debt Service	-	-	-	-
Transfers	3,300	3,300	3,300	3,300
Contingency	-	-	-	-
Total	\$ 770,193	\$ 838,588	\$ 838,111	\$ 856,480

PERSONNEL SUMMARY

PERSONNEL	2008 Actual	2009 Adopted	2009 Estimate	2010 Budget
Authorized Positions	8.00	8.00	8.00	8.00

ORGANIZATIONAL CHART



*Shading indicates positions funded from this account

PROFILE

The **Solid Waste Reduction Division** is responsible for programming for recycling and waste reduction efforts of the City. The division conducts extensive public education and community awareness programs.

Residential services in this division include:

- the household hazardous waste program
- fibers recycling programs, such as the drop-off locations, collection, processing, and sale of collected materials for newspaper, cardboard and mixed paper
- yard waste composting and annual sale events
- home energy conservation fair
- other education and outreach through schools, community events, and direct technical assistance

Commercial services include:

- managing the small quantity generator hazardous waste program
- cardboard collection and recycling services for the central business district and other medium to small sized businesses
- technical assistance on a variety of recycling and resource conservation issues.

WRR staff are actively engaged in making professional presentations to community and school groups, as well as presenting at state or national conferences. The WRR Supervisor staffs the Sustainability Advisory Board.

CURRENT YEAR ACCOMPLISHMENTS

- Over 14,000 tons of material were recycled by the Solid Waste Division, including grass and leaves, newspaper, cardboard, brushy wood waste, holiday trees, and metals.
- Hosted 2 e-waste collection events.
- Revenue from the sale of recycling materials decreased dramatically in 2009 due to market conditions, and avoided landfill fees exceeded \$200,000.
- Special education and outreach programs were designed for effective and environmentally friendly management of wastes. Major special events included the Earth Day activities and the Home Energy Conservation Fair.
- Staff provided support for the Sustainability Advisory Board.

PERFORMANCE INDICATORS

Indicator	2008 Actual	2009 Estimated	2010 Target
% of municipal solid waste recycled	TBD	35%	35%
Pounds of municipal solid waste disposed per person per day (KS normalized data)	TBD	3.46	3.5
% of residents satisfied with the City's drop-off recycling sites	50%	50%	50%
% of residents satisfied with the City's efforts to inform citizens about recycling opportunities	50%	50%	50%
% of residents satisfied with household hazardous waste disposal services	51.8%	51.8%	51.8%

MAJOR GOALS AND OBJECTIVES FOR 2010

1. To facilitate an appropriate level of recycling and waste reduction for the community.
2. To increase the number of households served by the Household Hazardous Waste program and businesses utilizing the small quantity generator programs.
3. To offer two community e-waste collection events.
4. To provide quality education and outreach on recycling and waste reduction opportunities in the community.

SIGNIFICANT ISSUES FOR 2010

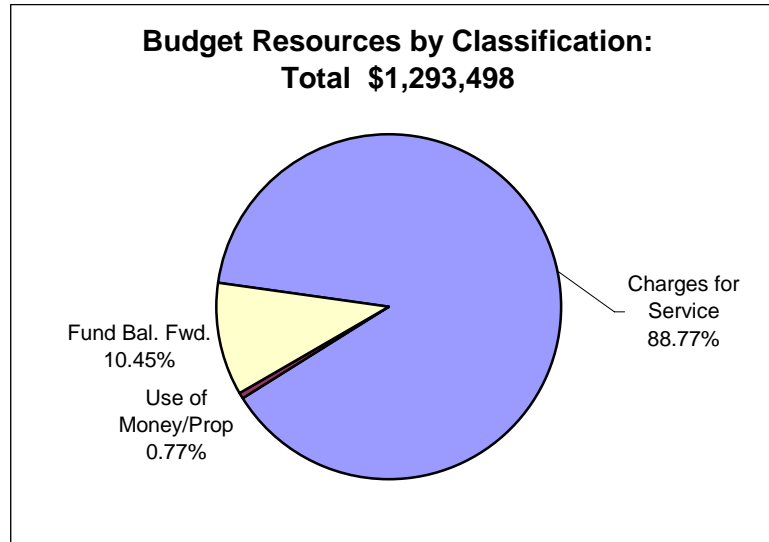
- Planning for on-going management of electronic waste, including recycling and proper disposal.
- Reasonable and consistent rate adjustments to address operational needs and increasing costs (fuel, steel, labor).
- Replacement of equipment in a cost effective manner.



City of Lawrence

PUBLIC PARKING SYSTEM FUND

Fund 503 – PUBLIC PARKING SYSTEM



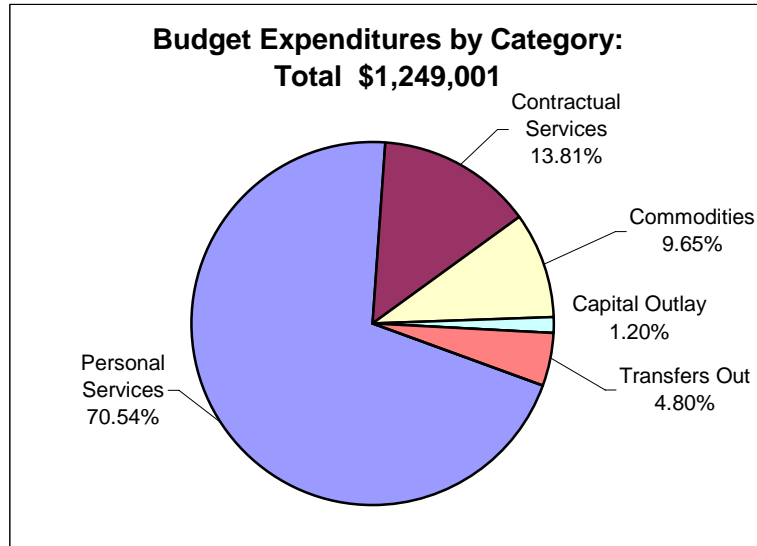
	2008 Actual	2009 Adopted	2009 Estimated	2010 Budget
RECEIPTS				
Meter	378,837	390,000	390,000	559,524
Overtime Parking	480,191	360,000	360,000	429,992
Riverfront Garage	147,034	170,000	170,000	148,771
9th & New Hampshire Garage	10,210	15,500	15,500	10,000
Interest on Investments	12,832	10,000	10,000	10,000
Lease Payment	1,720	-	-	-
Miscellaneous	480	-	-	-
TOTAL RECEIPTS	1,031,304	945,500	945,500	1,158,287
Balance, January 1	491,571	232,727	343,998	135,211
TOTAL RESOURCES AVAILABLE	1,522,875	1,178,227	1,289,498	1,293,498

Revenue Sources - Descriptions and Trends

Revenue Sources- The Public Parking Fund is an Enterprise Fund used to account for the operations that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs of providing services (operation of all parking facilities owned by the City) to the general public on a continuing basis is financed or recovered primarily through user charges. The primary revenue sources for this fund are parking meter receipts, followed by revenue from overtime parking citations. The City's two garages (Riverfront and 9th/New Hampshire) both collect fees from parking permits and collection boxes.

Trends- Revenue in this fund has experienced slowed growth in recent years. The significant increases budgeted for 2010 assume an increase in the cost of metered parking, as well as the fines for overtime parking. This will be the first increase in overtime fines since 2004.

Fund 503 – PUBLIC PARKING SYSTEM



EXPENDITURES	2008 Actual	2009 Adopted	2009 Estimated	2010 Budget
Personal Services	809,399	832,087	832,087	881,043
Contractual Services	163,558	116,425	116,425	172,446
Commodities	130,920	100,775	100,775	120,513
Capital Outlay	-	30,000	30,000	15,000
Debt Service	-	-	-	-
Transfer	75,000	65,000	65,000	60,000
Contingency	-	10,000	10,000	-
TOTAL EXPENDITURES	1,178,877	1,154,287	1,154,287	1,249,001
FUND BALANCE FORWARD	343,998	23,940	135,211	44,497

Expenditures - Descriptions and Trends

Personal Services- Cost of wages, salaries, retirement, and other fringe benefits for City employees and to some extent, part-time, seasonal staff. This fund provides the funding for staff from four separate departments involved in public parking operations: police officers, parking control officers, a parking control technician, a maintenance worker, municipal court clerks, and part-time seasonal employees. An increase is budgeted for 2010 for merit based wage adjustments for eligible employees and for additional overtime for downtown police patrol.

Contractual Services – Cost of equipment repair, vehicle maintenance, as well as electricity and other utilities. Increases are budgeted to account for anticipated increases in electricity and other utility costs as well as elevator maintenance contracts, etc.

Commodities- Office supplies, meters and parts, fuels, trees, seeds, and plants. Increases over 2009 funding levels will be used to enhance beautification efforts in the downtown parking areas.

Capital Outlay – Expenditures fluctuate according to needs each year. In 2010, funds have been budgeted for the replacement of a number of the streetlights in downtown in need of repair.

Transfer - These funds are transferred into a reserve fund for maintenance and repairs to parking facilities. The decrease is necessary due to revenue constraints anticipated in 2010.

Public Parking System Fund

Parking Control

Account 503-2300-503

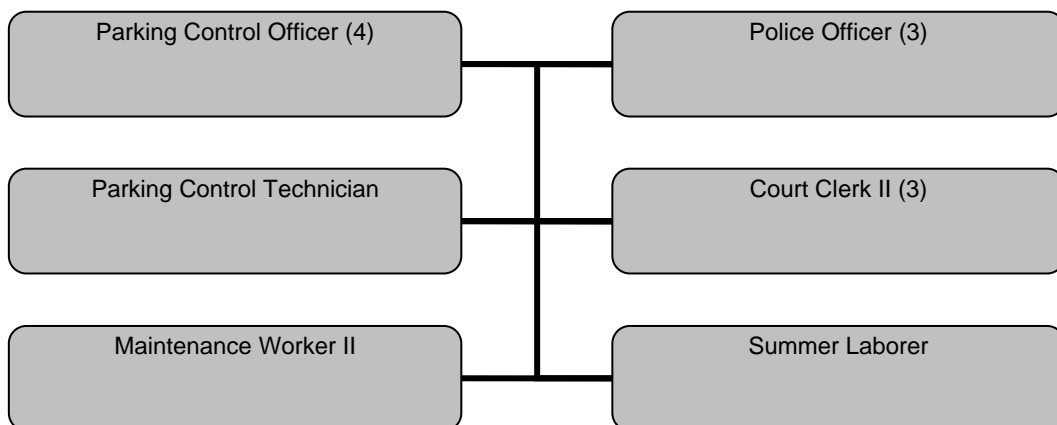
EXPENDITURE SUMMARY

EXPENDITURES	2008 Actual	2009 Adopted	2009 Estimated	2010 Budget
Personal Services	\$ 809,399	\$ 832,087	\$ 832,087	\$ 881,043
Contractual Services	163,558	116,425	116,425	172,446
Commodities	130,920	100,775	100,775	120,513
Capital Outlay	-	30,000	30,000	15,000
Debt Service	-	-	-	-
Transfer	75,000	65,000	65,000	60,000
Contingency	-	10,000	10,000	-
Total	\$ 1,178,877	\$ 1,154,287	\$ 1,154,287	\$ 1,249,001

PERSONNEL SUMMARY

PERSONNEL	2008 Actual	2009 Adopted	2009 Estimate	2010 Budget
Authorized Positions	14.00	14.00	14.00	14.00

ORGANIZATIONAL CHART



PROFILE

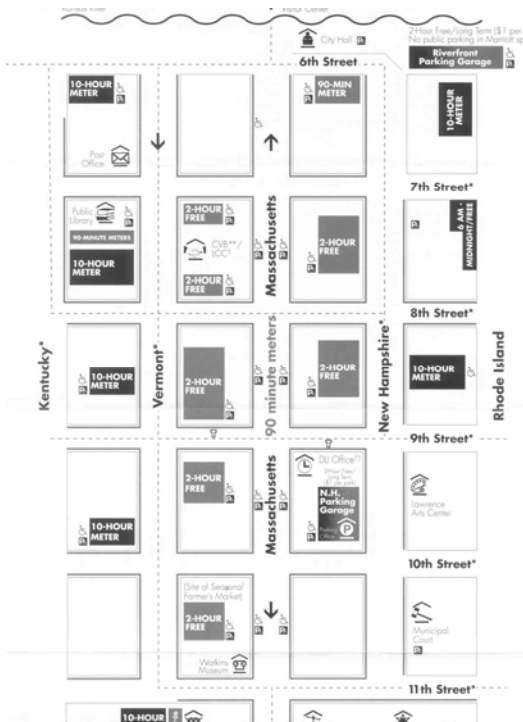
The **Public Parking Division** is charged with the responsibility of enforcing parking regulations and meter time limits in the Central Business District to provide adequate parking turnover in the downtown area.

The parking meter program includes meter and zone enforcement, meter maintenance, meter collections and debt service. In conjunction with the Public Works and Parks and Recreation Departments, the division maintains existing lots and landscapes the arcades and planters along Massachusetts Street.

This division also maintains the Riverfront Garage as well as the New Hampshire Parking Garage. Revenues from the garage are used to finance operations and make transfers to the parking reserve fund to finance maintenance and improvements in the overall public parking system.

CURRENT YEAR ACCOMPLISHMENTS

- Provided janitorial, repair, landscaping, and maintenance services for parking lots owned and operated by the City of Lawrence.



PERFORMANCE INDICATORS

Indicator	2008 Actual	2009 Estimated	2010 Target
% of residents satisfied with parking enforcement services	58.8%	NA	TBD
% of residents satisfied with the availability of parking downtown	42.9%	NA	TBD
% of residents satisfied with the beautification of downtown	68%	NA	TBD

Survey planned for 2010

MAJOR GOALS AND OBJECTIVES FOR 2010

- To provide efficient and effective enforcement of meter and lot violations.
- To provide adequate public parking downtown.
- To optimize use of all city operated parking facilities, maximizing revenue.
- To maintain public garages and parking areas that are aesthetically pleasing, clean, and safe.
- To increase meter violation fine collection by sending mailers bi-weekly instead of monthly.
- To increase the use of the credit card payment option.

SIGNIFICANT ISSUES FOR 2010

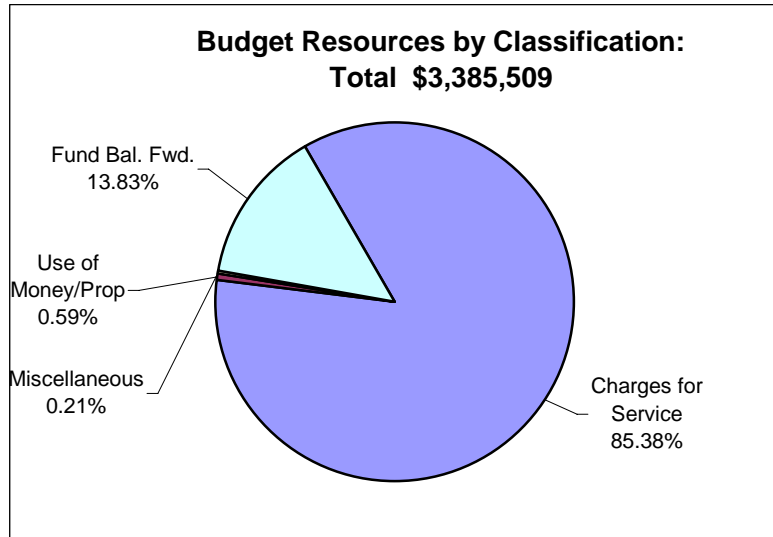
Implementation of fine and fee increases.



City of Lawrence

STORM WATER UTILITY FUND

Fund 505 – STORM WATER UTILITY



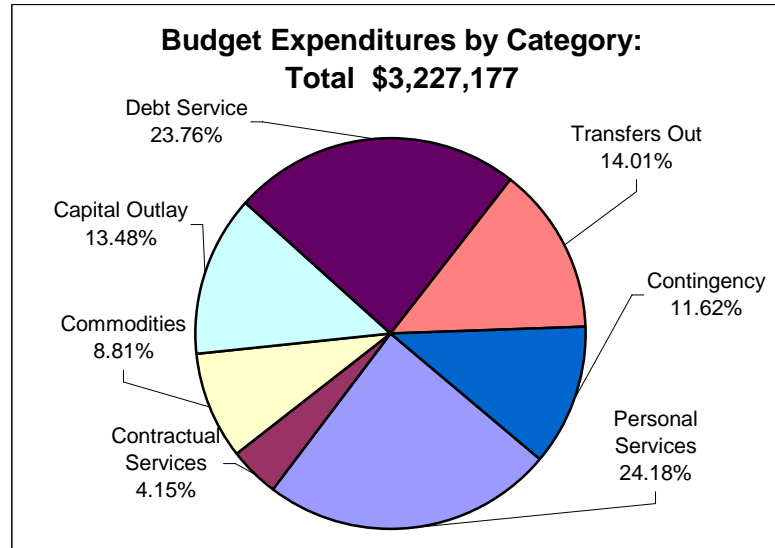
	2008 Actual	2009 Adopted	2009 Estimated	2010 Budget
RECEIPTS				
Storm Water Utility Charges	2,890,385	2,850,000	2,850,000	2,890,385
Interest on Investments	46,989	20,000	20,000	20,000
Miscellaneous	-	7,000	7,000	7,000
Debt Proceeds	-	-	-	-
TOTAL RECEIPTS	2,937,374	2,877,000	2,877,000	2,917,385
Balance, January 1	1,421,051	794,902	1,107,730	468,124
TOTAL RESOURCES AVAILABLE	4,358,425	3,671,902	3,984,730	3,385,509

Revenue Sources - Descriptions and Trends

Revenue Sources- The Storm Water Utility Fund is an Enterprise Fund used to account for the operations that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs of providing services (repair and maintenance of the storm water system) to the general public on a continuing basis is financed or recovered primarily through user charges. The primary revenue source for this fund is the charges for storm water service and is calculated by assessing each property based on its impervious surface. A Storm Water Master Plan anticipates the projects and priorities for capital improvements to the infrastructure and rates are adjusted accordingly.

Trends- The current storm water fee is \$4.00 per equivalent residential unit (ERU) and is based on a rate study completed in 2000. Rates will not increase in 2010 because revenue necessary in order to complete priority storm water projects is adequate. Maintenance of the storm water system is a priority, including meeting the NPDES permit requirements.

Fund 505 – STORM WATER UTILITY



EXPENDITURES	2008 Actual	2009 Adopted	2009 Estimated	2010 Budget
Personal Services	746,049	760,586	760,586	780,354
Contractual Services	103,387	134,790	134,790	133,790
Commodities	265,353	291,400	291,400	284,294
Capital Outlay	408,640	485,000	485,000	435,000
Debt Service	1,264,853	940,830	940,830	766,739
Transfer to Other Funds	462,413	804,000	804,000	452,000
Contingency	-	100,000	100,000	375,000
TOTAL EXPENDITURES	3,250,695	3,516,606	3,516,606	3,227,177
FUND BALANCE FORWARD	1,107,730	155,296	468,124	158,332

Expenditures - Descriptions and Trends

Personal Services- Cost of providing wages, salaries, retirement, and other fringe benefits for City employees and to some extent, part-time, seasonal staff. Increases in 2008 are due to merit increases for eligible employees.

Capital Outlay – The cost of equipment and materials used to make improvements to the City's storm water infrastructure. Expenditures have fluctuated with needs and available resources.

Debt Service- Debt Service expenditures allow for the payment of bonded debt at the completion of construction for major improvement projects.

Transfer- A transfer will be made into a construction account to fund future capital projects. Transfers will also be made to the General Fund for continued funding of the curb repair program and to the Workers Comp Reserve Fund. In 2009, a substantial transfer was made to the Capital Improvement Reserve Fund however, revenue constraints prevent this transfer in 2010.

Storm Water Utility Fund

Storm Water Utility

Account 505-3900-579

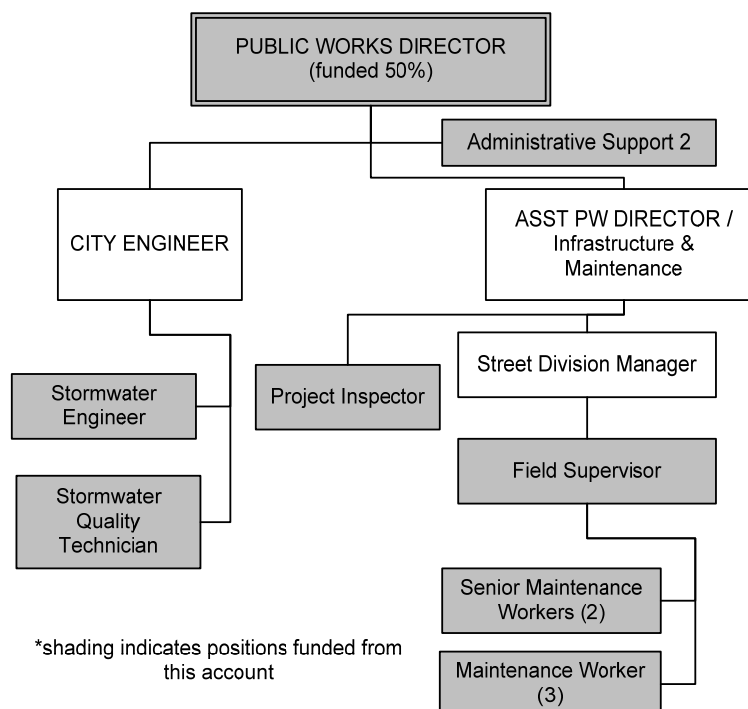
EXPENDITURE SUMMARY

EXPENDITURES	2007 Actual	2008 Adopted	2008 Estimate	2009 Budget
Personal Services	\$ 746,049	\$ 760,586	\$ 760,586	\$ 780,354
Contractual Services	103,387	134,790	134,790	133,790
Commodities	265,353	291,400	291,400	284,294
Capital Outlay	408,640	485,000	485,000	435,000
Debt Service	1,264,853	940,830	940,830	766,739
Transfers	462,413	804,000	804,000	452,000
Contingency	-	100,000	100,000	375,000
Total	\$ 3,250,695	\$ 3,516,606	\$ 3,516,606	\$ 3,227,177

PERSONNEL SUMMARY

PERSONNEL	2007 Actual	2008 Adopted	2008 Estimate	2009 Budget
Authorized Positions	10.50	10.50	10.50	10.50

ORGANIZATIONAL CHART



PROFILE

The **Storm Water Engineering Division** of the Department of Public Works is responsible for scheduled capital improvements to the storm drainage system, maintenance of the existing storm drainage system, review of drainage design in new development and compliance with federal water quality regulations. These tasks are funded by storm water utility fees administered by division personnel. Major division goals and a majority of funds are focused on capital improvements. The schedule for capital improvements is directly related to the revenue generated by utility fees.

CURRENT YEAR ACCOMPLISHMENTS

- Continued focus on inlet maintenance and open channel debris removal.
- On-going infrastructure audit for storm water features, including field and GIS data collection work.
- Continued implementation of federal water quality regulations (NPDES.)
- Engineering analysis completed in house for levee recertification. Completion of the certification documents in house saved the city an estimated \$200,000.



PERFORMANCE INDICATORS

Indicator	2008 Actual	2009 Estimated	2010 Target
% of residents satisfied or very satisfied with City's stormwater management program	53%	53%	53%
% of storm water problems that require action after issuance of a notice of violation	tbd	tbd	tbd
Number of storm water quality violations issued	tbd	tbd	tbd
Number of storm water education program participants	tbd	tbd	tbd

MAJOR GOALS AND OBJECTIVES FOR 2010

1. Design and construction plans for the 5th and Maple pump station.
2. Continued implementation of the storm water pollution prevention ordinance.
3. Completion of remaining NPDES requirements, including pollutant discharge detection, city employee training, and possible land use regulations and construction standards.
4. Watershed modeling of 1 - 2 watersheds each year.

SIGNIFICANT ISSUES FOR 2010

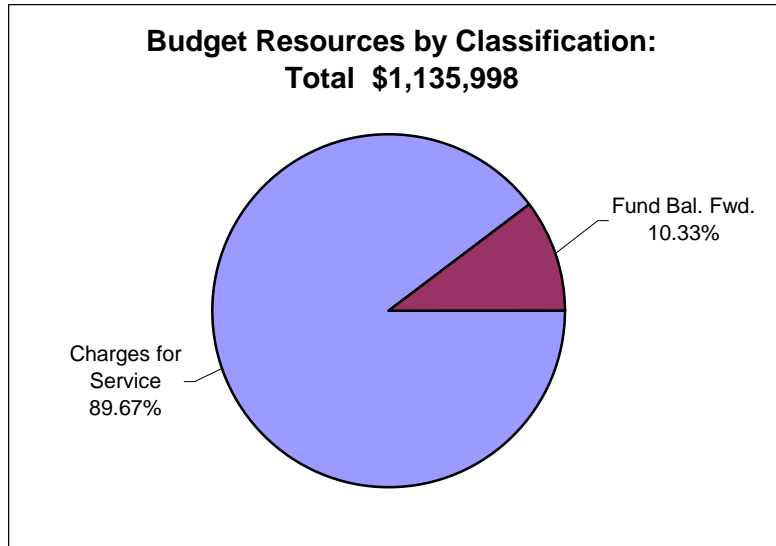
- Adequate staffing for compliance with NPDES permits and federal requirements
- Adequate planning and funding for future stormwater priority projects as identified in the master plan



City of Lawrence

PUBLIC GOLF COURSE FUND

Fund 506 – PUBLIC GOLF COURSE



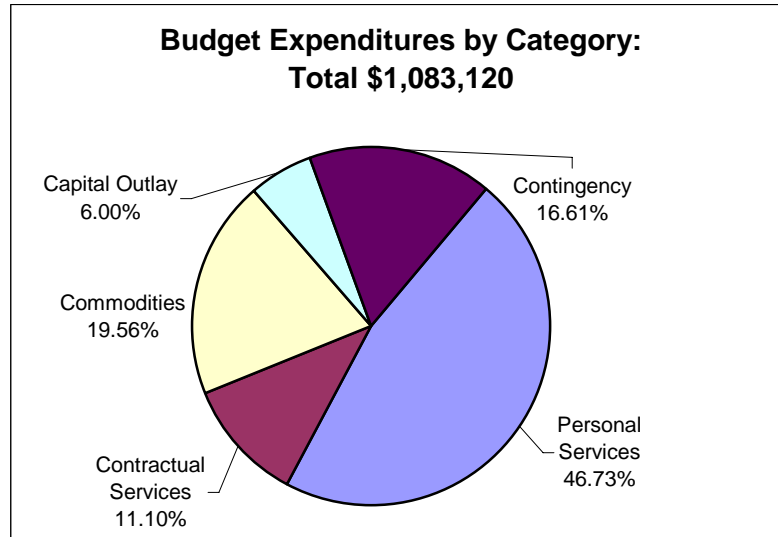
	2008 Actual	2009 Adopted	2009 Estimated	2010 Budget
RECEIPTS				
Golf Course Fees	914,846	980,500	980,500	1,011,500
Interest on Investments	1,963	-	-	-
Miscellaneous	1,393	-	-	8,000
Transfers In	-	-	-	-
TOTAL RECEIPTS	918,202	980,500	980,500	1,019,500
Balance, January 1	147,781	183,841	249,170	116,498
TOTAL RESOURCES AVAILABLE	1,065,983	1,164,341	1,229,670	1,135,998

Revenue Sources - Descriptions and Trends

Revenue Sources- The Public Golf Course Fund is an Enterprise Fund used to account for the operations that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs of providing services (operations of the publicly owned Eagle Bend Golf Course) to the general public on a continuing bases is financed or recovered primarily through user charges. The primary revenue source for this fund is golf course fees.

Trends- As a weather-dependent entity, this fund sees fluctuations depending on the availability of good weather for golfers. Increases in fees are recommended for 2010, resulting in a slight increase in revenues.

Fund 506 – PUBLIC GOLF COURSE



EXPENDITURES	2008 Actual	2009 Adopted	2009 Estimated	2010 Budget
Personal Services	453,080	469,272	469,272	506,114
Contractual Services	121,120	136,000	136,000	120,200
Commodities	235,625	239,900	239,900	211,900
Capital Outlay	6,988	68,000	68,000	65,000
Debt Service	-	-	-	-
Transfer	-	-	-	-
Contingency	-	200,000	200,000	179,906
TOTAL EXPENDITURES	816,813	1,113,172	1,113,172	1,083,120
FUND BALANCE FORWARD	249,170	51,169	116,498	52,878

Expenditures - Descriptions and Trends

Personal Services - Personnel costs have increased due merit increases for eligible employees. A portion of the Parks & Recreation Director position has been moved to this Fund beginning in 2010.

Commodities - Expenses are somewhat weather dependent for maintenance/care of the grounds.

Capital Outlay - Funds are needed to purchase equipment for the maintenance of the golf course, and fluctuate as needs change from year to year.

Public Golf Course Fund

Golf Course

Account 506-4900-599

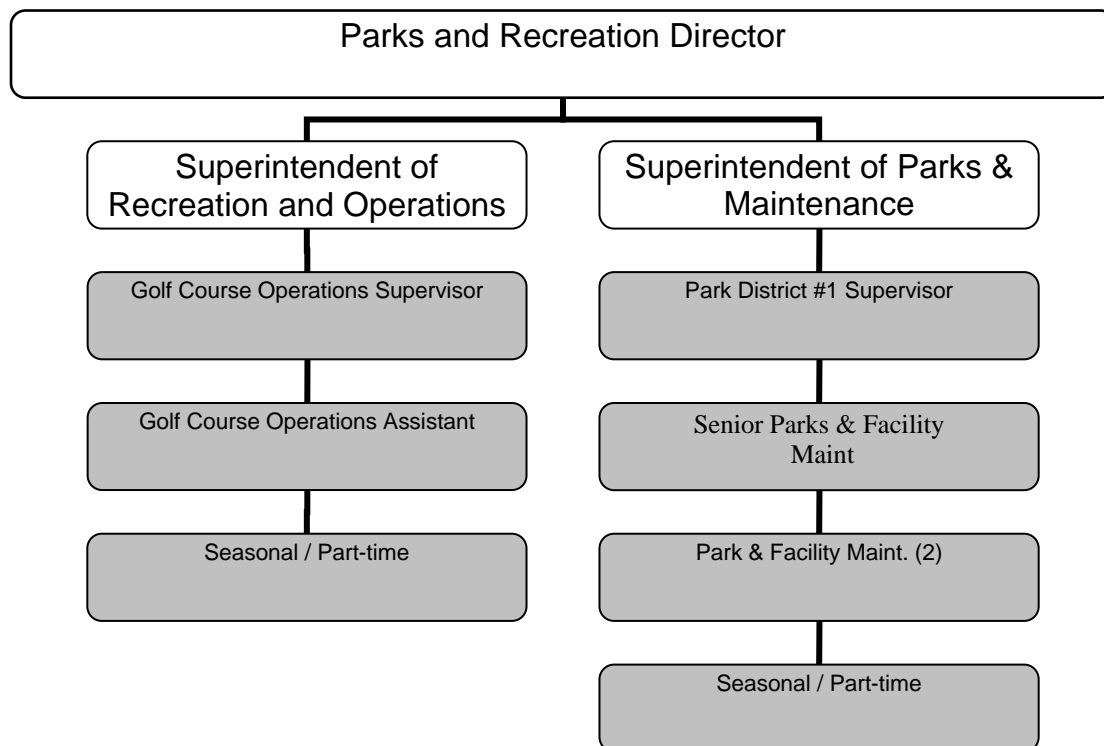
EXPENDITURE SUMMARY

EXPENDITURES	2007 Actual	2008 Adopted	2008 Estimate	2009 Budget
Personal Services	\$ 453,080	\$ 469,272	\$ 469,272	\$ 506,114
Contractual Services	121,120	136,000	136,000	120,200
Commodities	235,625	239,900	239,900	211,900
Capital Outlay	6,988	68,000	68,000	65,000
Debt Service	-	-	-	-
Transfers	-	-	-	-
Contingency	-	200,000	200,000	179,906
Total	\$ 816,813	\$ 1,113,172	\$ 1,113,172	\$ 1,083,120

PERSONNEL SUMMARY

PERSONNEL	2007 Actual	2008 Adopted	2008 Estimate	2009 Budget
Authorized Positions	5.50	5.50	5.50	5.75

ORGANIZATIONAL CHART



Shading indicates positions funded through this account.
Partial shading indicates positions funded in more than one division or Fund.

PROFILE

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

Eagle Bend is designed along the Wakarusa River channel located below the Clinton Reservoir Dam. As a member of the Audubon Cooperative Sanctuary program for golf courses, Eagle Bend is dedicated to continuing the preservation of the environment and habitat of wildlife.

PERFORMANCE INDICATORS

Indicator	2008 Actual	2009 Estimated	2010 Target
% of residents satisfied with the quality of Eagle Bend Golf Course	58.8%	NA	TBD
% of overall golf experience rated good or excellent	93.94%	94%	95%

CURRENT YEAR ACCOMPLISHMENTS

- Continued fairway and tee renovation program that upgrades the turf type to Zoysia.
- Added new programs and created leagues.
- Purchased new maintenance equipment.
- Played host to over 20 tournaments.
- Added online tee-times to the website.

MAJOR GOALS AND OBJECTIVES FOR 2010

1. To operate the Eagle Bend Golf Course facility with golf course fees and receipts.
2. Increase number of players by offering great customer service, well maintained facility and continuing our marketing plan.
3. Increase programs and explore ways to get more children interested in the game of golf.
4. Continue Zoysia program as funds allow.

SIGNIFICANT ISSUES FOR 2010

Maintaining the golf course and offering continued excellent service for customers within the confines of the projected revenue estimates will be a challenge, particularly if weather is a factor in number of rounds played. The increase in the minimum wage will have an impact on the operating budget.





City of Lawrence

CAPITAL IMPROVEMENT BUDGET

CAPITAL IMPROVEMENT BUDGET SUMMARY

Introduction

The Capital Improvement Plan (CIP) is a tool to help City Commissioners look beyond year to year budgeting to determine what, when, where and how future public improvements will take place over the next six years. The Capital Improvement Budget is made of up capital projects contained in the City's Capital Improvement Plan.

Capital Project Defined

A capital project is defined as a project with a minimum total cost of \$25,000 resulting in 1) the creation of a new fixed asset; or 2) enhancement to an existing fixed asset with a life expectancy of at least 20 years. Examples include construction or expansion of public buildings, new storm and sanitary sewers, water line upgrades and extensions, the acquisition of land for public use, planning and engineering costs, and street construction.

Vehicle replacements less than \$35,000 or projects considered as operational, recurring, or maintenance are not considered capital projects and are typically funded through the City's Operating Budget.

Capital Improvement Process

Each year, capital project lists are submitted by various City departments, agencies, and the public. The projects are reviewed by the Capital Improvement Administrative Review Committee made up of representatives from several departments, as well as a City Commissioner and a member of the Planning Commission. The Committee uses the set of scoring criteria and the scoring matrix found on page P-3 to determine a score for every project submitted. The scores are translated into priority rankings.

The Administrative Review Committee then submits a draft Capital Improvement Plan to the Planning Commission, who reviews the Plan and ensures all projects included are consistent with the City's Comprehensive Plan, Horizon 2020. The draft Capital Improvement Plan is then submitted to the City Commission for approval.

Capital Improvement Budget

Each year, a Capital Improvement Budget is prepared in conjunction with the City's Annual Operating Budget. The Capital Improvement budget has a number of revenue sources, including current revenues, state and federal grants, special assessment benefit districts, and the issuance of debt. The Capital Improvement Budget can be found on page P-4.

Impact of Capital Budget on Operating Budget

The Capital Improvement Budget impacts the operating budget in several ways. For example, construction of a new roadway means additional snow removal that must be done, additional area that must be patrolled by police officers, and additional right of way that must be maintained. This can mean budgeting for more staff, equipment, contractual services, etc. Major improvements can also impact revenues. New road improvements can provide access to new commercial and residential developments, which when developed, can increase the property tax base and may generate additional sales tax.

Additional detail regarding anticipated impacts from these projects on the operating budget can be found beginning on pages P-6.

2010 CAPITAL IMPROVEMENT BUDGET SCORING MATRIX

Criteria	Possible Scores		
	0	1	2
consistency with community goals and plans	project is inconsistent with City's Comprehensive Plan or does nothing to advance the City Commission's strategic goals	project is consistent the City's Comprehensive Plan but does little to advance the City Commission's strategic goals	project are directly consistent with the City's Comprehensive Plan and advances the strategic goals of the City Commission
public health and safety	project would have no impact on existing public health and/or safety status	project would increase public health and/or safety but is not an urgent, continual need or hazard	project addresses an immediate, continual safety hazard or public health and/or safety need
mandates or other legal requirements	project is not mandated or otherwise required by court order, judgment, or interlocal agreements	project would address anticipated mandates, other legal requirements, or interlocal agreements	project required by federal, state, or local mandates, grants, court orders and judgments; required as part of interlocal agreements
maintains or improves standard of service	project not related to maintaining an existing standard of service	project would maintain existing standard of service	project would address deficiencies or problems with existing services; would establish new service
extent of benefit	projects would benefit only a small percentage of citizens or particular neighborhood or area	project would benefit a large percentage of citizens or many neighborhoods or areas	project would benefit all of the citizens, neighborhoods, or areas
related to other projects	project is not related to other projects in the Capital Improvement Plan already underway	project linked to other projects in the Capital Improvement Plan already underway but not essential to their completion	project essential to the success of other projects identified in Capital Improvement Plan already underway
public perception of need	project has no public support or established voter appeal; is not identified by the citizenry as a need	project has been identified by the citizenry as a need in the community but lacks strong support	project has technical and strong political support, project was suggested by or even demanded by large number of citizens
efficiency of service	project would have no impact on the efficiency of service	project would result in savings by eliminating obsolete or inefficient facilities	project would result in significant savings by increasing the efficiency of the performance of a service or reducing the on-going cost of a service or facility
supports economic development	project would discourage or directly prevent capital investment, decrease the tax base, decrease valuation, or decrease job opportunities	project would have no impact on capital investment, the tax base, valuation, or job opportunities	project would directly result in capital investment, increased tax base, increased valuation, or improved job opportunities
environmental quality	project would have a negative effect on the environmental quality of the city	project would not effect the environmental quality of the city	project would improve the sustainability of the environment
feasibility of project	project is unable to proceed due to obstacles (land acquisition, easements, approval required)	minor obstacles exist, project is not entirely ready to proceed	project is entirely ready to proceed, no obstacles (land acquisition or easements, approvals required, etc.) exist
opportunity cost	if deferred, the increase in project costs would be less than the rate of inflation	if deferred, the increase in project costs would be equal to inflation	if deferred, the increase in project costs would be greater than the rate of inflation
operational budget impact	project would significantly increase debt service, installment payments, personnel or other operating costs or decrease revenues	project would neither increase or decrease debt service, installment payment, personnel or other operating costs or revenues	project would decrease debt service, installment payments, personnel or other operating costs or increase revenues

2010 CAPITAL IMPROVEMENT BUDGET

Project	Cash	General Obligation Bonds Backed By				Water and Waterwater Revenue Bonds	Fed. or State Aid	Total
		Property Tax	Guest Tax	Special Assmt.	Storm Water Utility			
City At Large Projects								
KLINK- 23rd, Haskell to Harper		350,000					200,000	550,000
Carnegie Building ^①	300,000	450,000	500,000				90,000	1,340,000
Overland Drive Multi-Use Recreation Facility ^⑤	300,000							300,000
Public Building Improvement - Police Department Investigation and Training Center (ITC), 4820 W 15th		750,000						750,000
Fire Apparatus Replacement - Ladder ^②	596,000	609,591						1,205,591
Fire Apparatus Replacement -Engine ^②	500,000	151,065						651,065
Bioscience Incubator ^③	75,000							75,000
Improved Water and Sewer to Airport		2,000,000					500,000	2,500,000
Public Library Roof		500,000						500,000
31st-Haskell to O'Connell-RoW acquisition		200,000					300,000	500,000
Kasold - 23rd to 31st Phase 1 ^④	3,120,000							3,120,000
Maple St. Pump Station - eng ^①	100,000							100,000
Street Maintenance ^④	500,000							500,000
subtotal at large	\$ 5,491,000	\$ 5,010,656	\$ 500,000	\$ -	\$ -	\$ -	\$ 1,090,000	\$ 12,091,656

① Cash will come from the Capital Improvement Reserve Fund.

② Cash will come from city infrastructure sales tax proceeds and equipment reserve funds.

③ Cash will come from the General Overhead budget. 2010 is the second year of a ten-year pledge to support the Lawrence Douglas County Bioscience Authority's construction of this facility.

④ Cash will come from the city infrastructure sales tax.

⑤ Cash will come from the Sales Tax Reserve Fund.

2010 CAPITAL IMPROVEMENT BUDGET

Project	Cash	General Obligation Bonds Backed By				Water and Wastewater Revenue Bonds	Fed. or State Aid	Total
		Property Tax	Guest Tax	Special Assmt.	Storm Water Utility			
Water and Wastewater Utility Fund Projects								
Kaw Intake						6,600,000		6,600,000
Oread Water Storage						2,500,000		2,500,000
Waterline Rehab & Replacement						1,315,900		1,315,900
Waterline Relocations						1,007,000		1,007,000
Misc Water System Improvements	1,315,900							1,315,900
Sanitary Sewer Reconstruction						650,000		650,000
I/I Removal						856,000		856,000
General Sanitary Sewer Improvements	646,000					144,000		790,000
General Pumping Station Improvements	264,000							264,000
General WWTP Improvements	264,000							264,000
Sanitary Sewer Relocates	562,000							562,000
subtotal water and wastewater	\$ 3,051,900	\$ -	\$ -	\$ -	\$ -	\$ 13,072,900	\$ -	\$ 16,124,800

Project	Cash	General Obligation Bonds Backed By				Water and Waterwater Revenue Bonds	Fed. or State Aid	Total
		Property Tax	Guest Tax	Special Assmt.	Storm Water Utility			
Total All Projects								
At Large Projects	\$ 5,491,000	\$ 5,010,656	\$ 500,000	\$ -	\$ -	\$ -	\$ 1,090,000	\$ 12,091,656
Water and Wastewater Utility Fund Projects	3,051,900	0	0	0	0	13,072,900	0	16,124,800
TOTAL ALL PROJECTS	\$ 8,542,900	\$ 5,010,656	\$ 500,000	\$ -	\$ -	\$ 13,072,900	\$ 1,090,000	\$ 28,216,456

2010 CAPITAL IMPROVEMENT BUDGET IMPACT ON CITY'S OPERATING BUDGET

The following projects are slated for the 2010 construction year. Included are project costs and a description of any anticipated operating budget and/or related service impacts.

KLINK - mill and overlay – 23rd Street, from Haskell Ave. to Harper Street

Project Description: The connecting link project scheduled for 2010 is the improvement of 23rd Street from Haskell to Harper.

City Cost: \$350,000

Operating Budget Impact: staff time to review plans and bid documents, monitor progress of project; operating budget impact minimal in year one; potential decrease in maintenance costs in subsequent years.

Overland Drive Multi-Use Recreation Facility

Project Description: Planning and Design for a multi-use recreation facility featuring indoor gym space. This project, located on city owned property at Overland Drive and Wakarusa Drive, will also feature administrative offices for the Parks and Recreation Department. There is currently no recreation center West of Kasold.

City Cost: \$300,000

Operating Budget Impact:

Carnegie Building Renovations

Project Description: Renovation of the historic building into a public meeting and recreation space.

City Cost: \$1,250,000

Operating Budget Impact:

Public Building Improvements - Investigation and Training Center at 4820 W 15th Street

Project Description: Renovations at the ITC would create patrol offices and lockers in West Lawrence accessible to the public seven days a week. Also included would be additional space for Investigations, offices, and storage.

City Cost: \$750,000

Operating Budget Impact:

Fire Apparatus Replacement - Ladder

Project Description: Replacement of a 1986 LTI Ladder on Unit 630.

City Cost: \$1,205,591

Operating Budget Impact:

Fire Apparatus Replacement - Engine

Project Description: Replacement of a 1988 Pierce Engine on Unit 628.

City Cost: \$651,065

Operating Budget Impact:

2010 CAPITAL IMPROVEMENT BUDGET IMPACT ON CITY'S OPERATING BUDGET

Construction of Bioscience Incubator

Project Description: The City has agreed to participate in a project along with Douglas County and the Lawrence Douglas County Bioscience Authority, to construct a wet lab, research facility that could serve as an incubator for new bioscience related businesses.

City Cost: \$75,000

Operating Budget Impact:

Improved Water and Sewer Service to the Lawrence Municipal Airport

Project Description: Presently, the airport is served with septic and a small city waterline to provide portable water. Extension of improved water and sewer service is necessary in order to accommodate future development on existing airport property.

City Cost: \$2,000,000

Operating Budget Impact:

Public Library Roof Replacement

Project Description:

City Cost: \$500,000

Operating Budget Impact:

31st street, Haskell Ave. to O'Connell Rd. – Acquisition of Right of Way

Project Description: Extension of 31st street from Haskell Ave. to O'Connell Rd.

City Cost: \$200,000

Operating Budget Impact:

Kasold Street, 23rd to 31st - Reconstruction Phase I

Project Description: Reconstruction of a five-lane section and sidewalk along Kasold Drive, from 23rd Street to 31st Street.

City Cost: \$3,120,000

Operating Budget Impact:

Maple Street Pump Station - Engineering

Project Description: Replacement of the existing sanitary life station with a new 238 cfs pump station. The existing piping network both down and upstream of the pump will also be upgraded.

City Cost: \$100,000

Operating Budget Impact:

Street Maintenance

Project Description: Proceeds from the 0.30% sales tax for infrastructure will be used to repair portions of streets throughout the City. Projects will be selected according to highest need.

City Cost: \$500,000

Operating Budget Impact:

2010 CAPITAL IMPROVEMENT BUDGET IMPACT ON CITY'S OPERATING BUDGET

Kaw WTP Raw Water Intake

Project Description: The project will provide another raw water intake for the Kaw WTP. Currently, there is only one operational intake to provide raw water from the river to the plant. Should something happen to this intake, the Kaw plant would supply only a very limited amount of finished water from the raw water received out of the existing well field and temporary intake pumps placed in the river.

City Cost: \$6,600,000

Operating Budget Impact:

Oread Water Storage

Project Description: The two existing Oread water storage tanks and pump station were constructed in the 1930's and 1950's and have reached the end of their useful lives. This project will study the replacement of the two tanks with a single tank and begin design of the study recommended improvements. The study will investigate the feasibility of the water system to function temporarily without the two tanks or the interim measures that would be needed to operate the system while the new tank is constructed.

City Cost: \$2,500,000

Operating Budget Impact:

Waterline Rehabilitation and Replacement

Project Description: Replacement of existing waterlines to improve the quality, quantity, and reliability of water distributed. This is an annual project to fund for the replacement of existing water mains within the distribution system. The water mains are evaluated based on main breaks, pipe material and age, capacity and fire protection needs. Based on these criteria, along with the criticality of the water main within the system and the number of services affected, water mains are targeted for replacement.

City Cost: \$1,315,900

Operating Budget Impact: Projects are performed by contractor. Staff involvement would include selection of design engineer, review of plans/specs, project inspection, and customer service during project. Reduced maintenance, including line-flushing, response to customer complaints, and improved system reliability are project outcomes.

Water Line Relocations

Project Description: Funds for relocation of water lines associated with roadway projects initiated by Public Works, KDOT or KTA.

City Cost: \$1,007,000

Operating Budget Impact:

Misc. Water System Improvements

Project Description: These are annual projects to improve the treatment and distribution system reliability. Projects range from plant safety improvements, inspection of system assets such as concrete water mains and water towers and program specific projects such as large valve replacement, SCADA Improvements and large equipment replacement.

City Cost: \$1,315,900

Operating Budget Impact: Projects performed by a contractor would involve project monitoring by staff (plan/spec review, inspection, etc.). Potential for reduced frequent day-to-day maintenance on equipment (pumps, chemical feed equipment, etc.)

2010 CAPITAL IMPROVEMENT BUDGET IMPACT ON CITY'S OPERATING BUDGET

Sanitary Sewer Reconstruction

Project Description: Reconstruct the sanitary sewers in the 1100 block of Delaware and the 1500 block of New Hampshire. This project is currently in the beginning stages of engineering consultant selection.

City Cost: \$650,000

Operating Budget Impact:

Inflow/Infiltration Reduction Program

Project description: Projects designed to reduce the inflow and infiltration of storm water into the sanitary sewer collection system using Cured in Place Pipe (CIPP.)

City Cost: \$856,000

Operating Budget Impact: Projects are performed by contractors. Staff involvement would include determination of appropriate projects from priority list, selection of design engineer, review of plans/specs, project inspection, and customer service during project. Reduced maintenance, including reduced wear/tear on pump stations (due to reduced flow), fewer responses to customer complaints, and improved system reliability are project outcomes.

General Sanitary Sewer System Improvements

Project Description: These are annual projects to improve the treatment and collection system reliability. Projects range from plant safety improvements, additional CIPP and large equipment replacement.

City Cost: \$790,000

Operating Budget Impact: Projects performed by a contractor would involve project monitoring by staff (plan/spec review, inspection, etc.) Potential for reduced frequent day-to-day maintenance on equipment (pumps, motors, pipe repairs, etc.).

General Pumping Station Improvements

Project Description: Miscellaneous improvements to sanitary sewer pumping stations located throughout the system, as per prioritized project list, to improve reliability. This will continue the project vacuum prime pump station rehabilitation project began in 2009.

City Cost: \$264,000

Operating Budget Impact: Projects performed by a contractor would involve project monitoring by staff (plan/spec review, inspection, etc.). Potential for reduced frequency of repairs to pumps, equipment, etc.

General WWTP Improvements

Project Description: This is an annual project to make improvements at the WWTP to improve reliability. The projects focus on large equipment replacement such as the Motor Control Centers.

City Cost: \$264,000

Operating Budget Impact: Projects performed by a contractor would involve project monitoring by staff (plan/spec review, inspection, etc.). Potential for reduced frequency of repairs to pumps, equipment, etc.

Sanitary Sewer Relocations

Project Description: Funds for relocation of sanitary sewers associated with roadway projects initiated by Public Works, KDOT or KTA.

City Cost: \$562,000

Operating Budget Impact:

2010 CAPITAL IMPROVEMENT BUDGET PROJECTION OF AVAILABLE DEBT SERVICE FUNDS

Year	Assessed Value*	Debt Levy**	Property Tax Revenue	Other Revenue	Debt Service***	Net Income	Ending Fund Balance
2000	498,663,930	6.71	3,668,190	929,170	4,800,085	-202,725	7,947,026
2001	545,451,921	6.75	4,051,274	806,224	5,165,537	-308,039	7,638,987
2002	593,159,174	7.12	4,366,170	1,140,000	6,137,522	-631,352	7,007,635
2003	629,033,427	7.13	4,410,000	2,744,000	6,624,510	529,490	7,537,125
2004	674,353,182	7.10	4,700,233	2,089,000	6,029,126	760,107	8,297,233
2005	718,149,570	7.07	4,978,998	1,955,000	7,461,061	-527,063	7,770,169
2006	776,860,997	7.05	5,310,303	1,280,000	7,069,376	-479,073	7,291,096
2007	824,365,924	7.01	5,765,441	2,781,261	8,101,223	445,479	7,736,575
2008	853,590,988	7.01	5,965,722	3,345,000	7,898,410	1,412,312	9,148,887
2009	860,748,146	7.09	6,040,825	940,000	8,296,537	-1,315,711	7,833,175
2010	853,851,645	7.00	5,917,192	930,000	8,172,650	-1,325,458	6,507,717
2011	811,159,063	7.00	5,507,770	890,000	7,312,411	-914,641	5,593,076
2012	827,382,244	7.00	5,733,759	890,000	7,882,730	-1,258,971	4,334,105
2013	843,929,889	7.00	5,848,434	890,000	8,178,719	-1,440,285	2,893,820
2014	860,808,487	7.00	5,965,403	850,000	7,226,305	-410,903	2,482,917
2015	878,024,656	7.00	6,084,711	850,000	7,116,939	-182,228	2,300,689
2016	895,585,150	7.00	6,206,405	850,000	6,657,044	399,361	2,700,050
2017	913,496,853	7.00	6,330,533	850,000	6,060,873	1,119,661	3,819,710
2018	931,766,790	7.00	6,457,144	850,000	6,589,575	717,568	4,537,279

* Assumes 0.80% decrease in Assessed Value in 2010, 5% decrease in 2011, then 2% increase annually

** Assumes following CIP Budget-

\$4,600,000 in 2009, and \$5,000,000 annually thereafter

Above debt service is for at-large property tax debt only, not debt paid from other sources

A fund balance is required to account for any prepaid special assessments, avoid large changes in the levy, help cushion any unperceived slow downs in assessed valuation growth, and cover a possible disruption in property tax payments.

APPENDIX

**List of Acronyms
Glossary of Terms
Budget Policies
2009 Preliminary Pay Plan**

LIST OF ACRONYMS

ADA	Americans with Disabilities Act
CASA	Court Appointed Special Advocate
CC	City Commission
CIP	Capital Improvement Plan
CVB	Lawrence Convention and Visitors Bureau
DCCCA	Douglas County Citizens Committee on Alcoholism
DMI	Destination Management Inc.
ERC	Employee Relations Committee
ERU	Equivalent Residential Unit
FAA	Federal Airport Administration
FEMA	Federal Emergency Management Agency
FTE	Full Time Equivalent
GASB	Government Accounting Standards Board
GFOA	Government Finance Officers Association
GIS	Geographic Information System
GO Bonds	General Obligation bonds
GPS	Global Positioning System
HHW	Household Hazardous Waste
IAFF	International Affiliation of Fire Fighters
ITC	Investigative Training Center
KDOT	Kansas Department of Transportation
KU	University of Kansas
LDCBA	Lawrence Douglas County Biosciences Authority
LDCHA	Lawrence Douglas County Housing Authority
LDCHD	Lawrence Douglas County Health Department
LEAP	Lawrence Excellence Award Program
LEC	Lawrence Douglas County Law Enforcement Center
LHBA	Lawrence Home Builders Association
LPD	Lawrence Police Department
LPOA	Lawrence Police Officers Association
NELAP	National Environmental Laboratory Accreditation Program
NPDES	National Pollutant Discharge Elimination System
PILOT	Payment In Lieu of Taxes
PIRC	Public Incentives Review Committee
RFP	Request For Proposals
ROW	Right of Way
SLT	South Lawrence Trafficway
SWAN	Solid Waste Annex North
T2025	Transportation 2025
T2030	Transportation 2030
TIF	Tax Increment Financing
USD497	Unified School District 497
WRAP	Working to Recognize Alternative Possibilities
WTCS	Women's Transitional Care Services
WWTP	Wastewater Treatment Plant

GLOSSARY OF TERMS

ACCRUAL BASIS OF ACCOUNTING	The method of accounting under which debits and credits are recorded at the time they are incurred. The accrual basis of accounting is used for Enterprise Funds such as the Water and Sewer Fund.
AD VALOREM	Latin term meaning "from the value". It is used to refer to property taxes.
AD VALOREM TAXES - CURRENT	Taxes on real and personal property, except motor vehicles. Calculated by multiplying the assessed value by the mill levy.
AD VALOREM TAXES - DELINQUENT	Property taxes that are not paid by either December 20th or June 20th. Kansas statutes allow property owners the right to pay half their tax on December 20th and the second half on June 20th.
APPRAISED VALUE	An amount determined by the County Appraiser's office as to what a property is worth. In Kansas, property is appraised at 100% of market value.
AQUATIC PROGRAMS	All fees collected for programs conducted at the outdoor and indoor aquatic centers in Fund 211, the Recreation Fund.
ASSESSED VALUATION	A valuation set upon real estate or other property by the County Assessor and the State as a basis for levying ad valorem property taxes. In Kansas, the percentages are: Residential (11.5%); Commercial (30%); and Personal (20%).
BALANCED BUDGET	An operating budget in which the operating revenues plus beginning fund balance are equal to, or exceed, operating expenditures.
BONDS	Debt instruments representing a promise to pay a specified amount of money at a specified time and at a specified periodic interest rate. Bonds are used to finance major capital projects or adverse judgments.
BUDGET	A financial plan for a specified period of time of the governmental operation that matches all planned revenues and expenditures with the services provided to the residents of the city.
BUDGET MESSAGE	A general outline of the proposed budget, which includes comments regarding the financial status of the government at the time of the message and recommendations regarding the financial policy for the coming period.
BUILDING RENTAL	All fees collected for the use of community centers and outdoor park shelters in Fund 211, the Recreation Fund.

GLOSSARY OF TERMS

CAPITAL IMPROVEMENT PROGRAM (CIP)	A multi-year plan for capital expenditures needed to maintain and expand the public infrastructure. It projects the infrastructure needs for a set number of years and is updated annually to reflect the latest priorities, cost estimates, or changing financial strategies.
CAPITAL IMPROVEMENTS	Expenditures related to the acquisition, expansion or rehabilitation of an element of the City's infrastructure.
CAPITAL OUTLAY	Equipment valued at more than \$1,000 and having a useful life of more than one year.
CASH BASIS RESERVE	An amount of funds set aside to insure that sufficient cash is available to pay principal and interest payments in case the receipt of property taxes is delayed in Fund 301, the Bond and Interest Fund.
CLASS ENROLLMENT	Revenue collected for providing class instruction in Fund 211, the Recreation Fund.
COMMISSION / POSTAGE	Expenses related to bond issuance including attorney fees, printing fees, and financial advising in Fund 301, the Bond and Interest Fund.
COMMODITIES	Consumable goods, such as office supplies, that are used by the City.
CONCESSIONS	Revenues generated from the sale of concession products at parks and recreation facilities in Fund 211, the Recreation Fund.
CONTRACTUAL SERVICES	Services provided to the City by firms, individuals, or other City departments.
DEBT SERVICE	Payment of interest and principal on an obligation resulting from the issuance of bonds.
DEVELOPMENT CHARGES	Charges levied at the time building permits are required, to help offset the costs for increased capacity in the water and/or wastewater systems in Fund 501, the Water and Wastewater Fund.
ENCUMBRANCE	A transaction designed to set aside money for a specific future use. Funds can be encumbered by a purchase order or contract.
ENCUMBRANCE ACCOUNTING	Encumbrance accounting is employed as an extension of formal budgetary integration in the General Fund, Special Revenue Funds, and Capital Projects Funds. Encumbrances outstanding at year-end are reported as reservations of fund balances since they do not constitute expenditures or liabilities under generally accepted accounting principles.

GLOSSARY OF TERMS

ENTERPRISE FUND	A type of Fund, which is accounted for in a manner similar to a private business enterprise. Usually the governmental entity intends for enterprise funds to fully recover their costs through user fees.
EXPENDITURES	Current cash operating expenses and encumbrances.
EXTRA PICKUPS, MISCELLANEOUS	Fees for service to the University of Kansas, polycart rental fees, and revenue from the sale of collected newspaper and cardboard in Fund 502, the Solid Waste Fund.
FARE BOX RECEIPTS	Fares collected from transit system users placed in Fund 210, the Public Transportation Fund.
FEES	Revenues collected for Adult and Youth Sports Programs as well as fees for programs and classes at the Nature Center in Fund 211, the Recreation Fund.
FIELD RENT	Fees collected from rental of ball diamonds, soccer fields, and multipurpose fields to the public in Fund 211, the Recreation Fund.
FISCAL YEAR	A twelve-month period to which the operating budget applies. In the City of Lawrence, this period is from January 1 to December 31.
FRANCHISE FEES	An amount charged to a utility in exchange for the rights to provide utility services within the City and to operate within the public right-of-way.
FUND	An independent governmental accounting entity with a self-balancing group of accounts including assets, liabilities, and fund balances.
FUND BALANCE	The excess of fund's assets over its liabilities and reserves.
GENERAL OPERATING FUND	Often referred to as the General Fund, this Fund accounts for the revenues and expenditures associated with all services traditionally associated with local governments, except for those services that are required to be accounted for in some other fund. Examples include police and fire services, park maintenance, planning, and building inspection/code enforcement services.
GENERAL OBLIGATION BOND	Long-term debt payable from the full faith and credit of the City. Typically such bonds are payable from property taxes.
GENERAL OBLIGATION BOND - PRINCIPAL	The money owed as long-term debt payable from the full faith and credit of the City.
GENERAL OBLIGATION BOND - INTEREST	The charge for issuing long-term debt payable from the full faith and credit of the City.

GLOSSARY OF TERMS

GOAL	A statement of broad direction, purpose, or intent based on the needs of the community.
GOVERNMENTAL FUND	A Fund used to account for the acquisition, use and balances of expendable financial resources and the related current liabilities - except those account for in proprietary or fiduciary funds. There are four types of governmental funds: general, special revenue, debt service, and capital projects.
GRANTS	Contributions or gifts of cash or other assets from another governmental unit (typically state or federal) to be used or expended for a specified purpose, activity, or facility.
INFRASTRUCTURE	The physical assets of the city (e.g. streets, water/sewer lines, public buildings, and parks).
INTEREST ON INVESTMENTS	Revenue received from the purchase of securities including certificates of deposit, treasury notes and federal agency notes.
INTERFUND TRANSFER	Transfer of resources between funds that are not recorded as revenues to the fund receiving or expenditures to the fund providing.
INTERGOVERNMENTAL REVENUE	Grants or distributions received from other governments including distributions from the countywide sales tax as well as statutory transfers from the State.
LAVTR	"Local Ad Valorem Tax Reduction". Revenues received from the State to help reduce local property taxes.
LINE ITEM	An individual expenditure category listing in the budget (personal services, commodities, contractual services, etc.)
MILL LEVY	The tax rate to apply when calculating property taxes. A mill represents 1/10 of 1 cent. The mill levy is typically expressed as an amount per \$1000 of assessed valuation, (i.e., a mill levy of 1.00 would result in a tax of \$1.00 per each \$1,000 in assessed valuation.)
MODIFIED ACCRUAL BASIS OF ACCOUNTING	Under this method of accounting, revenues are recognized when they are both measurable and available within a certain time period. Expenditures, other than interest on long-term debt, are recorded as liabilities when incurred. The General Fund and Special Revenue Funds follow this method of accounting.
OPERATING BUDGET	The budget that applies to all expenditures except capital improvement projects.

GLOSSARY OF TERMS

PAYMENT-IN-LIEU-OF TAXES	An amount charged enterprise operations equivalent to the City property taxes that would be due on a plant or equipment if the enterprise operations were for profit companies.
PERSONAL SERVICES	Cost of wages, salaries, retirement, and other fringe benefits for City employees.
PROGRAM	A group of related activities performed by one or more organizational unit for the purpose of accomplishing a function for which the City is responsible.
RESERVES	An account used to indicate that a portion of a fund balance is restricted or set aside for emergencies or unforeseen expenditures not otherwise budgeted for.
REVENUE	Income for the fiscal year. The major categories of revenue include taxes, state shared revenues, fees and charges, interest on investments, and fines and forfeits.
REVENUE BONDS	Long-term debt payable from a designated revenue source such as water revenue or sales tax revenue.
ROLL OFF	Fees for roll-off services including container charges, delivery and pick up fees, as well as landfill charges in Fund 502, the Solid Waste Fund.
SANITATION SERVICE CHARGE	Normal solid waste collection fees for industrial and commercial dumpster services and residential solid waste collection in Fund 502, the Solid Waste.
SPECIAL ASSESSMENTS	Property taxes incurred by property owners within a designated area for improvements that benefit the area. A majority of the affected property owners must approve the formation of the benefit district.
SPECIAL POPULATIONS	Fees collected for recreation programs provided for special needs populations in Fund 211, the Recreation Fund.
SPECIAL REVENUE FUNDS	A type of Fund used to account for the proceeds of specific revenue sources that are restricted by law or administrative action to expenditures for specified purposes.
STATE GRANTS	Moneys received through the Kansas Department of Health and Environment Solid Waste Implementation Grant awarded on a project specific basis in Fund 502, the Solid Waste Fund.
STATE-SHARED REVENUES	Revenues levied and collected by the State but shared on a predetermined basis with local governments.

GLOSSARY OF TERMS

TAX LEVY	The total amount to be raised by general property taxes for the purposes specified in the approved city budget.
TAX RATE	The amount of tax levied for each \$1,000 of assessed valuation.
USER FEES	The payment of a fee for direct receipt of a public service by the party benefiting from the service.
WATER AND SEWER CHARGES	The charge to customers receiving water and sewer services provided by the city's treatment, distribution, and collection systems, which pay for operational and capital costs in Fund 501, the Water and Wastewater Fund.
WATER TAPS	Charges paid, according to size of connection, by developers / property owners for connection to the city's existing water mains in Fund 501, the Water and Wastewater Fund.
WATER MAIN EXTENSIONS	Charges for materials, labor, and equipment related to the extension of the city's water distribution system (up to and including twelve inch water mains), typically paid by developers and/or property owners in Fund 501, the Water and Wastewater Fund.

BUDGET POLICIES



City of Lawrence

CITY OF LAWRENCE

INVESTMENT AND CASH MANAGEMENT POLICY

1.0 Scope

This policy applies to the cash management and investment activities of the City of Lawrence, Kansas, except for the debt service funds, reserve funds and other financial assets held by various fiscal agents and trustees as provided by the appropriate bond ordinance shall not be subject to this policy but shall be administered according to the requirements of the respective Ordinances. The financial assets of all other funds shall be administered in accordance with the provisions of this policy.

2.0 Authority

Responsibility for the management of the City's investment portfolio is delegated to the Director of Finance by the City Manager. The Director of Finance hereby establishes written procedures and policies for the operation of the cash management and investment program. Such procedures shall include explicit delegation of authority to persons responsible for investment transactions. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Director of Finance who shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials.

3.0 Objectives

The cash investments of the City of Lawrence shall be undertaken in a manner that seeks to maximize investment income while ensuring the preservation of capital in the portfolio. To attain this objective, diversification is required so that potential losses on individual securities do not exceed the income generated from the remainder of the portfolio. The investment portfolio shall be designed to attain at a minimum, a market-average rate of return throughout budgetary and economic cycles, taking into account the City's investment risk constraints and the cash flow characteristics of the portfolio.

4.0 Prudence

The standard of prudence to be used by investment officials shall be the "prudent person", which states, "Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived" and shall be applied in the context of managing the entire portfolio.

Investment officers acting in accordance with written procedures and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

5.0 Legal Authority and Limitations on Investment Instruments

All investments purchased under this policy shall be governed by K.S.A. 12-1675, et. seq. and all revisions thereto, as may be made by the Kansas Legislature. Below is a summary of acceptable investments under the current law:

5.1 Collateralized Public Deposits (Negotiable Certificates of Deposit) -- Instruments issued by banks or savings & loans that state specified sums have been deposited for specified periods of time and at specified rates of interest. Certificates of deposit are required to be backed by acceptable collateral securities as dictated by Kansas Statutes.

CITY OF LAWRENCE INVESTMENT AND CASH MANAGEMENT POLICY

5.2 Repurchases Agreements--Contractual agreements between the City and commercial banks, trust companies, state or federally chartered savings and loan associations of federally chartered savings banks. The repurchase agreement (repo) issuer receives cash and, in turn, provides securities to the City as collateral for the cash. There exists a contractual agreement for the City to resell the securities back to the issuer on a specific future date, at the original purchase price, plus a negotiated interest payment.

5.3 U. S. Treasury bills or notes--These obligations must mature within six months from date of purchase and are guaranteed as to principal by the United States government.

5.4 Temporary notes of the City of Lawrence.

5.5 Commercial bank savings accounts.

Other types of investments may be added to this list as changes to the statutes governing such investments are revised.

6.0 Contracts with Financial Institutions

The City of Lawrence may invest funds with depositories having offices located in the City of Lawrence as provided by K.S.A. 9-1401. All depositories of the City of Lawrence shall execute a contract bi-annually with the City of Lawrence which shall designate the requirements of serving as a depository for the City, including collateralization of City funds invested at such depository and the related safekeeping requirements of the pledged securities. The City shall have a separate contract with the "operating bank" which will execute a contract once every three years in accordance with the practice of bidding banking services every three years.

6.1 Safekeeping of Securities--Collateral for certificates of deposits and repurchase agreements will be registered in the City's name. The Finance Director will hold all safekeeping receipts of pledged securities used as collateral for certificates of deposits and repurchase agreements. A third party institution will hold pledged securities in trust on behalf of the City's financial institution.

Safekeeping receipts of pledged securities may be "Faxed" to the City in order to accommodate timely and legal investment transactions. The financial institution will mail the original safekeeping receipt of pledged securities on the day the facsimile is sent.

6.2 Collateralization--The City requires full collateralization of all City investments other than obligations of the United State government as stated in the State statute. The City will not allow the use of FDIC coverage as part of the calculation of full collateralization. Peak period agreements permitted under K.S.A. 9-1403 as amended, will not be accepted by the City and are not included as part of the depository contracts with the financial institutions.

The City will accept as collateral for certificates of deposit securities as listed in K.S.A. 9-1403. Collateral underlying repurchase agreements is limited to obligations of the U.S. government and its agencies.

The Finance Director will weekly monitor the adequacy of collateralization. The City requires monthly reports with market values of pledged securities from all financial institutions with which the City has certificates of deposits or repurchase agreements.

CITY OF LAWRENCE

INVESTMENT AND CASH MANAGEMENT POLICY

7.0 Investment Liquidity

The City's demand for cash shall be projected using reliable cash forecasting techniques. To ensure liquidity, the appropriate maturity date and investment option available will be chosen.

7.1 Repurchase agreements--The maximum maturity for repurchase agreements shall be 91 days. Repurchase agreements will normally be used when Certificates of Deposits for less than 91 days are not used, or when the rates offered on the repurchase agreements are greater than those offered on 91 day CDs.

7.2 General City Funds--The maximum maturity for City investments shall be one year. The Investment Review Committee will monitor the maturity level and recommend changes as appropriate.

7.3 Bond & Interest Fund--No investment shall have a maturity exceeding the next principal and /or interest payment date unless the obligation is fully funded.

8.0 Investment Return Objectives

Consistent with State law, the City shall seek to optimize return on investments within the constraints of this policy.

9.0 Bidding Procedures

Investment bids will be taken by the Director of Finance or person designated by the Director of Finance at times when investments of idle funds would be in the best interest of the City or as required by federal regulations regarding arbitrage rebate on bond proceeds. Such bids requests will be made orally and confirmed in writing with the investment instrument and related collateral being forwarded to the City no later than 24 hours after bids are taken.

10.0 Investment Limitation Per Institution

In order to protect the City from the failure of any one financial institution, the City shall not invest more than 30% of idle funds with any one institution. The 30% limitation does not apply to U.S. Treasury obligations held in safekeeping by an institution on behalf of the City. These obligations are backed by the U.S. Government and do not require collateral as described in section 6.0(2). The 30% limitation shall be determined prior to the bids. If an institution goes over the 30% limitation after the bids have been awarded, no further bids will be accepted from the financial institution until sufficient maturities have occurred to reduce their share of the portfolio to under 30%.

11.0 Investment Review Committee

The City Manager shall appoint an investment review committee. The Committee shall consist of one person from the City Manager's Office, one person from the Finance Department not directly involved with the day to day investing of public funds, and the City Clerk. This Committee shall meet at least quarterly to review the investment reports from the Finance Department and to review earnings of idle funds. The Committee shall make a report to the City Manager within fourteen days after each meeting. Any irresponsible or illegal acts shall be reported immediately and confidentially to the City Manager.

CITY OF LAWRENCE

INVESTMENT AND CASH MANAGEMENT POLICY

12.0 Daily Cash Management Practices and Policies

It is the policy of the City of Lawrence Finance Department that all departments collecting cash receipts, whether in cash or other forms of payment, must turn in such receipts to the Finance Department on a daily basis together with records required to verify the accuracy of such collections. No receipts will be held overnight at any location for any reason. All receipts shall be deposited daily by the Department of Finance. Investment of any idle funds will be made in accordance with section 5.0 of this policy. Any violation of this section of this policy by any employee of the City may result in disciplinary action.

13.0 Separate Provisions of Policy and Conflicts with Kansas Laws

The above policies shall remain in full force and effect until revoked by the City Commission. If, after adoption of this policy, there is any conflict of this policy with Kansas laws and/or statutes current law shall dictate.

CITY OF LAWRENCE

GOVERNMENTAL ACCOUNTING POLICY

1.0 **Policy**

The City of Lawrence has established a uniform system of accounting maintained to reflect compliance with the applicable laws of the State of Kansas. Financial statements are presented after applying memorandum adjustments, where applicable, to record accrued revenue, inventories, property and equipment and related depreciation resulting in financial statements presented on a modified accrual or accrual basis of accounting, as appropriate.

Accounting and Reporting Capabilities:

A governmental system, such as the City of Lawrence, is charged with the duties of reporting and fully disclosing its financial position and financial results of operation in conformity with generally accepted accounting principles. Further, such an entity must demonstrate compliance with finance-related legal and contractual provisions within the system's financial activities.

2.0 **Fund Accounting Systems**

The City of Lawrence is organized and operates on a fund basis. In governmental accounting, a fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restriction, or limitations.

The following types of funds comprise the financial activities of the City:

1. Governmental Funds

- A. General Fund - to account for all unrestricted resources except those required to be accounted for in another fund.
- B. Special Revenue Funds - to account for the proceeds of specific revenue sources (other than special assessments or major capital projects) that are restricted by law or administrative action to expenditure for specified purposes.
- C. Capital Project Funds - to account for financial resources segregated for the acquisition of major capital facilities (other than those financed by Enterprise Funds).
- D. Debt Service Funds - to account for the accumulation of resources for and the payment of, interest and principal and related costs, on general long-term debt, and the financing of special assessments which are general obligations of the City.

2. Proprietary Funds

- A. Enterprise Funds - to account for operations that are financed and operated in a manner similar to private business enterprises where the stated intent is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges or where periodic determination of revenues earned, expenses incurred, and/or net income is deemed appropriate for capital maintenance, public policy, management control, accountability, or other purposes.
- B. Internal Service Funds - to account for the financing of goods and services provided by one department to other departments of the City on a cost reimbursement basis.

CITY OF LAWRENCE

GOVERNMENTAL ACCOUNTING POLICY

3.0 **Basis of Accounting**

All governmental and fiduciary funds are reported on the modified accrual basis of accounting. Revenues are recognized in the accounting period in which they become susceptible to accrual, that is when they become both measurable and available to finance expenditures of the fiscal period. Expenditures are recognized when the related liability is current (the encumbrance method of accounting). Interest on unmatured general long-term debt is recognized when due.

The enterprise funds are reported on the accrual basis of accounting.

4.0 **General Long-Term Account Group**

This account, which is not a fund, provides a place to record long-term debt of the City. Long-term debt for proprietary funds are recorded in those funds and not in the general long-term debt account group.

5.0 **General Fixed Assets Account Group**

This account group is not a fund. It is an account where all fixed assets of the City except those belonging to the proprietary funds are recorded. Proprietary fund fixed assets are recorded in those funds.

CITY OF LAWRENCE

MID- YEAR FUNDING REQUEST POLICY

1.0 **Policy:**

To establish policy and guidelines for the consideration of funding requests from outside agencies during the year after the completion of the annual budget process.

2.0 **Guidelines:**

Once the budget process is completed for each fiscal year, non-budgeted funding requests shall be handled as follows. Outside agencies requesting funding from the City of Lawrence (that falls outside the schedule established for the annual budget process) shall describe in their application for funding how the project, program, etc. accomplishes the following:

- Fills an existing gap in City services.
- Meets a City Commission or community goal.
- Provides for a need in the community that is otherwise unmet.
- Helps leverage outside funds.

3.0 **Assessment Methods:**

In considering funding requests outside the annual budget process, the City Commission will utilize the following guidelines in the decision-making process:

- Is the request a high enough priority to justify the allocation of contingency funds?
- What are the long-range implications (annual request? related costs? etc.)

CITY OF LAWRENCE

DEBT MANAGEMENT POLICY

1.0 **Purpose**

The Debt Management Policy Statement sets forth comprehensive guidelines for the financing of capital expenditures.

2.0 **Policy**

It is the objective of the policies that (1) the City obtain financing only when desirable, (2) the process for identifying the timing and amount of debt financing be as efficient as possible and (3) the most favorable interest rate and other related costs be obtained.

Debt financing, to include general obligation bonds, special assessment bonds, revenue bonds, temporary notes, lease/purchase agreements, and other City obligations permitted to be issued or incurred under Kansas law, shall only be used to purchase capital assets that will not be acquired from current resources. The useful life of the asset or project shall exceed the payout schedule of any debt the City assumes. This allows for a closer match between those who benefit from the asset and those that pay for it.

To enhance creditworthiness and prudent financial management, the City is committed to systematic capital planning, intergovernmental cooperation and coordination, and long-term financial planning. Evidence of this commitment to capital planning will be demonstrated through adoption and periodic adjustment of the City's Capital Improvement Plan and the annual adoption of a multi-year Capital Improvement Budget.

3.0 **Procedure**

3.1 **RESPONSIBILITY FOR DEBT MANAGEMENT**

The primary responsibility for making debt-financing recommendations rests with the Director of Finance. In developing such recommendations, the Finance Director shall be assisted by other City staff. The responsibilities of City staff shall be to:

- Consider the need for debt financing and assess progress on the current Capital Improvement Budget and any other program/improvement deemed necessary by the City Manager;
- Test adherence to this policy statement and to review applicable debt ratios listed in the Debt Issuance Guidelines,
- Review changes in federal and state legislation that affect the City's ability to issue debt and report such findings to the City Manager as appropriate;
- Review annually the provisions of ordinances authorizing issuance of general obligation bonds of the City;
- Review the opportunities for refinancing current debt; and,
- Recommend services by a financial advisor, bond trustees, bond counsel, paying agents and other debt financing service providers when appropriate.

In developing financing recommendations, the City staff shall consider:

- Options for interim financing including short term and inter-fund borrowing, taking into consideration federal and state reimbursements;
- Effects of proposed actions on the tax rate and user charges;
- Trends in bond markets structures;
- Trends in interest rates; and,
- Other factors as deemed appropriate.

CITY OF LAWRENCE

DEBT MANAGEMENT POLICY

3.2 **USE OF DEBT FINANCING**

Debt financing will not be considered appropriate for any recurring purpose such as current operating and maintenance expenditures. The City will use debt financing only for one-time capital improvement projects and unusual equipment purchases under the following circumstances:

- The project is included in the City's capital improvement budget and is in conformance with the City's general plan;
- The project is the result of growth-related activities within the community that require unanticipated and unplanned infrastructure or capital improvements by the City;
- The project's useful life, or the projected service life of the equipment, will be equal to or exceed the term of the financing;
- There are revenues sufficient to service the debt, whether from future property taxes, user fees, or other specified and reserved resources, debt supported by user fees, special assessments or special charges shall be preferred,
- The debt shall be primarily used to finance capital projects with a relatively long life, typically ten years or longer.
- The equipment is an item that is purchased infrequently, has an expected useful life of at least five years, and costs in excess of \$100,000.

3.3 **STRUCTURE AND TERM OF DEBT FINANCING**

Debt will be structured to match projected cash flows, minimize the impact on future property tax levies, and maintain a relatively rapid payment of principal. As a benchmark, the City shall strive to repay at least 50% of the initial principal amount within ten years.

General Obligation Bonds

The City shall use an objective analytical approach to determine whether it desires to issue new general obligation bonds. Generally, this process will compare ratios of key economic data. The goal will be for the City to maintain or enhance its existing credit rating.

These ratios shall include, at a minimum, debt per capita, debt as a percent of statutory debt limit, debt as a percent of appraised valuation, debt service payments as a percent of governmental expenditures, and the level of overlapping net debt of all local taxing jurisdictions. A set of ratios shall be adopted and itemized in the City's Debt Issuance Guidelines.

The decision on whether or not to issue new general obligation bonds shall, in part, be based on (a) costs and benefits, (b) the current conditions of the municipal bond market, and (c) the City's ability to issue new general obligation bonds as determined by the aforementioned benchmarks.

Revenue Bonds

For the City to issue new revenue bonds, projected annual revenues as defined by the ordinance authorizing such issuance, shall be a minimum of 125% of the issue's average annual revenue bond service or at a higher amount if required by the bond indentures. If necessary, annual adjustments to the City's rate structures will be considered in order to maintain the required coverage factor. Revenue bonds will be the preferred financing option for enterprise funds.

Special Assessment Bonds

The City shall maintain a watchful attitude over the issuance of special assessment bonds for benefit district improvements. The City's share of any benefit district project may not exceed more than 95% of any proposed costs related to a benefit district. The developer shall be required to deposit 25% of the costs allocated to the benefit district prior to authorization. In most cases, the debt will have a maximum term of ten years, however, a longer term may be allowed provided it does not exceed the life of the improvements included in the benefit district. The benefit district will be assigned costs such as administration, engineering, financing and legal associated with the formation of the district and issuance of any debt.

CITY OF LAWRENCE

DEBT MANAGEMENT POLICY

Debt Issuance With Intergovernmental Agencies

The City will typically not use of its debt capacity for projects by entities or other special purpose units of government that have the ability to issue tax exempt debt. The City's issuance of debt will be made only (1) after the prior commitment of the full assets and resources of the authority to debt service; (2) if project revenues, or development authority revenues pledged to debt service, are at least 115% of debt service; (3) if debt service reserves provided by the authority's own resources are equal to at least six months debt service; and, (4) if all other viable means financing have been examined. The City will also enter into arrangements with other governmental entities where a portion of the project costs will be reimbursed by the other government. An agreement as to how the project costs will be allocated and reimbursements made must be approved by the governing bodies.

Structure of Debt Obligations

The City normally shall issue bonds with an average life of 10 years or less for general obligation and special assessment bonds and 10-20 years for revenue bonds. The typical structure of general obligation bonds will result in even principal and interest payments over the term of the debt. There shall be no "balloon" bond repayment schedules, which consist of low annual payments and one large payment of the balance due at the end of the term. There shall always be at least interest paid in the first fiscal year after a bond sale. In cases where related revenues may not occur for several years, it may be desirable to capitalize the interest by increasing the size of the issue and deferring the principal payments so that only interest is paid on the debt for the first few years.

Call Provisions

Call provisions for bond issues will be evaluated based upon current market conditions. All bonds shall be callable only at par.

Variable Rate Long-Term Obligations

The City may choose to issue bonds that pay a rate of interest that varies according to pre-determined formula or results from a periodic remarketing of the securities, consistent with state law and covenants of pre-existing bonds, and depending on market conditions.

3.4 **DEBT ADMINISTRATION AND FINANCING**

Capital Improvement Budget

A Capital Improvement Budget shall be prepared and submitted to the City Commission annually. The budget shall provide a list of projects and the means of financing. The budget should cover a five-year period of time. The projects included in the budget should be part of the City's Capital Improvement Plan. Projects must be in either the Capital Improvement Budget or Plan to be authorized.

Bond Fund

Generally, payment of general obligation bonds and special assessment bonds shall be from the City's Bond & Interest Fund. However, in situations where General Obligation bonds are to be paid from user fees or sales taxes, bond payments should be made from the fund that receives the revenue. The minimum fund balance in the Bond & Interest Fund will be maintained at a level equal to or greater than 50% of the total principal and interest payable from that Fund for the upcoming year.

Reserve Funds

Adequate operating reserves are important to insure the functions of the City during economic downturns. The City shall budget a contingency reserve in the General Fund of no less than \$150,000. The City will maintain working capital in an enterprise fund sufficient to finance 120 days of operations, if the fund supports debt payments. In addition, all reserves specified by bond indentures must be maintained. The Equipment Reserve Fund will be funded sufficiently to ensure that adequate funds are available to purchase replacement equipment on a timely basis.

CITY OF LAWRENCE

DEBT MANAGEMENT POLICY

Finance Department

It shall be the responsibility of the Finance Department to prepare the Preliminary and final Official Statements. The City Clerk is responsible for collecting and maintaining all supporting documentation such as minutes of the City Commission meetings and relevant resolutions and ordinances. In the case of general obligation bonds, an estimate of the mill levy required to pay off the debt should be provided to the City Commission. The department will also be responsible following applicable secondary disclosure requirements.

Investments

The bond proceeds will be invested in accordance with the City's investment policy. Adherence to the guidelines on arbitrage shall be followed, which at times, may require that the investment yield be restricted. In most cases, the investment will be selected to maximize interest with the assumption that the City will meet the IRS spend down requirement that allows for an exemption from arbitrage calculations.

Bond Counsel

The City will utilize external bond counsel for all debt issues. All debt issued by the City will include a written opinion by Bond Counsel affirming that the City is authorized to issue the debt, stating that the City has met all Federal and State constitutional and statutory requirements necessary for issuance, and determining the debt's federal income tax status. The City's Bond Counsel will be selected on a competitive basis.

Underwriter's Counsel

City payments for Underwriters Counsel will be authorized for negotiated sales by the Department of Finance on a case-by-case basis depending on the nature and complexity of the transaction and the needs expressed by the underwriters.

Financial Advisor

The City may utilize an external financial advisor. The utilization of the financial advisor for debt issuance will be at the discretion of the Director of Finance on a case-by-case basis. For each City bond sale, the financial advisor will provide the City with information on structure, pricing and underwriting fees for comparable sales by other issuers. The Financial Advisor will be selected on a competitive basis for a period not to exceed five years.

Temporary Notes

Use of short-term borrowing, such as temporary notes, will be undertaken until the final cost of the project is known or can be accurately projected. In some cases, projects might be funded with internal funds that will be reimbursed with bond funds at a future date.

Credit Enhancements

Credit enhancement (letters of credit, bond insurance, etc.) may be used if the costs of such enhancements will reduce the debt service payments on the bonds or if such an enhancement is necessary to market the bonds.

Competitive Sale of Debt

The City, as a matter of policy, shall seek to issue its temporary notes, general and revenue bond obligations through a competitive sale. In such instances where the City, through a competitive bidding for its bonds, deems the bids received as unsatisfactory or does not receive bids, it may, at the election of the City Commission, enter into negotiation for sale of the bonds. In cases where the circumstances of the bond issuance are complex or out of the ordinary, a negotiated sale may be recommended if allowed by State statute.

CITY OF LAWRENCE

DEBT MANAGEMENT POLICY

3.5 **REFUNDING OF DEBT**

Periodic reviews of all outstanding debt will be undertaken to determine refunding opportunities. Refunding will be considered (within federal tax law constraints) if and when there is a net economic benefit from the refunding or the refunding is needed in order to modernize covenants essential to operations and management or to restructure the payment of existing debt.

City staff and the financial advisor shall monitor the municipal bond market for opportunities to obtain interest savings by refunding outstanding debt. As a general rule, the present value savings of a particular refunding will exceed 3%.

Refunding issues that produce a net present value savings of less than 3% percent will be considered on a case-by-case basis. Refunding issues with negative savings will not be considered unless there is a compelling public policy objective.

3.6 **CONDUIT FINANCINGS**

The City may sponsor conduit financings in the form of Industrial Revenue Bonds for those activities (i.e., economic development, housing, health facilities, etc.) that have a general public purpose and are consistent with the City's overall service and policy objectives as determined by the City Commission.

All conduit financings must insulate the City completely from any credit risk or exposure and must first be approved by the City Manager before being submitted to the City Commission for consideration. The City should review the selection of the underwriter and bond counsel, require compliance with disclosure and arbitrage requirements, and establish minimum credit ratings acceptable for the conduit debt. Credit enhancement, such as insurance, may be required for certain issues.

3.7 **ARBITRAGE LIABILITY MANAGEMENT**

Federal arbitrage legislation is intended to discourage entities from issuing tax-exempt obligations unnecessarily. In compliance with the spirit of this legislation, the City will not issue obligations except for identifiable projects with good prospects of timely initiation. Temporary notes and subsequent general obligation bonds will be issued timely so that debt proceeds will be spent quickly.

Because of the complexity of arbitrage rebate regulations and the severity of non-compliance penalties, the City will engage outside consultants to calculate potential arbitrage liability.

3.8 **CREDIT RATINGS**

Rating Agency Relationships

The Director of Finance shall be responsible for maintaining relationships with the rating agencies that assign ratings to the City's debt. This effort shall include providing periodic updates on the City's general financial condition along with coordinating meetings and presentations in conjunction with a new debt issuance.

Use of Rating Agencies

The City will obtain a rating from Moody's Investors Service. The Finance Director will recommend whether or not an additional rating shall be requested on a particular financing and which of the major rating agencies shall be asked to provide such a rating.

Rating Agency Presentations

Full disclosure of operations and open lines of communication shall be made to rating agencies used by the City. The Finance Director, with assistance of City staff, shall prepare the necessary materials and presentation to the rating agencies.

CITY OF LAWRENCE

DEBT MANAGEMENT POLICY

Financial Disclosure

The City is committed to full and complete financial disclosure, and to cooperating fully with rating agencies, institutional and individual investors, City departments and agencies, other levels of government, and the general public to share clear, comprehensible, and accurate financial information. The City is committed to meeting secondary disclosure requirements on a timely and comprehensive basis.

3.9 **STANDARDS**

Official statements accompanying debt issues, Comprehensive Annual Financial Reports, and continuous disclosure statements will meet (at a minimum), the standards articulated by the Government Accounting Standards Board (GASB), the National Federation of Municipal Analysts, and Generally Accepted Accounting Principles (GAAP). The Finance Director shall be responsible for ongoing disclosure to established national information repositories and for maintaining compliance with disclosure standards promulgated by state and national regulatory bodies.

DEBT MANAGEMENT POLICY APPENDIX

Terminology

Arbitrage. Arbitrage refers to the rebate amount due to the Internal Revenue Service where funds received from the issuance of tax-exempt debt have been invested and excess interest earnings have occurred.

General Obligation Bonds. Bonds backed by the full faith and credit of the City. The taxing power may be an unlimited ad valorem tax or a limited tax, usually on real estate and personal property. A special tax rate levied for the Bond & Interest Fund annually to pay for general obligation LTO service. Because it is secured by an unlimited tax levy, this structure has strong marketability and lower interest costs.

Revenue Bonds. Bonds secured by revenues generated by the facility from dedicated user fees. Planning for such issues generally are more complex because future costs and revenues directly affect each other. Credit enhancements (e.g., insurance or letter of credit) may be needed because of the limited source of LTO service payments that may be available in outlying years.

Special Assessment Bonds. Bonds issued to develop facilities and basic infrastructure for the benefit of properties within the assessment district. Assessments are levied on properties benefited by the project. The issuer's recourse for nonpayment is foreclosure and the remaining LTO becomes the City's direct obligation.

Temporary Notes. Notes are issued to provide temporary financing, to be repaid by long-term financing. This type of bridge financing has a maximum maturity of four years under Kansas law.

CITY OF LAWRENCE DEBT ISSUANCE GUIDELINES

The City of Lawrence adopts the following guidelines for the issuance of debt:

- Ratio of General Obligation Bonds Outstanding to Appraised Valuation will not exceed 2.2%
- Ratio of General Obligation Bonds and Temporary Notes Outstanding to the Statutory Debt Limit will not exceed 60%
- Ratio of Debt Service payments from the Bond and interest Fund will not exceed 15% of governmental expenditures
- Amount of General Obligation Bonds Outstanding per population will not exceed \$1,100
- Amount of overlapping General Obligation Bonds Outstanding per population will not exceed \$2,500
- Bond and Interest mill levy will not exceed 10 mills

The City will review and consider the following before any debt is issued:

- Adherence to the Capital Improvement Budget
- Adherence to the Capital Improvement Plan
- Impact on the mill levy
- Potential impact on other revenue sources such as increased property taxes and sales taxes

CITY OF LAWRENCE

GENERAL FUND BALANCE POLICY

1.0 **Purpose**

The purpose of establishing a policy on the unrestricted balance in the General Fund is to provide a guideline for budgeting decisions and to insure that adequate reserves are established to fund operations by providing sufficient working capital, protection against uncollected taxes, shortfalls from municipal revenue sources, and cutbacks in distributions from the state or federal government. The General Fund is the primary operating fund of the City for its non-utility related operations. In addition, the City of Lawrence desires to maintain its current debt rating. Rating agencies are concerned about a government's creditworthiness and the level of unreserved General Fund balance is part of their evaluation.

There is no formula for determining an appropriate fund balance. Items to consider include the timing of revenue collections, the local and national economic environment, the volatility of the major revenue sources, and the degree of protection desired to mitigate current and future financial risks. The City of Lawrence obtains a substantial portion of its revenue from sales taxes and franchise fees. Sales tax collections are derived from local retail sales. In Lawrence, these collections are very dependent upon both the local and national economies. The collection of franchise fees, particularly those based upon sales of electricity and natural gas, vary widely depending upon local weather conditions. As a result, the desired level of unreserved General Fund balance is higher than the minimum level designated by the Government Finance Officers Association recommended practice on the Appropriate Level of Unreserved Balance in the General Fund.

2.0 **Policy**

The City should budget for current year General Fund revenues to be sufficient to finance current year expenditures.

Due to the volatility of some of the major revenue sources, a minimum unreserved General Fund balance of 15% of actual expenditures is recommended.

To avoid a balance in excess of the level deemed sufficient for prudent fiscal management, a maximum unreserved General Fund balance of 30% of actual expenditures is recommended.

The unreserved General Fund balance does not include reservations of fund balance for the payment of encumbrances nor designations for purposes that are allowed under generally accepted accounting principles.

If the General Fund balance falls outside of the above parameters, budgeted revenues will be either greater or less than budgeted expenditures in subsequent years to bring the General Fund balance into compliance with this policy.



City of Lawrence

2009 Preliminary Pay Plan

City of Lawrence Primarily Pay Plan (effective January 1, 2009)
Annual Rates

Grade	Positions in Grade	Minimum	Midpoint	Maximum
901	Admin Support I	22,184	27,558	32,932
903	Admin Support II Animal Control Officer Custodian II Meter Reader Naturalist Part Time Regular Parking Control Officer Parkiing Control Technician	27,827	34,569	41,310
904	Admin Support III Aquatic Programmer II Civilian Teleserve Officer Court Security Officer Evidence Clerk Field Services Representative Maintenance Worker Mechanic I Park and Facility Maintenance II Recreation Center Programmer Recreation Programmer Solid Waste Loader Traffic Control Technician Traffic Signal Technician Warrant and Probation Clerk	31,167	38,717	46,267
905	Admin Support IV Code Enforcement Officer Collection System Operator Computer Programmer Crime Analyst Deputy City Clerk Distribution System Operator Electrical Technician Engineering Technician Evidence Technician Horticulturist II HVAC Techniccian Mechanic II Naturalist Part Time Regular Payroll Specialist Plant Maintenance Mechanic Plant Operator Project Specialist Purchasing Specialist Risk Management Specialist Senior Forester Senior Maintenance Worker Senior Park and Facilities Maintenance Senior Traffic Signal Technician Solid Waste Operator I	34,907	43,363	51,819

Grade	Positions in Grade	Minimum	Midpoint	Maximum
	Solid Waste Operator II Traffic Signal Systems Technician Water Quality Technician Waste Reduction and Recycling Specialist			
906	Admin Probation Officer Aquatic Assistant Supervisor Building Inspector II Control System Technician Customer Service Supervisor Egov Coordinator Field Supervisor/CM GAR Field Supervisor/Collection and Distrib Field Supervisor/Field Services Field Supervisor/Horticulture Field Supervisor/Park and Fac Maint Field Supervisor/Solid Waste Field Supervisor/Streets Field Supervisor/Traffic Control GIS Analyst Golf Operations Assistant Superintendant Human Resources Specialist Network Technician Planner I Plans Reviewer Project Inspector Residuals Coordinator Transportation Specialist	39,096	48,567	58,038
907	Accountant Animal/Parking Control Manager Aquatic Supervisor City Surveyor Database Administrator Facilities Maintenance Supervisor Facility Operations Supervisor Forestry Supervisor Golf Course Operations Superintendant Inspections Supervisor Management Analyst I Marketing Specialist Nature Center Supervisor Network Administrator Network Analyst Park District Supervisor Records Manager Recreation Program Supervisor Senior Computer Programmer Senior Plans Reviewer Utilities Programs Manager Utility Field Operations Manager Water Process Specialist Water/Wastewater Maintenance Manager Water/Wastewater Treatment Manager	43,787	54,395	65,002
908	Aquatic Manager Budget Manager	49,042	60,922	72,803

Grade	Positions in Grade	Minimum	Midpoint	Maximum
	City Prosecutor Field Project Manager GIS Coordinator Horticulture Manager Management Analyst II Municipal Court Manager Planner II Project Engineer II (PE) Solid Waste Supervisor Waste Reduction and Rec Ops Supervisor			
909	Assistant Finance Director Building and Structures Manager Building Inspections Manager Communications Manager Economic Development Coordinator/Planner Fleet Manager Human Resources Manager Network Manager Risk Manager Senior Planner Solid Waste Division Manager Staff Attorney Storm Water Engineer Street Division Manager Supervising City Prosecutor Transportation/Traffic Engineer Utilities Maintenance Manager Wastewater Systems Manager Water Quality Manager Water Systems Manager Zoning Enforcement Officer	54,927	68,233	81,539
910	Assistant Director - Planning and Dev Serv Assistant to the City Manager City Engineer Municipal Court Judge Parks/Maintenance Superintendant Project Engineer III Public Transit Administrator Recreation/Operations Superintendant Utilities Engineer	61,518	76,421	91,324
911	Assistant Public Works Director Assistant Utilities Director City Auditor Information Systems Consultant	68,900	85,591	102,282
912	Administrative Services Director Finance Director Fire Chief Information Systems Director Legal Services Director Parks and Recreation Director Planning and Development Services Director Police Chief Public Works Director Utilities Director	77,168	95,862	114,556

Grade	Positions in Grade	Minimum	Midpoint	Maximum
913	Assistant City Manager	86,428	107,366	128,303
916	City Manager	117,889	146,447	175,007

City of Lawrence, Kansas Police Pay Plan (effective July 1, 2009)
MOU Covered Positions
Annual Rates

Grade	301	302
Step 1	40,277	52,847
Step 2	41,284	54,168
Step 3	42,316	55,522
Step 4	43,374	56,910
Step 5	44,458	58,333
Step 6	45,570	59,791
Step 7	46,709	61,286
Step 8	47,877	62,818
Step 9	49,073	64,389
Step 10	50,300	65,998
Step 11	51,558	67,648
Step 12	52,847	69,340
Step 13	54,168	71,073
Step 14	55,522	72,850
Step 15	56,910	74,671
Step 16	58,333	76,538
Step 17	59,791	78,451
Step 18	61,286	
Step 19	62,818	
Step 20	64,389	
Step 21	65,998	
Step 22	67,648	

City of Lawrence, Kansas Police Pay Plan (effective July 1, 2009)
Non MOU Covered Positions
Annual Rates

Grade	Minimum	Midpoint	Maximum
303	61,286	76,133	90,979
304	69,339	86,137	102,935

City of Lawrence, Kansas Fire Pay Plan (effective July 1, 2009)
Annual Rates

Grade	F01	F01a	F02	F03	F04	F05	F06	F07	F08	F09	F10
Position Title	Firefighter Basic	Firefighter Basic	Firefighter EMT-I	Firefighter Paramedic	Fire Engineer Basic	Fire Engineer EMT-I	Fire Engineer Paramedic	Fire Lieutenant	Fire Lieutenant EMT-I	Fire Lieutenant Paramedic	Fire Inspection Officer
Step 1	37,576	37,576	40,394	43,776	40,465	43,500	47,142	50,767	47,782	51,782	50,171
Step 2	38,516	38,516	41,404	44,871	41,477	44,588	48,321	52,036	48,977	53,077	51,425
Step 3	39,479	39,479	42,439	45,992	42,514	45,703	49,529	53,337	50,201	54,404	52,711
Step 4	40,465	40,465	43,500	47,142	43,577	46,845	50,767	54,671	51,456	55,764	54,029
Step 5	41,477	41,477	44,588	48,321	44,666	48,016	52,036	56,037	52,742	57,158	55,380
Step 6	42,514	42,514	45,703	49,529	45,783	49,217	53,337	57,438	54,061	58,587	56,764
Step 7	43,577	43,577	46,845	50,767	46,928	50,447	54,671	58,874	55,413	60,052	58,183
Step 8	44,666	44,666	48,016	52,036	48,101	51,708	56,037	60,346	56,798	61,553	59,638
Step 9	45,783	45,783	49,217	53,337	49,303	53,001	57,438	61,855	58,218	63,092	61,129
Step 10	46,928	46,928	50,447	54,671	50,536	54,326	58,874	63,401	59,673	64,669	62,657
Step 11	48,101	48,101	51,708	56,037	51,799	55,684	60,346	64,986	61,165	66,286	64,223
Step 12	49,303	49,303	53,001	57,438	53,094	57,076	61,855	66,611	62,694	67,943	65,829
Step 13	50,536	50,536	54,326	58,874	54,422	58,503	63,401	68,276	64,262	69,642	67,475
Step 14	51,799	51,799	55,684	60,346	55,782	59,966	64,986	69,983	65,868	71,383	69,161
Step 15	53,094	53,094	57,076	61,855	57,177	61,465	66,611	71,733	67,515	73,167	70,891