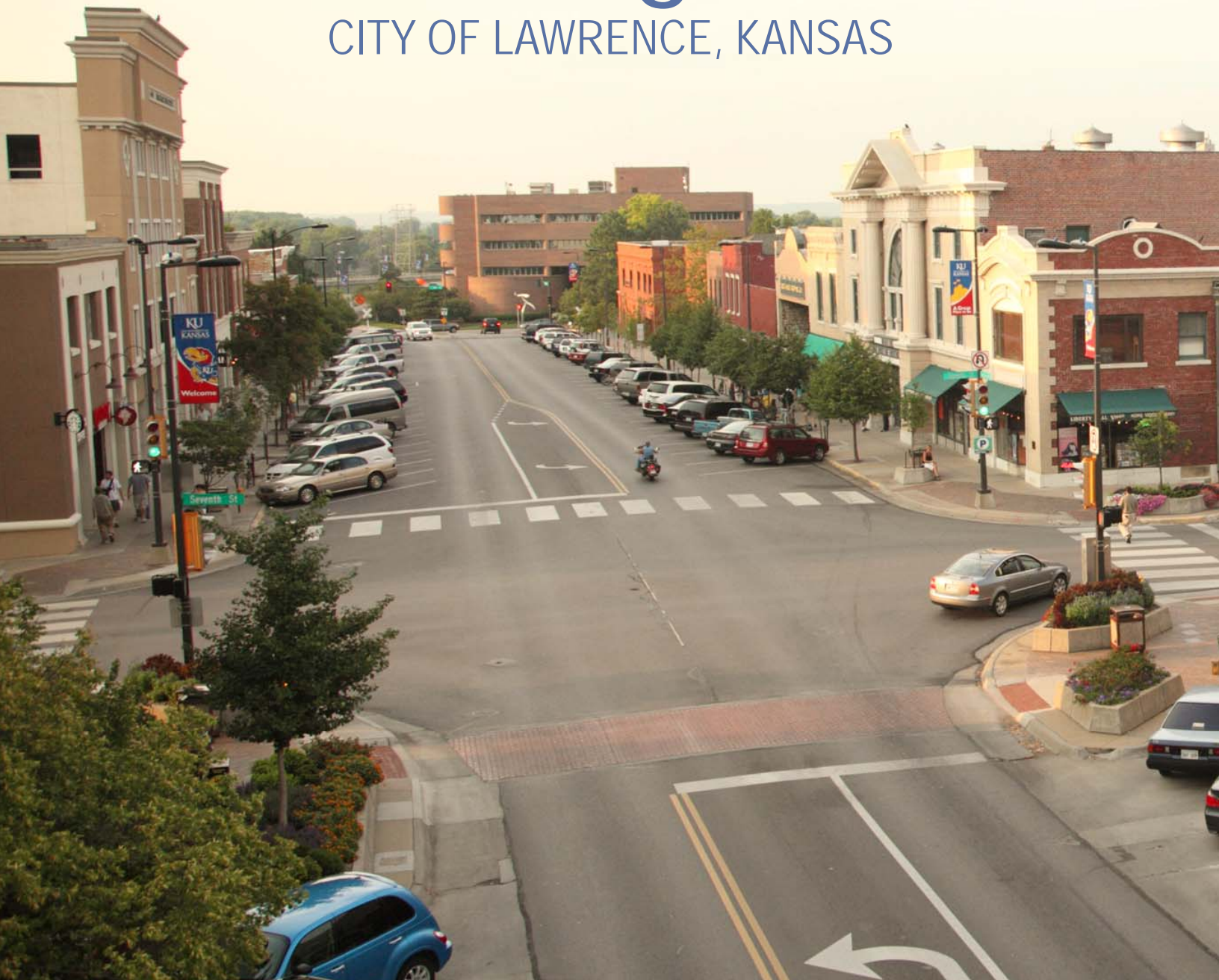


2018 Budget

CITY OF LAWRENCE, KANSAS



Adopted 2018 Operating and
2018-2022 Capital Improvement Budget

Vision

The City of Lawrence - supporting an unmistakably vibrant community with innovative, equitable, transparent and responsible local government.

Mission

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

Organizational Values

Character

Competence

Courage

Collaboration

Commitment

2018 Budget

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August 8, 2017

Dear Mayor and Commissioners,

I am pleased to present the adopted 2018 operating and 2018-2022 capital improvement budget. You will notice some significant changes in the look of this budget document. It is my hope that the new approach to communicating how the City plans to use resources in 2018 will make it easier for the reader to understand.

The document illustrates how resources are being used to make progress on the priority initiatives and critical success factors identified in the strategic plan adopted earlier this year.

The adopted operating budget totals \$196,847,000. This includes a mill increase of 1.25 for debt service to begin a phased approach for construction of a new police facility. This increase is exempt from the property tax lid imposed by the State of Kansas and therefore did not require an election.

The budget assumes moderate increases in City utility rates to cover the increased cost of providing these services. More information on the impact of these increases can be found later in this document.

In order to present a balanced budget, tough decisions had to be made. The budget includes eliminating positions, reducing funding available for wage adjustments for some city employees, and deferring equipment and projects that departments requested. Additionally, funding for social service agencies was held flat. These requests are also discussed later in this document.

I want to thank department directors and the budget team for their work in preparing this budget. As always, we look forward to implementing the City Commission's priorities in 2018.

Sincerely,
Thomas M. Markus
City Manager



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2018 Budget

City of Lawrence Elected Officials

Leslie Soden, Mayor

Stuart Boley, Vice Mayor

Mike Amyx, Commissioner

Matthew Herbert, Commissioner

Lisa Larsen, Commissioner

City of Lawrence Executive Staff

Tom Markus, City Manager

Diane Stoddard, Assistant City Manager

Casey Toomay, Assistant City Manager

Brandon McGuire, Assistant to the City Manager

Porter Arneill, Interim Communications Manager

Sherri Riedemann, City Clerk

Danielle Buschkoetter, Management Assistant

Mark Bradford, Fire Medical Chief

Derek Rogers, Parks and Recreation Director

Gregory Burns, Chief of Police

Chuck Soules, Public Works Director

Bryan Kidney, Finance Director

Dave Wagner, Utilities Director

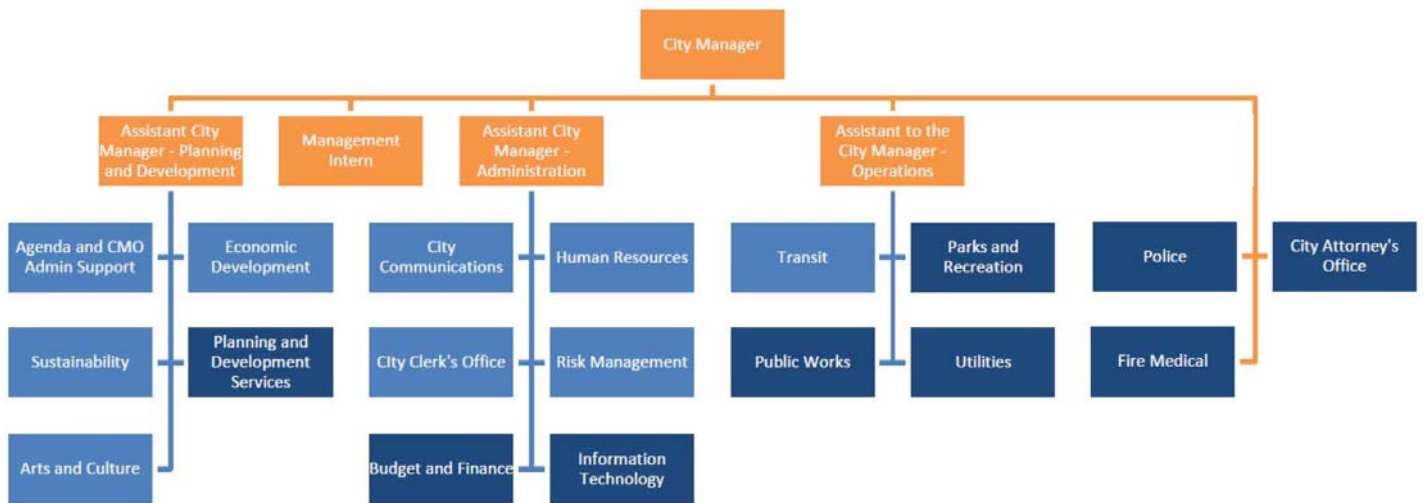
Scott McCullough, Planning and
Development Services Director

Toni Wheeler, City Attorney

James Wisdom, Information Technology
Director

2018 Budget

ORGANIZATIONAL CHART



Departments
Divisions of the City Manager's Office

BUDGET FACTS



2018 Budget

Property Tax Mill Levy Rate

The 2018 budget includes a mill levy increase of 1.25 mills for a total of 33.268 mills, in order to provide additional bond and interest payments to fund a multi-year phased approach for constructing a new facility for the Lawrence Police Department. The budget includes an assessed valuation of \$985,461,101. One mill of property tax generates \$985,461 of revenue.

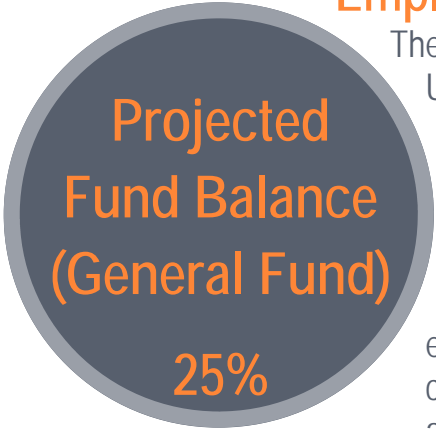
Sales Tax Projections

The 2018 Budget assumes sales tax growth of 2.1% over the revised 2017 Budget.

Employee Compensation and Benefits

The 2018 Budget assumes funding for the terms outlined in the Memoranda of Understanding between the City and the Lawrence Police Officers Association (LPOA) and Local International Fire Fighters Association (IAFF). The 2018 budget also includes funding for a merit pool equivalent to 1% of base salary for all other employees.

The 2018 budget assumes a 7% increase in the City's contribution to employee healthcare as well as statutorily required increases for the City's contribution to the Kansas Public Employees Retirement System (KPERS) and the Kansas Police and Fire Retirement System (KP&F).



Projected
Fund Balance
(General Fund)

25%

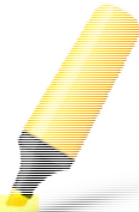
Personnel Changes

- Add 1.0 Technical Support position for body worn cameras (Police)
- Add 0.75 Municipal Court Security position (City Attorney's Office)
- Eliminate 1.0 vacant City Auditor position (City Commission/City Auditor)
- Eliminate 1.0 vacant Code Enforcement position (Planning & Development Services)
- Eliminate 2.0 vacant Solid Waste Loader positions (Public Works)
- Eliminate 1.0 vacant Administrative Support position (Finance-Utility Billing)
- Eliminate 1.0 vacant Communication Manager position (City Manager's Office)
- Eliminate 1.0 vacant Field Service Supervisor (Utilities)
- Eliminate 2.0 vacant Field Service Representatives (Utilities)
- Eliminate 1.0 vacant Golf Pro Assistant (Parks & Recreation)
- Eliminate 1.0 vacant Administrative Support position at Sports Pavilion Lawrence (Parks & Recreation)

2018 Budget

FUND

HIGHLIGHTS



GENERAL OPERATING FUND

- Assumes mill levy rate remains flat at 19.475
- Total Revenues increase \$2,917,000, or 4.0%
- Assessed Valuation increase of 6% or \$37,934,800
- City Sales Tax growth of 2.1% and City share of County Wide Sales Tax growth of 1.9%
- Licenses and Permits growth of 1.8%
- Transfers into the General Fund remain flat for 2018
- Overall, expenditures increasing \$1,324,000, or 1.8%
- Expenditures related to personnel increasing \$1,190,000 due to salary increases for eligible employees and increased benefit costs
- New technical position for Police for body worn cameras and a Municipal Court Security Guard
- Eliminate vacant Code Enforcement position, vacant Communication Manager position and vacant City Auditor position
- Capital outlay decreasing \$359,000 due to capital items being funded by other sources

PUBLIC LIBRARY FUND

- Assumes mill levy rate remains flat at 4.039
- The library mill is capped at 4.5 mills
- Salary and benefits for employees increasing
- Library mill provides 93% of the Lawrence Public Library's total operating budget

BOND AND INTEREST FUND

- Assumes mill levy rate of 9.754, an increase of 1.25 mills required in 2018 for phased construction of a new police facility
- Revenues increasing \$2,634,000
- Funding \$13,134,000 of new General Obligation Debt, bring total outstanding debt to \$114,159,000 as of 12/31/2018

PUBLIC TRANSPORTATION FUND

- Farebox revenues remaining flat at \$435,000
- Contractual Services increasing \$145,000 due to increased contract for service provider, MV Transportation

RECREATION FUND

- Total revenues increasing \$557,000, or 10.3%
- Charges for services increasing \$269,000 due to projected growth in class enrollments and additional classes being offered
- Proceeds from the City's share of Countywide Sales Tax are projected to increase 1.9%
- Expenditures increasing \$537,000 due to increased programming and increased enrollment
- Cost of facility maintenance increasing \$189,000
- Eliminate vacant Administrative Support at Sports Pavilion Lawrence

SPECIAL ALCOHOL FUND

- Proceeds from Liquor Tax projected to increase \$24,000, or 3%
- Moving expenses for mental health co-responder from General Fund beginning in 2018 (Crisis Response Squad)
- Funding for social services agencies will remain flat at \$750,000 and allocations were recommended by the Social Service Funding Advisory Board

SPECIAL GAS TAX FUND

- Revenue from Highway Tax estimated to increase \$28,000, or 1%
- Total expenditures decreasing \$5,000
- Budget includes purchase of equipment including the replacement of three backhoes

SPECIAL RECREATION FUND

- Proceeds from Liquor Tax projected to increase \$24,000, or 3%
- The budget maintains funding for Lawrence Arts Center scholarships at \$30,000
- The budget maintains funding for the Lawrence Cultural Arts Commission at \$49,000

GUEST TAX FUND

- Proceeds from the Transient Guest Tax are projected to increase \$72,000, or 4%
- The budget provides an increase of \$70,000, or 7% to eXplore Lawrence. This is slightly less than their requested amount of \$1,080,000

WATER AND WASTEWATER FUND

- 2018 budget assumes increases for water and wastewater rates, bringing total revenue to \$45,855,000 in 2018
- Expenditures total \$45,451,000 an increase of \$1,559,000, or 3.6%
- Rates were determined by a new rate model and increased 8% for residential users
- An estimated \$630,100 of increase is due to start up and operation for the new Wakarusa River Wastewater Treatment Plant in early 2018
- Increased expenditures can also be attributed to changes to the treatment process at the Clinton Water Treatment Plant
- Eliminated 3 vacant field service positions due to reorganization of function and increased productivity
- Eliminated 1 vacant Administrative Support position

SOLID WASTE FUND

- 3% rate increases for commercial and residential customers for 2018, bringing total revenue to \$13,724,000 in 2018
- Assumes standard residential rate will increase \$0.55 per month
- Eliminated 2 vacant solid waste loader positions due to automation
- \$310,000 increase due to Landfill increases of 3.5% and recycling tip fees increases of 3% in 2018

PUBLIC PARKING FUND

- Total revenues are projected at \$1,734,000 in 2018
- Total expenditures decreased in 2018 which can be attributed to an one-time cost for an engineering assessment completed in 2017
- Primary cost drivers are electricity, service contracts (elevators, alarm monitoring), and equipment for cleaning

STORM WATER UTILITY FUND

- 3% rate increase to the equivalent residential unit (ERU) rate, from \$4.12 to \$4.24, bringing total revenue to \$3,235,000 in 2018
- Pay as you go capital funding is increasing in 2018 as the first major phase of debt infrastructure projects are paid off

PUBLIC GOLF COURSE FUND

- The budget takes into account the continued monitoring of revenues and expenses to balance the operating budget
- Revenues are increasing \$58,000 or 6%
- Expenditures are decreasing \$121,000 or 11%
- Eliminated a vacant Golf Pro Assistant position

BUDGET
PROCESS
CALENDAR

2018 Budget



FEBRUARY

City Departments and
Outside Agencies
submit
Budget and CIP
requests

Budget and Capital Improvement Plan (CIP)
Process Begins

MARCH

CIP presentation to Commission
CIP presentation to Planning Commission

APRIL

The City Manager presents Recommended Budget

MAY

JUNE

If no election is required, the City Commission
establishes maximum expenditure levels and sets date
for public hearing on the Budget.
The City Commission authorizes publication of the
Budget and Notice of Public Hearing

The City Commission holds work sessions
to discuss adjustments to the budget.
The City Commission determines if an
election is required to increase taxes above
property tax lid and notifies County Clerk

JULY

AUGUST

If election is required, a mail ballot election is held
The City Commission adopts the Budget by Ordinance

If no election is required, the City
Commission holds Public Hearing on the
Budget
The City Commission adopts the Budget by
Ordinance

SEPTEMBER

2018 Budget

PERSONNEL SUMMARY

Summary of Personnel Changes

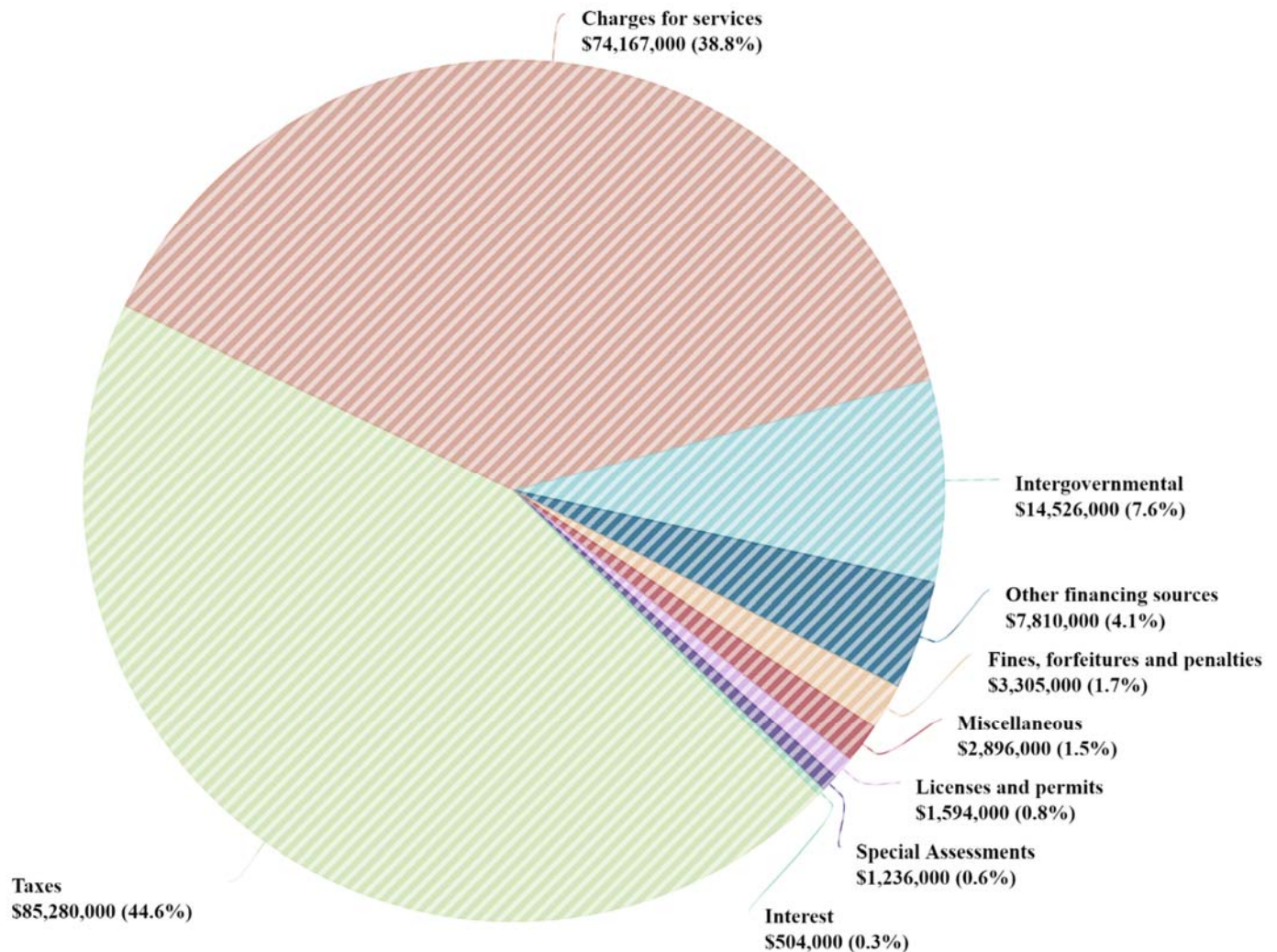
DEPARTMENT	2015 Budget	2016 Budget	2017 Budget	2018 Budget	+/-
City Commission	5	5	5	5	0
City Auditor	1	1	1	0	-1
Office of the City Manager	22	23.5	21.5	20.5	-1
Planning and Development Services	37	37	35.5	34.5	-1
Finance	31.76	30.76	19.76	18.76	-1
Information Technology	10	11	11	11	0
Office of the City Attorney	21.8	21.8	21.8	22.55	0.75
Police	185	185	186	187	1
Fire Medical	143	143	150	150	0
Health Building Maintenance / Health Department	1	1	1	1	0
Public Works*	189.5	189.5	190	188	-2
Parks and Recreation	83.3	83.3	82.3	80.3	-2
Public Transportation	3	3	3	3	0
Utilities	108	110	125	122	-3
TOTAL	841.36	844.86	852.86	843.61	-9.25

*The table includes positions funded through the City's Central Maintenance Garage, an internal service fund.

- Add 1.0 Technical Support position for body worn cameras (Police)
- Add 0.75 Municipal Court Security position (City Attorney's Office)
- Eliminate 1.0 vacant City Auditor position (City Commission/City Auditor)
- Eliminate 1.0 vacant Code Enforcement position (Planning & Development Services)
- Eliminate 2.0 vacant Solid Waste Loader positions (Public Works)
- Eliminate 1.0 vacant Administrative Support position (Finance-Utility Billing)
- Eliminate 1.0 vacant Communication Manager position (City Manager's Office)
- Eliminate 3.0 vacant Field Service positions (Utilities)
- Eliminate 1.0 vacant Golf Pro Assistant position (Parks and Recreation)
- Eliminate 1.0 vacant Administrative Support position at Sports Pavilion Lawrence (Parks and Recreation)

2018 Budget

REVENUES BY CATEGORY



Taxes: Include sales tax, property tax, and franchise fees. Sales tax and property tax are explained further on pages 18-21. Franchise fees are charges to allow utilities to provide services within the city and to locate within the public right-of-way.

Charges for Service: These are charges for city services such as water, sewer, sanitation collection, and parking.

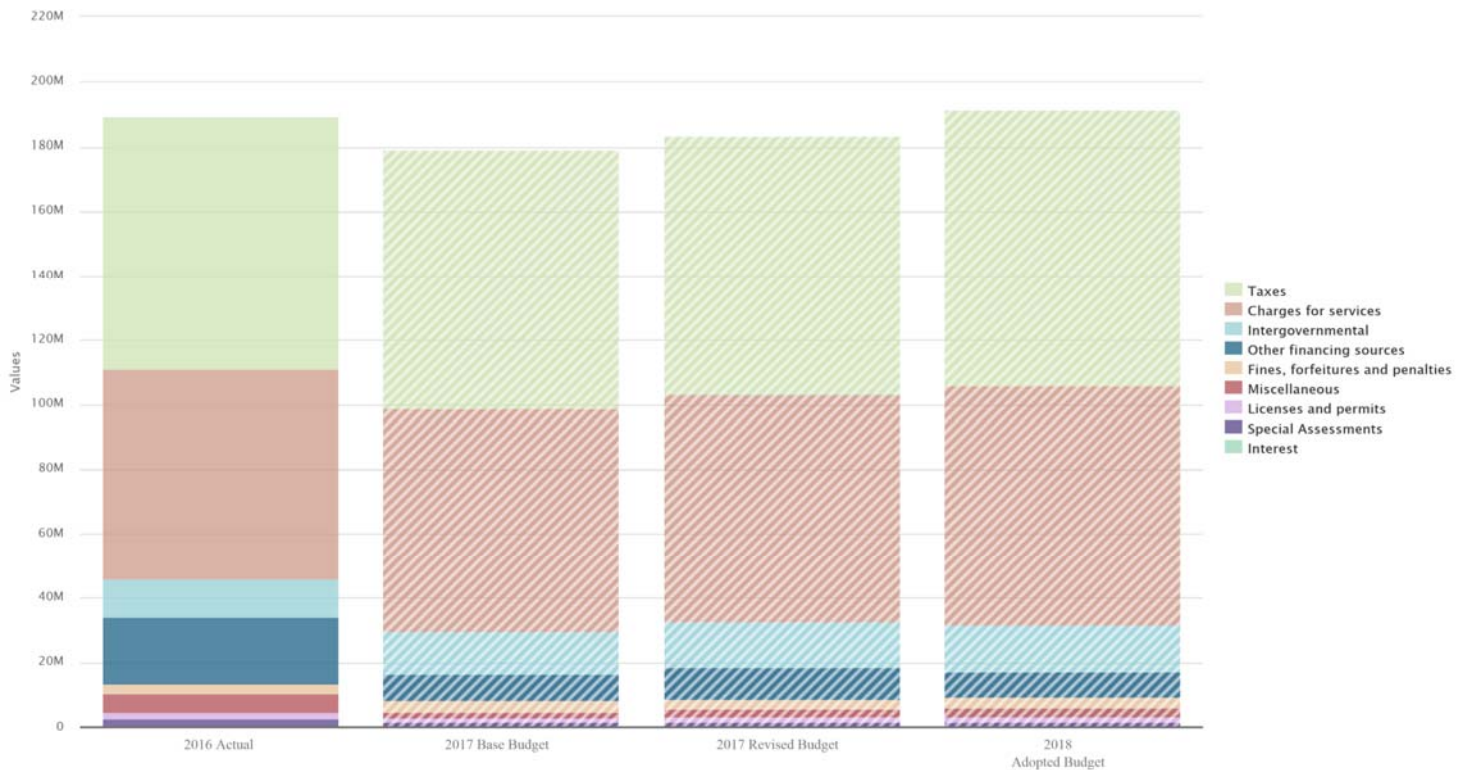
Intergovernmental: These revenues are grants or distributions received from other government entities such as the distribution from the countywide sales tax as well as statutory transfers from the State.

For additional information on all revenues and expenditures, please view the [online 2018 budget report](#).

2018 Budget

REVENUE HISTORY

REVENUE HISTORY

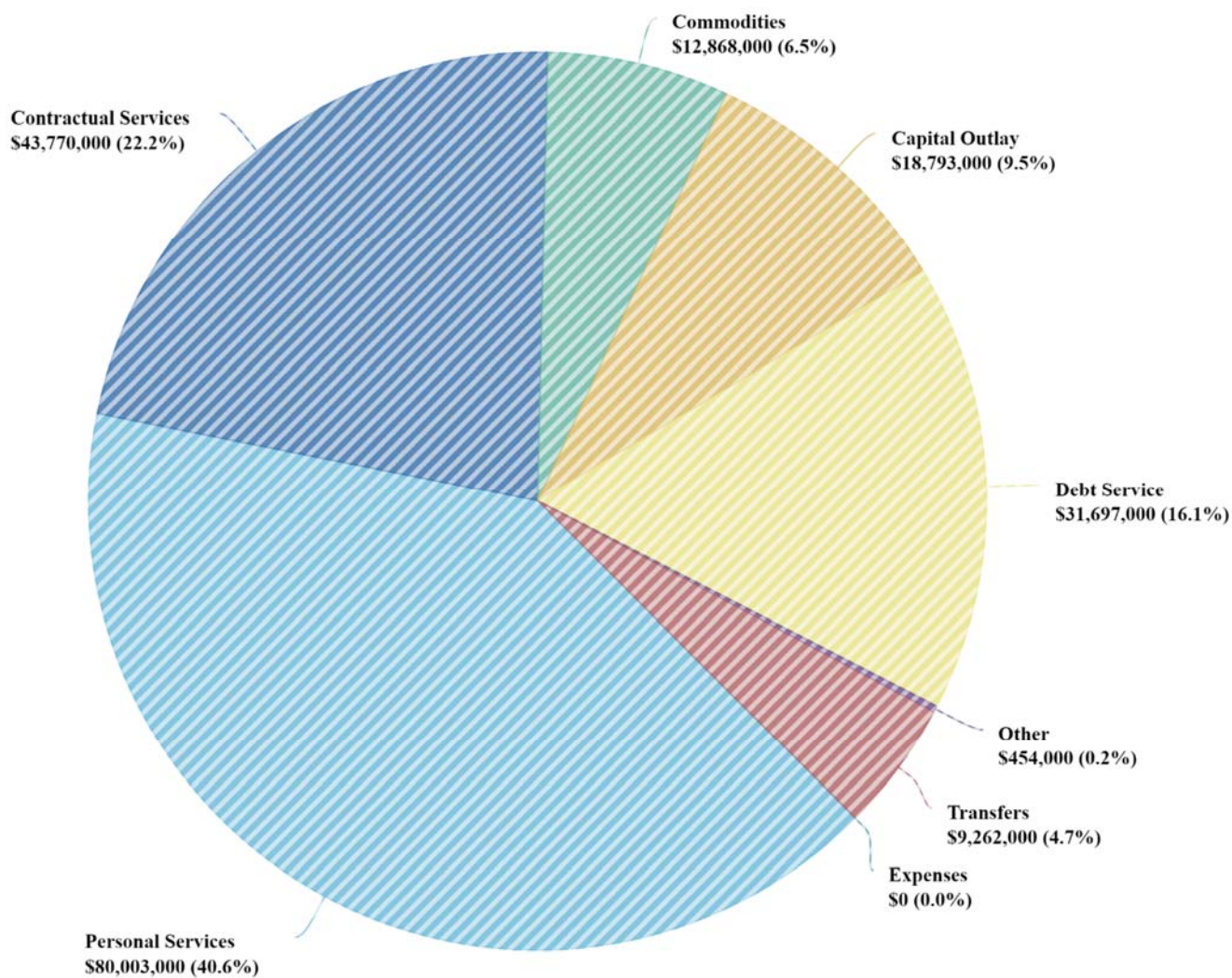


Fiscal Year

Class	2016 Actual	2017 Base Budget	2017 Revised Budget	2018 Adopted Budget
Taxes	\$ 78,237,845	\$ 80,353,600	\$ 80,100,000	\$ 85,280,000
Charges for services	65,380,464	69,017,700	70,603,000	74,167,000
Intergovernmental	11,816,169	13,125,300	14,091,000	14,526,000
Other financing sources	20,366,464	8,169,600	9,649,000	7,810,000
Fines, forfeitures and penalties	3,065,081	3,823,000	3,292,000	3,305,000
Miscellaneous	5,825,072	1,614,000	2,338,000	2,896,000
Licenses and permits	1,912,167	1,484,100	1,609,000	1,594,000
Special Assessments	2,024,657	1,157,000	1,165,000	1,236,000
Interest	780,235	442,200	511,000	504,000
Total	\$ 189,408,154	\$ 179,186,500	\$ 183,358,000	\$ 191,318,000

2018 Budget

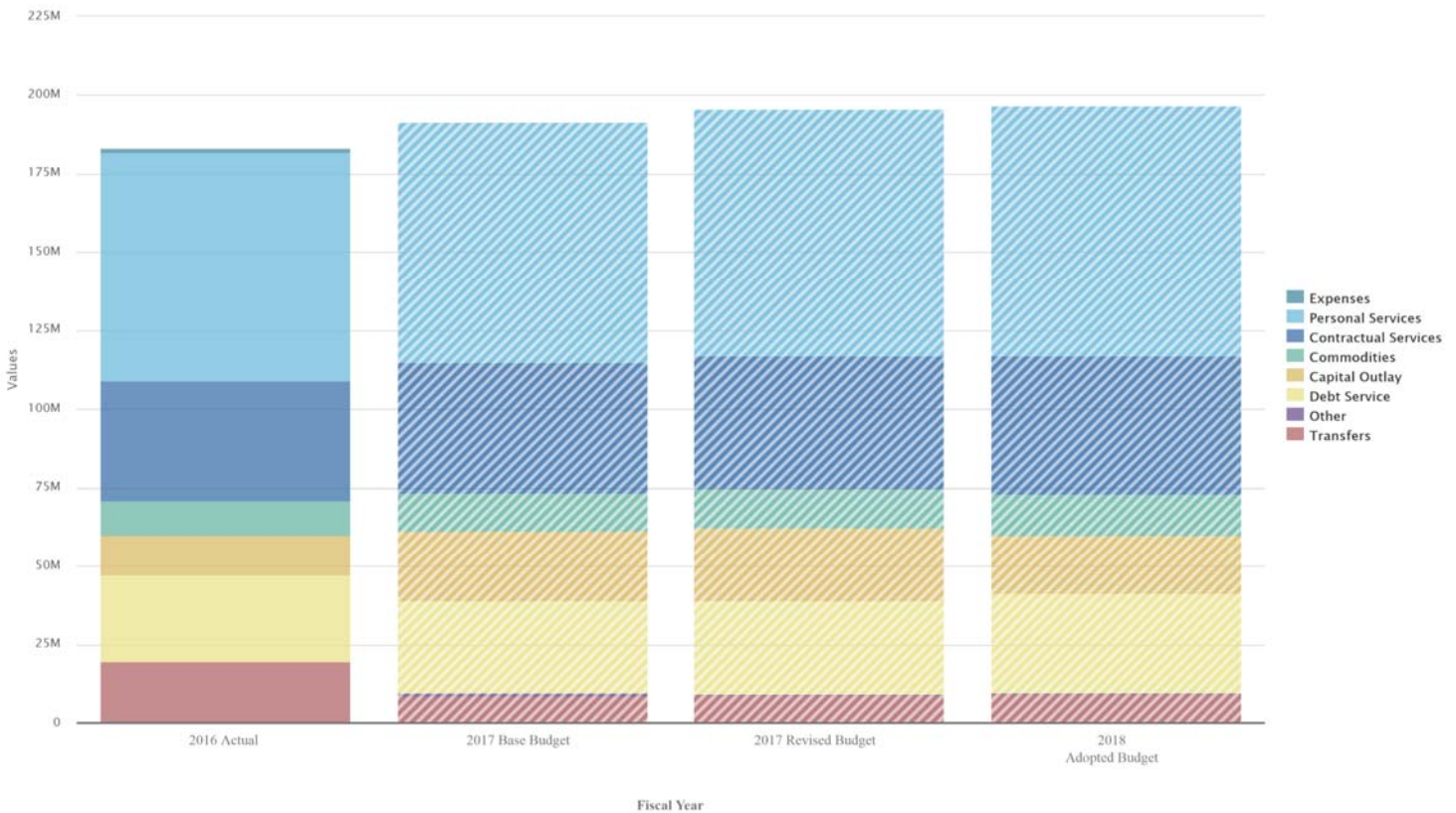
EXPENDITURE BY CATEGORY



For additional information on all revenues and expenditures, please view the [online 2018 budget report](#).

2018 Budget EXPENDITURE HIGHLIGHTS

EXPENDITURES HISTORY



FUND OVERVIEW

2018 Budget

Fund	2016 Actual	2017 Base Budget	2017 Revised Budget	2018 Adopted Budget
(001) General	\$68,960,852	\$72,226,200	\$73,881,000	\$75,205,000
(201) Airport Improvement Fund	0	81,000	170,000	20,000
(202) Capital Improve Reserve	11,822,443	8,500,000	11,595,000	6,481,000
(205) Equipment Reserve Fund	4,113,817	199,500	100,000	2,025,000
(206) Guest Tax Fund	1,885,801	2,157,600	2,239,000	2,217,000
(207) Guest Tax Reserve Fund	149,334	0	0	0
(209) Library Fund	3,750,000	4,033,700	4,131,000	4,233,000
(210) Transit Fund	3,123,293	5,820,200	5,946,000	5,135,000
(211) Recreation	5,413,579	5,676,800	5,495,000	6,032,000
(212) Sales Tax Reserve	6,589,968	0	0	0
(213) Special Alcohol Fund	755,251	750,000	750,000	816,000
(214) Special Gas Tax Fund	2,595,388	3,001,700	2,935,000	2,922,000
(216) Special Recreation Fund	714,659	769,100	770,000	773,000
(231) Free State TDD	245,863	160,300	256,000	261,000
(232) Oread TDD/TIF	0	572,300	1,597,000	583,000
(233) 9 NH South TDD/TIF	422,280	530,800	618,000	516,000
(234) 9 NH North TDD/TIF*	0	370,000	40,000	40,000
(235) 901 NH TIF	28,085	28,100	28,000	29,000
(251) 720 LLC NRA	13,617	14,200	14,000	14,000
(252) 1040 Vermont LLC NRA	29,718	28,500	29,000	30,000
(253) 810/812 Penn NRA	25,620	26,600	27,000	28,000
(254) 1106 Rhode Island Street NRA*	0	20,000	20,000	20,000
(255) 900 Delaware*	0	35,000	35,000	35,000
(256) 1101 Indiana (HERE)*	0	65,000	25,000	27,000
(601) City Parks Memorial Fund	29,978	0	38,000	66,000
(604) Farmland Remediation	843,730	497,800	497,000	1,506,000
(605) Cemetery Perp Care Fund	84,471	5,000	3,000	0
(606) Cemetery Mausoleum Fund	0	0	4,000	0
(607) Housing Trust Fund	200,000	300,000	380,000	301,000
(611) Outside Agency Grants	3,213,756	4,015,200	4,020,000	4,119,000
(612) Wee Folks Scholarship	43,807	50,000	50,000	50,000
(621) Fair Housing Grant	28,401	11,800	30,000	199,000
(631) Community Development	661,730	917,100	761,000	758,000
(633) Home Program Fund	321,267	532,900	331,000	330,000
(641) Transportation Planning	357,611	262,900	265,000	262,000
(652) Law Enforcement Trust Fund	84,530	80,000	80,000	50,000
(301) Debt Service	10,813,968	12,195,000	12,345,000	14,066,000
(501) Water & Sewer Fund	38,383,584	43,619,000	43,892,000	45,451,000
(502) Solid Waste Fund	11,692,845	12,417,000	12,515,000	13,558,000
(503) Public Parking System	1,187,320	1,583,000	1,738,000	1,481,000
(505) Storm Water Utility	2,667,240	3,791,200	4,302,000	3,215,000
(506) Golf Course	774,684	946,200	1,114,000	993,000
(552) Utilities-NonBonded Construction	1,121,963	2,500,000	2,500,000	3,000,000
(562) Sanitation-NonBonded	161,187	2,700,000	0	0
Total	\$183,311,640	\$191,490,700	\$195,566,000	\$196,847,000

*Updated March 13, 2018

2018 Budget

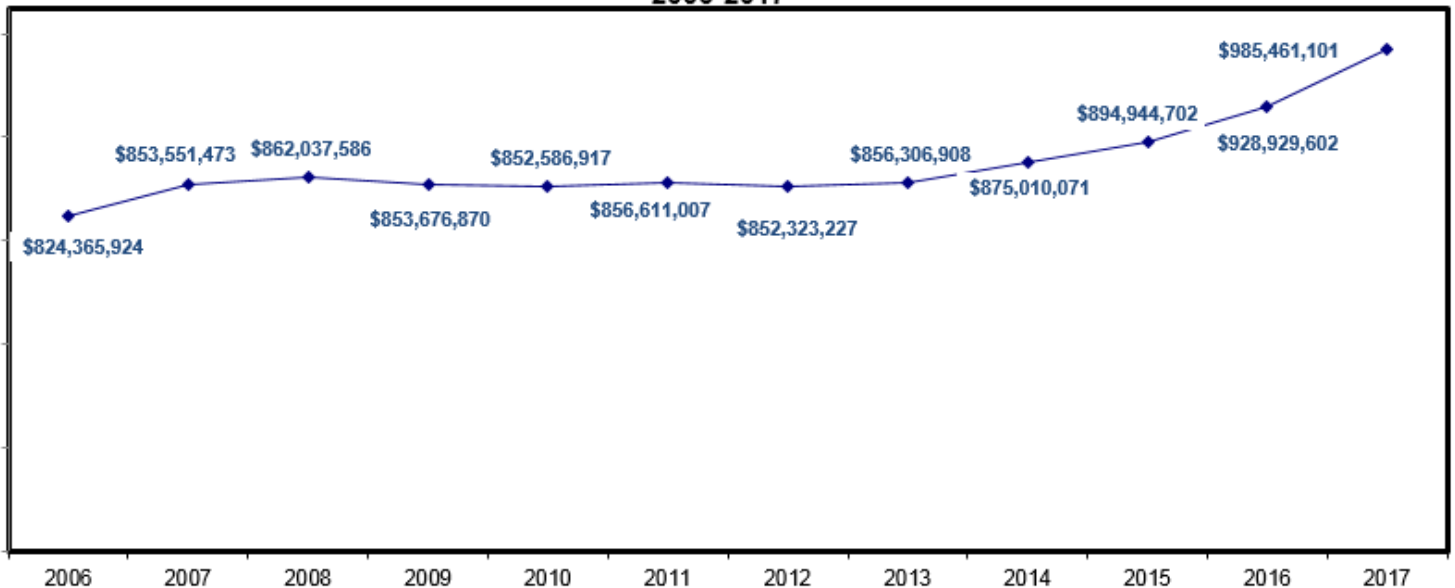
PROPERTY TAX OVERVIEW

Computation of Ad Valorem Tax Requirements and Mill Levy

2017 Estimated Assessed Valuation for 2018 Budget: \$985,461,101

FUND NUMBER	FUND	2017 REQUIREMENTS	2.6% DELINQUANT TAXES	AD VALOREM TAX AMOUNT	MILL RATE
Property Tax Levy Funds					
001	General Operating	19,192,000	502,830	18,689,000	19.475
209	Library	3,980,000	103,082	3,877,000	4.039
	<i>Sub Total Property Tax Levy Funds</i>	23,172,000	605,912	22,566,000	23.514
Supplemental Tax Levy Funds					
301	Bond and Interest	9,612,000	251,834	9,360,000	9.754
	<i>Sub Total Supplemental Tax Levy Funds</i>	9,612,000	251,834	9,360,000	9.754
	GRAND TOTAL	32,784,000	857,747	31,926,000	33.268

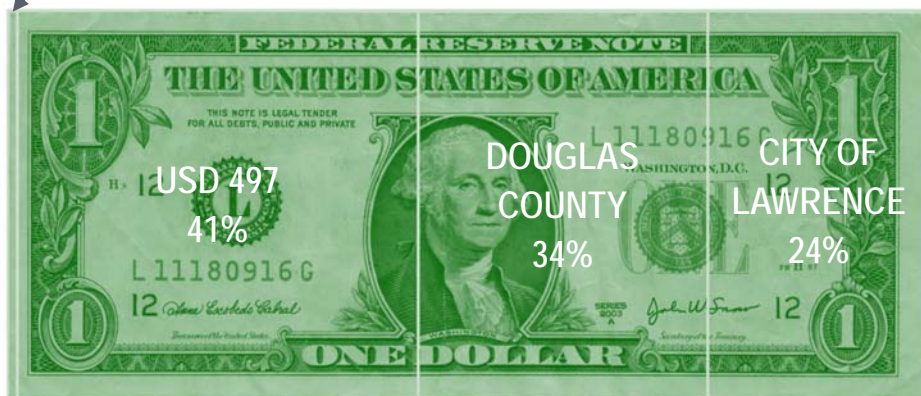
City of Lawrence
Assessed Valuation
2006-2017



PROPERTY TAX OVERVIEW

2018 Budget

STATE OF KANSAS - 1%



The City of Lawrence receives less than 25% of the property taxes paid by a Lawrence resident. Nearly half of property taxes go to the School District (USD #497). Douglas County receives approximately 34% and the State of Kansas receives one percent.

How to Calculate Your City Tax Bill



1

Determine the assessed valuation for your residential property by multiplying the fair market value of your home by 11.5%*:

$$\begin{array}{rcl} \text{Market Value of Home} & = & 225,000.00 \\ & & \times 11.50\% \\ \hline \text{Assessed Valuation} & = & \$25,875 \end{array}$$

2

Multiply your assessed valuation by the mill rate levied by the City for 2018:

$$\begin{array}{rcl} \text{Assessed Valuation} & & \$25,875 \\ \times \text{City Mill Rate} & \times & 33.268 \\ \hline & & \$860,809.10 \end{array}$$

3

Divide by 1,000. The result is your estimated City tax liability:

$$\$860,809.10 / 1,000 = \$860.81$$

*Commercial Property is assessed at 25%

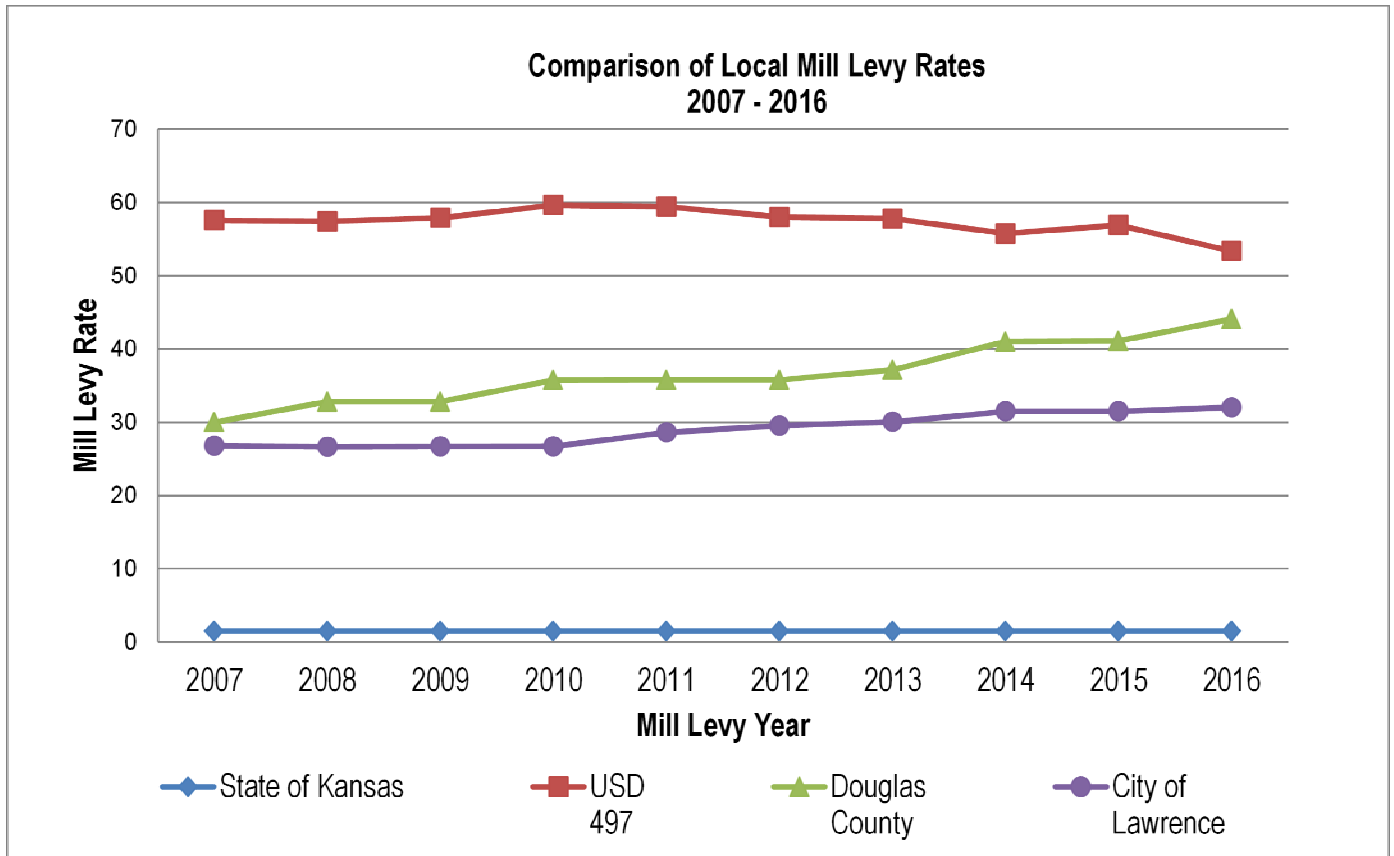
Estimated 2018 City Property Tax

Fair Market Value	Assessed Value	Est. City Tax Bill
100,000	11,500	383
125,000	14,375	478
150,000	17,250	574
175,000	20,125	670
200,000	23,000	765
225,000	25,875	861
250,000	28,750	956
275,000	31,625	1,052
300,000	34,500	1,148
350,000	40,250	1,339
400,000	46,000	1,530
450,000	51,750	1,722
500,000	57,500	1,913
600,000	69,000	2,295
800,000	92,000	3,061
1,000,000	115,000	3,826

The table above shows that for residential property, the 2018 City tax bill equates to approximately \$3.83 for each \$1,000 of the fair market value (fmv). For commercial property, it equates to approximately \$8.32 for each \$1,000 of fmv.

2018 Budget

PROPERTY TAX OVERVIEW



Total Mills Levied by All Units

Levy Year	State of Kansas	USD 497	Douglas County	City of Lawrence	Total
2007	1.500	57.562	29.995	26.787	115.844
2008	1.500	57.399	32.820	26.647	118.366
2009	1.500	57.894	32.803	26.693	118.890
2010	1.500	59.646	35.748	26.697	123.591
2011	1.500	59.438	35.773	28.612	125.323
2012	1.500	58.005	35.769	29.534	124.808
2013	1.500	57.788	37.152	30.042	126.482
2014	1.500	55.752	41.010	31.474	129.736
2015	1.500	56.906	41.098	31.488	130.992
2016	1.500	53.360	44.092	32.018	130.970

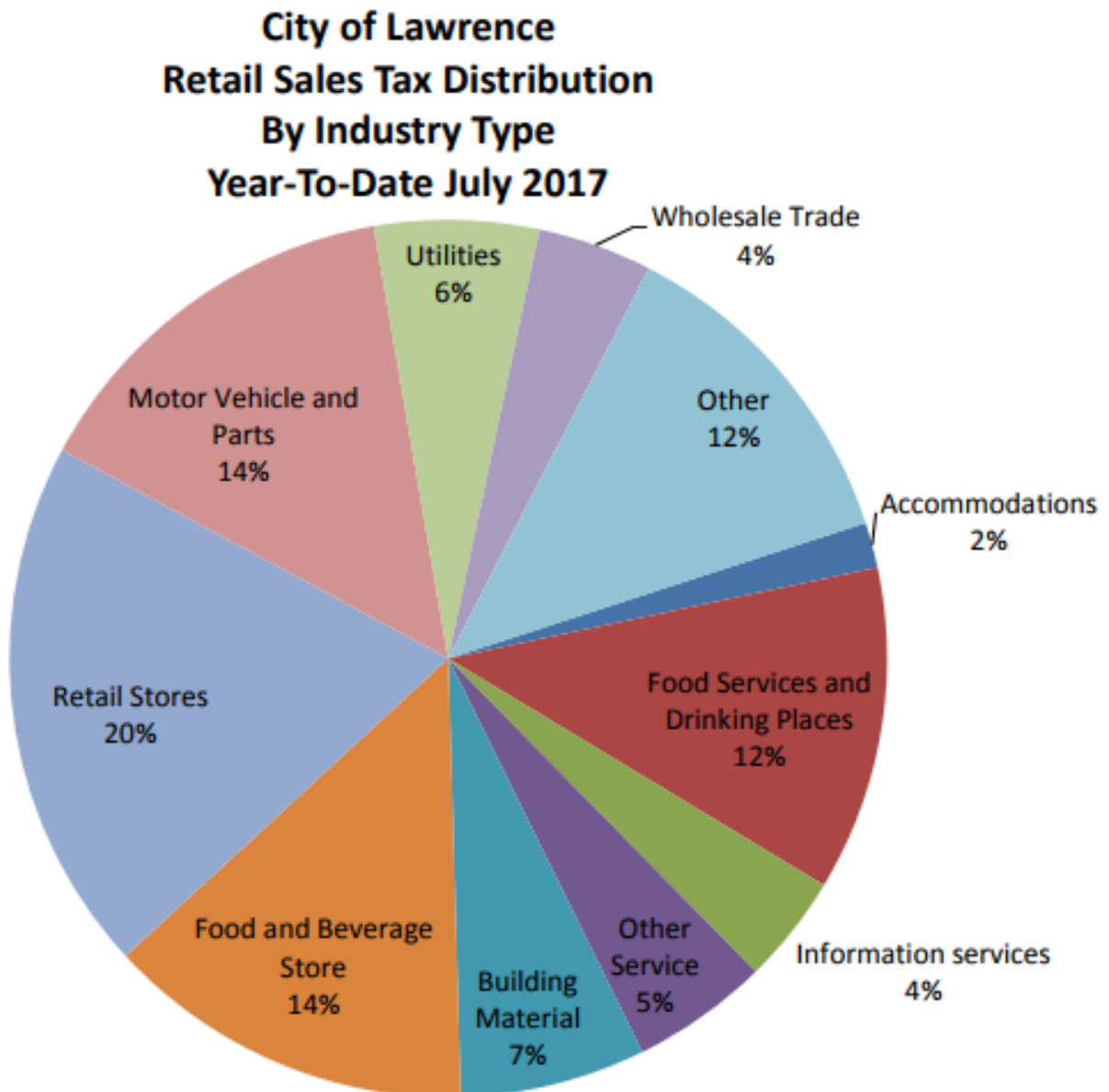
City Mill Levy

Tax Levy	2013	2014	2015	2016	2017
General Operating Fund	18.017	19.219	19.227	19.475	19.475
Debt Service	8.513	8.500	8.504	8.504	9.754
Library	3.512	3.755	3.757	4.039	4.039
Total	30.042	31.474	31.488	32.018	33.268

The levy year is the year in which the mill levy is adopted. That mill levy is used to levy taxes for the budget for the following year. For example, a mill levy was set in 2017 (levy year) for the 2018 budget.

2018 Budget

Where do sales tax revenues come from? The chart below shows the retail sales tax distribution by industry type. These percentages are year-to-date through July 2017.

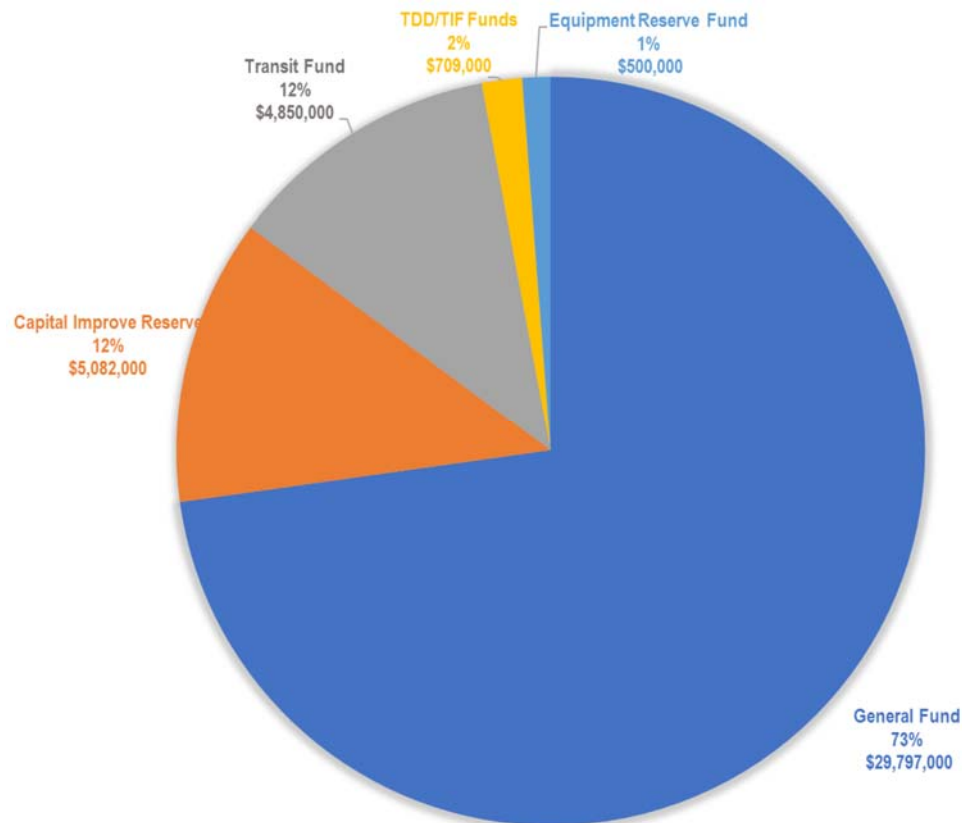


For additional information on sales tax, please view the [monthly sales tax reports](#).

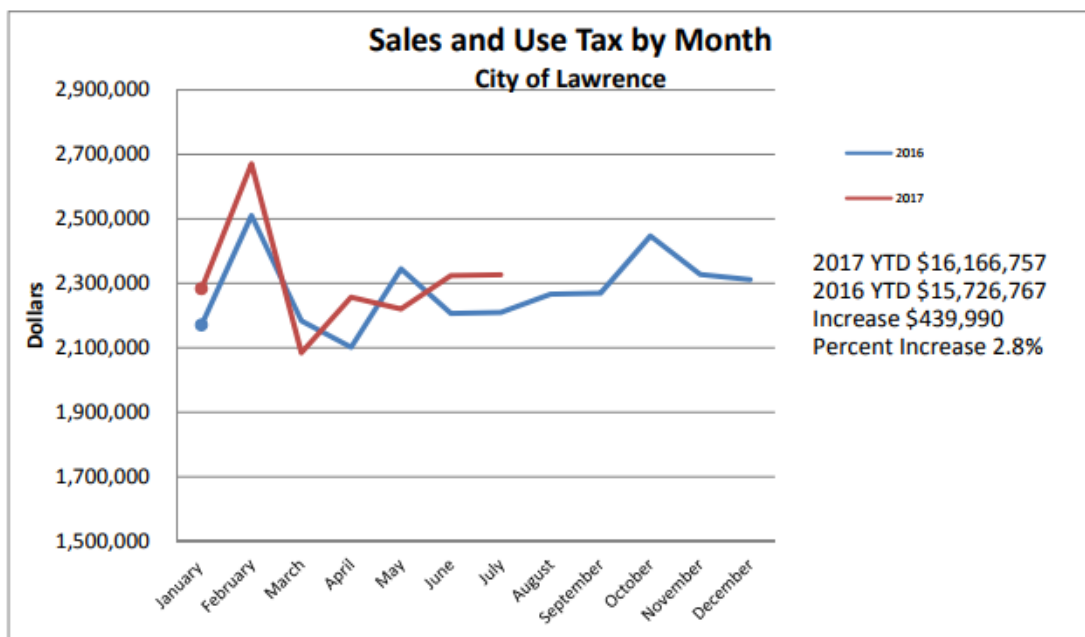
2018 Budget

SALES TAX OVERVIEW

Where do sales tax revenues go? The 2018 estimated sales tax revenues of \$40,938,000 is shown below. The chart indicates which funds those revenues will be distributed into.

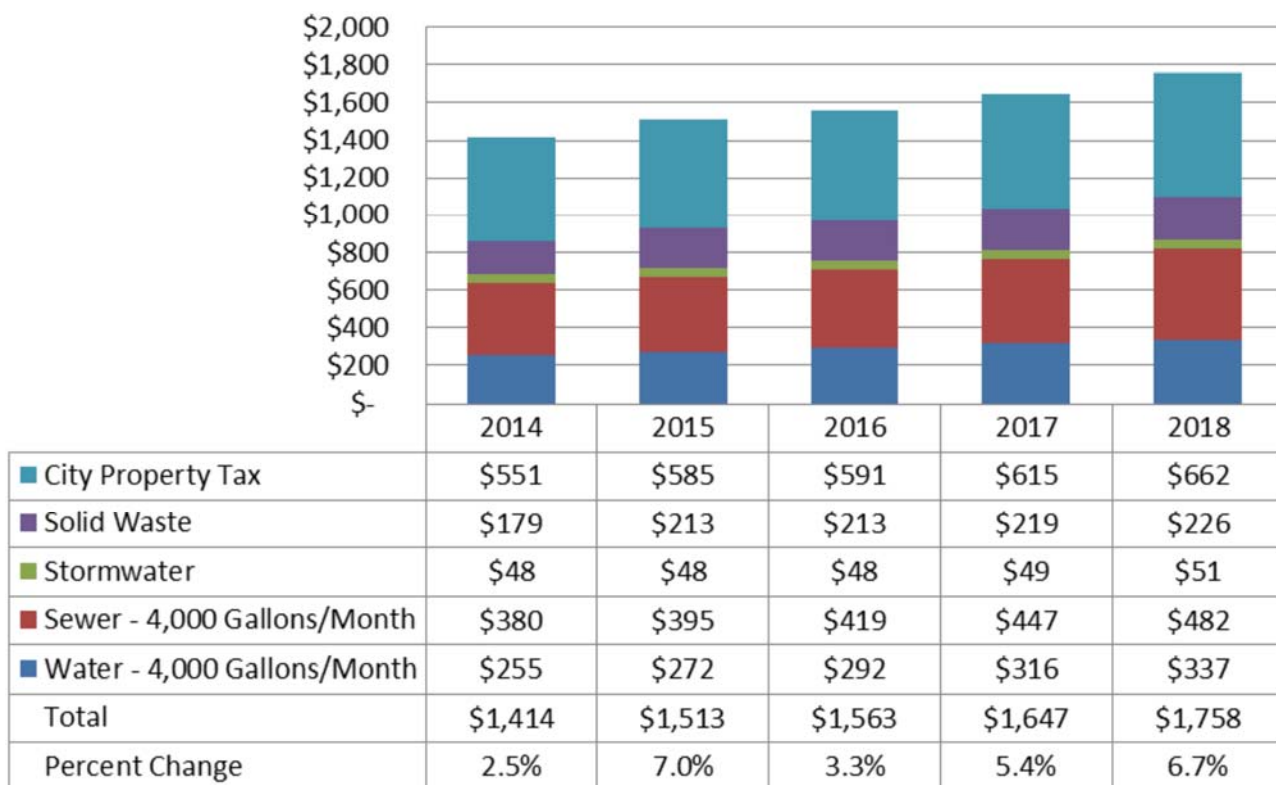


Year-to-date Sales Tax Trends through July 2017



2018 Budget

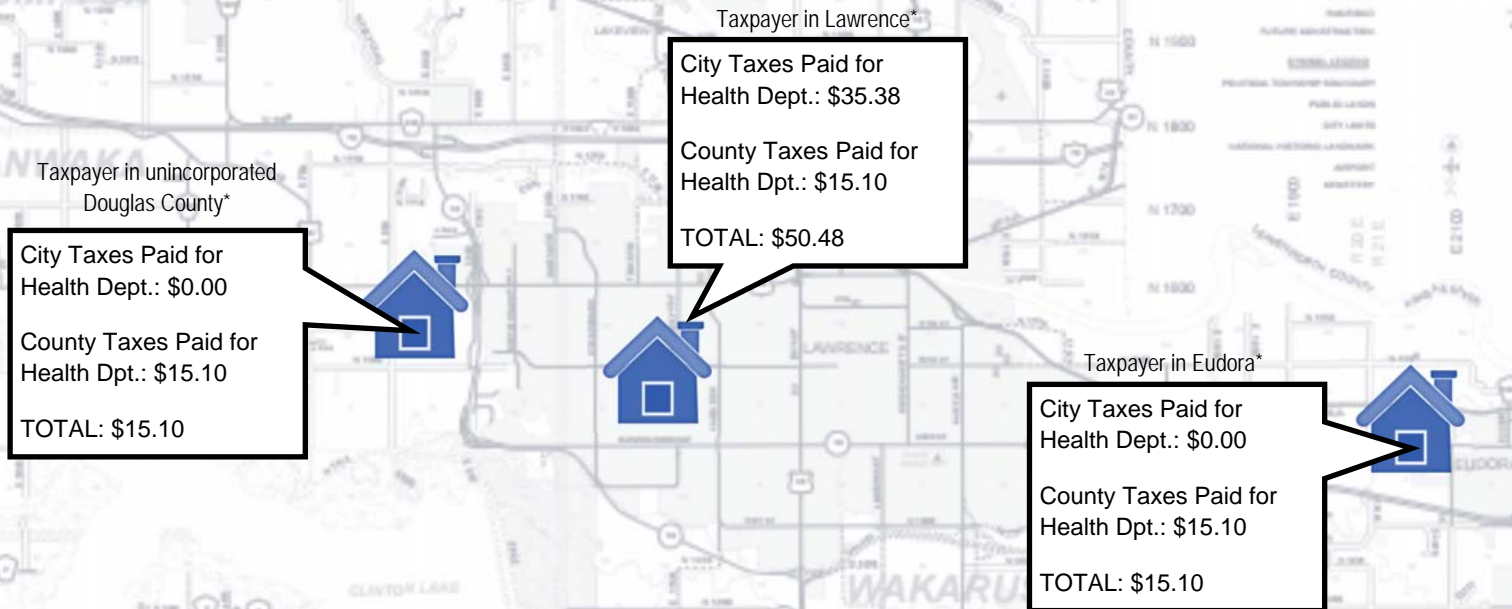
Annual Financial Impact to Residential Households



This table shows the impact of the increase in property taxes and City utility rates for 2018. Property tax calculation is based on the median value of a home \$173,100. The average ratepayer will pay \$111 more for City services than in 2017. This is an increase of 6.7%.

2018 Budget

TAXPAYER EQUITY



Taxpayer Equity in Douglas County

There are a number of items included in the City budget for services funded through agreements with Douglas County. Not all of these arrangements have been established by formal agreements and it has been some time since some of these agreements have been reviewed.

In some instances the other cities in Douglas County are receiving services without providing any financial support. As a result, taxpayers in the City of Lawrence are paying more for the same service than taxpayers in other cities and unincorporated Douglas county.

For instance the City and County together pays for 43% of the total operating costs for the Lawrence

Douglas County Health Department. The cities of Eudora, Baldwin City and Lecompton do not pay towards the operations of the department, despite their residents also being served since they are located within Douglas County. Because Lawrence residents are also residents of Douglas County they are in effect paying more. Once through their city taxes and again through their county taxes.

This means Lawrence taxpayers actually pay for 68% of the Health Department costs while non-Lawrence residents and businesses in Douglas County only pay 32%.

The City manager recommends reviewing these agreements. Not in order to reduce the amount of funding going to these services, but to share the cost of providing them more equitably across all taxpayers in Douglas County.

* Assumes taxpayer owns a \$225,000 house

UNFUNDED REQUESTS

2018 Budget

UNFUNDED DEPARTMENT REQUESTS

Partially Funded, Unfunded, or Reduced Budget Requests	Amount
<u>All Departments</u>	
Merit Pool Reduced to 1% (previously budgeted at 3%)	200,000
Longevity Reduced by 50% to 24/year from 48/year	279,500*
Citizen Survey	30,000
Unfunded Capital Improvement Projects	6,109,500
<u>City Manager's Office</u>	
Requested 0.5 FTE in Human Resources Division	35,000
Reclassification in Risk Management Division	7,800
<u>Information Technology</u>	
Requested 1.0 FTE Network Technician	67,000
<u>Police</u>	
Requested 1.0 FTE Deputy Chief of Police	163,355
Requested 1.0 FTE Internal Audit Sergeant	138,971
Requested 1.0 FTE Mental Health Squad Police Officer	84,512
Requested Patrol Vehicles	57,600
Reduced funding for Overhires	208,000
Delay hire for 6 months: Technical Support Position for Implementation of Body Worn Cameras	66,000
<u>Fire Medical</u>	
Requested 1.0 FTE Administrative Support	52,000
Requested 3.0 FTEs Battalion Chief	432,000
Requested 3.0 FTEs Firefighter	210,000
Requested 1.0 FTE Inspector/Plan Reviewer Lieutenant	123,000
Requested Neighborhood Smoke Alarm Campaign	20,000
Vehicle Replacement	30,000
<u>Parks and Recreation</u>	
Reduced General Fund Capital Improvement Projects	350,000
<u>Total</u>	8,664,238

*Longevity was placed back in the 2018 budget to comply with language in the Memorandum of Understanding with the Police and Fire unions. However November of 2018, when the City Commission considers making the longevity payment, the City Manager will recommend funding at the rate of \$24/year for eligible employees.

STRATEGIC PLAN

2018 Budget

Strategic Plan



The City Manager and City Commission identified the development of a Strategic Plan for the City of Lawrence as a key priority. The Mayor, City Commissioners, City Manager and senior city staff members participated in a two-day Strategic Planning Retreat in January of 2017 to establish a framework for the City's Strategic Plan. The retreat was facilitated by The Novak Consulting Group. The framework, which includes a Vision Statement and seven Critical Success Factors that are essential to achieving that vision in the future, was adopted by the Commission in March of 2017.

What Is a Strategic Plan?

A Strategic Plan is a document that outlines a systematic process for moving toward a vision in a manner that involves the development and prioritization of strategic goals along with measurable strategies and objectives.

In addition to the Critical Success Factors, the City Commission established eight priority initiatives to accomplish over the next two years. Progress reports will be provided three times each year.

Why Is a Strategic Plan Necessary?

The City regularly uses planning tools like the Comprehensive Plan to guide the City's growth in housing, transportation and land use. A Strategic Plan, when combined with other planning documents and community feedback, sets a clear path for moving a community forward. If the Strategic Plan is used accordingly, the plan will drive the budget discussions each year and ensure that projects, programs and services are aligned with the Strategic Plan's set goals and outcomes. Now that the Strategic Plan is complete, a comprehensive set of performance measures have been developed which ensures public funds are being used to meet community goals and priorities.

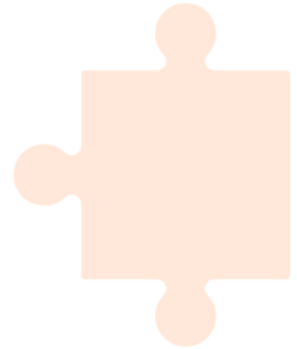
2018 Budget

PRIORITY INITIATIVES

Priority Initiatives

The City Commission identified the following priority initiatives for the next two years:

- Inventory and evaluate the role of existing advisory boards and commissions, identify opportunities to consolidate or sunset as appropriate, and adopt consistent operating guidelines
- Review City's practices for ongoing professional development and align efforts to achieve excellence around the Commission's priorities
- Identify barriers to having high-speed fiber throughout Lawrence and facilitate the development of the necessary infrastructure by the private sector
- Review 9th Street plans and develop a proposal to complete the road infrastructure and determine ability to add creative and artistic elements
- Develop a City facility master plan and comprehensive facility maintenance plan
- Develop a plan to implement priority based budgeting and enhance communication in the annual budget process
- Develop and communicate a long-term financial strategy
- Develop a master plan for downtown that includes needed and desirable assets, infrastructure, and uses



Critical Success Factors

The City Commission identified seven critical success factors which must go right to have a successful community. More information on each can be found on the following pages.



EFFECTIVE GOVERNANCE AND
PROFESSIONAL ADMINISTRATION



SAFE, HEALTHY AND WELCOMING
NEIGHBORHOODS



INNOVATIVE INFRASTRUCTURE AND
ASSET MANAGEMENT



COMMITMENT TO CORE
SERVICES



SOUND FISCAL STEWARDSHIP



COLLABORATIVE SOLUTIONS



ECONOMIC GROWTH AND
SECURITY



Effective Governance and Professional Administration

The City effectively and collaboratively plans and prioritizes in a transparent manner to efficiently move the community forward. We clearly communicate, and boldly and professionally implement using sound leadership and relevant best practices.



The City of Lawrence was selected by Livability.com as one of the Top 100 Best Places to Live in 2017.



In 2016, the City of Lawrence became the first City in Kansas to earn a Four STAR sustainability certification. This framework will be used in tandem with the Strategic Plan to track the City's performance and progress toward meeting our organizational goals.

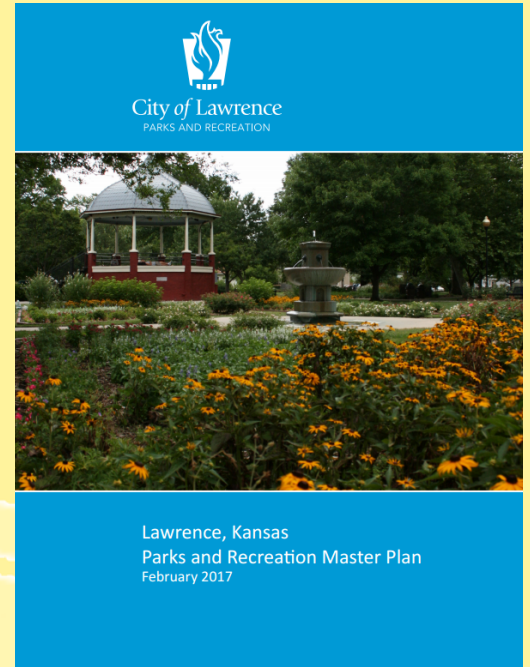


The City Commission completed a strategic plan in 2017. The plan includes eight priority initiatives for the next two years.

Funding related to this critical success factor in the 2018 budget includes:

- \$110,000 for development of a downtown master plan
- \$60,000 for implementation of a facility assessment management system
- \$71,000 for increased rent to create a One Stop Shop, consolidating planning and development services, as well as relocate the Municipal Court

- 46% of citizen survey respondents are “very satisfied” or “satisfied” with the effectiveness of City communication
- 62% of citizen survey respondents are “very satisfied” or “satisfied” with the availability/timeliness of info provided by the City



The Lawrence Parks and Recreation Comprehensive Master Plan was completed in April 2017, which will provide guidance for the department for the next decade.

One of the priority initiatives of the City Commission is to develop a master plan for Downtown that includes needed and desirable assets, infrastructure, and uses. The 2018 budget includes \$110,000 for a Downtown Master Plan from the Guest Tax Fund.



In 2017, the City of Lawrence received a “Silver” designation from the national **Walk Friendly Communities** program. Sponsored by FedEx and managed by the University of North Carolina Highway Safety Research Center (HSRC) since 2010, the program distinguishes communities leading the way in walkability.



Funding related to this critical success factor in the 2018 budget includes:

- \$1,365,000 for Social Service agencies
- \$300,000 in bond proceeds for Affordable Housing
- Community Development Programs (CDBG/HOME) (subject to federal budget approval)
- \$5,389,000 budgeted for parks
- \$450,000 for sidewalk, bike, pedestrian, and ADA ramp improvements





Safe, Healthy and

Welcoming Neighborhoods

All people in Lawrence live in neighborhoods that provide opportunities to lead a healthy lifestyle through good neighborhood design with access to safe and affordable housing and other services that help them meet their basic needs. The diverse and unique features of our neighborhoods are celebrated, creating a stronger community as a whole.

- 43% of citizen survey respondents feel “very safe” or “safe” riding a bicycle in Lawrence
- 32% of citizen survey respondents are “very satisfied” or “satisfied” with the quality of the City’s planning/code enforcement
- 76% of citizen survey respondents feel “very safe” or “safe” walking in their neighborhood after dark
- 87% of citizen survey respondents are “very satisfied” or “satisfied” with the livability of their neighborhood
- 1,595 code enforcement cases were closed in 2016



In 2017, the City provided funding for the Market Match program, which allows people to use their SNAP dollars at local farmers’ markets, increasing access to healthy food.



In 2017, construction was completed on an **Affordable Housing Demonstration Project**. The project used \$100,000 of funds from the City’s Affordable Housing Trust Fund to leverage an additional \$350,000 to construct two detached family-size rental properties and one home that will be sold to a Habitat for Humanity family.

Innovative Infrastructure and Asset Management



The City of Lawrence has well-maintained, functional and efficient infrastructure, facilities and assets, and supports accessible, sustainable transportation options. We are innovative and forward thinking to meet community needs while preserving our natural and historic resources.

The 2018 budget includes \$30,000 for operations and maintenance of the newly acquired Santa Fe Depot. This historic depot, which opened in 1956, is a prime example of Mid-Century Modern architecture and is a stop on Amtrak's Southwest Chief. (Photo Credit: Jeff Carlson)



KWEA Kansas Water
Environment
Association



In 2017, the City of Lawrence received a Bronze Award from the League of American Bicyclists for being a bicycle friendly community.

Last year, the City of Lawrence received the following awards from the Kansas Water Environment Association (KWEA):

- Collection Systems Award
- Wastewater Treatment Plant Operation and Maintenance Award
- Biosolids Award



In 2018, the Wakarusa River Waste Water Treatment Plant will become operational. See above for a mid-construction photo. This will be the second waste water treatment plant to service the City of Lawrence.

Funding related to this critical success factor in the 2018 budget includes:

- Additional funding for operations and maintenance of the newly acquired Santa Fe Depot
- \$9.1M for operations and capital for the Public Transit system
- \$7.3M for street maintenance divisions (includes personnel and materials) and \$3.1M budgeted in the CIP for contracted street maintenance
- Continued funding of the EcoFlow Rapid Rainwater Reduction Program
- Increased funding for implementation of the multi-year Emerald Ash Borer management plan



One of the priorities of the City Commission is to review 9th Street plans and develop a proposal to complete the road infrastructure and determine ability to add creative and artistic elements. The 2018 budget includes \$2.5M for improvements to East 9th Street, from New Hampshire to Pennsylvania. This represents a basic street and pedestrian/bike improvement project.

One of the priority initiatives of the City Commission is to develop a City facility master plan and comprehensive facility maintenance plan. The 2018 budget includes funding in the City's Capital Improvement Reserve Fund for a facility assessment.



- 19% of lane miles have a Pavement Condition Index (PCI) rating of very poor or poor
- 52% of citizen survey respondents are "very satisfied" or "satisfied" with the condition of major City streets
- 61% of citizen survey respondents are "very satisfied" or "satisfied" with the value they receive for water/wastewater utility rates





The National Association of Clean Water Agencies (NACWA) awarded the City of Lawrence the Platinum Level

Peak Performance Award in 2016. This award recognizes member agency facilities for excellence in permit compliance. The Platinum Level award recognizes 100% compliance with permits over a consecutive 5 year period.



Funding related to this critical success factor in the 2018 budget includes:

- **\$1.5M for increased salary and benefits for City employees**
- **\$2,193,000 for water and wastewater maintenance**
- **\$49,000 for a security guard position at Municipal Court**
- **\$450k for purchase of body worn cameras for the Police Department**
- **\$700k for construction of a new burn training tower for Fire Medical**





Commitment to Core Services

Core municipal services reflect legal mandates and the City's commitment to meet health, safety and welfare needs and maintain assets while adapting service levels to meet evolving community expectations.



In 2017, the City's Public Works Department and Information Technology Department will support 7,499 fiber strand miles. One of the priority initiatives identified by the City Commission for 2018 is to identify barriers to high-speed fiber throughout Lawrence and facilitate the development of the necessary infrastructure by the private sector.

- 89% of citizen survey respondents are "very satisfied" or "satisfied" with the quality of police, fire, and EMS
- 93% of citizen survey respondents are "very satisfied" or "satisfied" with residential trash services
- Average crime clearance rate of 40%
- Property crime rate per 100,000 population is 3,324
- Violent crime rate per 100,000 population is 342
- Current Insurance Services Office (ISO) rating is 1



Vice Mayor Stuart Boley spends time learning from hardworking solid waste loaders. In 2017, the solid waste division of Public Works will serve over 30,000 residential accounts.

The City established a new page with investor information in 2017. The 2018 budget assumes total outstanding General Obligation (G.O.) debt will be approximately \$119M as of 12/31/17. The 2018 Capital Improvement Plan (CIP) assumes \$12.1M of additional GO debt will be issued.

The City provides easy access to relevant, accurate data for budgeting and decision making. Decisions are made by prioritizing across all government services considering needs, balanced with available resources, using fiscal policies based on industry best practices to ensure decisions reflect the current and long term impact.

Sound Fiscal Stewardship



Lawrence, Kansas Bond Investors

Finance Director Bryan Kidney
(785) 830-3214
bkidney@lawrenceks.org

- Home
- Finance Team
- Financial Documents
- Events Calendar
- Bond Ratings
- EMMA Links
- Investor Resources
- Bond Offerings

RATINGS

Aa1 G.O./Aa2 Revenue

GO BOND OUTSTANDING

\$97,970,000

REVENUE BONDS OUTSTANDING

\$158,635,000

2017

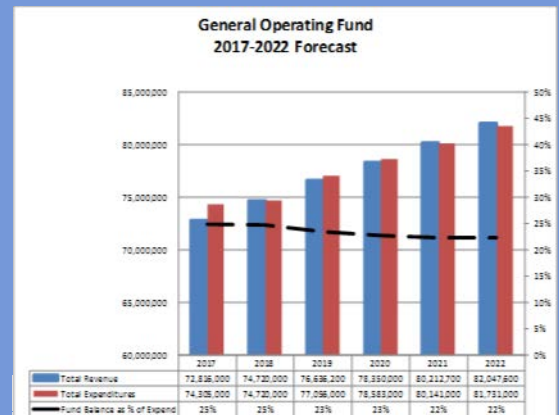
CITY OF LAWRENCE, KANSAS
FY 2017 ADOPTED BUDGET

One of the priority initiatives of the City Commission is to develop a plan to implement priority based budgeting and enhance communication in the annual budget process. The City purchased new budgeting software in 2017 to improve reporting capabilities for the 2018 budget.

The City has received Distinguished Budget Presentation Award from the Government Financial Officers Association (GFOA) in fourteen out of the last fifteen years.



The City has received the Certificate of Achievement for Excellence in Financial Reporting from GFOA for the Comprehensive Annual Financial Report (CAFR) for 25 consecutive years.



One of the City Commission's priority initiatives is to develop and communicate a long-term financial strategy. Five year fund forecasts for each of the City's major funds can be found later in this document.

Funding related to this critical success factor in the 2018 budget includes:

- The mill levy supporting debt service will be increased in 2018 in preparation for a phased construction of a new police facility
- The budget includes a 5-year fund forecast for each major city fund which can be found later in this document



- The City's current Bond Rating is Aa1 for General Obligation bonds and As2 for Special Revenue bonds
- 52% of citizen survey respondents are "very satisfied" or "satisfied" with the City's efforts to keep them involved
- 56% of citizen survey respondents are "very satisfied" or "satisfied" with the value received for City taxes/fees



In 2017, the City of Lawrence worked with Neighborly Securities to offer the chance for citizens to invest in Lawrence by buying municipal bonds. Bond proceeds from the first issuance will support the purchase of a new fire truck for Lawrence-Douglas County Fire Medical.



Funding related to this critical success factor in the 2018 budget includes:

- \$300,000 to support the Bioscience and Technology Center, in partnership with the University of Kansas and Douglas County
- \$400,000 for repair of the roof at the Lawrence Arts Center
- \$365,000 for the Lawrence Humane Society for animal shelter services
- \$120,000 to fund a portion of the K-10 Connector

Pursuant to an inter-local agreement with Douglas County, Lawrence Douglas County Fire Medical provides Emergency Medical Services (EMS) through Douglas County. The County pays for 25.64% of operations for EMS Services. The 2018 budget assumes \$6,443,000 will be received from the County for EMS services.

Through a partnership with the Lawrence Chamber and Douglas County, the City provides support for the



Dwayne Peaslee Technical Training Center, which provides educational and training opportunities. The 2018 budget includes \$200,000 for Peaslee Tech.

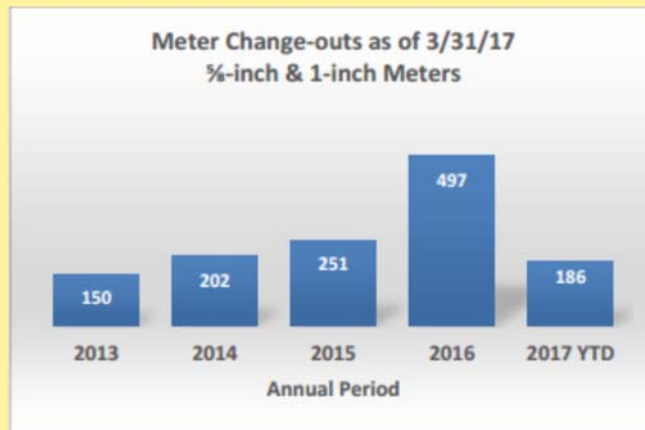


K.S.A. § 47-1710 prohibits disposing of any animals for three full business days of custody. An animal shelter is necessary to comply with this statute and contracting with the Humane Society to provide an animal shelter is much more efficient and cost effective than operating an independent municipal shelter. Through a public private partnership, the City of Lawrence will provide financing for a portion of the cost to construct a new animal shelter, beginning in 2018. Photo Credit: Sabatini Architects.



The 2018 budget includes funding to continue a City internship to serve as a

liaison between the City, Haskell Indian Nations University, and the University of Kansas.



The Finance Department and Utilities Department continue to find ways to collaborate to provide service in a more cost effective and efficient manner. In 2016, meter reading and field service positions were transferred from the Utility Billing division of Finance to Utilities. Since then, the productivity of the division has increased. The graph above shows the number of meter change-outs performed each year. The number of meter change-outs in the first quarter of 2017 already exceeds the number of meters changed out in all of 2013 and is on track to be a record setting year. Due to this, three positions are able to be eliminated for the 2018 budget.



Collaborative Solutions



The City of Lawrence actively seeks opportunities to leverage partnerships in order to enhance service delivery and quality of life in the most fiscally sound and responsible manner.

Economic Growth and Security

The City of Lawrence fosters an environment that provides both individuals and businesses the opportunity for economic security and empowers people's ability to thrive. Our community succeeds because of individual prosperity and a vibrant, sustainable local economy.



- Median household income of \$46,929
- 3.7% Unemployment Rate
- In 2016, 28 building permits were issued for new commercial, office, and industrial with a total permit valuation of \$37.7M.
- 92.2% of commercial permits completed within 15 days
- 34% of survey respondents are "satisfied" or "very satisfied" with the City's efforts to promote economic development

The 2018 budget includes \$49,000 for Downtown Lawrence, Inc. This item was moved from the General Operating Fund to the Guest Tax Fund as downtown Lawrence is one of the top tourist attractions in the State of Kansas.



The City of Lawrence was named one of the top 50 best cities for Entrepreneurs by Livability.com.

Funding related to this critical success factor in the 2018 budget includes:

- \$220,000 for the Lawrence Chamber, including the Small Business Development Center
- \$74k for work with the National Development Council related to economic development and affordable housing
- \$1,060,000 for eXplore Lawrence
- \$49k for Downtown Lawrence, Inc.
- New Catalyst Industrial Incentive Program



UNMISTAKABLY
LAWRENCE

The 2018 budget includes \$1,060,000 in the Guest Tax Fund for eXplore Lawrence,. This is an increase of \$70,000 or 7%.

FUND SUMMARIES & FINANCIAL FORECASTS

GENERAL FUND (001)

This fund is used as the primary operating fund for the City. The general fund is a property tax supported fund.

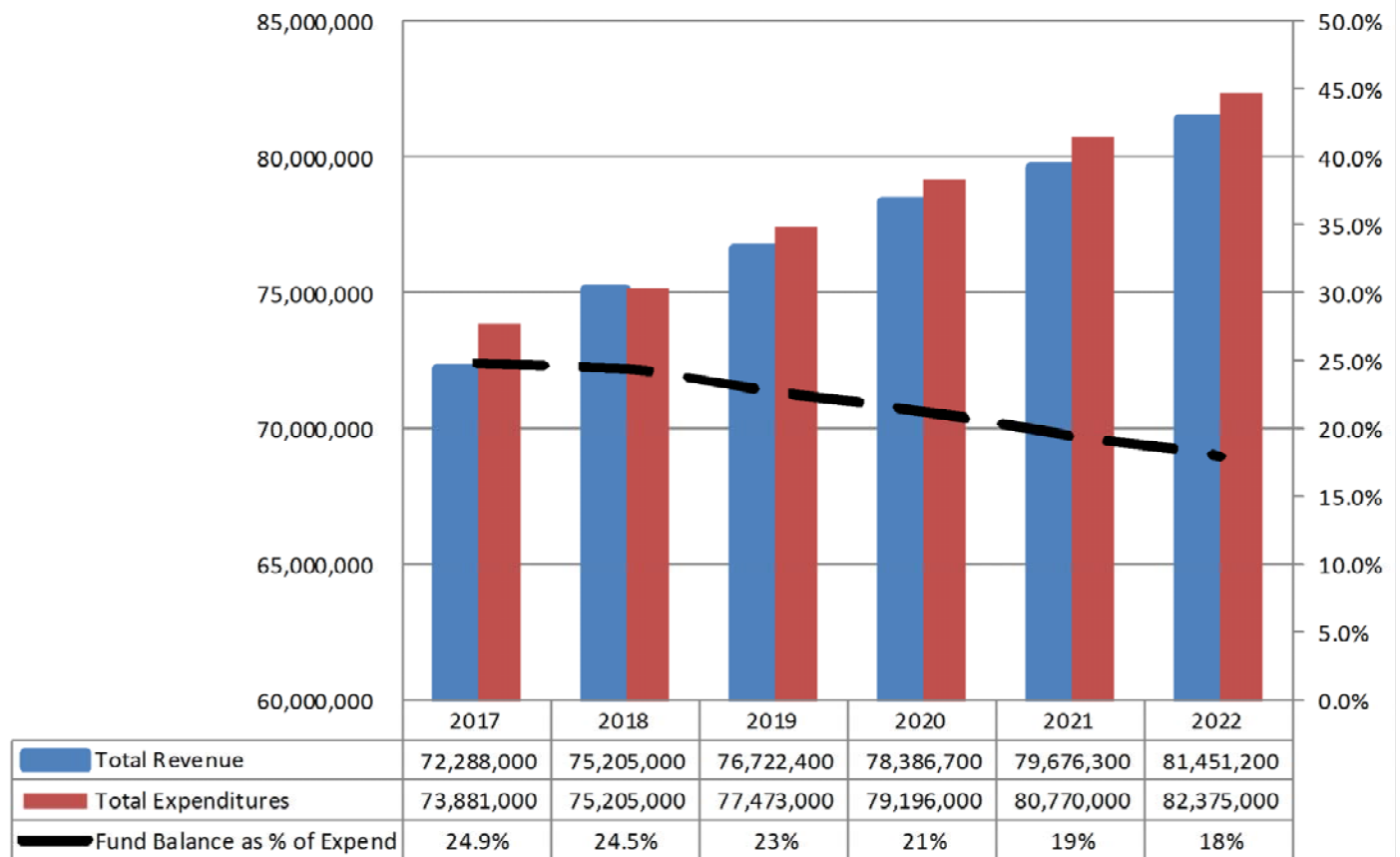
	Unaudited 2016	Budget 2017	Projected 2017	Budget 2018
Revenues				
Property Taxes				
Property Taxes	\$ 17,086,651	\$ 17,716,000	\$ 17,621,000	\$ 19,270,000
Delinquent Property Tax	189,449	481,000	193,000	199,000
Motor Vehicles Taxes	1,710,095	1,549,000	1,762,000	1,927,000
Special Assessments	9,921		8,000	8,000
Total Property Tax	18,996,116	19,746,000	19,584,000	21,404,000
Franchise Fees				
Electric	5,505,923	5,733,000	5,634,000	5,712,000
Gas	768,133	1,010,000	768,000	703,000
Telephone	148,735	110,000	540,000	551,000
Cable Wireless	1,025,534	1,339,000	700,000	714,000
Franchise Fees	7,448,325	8,192,000	7,642,000	7,680,000
Sales / Use Taxes				
1% City Sales	16,037,245	15,047,000	16,358,000	16,685,000
1% City Use	1,558,046	2,448,000	1,605,000	1,653,000
1% County wide Sales	9,899,088	9,928,000	10,077,000	10,258,000
1% County wide Use	1,138,362	1,121,000	1,169,000	1,201,000
Sales / Use Taxes	28,632,741	28,544,000	29,209,000	29,797,000
Intergovernmental Revenue				
Miscellaneous Grants	180,760	41,000	100,000	100,000
Liquor Tax	760,827	749,000	776,000	800,000
Douglas County Charges	189,994	497,000	497,000	488,000
Total Intergovernmental	1,131,581	1,287,000	1,373,000	1,388,000
Licenses & permits				
Business License Various	94,538	76,000	95,000	100,000
Business License Rental	347,069	354,000	380,000	386,000
Occupational	119,916	102,000	120,000	122,000
Building Permits/Inspections	1,297,271	850,000	900,000	914,000
Total Licenses & Permits	1,858,794	1,382,000	1,495,000	1,522,000
Fines	2,382,974	3,029,000	2,400,000	2,424,000
Service Charges	330,551	285,000	350,000	357,000
Service Charges Fire/Medical	5,718,062	5,712,000	6,115,000	6,443,000
Interest	98,627	93,000	164,000	192,000
Miscellaneous Revenue	329,808	299,000	299,000	341,000
Prior Yr Encumbrance Cancellation	4,420	-	-	-
Transfers In	3,656,141	3,657,000	3,657,000	3,657,000
Total Revenue	70,588,140	72,226,000	72,288,000	75,205,000

	Unaudited 2016	Budget 2017	Projected 2017	Budget 2018
Expenditures				
City Commission				
City Commission	63,479	122,700	124,000	126,000
City Auditor	56,100	62,300	63,000	-
Total City Commission	119,579	185,000	187,000	126,000
City Manager's Office				
City Manager's Office	737,524	827,100	842,000	908,000
Public Information	217,872	232,300	233,000	158,000
City Clerk	237,240	255,300	262,000	239,000
Economic Development	-	-	-	826,000
Human Resources	546,340	567,900	575,000	548,000
Risk Management	621,343	705,100	711,000	741,000
Total City Manager's Office	2,360,319	2,587,700	2,623,000	3,420,000
Planning and Develop Service				
Planning	1,181,852	1,268,900	1,299,000	1,288,000
Code Enforcement	653,817	791,200	807,000	785,000
Building Safety	666,228	851,600	867,000	907,000
Total Planning and Develop Service	2,501,897	2,911,700	2,973,000	2,980,000
Finance Services				
Finance Administration	283,689	328,600	406,000	417,000
Overhead	3,817,199	4,331,700	3,882,000	1,606,000
Transfer health insurance fund	4,955,595	-	-	-
Transfer Sales tax to Spec Rec	2,319,363	2,332,900	2,333,000	2,403,000
Transfer to Debt Service for FCIP	-	-	-	375,000
Transfer to reserve funds	3,282,446	415,000	980,000	485,000
Future projects	-	-	-	-
Total Finance Services	14,658,292	7,408,200	7,601,000	5,286,000
Information Technology	985,626	1,065,400	1,079,000	1,063,000
City Attorney's Office				
City Attorney	859,851	1,229,100	1,245,000	1,249,000
Human Relations	9,458	9,700	10,000	10,000
Court	1,341,566	947,900	1,062,000	1,135,000
Total City Attorney's Office	2,210,875	2,186,700	2,317,000	2,394,000
Police	18,810,767	22,300,600	22,685,000	24,091,000
Fire and Emergency Mgt.	16,091,611	19,197,800	19,921,000	21,827,000
Public Works				
Streets	2,914,038	3,477,400	3,487,000	3,485,000
Engineering	989,120	1,127,800	1,157,000	1,160,000
Traffic	756,098	817,100	826,000	834,000
Fiber	-	167,000	167,000	133,000
Airport	134,867	159,800	165,000	151,000
Building	773,706	906,300	917,000	885,000
Street Lights	772,113	886,000	886,000	861,000
Levee	185,329	224,700	227,000	209,000
Total Public Works	6,525,271	7,766,100	7,832,000	7,718,000
Parks & Recreation				
Parks Operations	3,688,955	4,251,000	4,295,000	4,100,000
Parks & Recreation CIP	-	610,000	610,000	580,000
Parks & Recreation Maintenance	-	700,000	700,000	620,000
Total Parks & Recreation	3,688,955	5,561,000	5,605,000	5,300,000
Health Dept./ Comm. Health Bldg.	1,007,660	1,056,000	1,058,000	1,000,000
Total Expenditures	68,960,852	72,226,200	73,881,000	75,205,000
Revenue over Expenditures	1,627,288	(200)	(1,593,000)	-
Beginning Balance	12,718,338	15,682,917	19,991,164	18,398,164
Close Sales Tax Reserve	2,212,339			
Prior Year Adjustment	3,433,199			
Fund Balance (Budget Basis)	\$ 19,991,164	\$ 15,682,717	\$ 18,398,164	\$ 18,398,164

GENERAL FUND (001)

This fund is used as the primary operating fund for the City. The general fund is a tax supported fund.

General Operating Fund 2017-2022 Forecast



Significant Revenue Changes:

- Assumes mill levy rate remains flat at 19.475
- Total Revenues increase \$2,917,000, or 4.0%
- Assessed Valuation increase of 6% or \$37,934,800
- City Sales Tax growth of 2.1% and City share of County Wide Sales Tax growth of 1.9%
- Licenses and Permits growth of 1.8%

Significant Expenditure Changes:

- Overall, expenditures increasing \$1,324,000, or 1.8%
- Expenditures related to personnel increasing \$1,190,000 due to salary increases for eligible employees and increased benefit costs
- New technical position for Police for body worn cameras and a Municipal Court Security Guard
- Eliminate vacant Code Enforcement position, vacant Communication Manager position and vacant City Auditor position

Chart shows General Fund expenditures by program type.

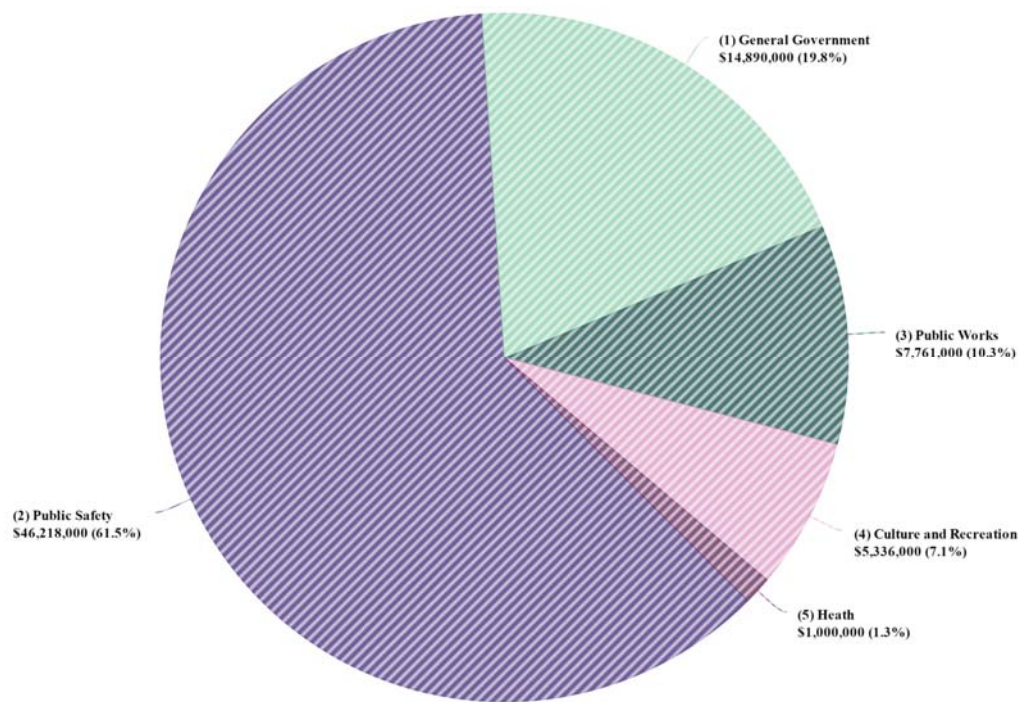
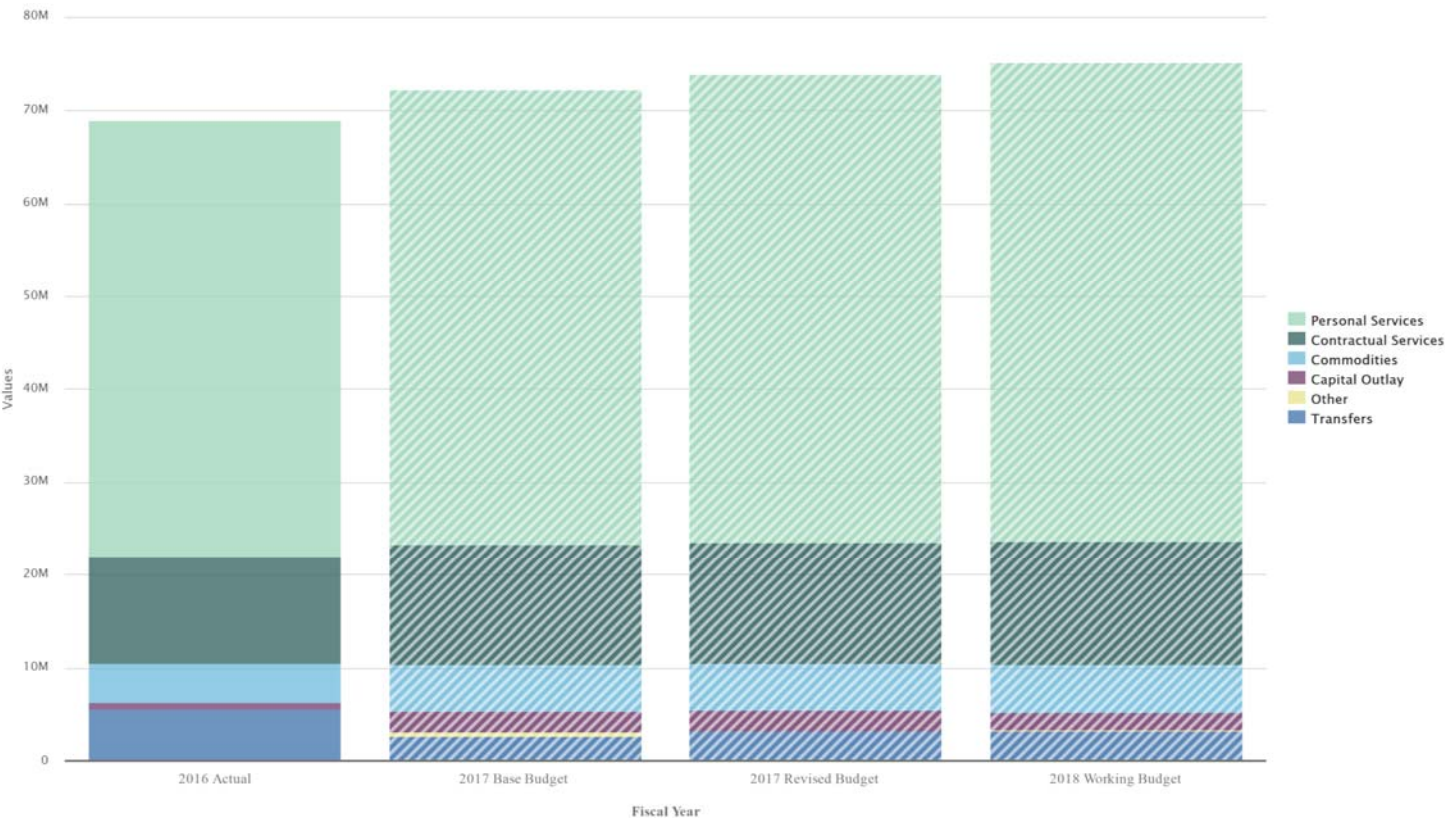


Chart shows General Fund expenditures by category.

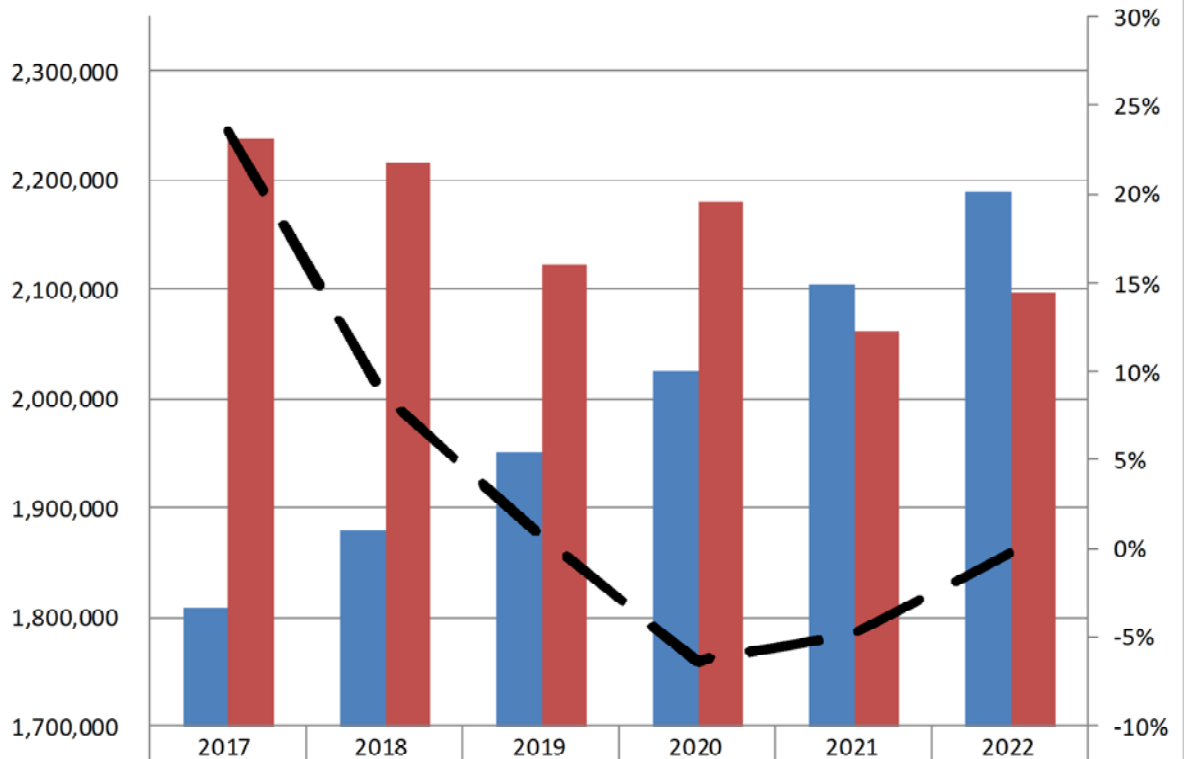


GUEST TAX FUND (206)

This special revenue fund is used to account for the 6% guest tax received on the occupancy of hotels and motels in the City.

	Unaudited 2016	Budget 2017	Projected 2017	Projected 2018
Revenues				
Guest Tax	\$ 1,666,279	\$ 1,840,000	\$ 1,800,000	\$ 1,872,000
Interest	5,492	3,500	10,000	7,000
Transfer from Guest Tax Reserve	149,334	-	-	-
Total Revenue	1,821,105	1,843,500	1,810,000	1,879,000
Expenditures				
Parks and Rec (4070)				
Downtown beautification	266,810	232,100	238,000	252,000
Tourism (Div 8100)				
Special Event Expenses	158,880	100,000	175,000	150,000
Communications	-	61,000	61,000	72,000
eXplore Lawrence	792,160	990,000	990,000	1,060,000
Free State Festival	30,000	-	-	-
JO Funding	75,000	75,000	75,000	-
DMI	90,000	30,000	30,000	-
Special Events Grant	148,925	150,000	150,000	150,000
Sister Cities	8,000	8,000	8,000	8,000
Other (exhibits, etc.)	166,025	91,500	92,000	107,000
Debt Service for SPL	150,000	150,000	150,000	150,000
Carnegie Debt Service	-	95,000	95,000	58,000
CIP	-	175,000	175,000	210,000
Future Projects	-	-	-	-
Total Expenditures	1,885,800	2,157,600	2,239,000	2,217,000
Revenue over Expenditures	(64,695)	(314,100)	(429,000)	(338,000)
Beginning Balance	1,020,564	1,110,550	955,869	526,869
End Balance (Budget Basis)	\$ 955,869	\$ 796,450	\$ 526,869	\$ 188,869

Guest Tax Fund 2017-2022 Forecast



Total Revenue	1,810,000	1,879,000	1,951,000	2,026,000	2,105,000	2,189,000
Total Expenditures	2,239,000	2,217,000	2,124,388	2,181,157	2,063,174	2,097,359
Fund Balance as % of Expend	24%	9%	1%	-6%	-5%	0%

Significant Revenue Changes:

- Proceeds from the Transient Guest Tax are projected to increase \$72,000, or 4%

Significant Expenditure Changes:

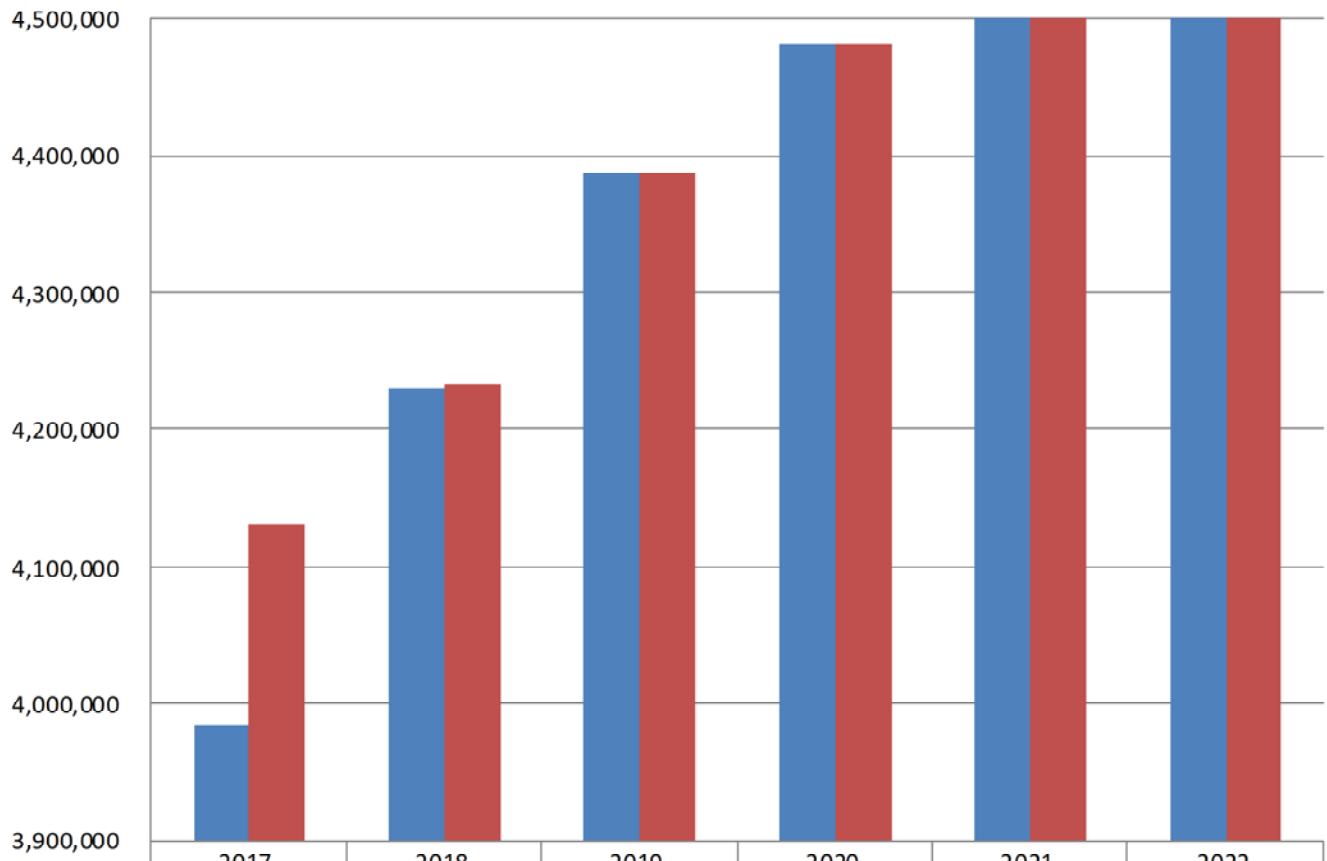
- The budget provides an increase of \$70,000, or 7% to eXplore Lawrence. This is slightly less than their requested amount of \$1,080,000

PUBLIC LIBRARY FUND (209)

This fund is used to account for the tax receipts collected and disbursed to the local public library. The library fund is a property tax supported fund.

	Unaudited 2016	Budget 2017	Projected 2017	Projected 2018
Revenues				
Property Taxes	\$ 3,318,878	\$ 3,653,741	\$ 3,658,000	\$ 3,877,000
Delinquent	37,360	26,713	29,000	
Motor Vehicle	334,118	297,588	298,000	353,000
Interest	2,670	500	-	-
Total Revenues	3,693,026	3,978,542	3,985,000	4,230,000
Total Expenditures				
Contractual Services - Library	3,750,000	4,033,737	4,131,000	4,233,000
Revenue over Expenditures	(56,974)	(55,195)	(148,000)	(3,000)
Beginning Balance	205,582	55,195	149,000	3,000
End Balance (Budget Basis)	\$ 148,618	\$ -	\$ 3,000	\$ -

Public Library Fund 2017-2022 Forecast



	2017	2018	2019	2020	2021	2022
Total Revenues	3,985,000	4,230,000	4,387,000	4,482,000	4,572,000	4,662,000
Total Expenditures	4,131,000	4,233,000	4,387,000	4,482,000	4,572,000	4,662,000

Significant Revenue Changes:

- Assumes mill levy rate remains flat at 4.039
- The library mill is capped at 4.5 mills

Significant Expenditure Changes:

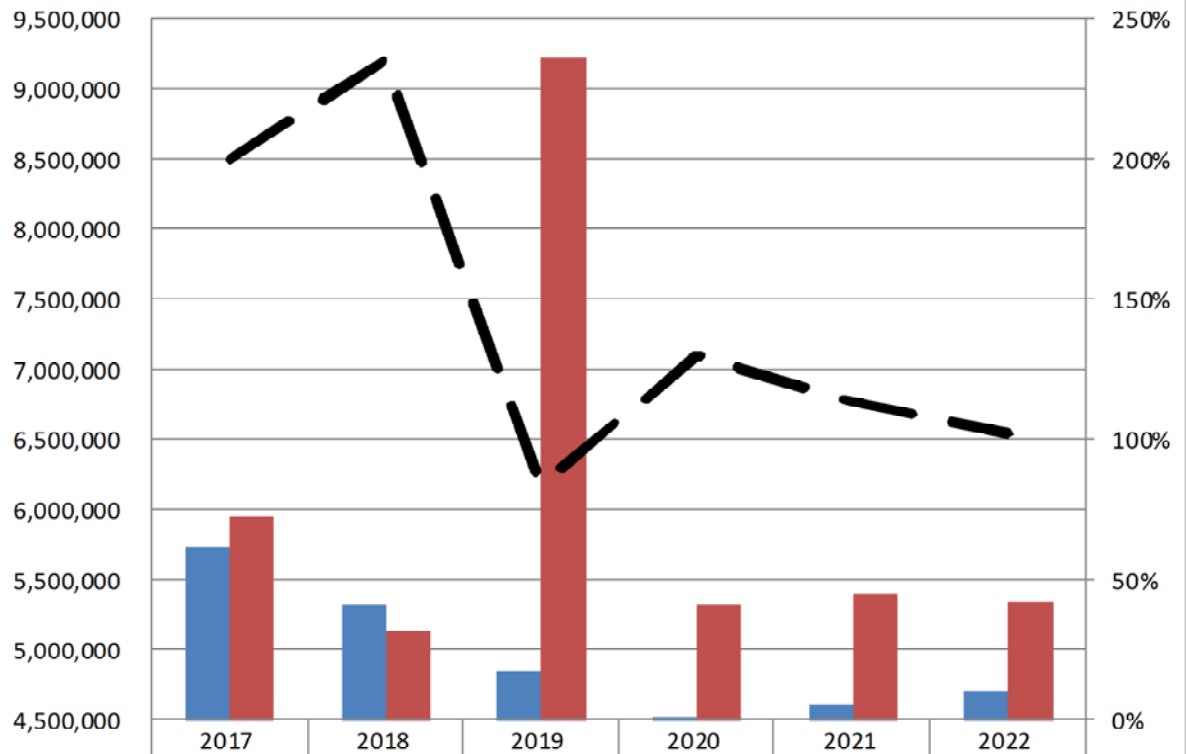
- Salary and benefits for employees increasing
- Library mill provides 93% of the Lawrence Public Library's total operating budget

PUBLIC TRANSPORTATION FUND (210)

This special revenue fund is used to account for revenues and expenditures associated with the fixed route bus system and para-transit services of the City. The transportation fund is a tax supported fund.

	Unaudited 2016	Budget 2017	Projected 2017	Projected 2018
Revenues				
Sales Tax (.2%)	\$ 3,377,047	\$ 3,190,317	\$ 3,445,000	\$ 3,514,000
Use Tax Tax (.2%)	346,862	327,683	353,000	364,000
Sales Tax (.05%) (end of year trans)	5,534,856	798,033	861,000	887,000
Use Tax (.05%)	82,902	81,967	83,000	85,000
Reimbursements/Misc	9,822	-	-	-
Interest	25,982	24,000	24,000	36,000
Transfer from Equip Reserve Fund	-	-	539,000	-
Prior Yr Encumbrance Cancellation	396,100	-	-	-
Service Charges	432,039	426,000	435,000	435,000
Total Revenue	10,205,610	4,848,000	5,740,000	5,321,000
Expenditures				
Personal Services	85,438	90,345	91,000	94,000
Contractual Services	2,480,682	3,185,594	3,186,000	3,631,000
Commodities	557,173	893,268	893,000	760,000
Capital Outlay	-	1,651,000	1,651,000	-
Future Operational Impact service	-	-	125,000	-
CIP				650,000
Total Expenditures	3,123,293	5,820,207	5,946,000	5,135,000
Revenue over Expenditures	7,082,317	(972,207)	(206,000)	186,000
Beginning Balance	5,029,423	11,186,605	12,111,741	11,905,741
Fund Balance for Operations	6,576,884.55		4,887,885	4,751,885
Fund Balance for Expansion	5,534,856		7,017,856	7,339,856
End Balance (Budget Basis)	\$ 12,111,741	\$ 10,214,398	\$ 11,905,741	\$ 12,091,741

Public Transportation Fund 2017-2022 Forecast



Total Revenue	5,740,000	5,321,000	4,856,500	4,524,700	4,611,000	4,704,600
Total Expenditures	5,946,000	5,135,000	9,225,000	5,317,000	5,411,000	5,356,000
Fund Balance as % of Expend	200%	235%	84%	130%	113%	102%

Significant Revenue Changes:

- Farebox revenues remaining flat at \$435,000

Significant Expenditure Changes:

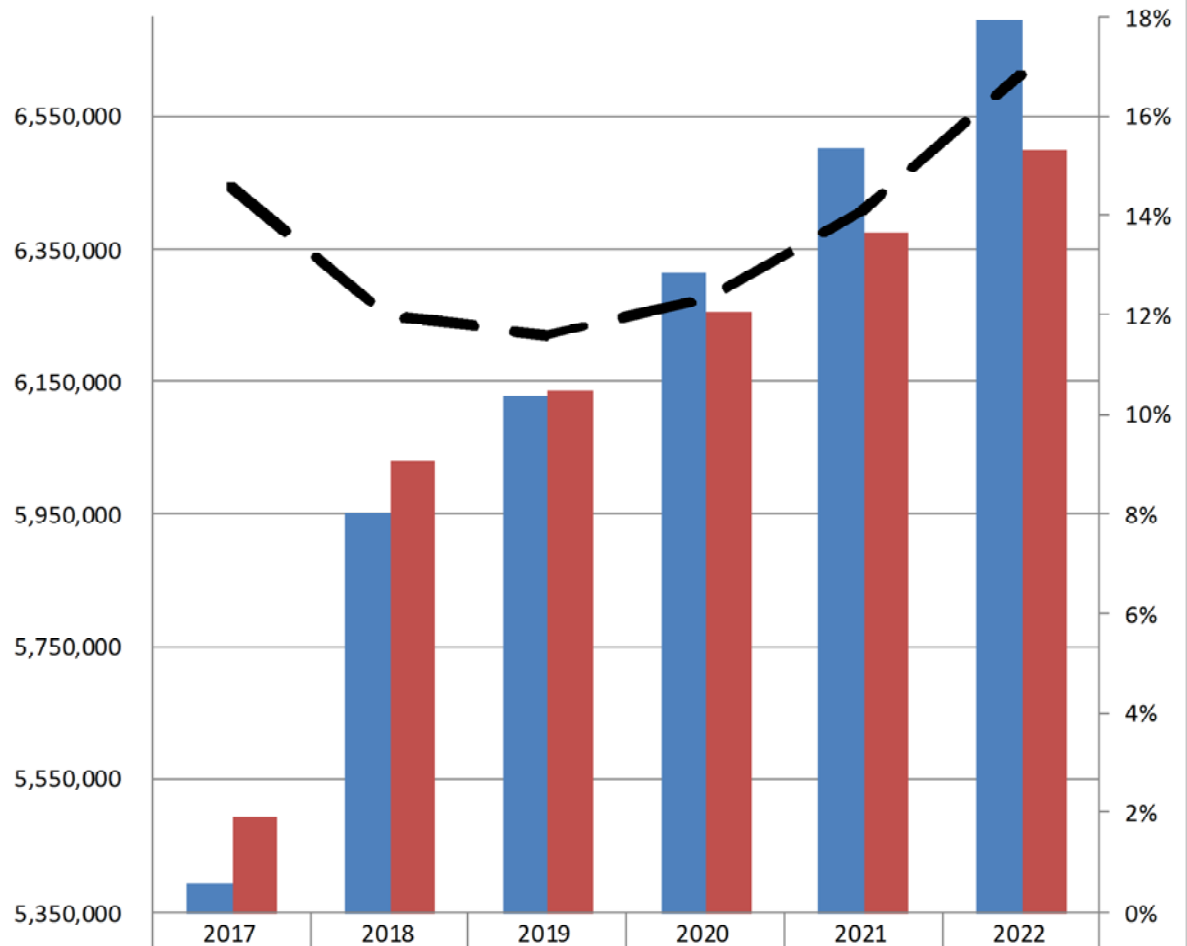
- Contractual Services increasing \$145,000 due to increased contract for service provider, MV Transportation

RECREATION FUND (211)

This special revenue fund is used to account for user fees derived from recreational and cultural events and the expenditures necessary to carry out the recreation programs at the City's four community recreation centers.

	Unaudited 2016	Budget 2017	Projected 2017	Projected 2018
Revenues				
Service Charges	\$ 3,171,274	\$ 3,299,000	\$ 3,053,000	\$ 3,541,000
Property Taxes	-	-	-	-
Interest	5,035	2,000	8,000	8,000
Miscellaneous*	36,739	1,445	1,000	-
Prior Yr Encumbrance Cancellation	1,528	-	-	-
Transfer (County sales tax)	2,319,363	2,332,900	2,333,000	2,403,000
Total Revenue	5,533,939	5,635,345	5,395,000	5,952,000
Expenditures				
Personal	4,093,252	4,224,410	4,272,000	4,408,000
Contractual Services	883,138	788,050	795,000	829,000
Commodities	410,373	384,370	388,000	402,000
Capital Outlay	26,815	40,000	40,000	30,000
Transfer to Debt Service				113,000
Contingency	-	240,000	-	250,000
Total Expenditures	5,413,578	5,676,830	5,495,000	6,032,000
Revenue over Expenditures	120,361	(41,485)	(100,000)	(80,000)
Beginning Balance	781,363	750,550	901,724	801,724
End Balance (Budget Basis)	\$ 901,724	\$ 709,065	\$ 801,724	\$ 721,724

Recreation Fund 2017-2022 Forecast



Total Revenue	5,395,000	5,952,000	6,129,090	6,314,343	6,502,823	6,696,598
Total Expenditures	5,495,000	6,032,000	6,138,000	6,256,000	6,376,000	6,500,000
Fund Balance as % of Expend	15%	12%	12%	12%	14%	17%

Significant Revenue Changes:

- Total Revenues increasing \$557,000, or 10.3%
- Charges for services increasing \$269,000 due to projected growth in class enrollments and additional classes being offered
- Proceeds from the City's share of Countywide Sales Tax are projected to increase 1.9%

Significant Expenditure Changes:

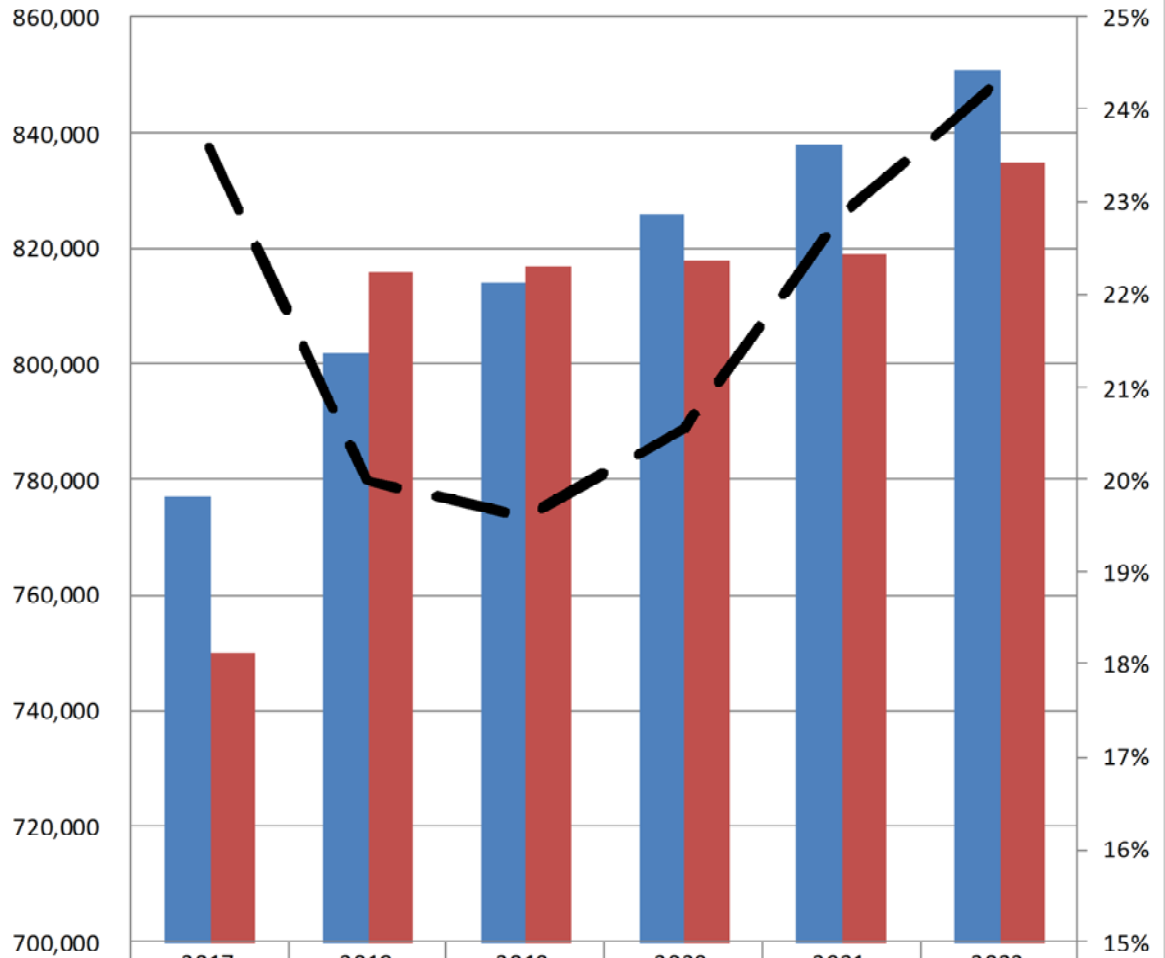
- Expenditures increasing \$537,000 due to increased programming and increased enrollment
- Cost of facility maintenance increasing \$189,000
- Eliminate vacant Administrative Support at SPL

SPECIAL ALCOHOL FUND (213)

This special revenue fund is used to account for one-third of the liquor tax received by the City from the State of Kansas. The revenues are used to finance contractual programs for the prevention and treatment of drug and alcohol abuse.

	Unaudited 2016	Budget 2017	Projected 2017	Projected 2018
Revenues				
Liquor Tax	\$ 759,977	\$ 749,000	\$ 776,000	\$ 800,000
Interest	724	400	1,000	2,000
Total Revenue	760,701	749,400	777,000	802,000
Expenditures				
Personal	-		-	-
Contractual Services	755,226	750,000	750,000	750,000
Commodities	25	100	-	-
Move Mental Health Contract	-	-	-	66,000
Total Expenditures	755,251	750,100	750,000	816,000
Revenue over Expenditures	5,450	(700)	27,000	(14,000)
Beginning Balance	144,772	136,072	150,000	177,000
End Balance (Budget Basis)	\$ 150,000	\$ 135,372	\$ 177,000	\$ 163,000

Special Alcohol Fund 2017-2022 Forecast



Total Revenue	777,000	802,000	814,000	826,000	838,000	851,000
Total Expenditures	750,000	816,000	817,000	818,000	819,000	835,000
Fund Balance as % of Expend	24%	20%	20%	21%	23%	24%

Significant Revenue Changes:

- Proceeds from Liquor Tax projected to increase \$24,000, or 3%

Significant Expenditure Changes:

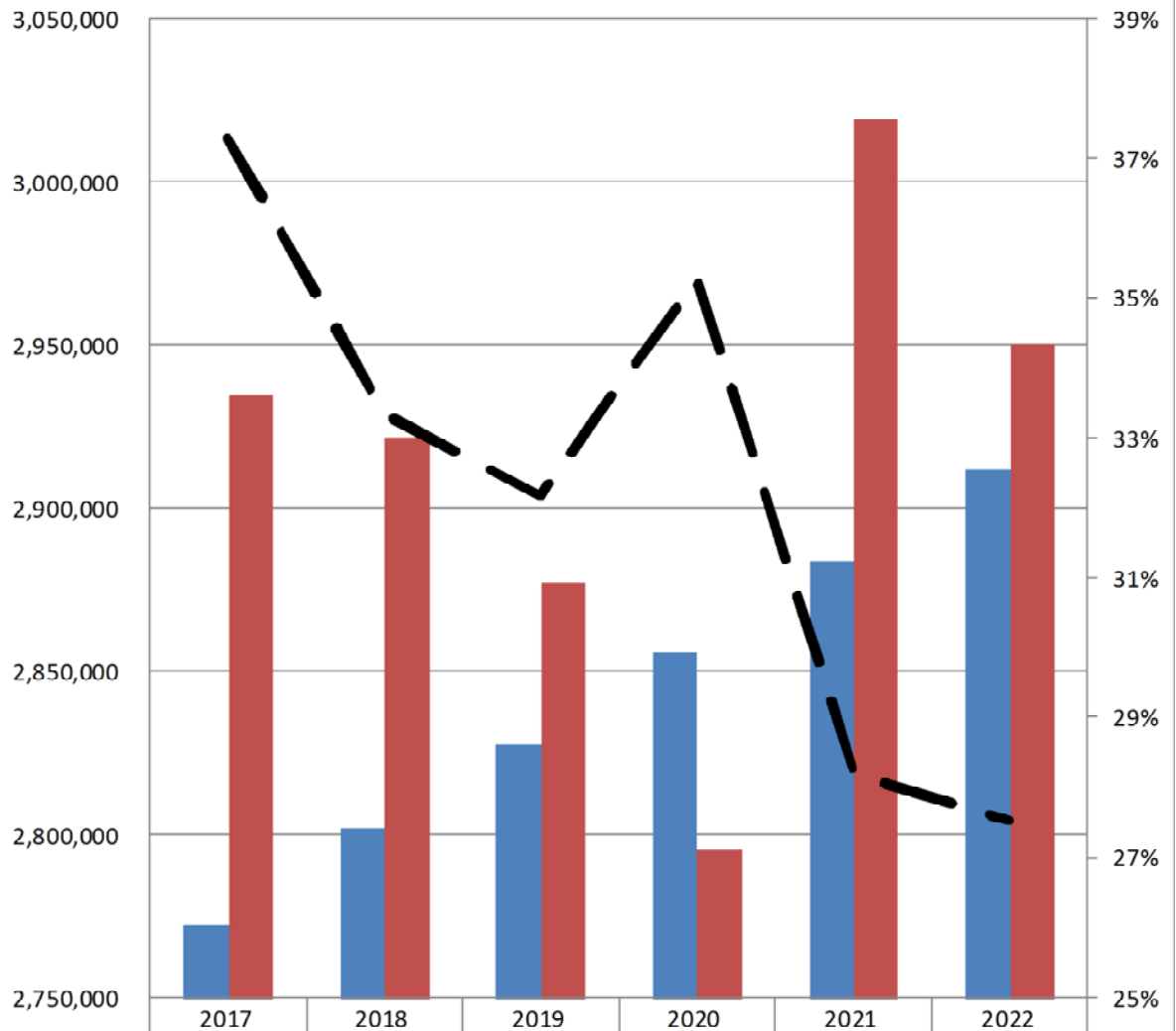
- Expenses for mental health co-responder from General Fund beginning in 2018 (Crisis Response Squad)
- Funding for social services agencies will remain flat at \$750,000 and allocations were recommended by the Social Service Funding Advisory Board

SPECIAL GAS TAX FUND (214)

This special revenue fund is used to account for the gasoline tax received from the State of Kansas and Douglas County. The expenditures are primarily for repairs of streets and to provide for new traffic signals.

	Unaudited 2016	Budget 2017	Projected 2017	Projected 2018
Revenues				
Fuel Tax	\$ 2,699,700	\$ 2,747,000	\$ 2,760,000	\$ 2,788,000
Interest	6,767	3,000	12,000	12,000
Other	2,484	-	-	2,000
Total Revenue	2,708,951	2,750,000	2,772,000	2,802,000
Expenditures				
Personal services	1,848,242	1,892,600	1,926,000	1,902,000
Contractual Services	6,903	17,100	17,000	28,000
Commodities	384,006	491,980	492,000	492,000
Capital Outlay	356,238	500,000	500,000	500,000
Contingency	-	100,000	-	-
Total Expenditures	2,595,389	3,001,680	2,935,000	2,922,000
Revenue over Expenditures	113,562	(251,680)	(163,000)	(120,000)
Beginning Balance	1,143,982	1,185,570	1,257,544	1,094,544
End Balance (Budget Basis)	\$ 1,257,544	\$ 933,890	\$ 1,094,544	\$ 974,544

Special Gas Fund 2017-2022 Forecast



Total Revenue	2,772,000	2,802,000	2,828,000	2,856,000	2,884,000	2,912,000
Total Expenditures	2,935,000	2,922,000	2,877,060	2,795,181	3,019,365	2,950,480
Fund Balance as % of Expend	37%	33%	32%	35%	28%	28%

Significant Revenue Changes:

- Revenue from Highway Tax estimated to increase \$28,000, or 1%

Significant Expenditure Changes:

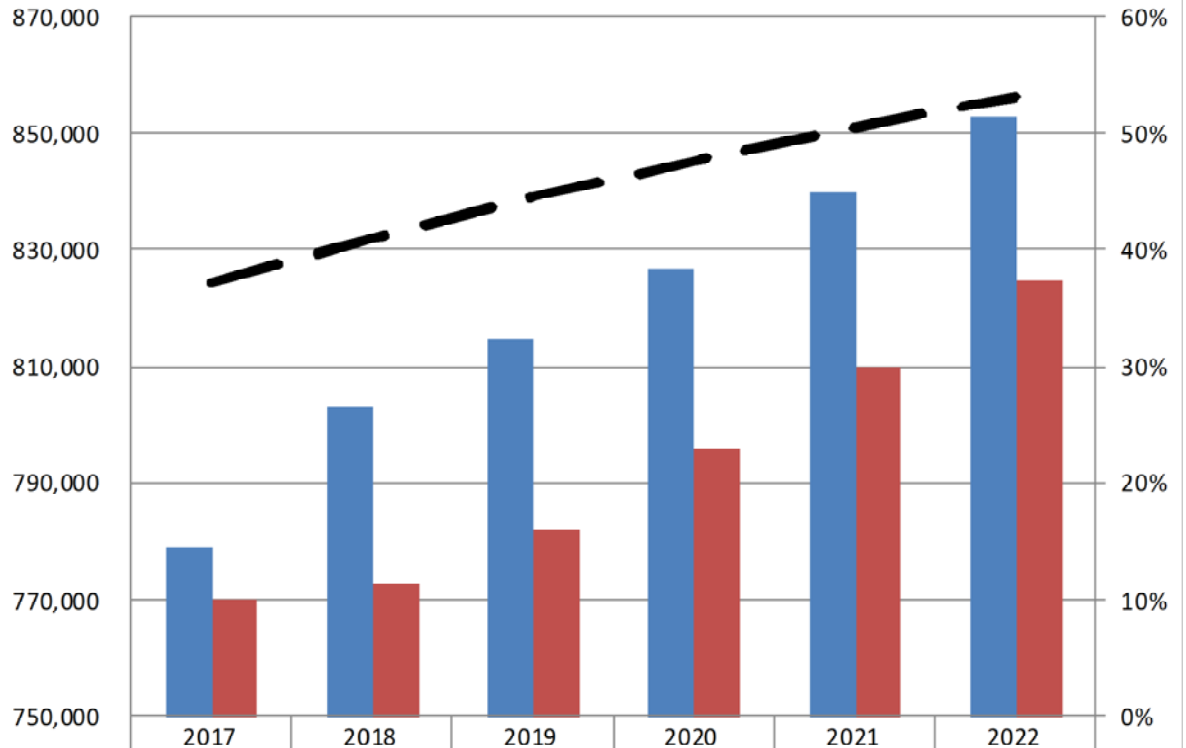
- Total expenditures decreasing \$5,000
- Budget includes purchase of equipment including the replacement of three backhoes

SPECIAL RECREATION FUND (216)

This special revenue fund is used to account for one-third of the liquor tax received from the State of Kansas. These funds are used to provide additional resources for recreational activities and historic tours.

	Unaudited 2016	Budget 2017	Projected 2017	Projected 2018
Revenues				
Liquor Tax	\$ 759,977	\$ 749,000	\$ 776,000	\$ 800,000
Interest	1,118	700	3,000	3,000
Prior Yr Encumbrance Cancellation	2,233	-	-	-
Total Revenue	763,328	749,700	779,000	803,000
Expenditures				
Recreation	636,128	688,630	689,000	685,000
Arts Center Scholarships	30,000	30,000	30,000	30,000
Cultural Arts Commission	44,531	41,500	42,000	49,000
Lawrence Children's Choir	-	5,000	5,000	-
Lawrence Alliance	4,000	4,000	4,000	4,000
Other Arts Programming				5,000
Future Projects	-	-	-	-
Contingency	-	-	-	-
CIP				
Total Expenditures	714,659	769,130	770,000	773,000
Revenue over Expenditures	48,669	(19,430)	9,000	30,000
Beginning Balance	228,222	240,322	276,891	285,891
End Balance (Budget Basis)	\$ 276,891	\$ 220,892	\$ 285,891	\$ 315,891

Special Recreation Fund 2017-2022 Forecast



Total Revenue	779,000	803,000	815,000	827,000	840,000	853,000
Total Expenditures	770,000	773,000	782,000	796,000	810,000	825,000
Fund Balance as % of Expend	37%	41%	45%	48%	51%	53%

Significant Revenue Changes:

- Proceeds from Liquor Tax projected to increase \$24,000, or 3%

Significant Expenditure Changes:

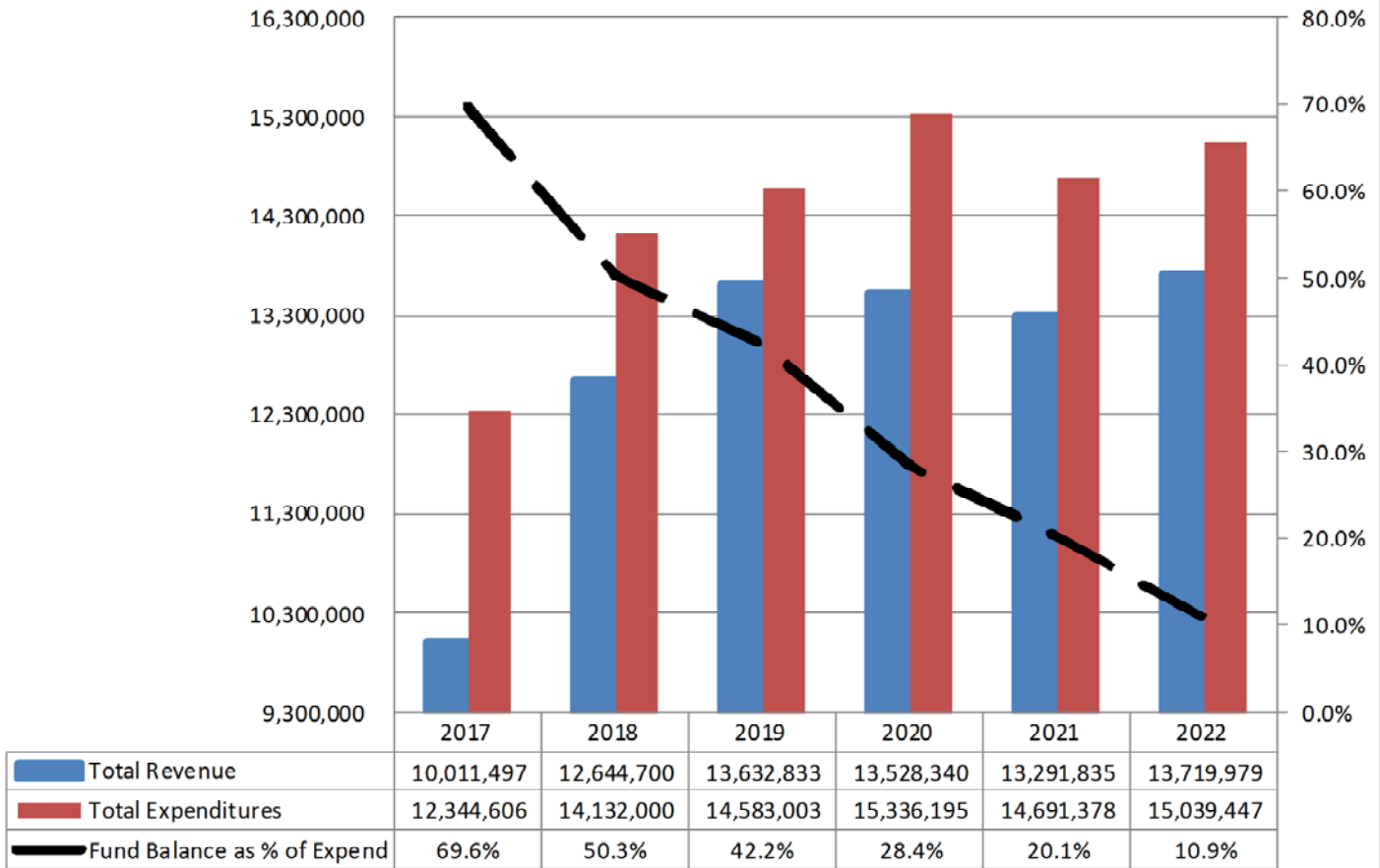
- The budget maintains funding for Lawrence Arts Center scholarships at \$30,000
- The budget maintains funding for the Lawrence Cultural Arts Commission at \$49,000

BOND & INTEREST FUND (301)

This fund is used to account for the accumulation of resources and payment of general obligation bond principal, interest and other related costs from governmental resources and special assessment bond principal and interest from special assessment levies when the City is obligated in some manner for this payment. The bond and interest fund is a property tax supported fund.

	Unaudited 2016	Budget 2017	Projected 2017	Projected 2018
Revenues				
Property Taxes	\$ 7,649,304	\$ 7,590,034	\$ 7,694,000	\$ 9,360,000
Delinquent Property Tax	87,065	100,000	80,000	89,000
Motor Vehicle Taxes	756,371	675,000	675,000	731,000
Total Property Tax	8,492,740	8,365,034	8,449,000	10,180,000
Certified Special Assessments	2,014,736	1,157,000	1,157,000	925,000
New Specials	-	-	-	302,700
Reimbursements	173,627	-	332,497	1,172,000
Interest	66,858	32,000	73,000	65,000
Rents	94,574	135,000	-	-
Total Revenue	10,842,535	9,689,034	10,011,497	12,644,700
Expenditures				
Principal & Interest	10,813,968	11,048,000	12,344,606	12,021,000
2017 Debt Issue	-	1,147,000	-	2,045,000
2018 Debt Issue	-	-	-	-
Future Debt (CIP)	-	-	-	-
Total Expenditures	10,813,968	12,195,000	12,344,606	14,066,000
Revenue over Expenditures	28,567	(2,505,966)	(2,333,109)	(1,421,300)
Beginning Balance	10,901,622	10,321,358	10,930,189	8,597,080
End Balance	\$ 10,930,189	\$ 7,815,392	\$ 8,597,080	\$ 7,175,780

Bond & Interest Fund 2017-2022 Forecast



Significant Revenue Changes:

- Assumes mill levy rate of 9.754, an increase of 1.25 mills required in 2018 for phased construction of a new police facility
- Revenues increasing \$2,634,000

Significant Expenditure Changes:

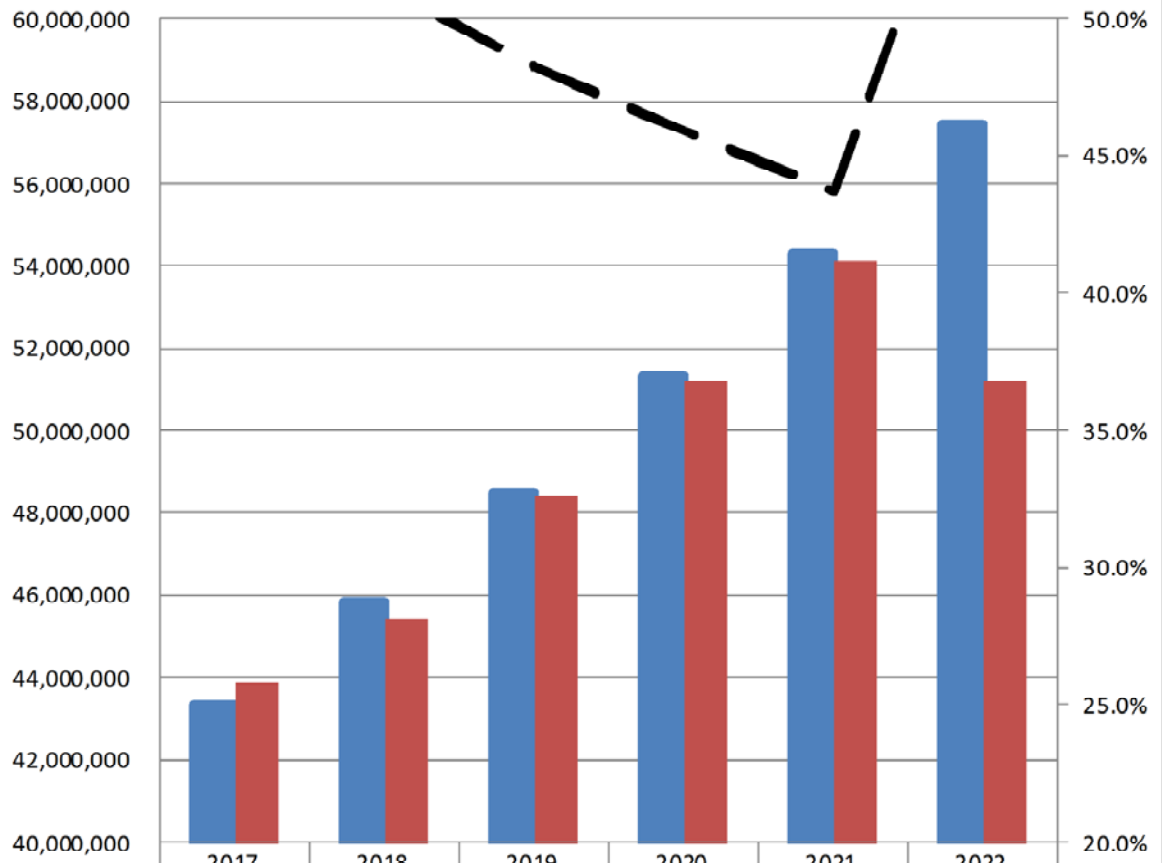
- Funding \$13,134,000 of new General Obligation Debt, bring total outstanding debt to \$114,159,000 as of 12/31/2018

WATER & WASTEWATER FUND (501)

This enterprise fund is used to account for the operation of the City's water and sewer system. The water and sewer fund is an enterprise (fee supported) fund.

	Unaudited 2016	Budget 2017	Projected 2017	Projected 2018
Revenues				
Customer charges	\$ 37,081,408	\$ 40,397,000	\$ 40,809,000	\$ 43,904,000
Interest	79,861	216,000	229,000	230,000
Development charges	1,764,930	1,800,000	1,800,000	1,200,000
Other	524,588	521,000	521,000	521,000
Total Revenue	39,450,585	42,934,000	43,359,000	45,855,000
Expenses				
Utility Billing and Collection	1,776,364	2,565,763	1,964,000	1,936,000
Administration/Engineering	5,141,863	5,336,094	5,392,000	5,516,000
Clinton Water Plant	2,510,875	2,847,492	2,863,000	2,868,000
Kaw Water Plant	2,723,365	2,897,213	2,919,000	3,045,000
Wastewater Treatment Kaw	4,327,088	4,293,572	4,332,000	4,341,000
Wastewater Treatment Wakarusa	8,848	762,000	763,000	1,368,000
Collection System	3,150,112	3,266,445	3,290,000	3,320,000
Water Quality	812,302	986,353	996,000	1,021,000
Meters				547,000
Distribution System	3,510,633	3,192,990	3,902,000	3,601,000
subtotal O&M	23,961,250	26,147,922	26,421,000	27,563,000
Non-bonded Construction Tsf	1,500,000	1,500,000	1,500,000	1,000,000
Transfer For Fund Balance	-			-
Debt service	12,922,334	15,971,074	15,971,000	15,688,000
New Debt Service	-	-	-	1,200,000
Total Expenditures	38,383,584	43,618,996	43,892,000	45,451,000
Revenue over Expenditures	1,067,001	(684,996)	(533,000)	404,000
Beginning Balance	22,316,994	21,593,994	23,383,995	22,850,995
End Balance (Budget Basis)	\$ 23,383,995	\$ 20,908,998	\$ 22,850,995	\$ 23,254,995

Water & Wastewater Fund 2017-2022 Forecast



Total Revenue	43,359,000	45,855,000	48,513,500	51,332,100	54,318,300	57,481,900
Total Expenditures	43,892,000	45,451,000	48,411,000	51,192,000	54,136,000	51,206,000
Fund Balance as % of Expend	52.1%	51.2%	48.2%	45.9%	43.7%	58.5%

Significant Revenue Changes:

- 2018 Budget assumes increases for water and wastewater rates, bringing total revenue to \$45,855,000 in 2018
- Expenditures total \$45,451,000 an increase of \$1,559,000, or 3.6%
- Rates were determined by a new rate model and increased 8% for residential users

Significant Expenditure Changes:

- An estimated \$630,100 of increase is due to start up and operation for the new Wakarusa River Wastewater Treatment Plant in early 2018
- Increased expenditures can also be attributed to changes to the treatment process at the Clinton Water Treatment Plant
- Eliminated 3 vacant field service positions due to reorganization of function and increased productivity
- Eliminated 1 vacant Administrative Support position

WATER & SEWER NON-BONDED CONSTRUCTION FUND (552)

This enterprise fund is used to account for the non-bonded (cash) construction projects for the City's water and sewer system. The water and sewer non-bonded construction fund is an enterprise (fee supported) fund.

	Unaudited 2016	Budget 2017	Projected 2017	Projected 2018
Revenues				
Transfer from Operations	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,000,000
Total Revenue	1,500,000	1,500,000	1,500,000	1,000,000
Expenses				
Unidentified		2,500,000	2,500,000	
New Hampshire Waterline Improvement	1,841			-
Airport Sanitary Sewer Improvements	12,691	-	-	-
Rapid Inflow/Infiltration Reduction	402,789	-	-	-
PS-5 & WW Primary Sludge Coatings	64,206	-	-	-
AMI Assessment	87,450	-	-	-
VFD Replacement	108,020	-	-	-
Naismith & Crescent Sanitary Sewer	20,708	-	-	-
WWTP Influent & Biosolids Bldgs Coating	110,708	-	-	-
Wastewater Flow Optimization	100,664	-	-	-
Clinton Zebra Mussel Mitigation	43,369	-	-	-
TOC Analyzer Replacement	30,946	-	-	-
Lower Naismith Valley Interceptor	17,397	-	-	-
Lawrence H2O Lead Awareness Program	120,174	-	-	-
	-			
CIP Non-Bonded Cash Construction				3,000,000
Total Expenses	1,121,963	2,500,000	2,500,000	3,000,000
Revenue over Expenditures	378,037	(1,000,000)	(1,000,000)	(2,000,000)
Beginning Balance	4,192,579	4,192,579	4,570,616	3,570,616
End Balance (Budget Basis)	\$ 4,570,616	\$ 3,192,579	\$ 3,570,616	\$ 1,570,616

Significant Changes:

- No significant changes

SOLID WASTE NON-BONDED CONSTRUCTION FUND (562)

This enterprise fund is used to account for the non-bonded (cash) construction projects for the City's solid waste system. The solid waste construction fund is an enterprise (fee supported) fund.

	Unaudited 2016	Budget 2017	Projected 2017	Projected 2018
Revenues				
Transfer from Capital Project Fund	\$ 245,389	\$ -	\$ -	
Transfer from Equipment Reserve Fund	1,150,175	-	-	
Transfer from Operations	250,000	-	-	-
Total Revenue	1,645,564	-	-	-
Expenditures				
Solid Waste Kresge Property	161,187	2,700,000	-	-
Total Expenditures	161,187	2,700,000	-	-
Revenue over Expenditures	1,484,377	(2,700,000)	-	-
Beginning Balance	2,350,000	2,704,139	3,834,377	3,834,377
End Balance (Budget Basis)	\$ 3,834,377	\$ 4,139	\$ 3,834,377	\$ 3,834,377

Significant Changes:

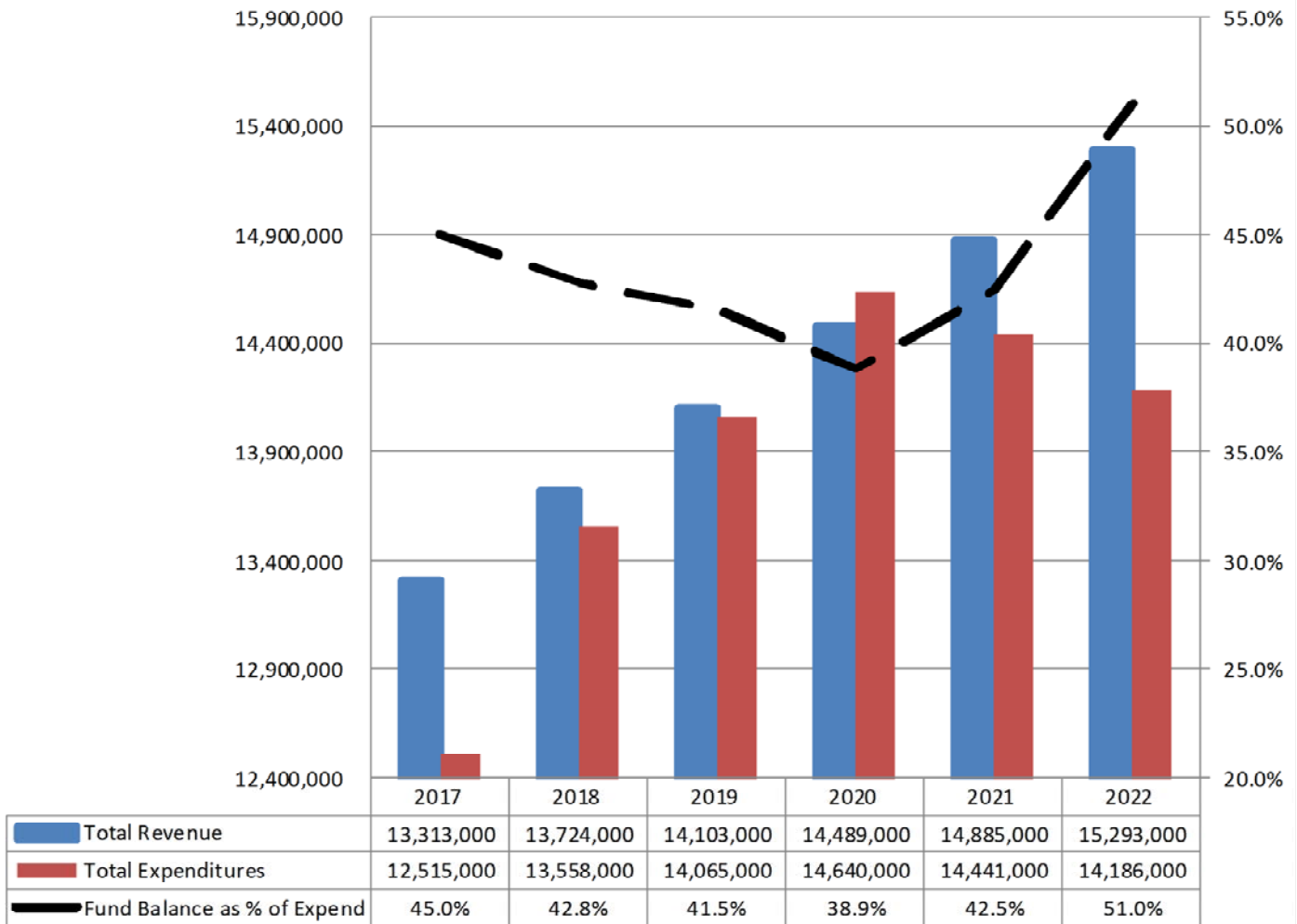
- No significant changes

SOLID WASTE FUND (502)

This enterprise fund is used to account for the operation of the City's refuse collection service. The solid waste fund is an enterprise (fee supported) fund.

	Unaudited 2016	Budget 2017	Projected 2017	Projected 2018
Revenues				
Sanitation Service Charge	\$ 10,200,428	\$ 10,577,000	\$ 10,500,000	\$ 10,872,000
Roll Off	2,388,805	1,995,000	2,400,000	2,400,000
Extra Pickups, Miscellaneous	415,280	301,100	400,000	400,000
Prior Year Encumbrances	47,222	-	-	-
Interest on Investments	23,585	11,000	13,000	52,000
Total Revenue	13,075,320	12,884,100	13,313,000	13,724,000
Expenditures				
Combined Operations				
Personal services	5,922,094	6,281,746	6,274,000	6,454,000
Contractual Services	3,340,169	3,659,009	3,663,000	4,116,000
Commodities	631,828	925,020	1,007,000	1,082,000
Capital Outlay	657,533	823,000	823,000	1,153,000
Debt Service	324,785	337,150	337,000	339,000
Transfers	657,659	411,025	411,000	414,000
Future Projects	-	-	-	-
Total Waste Operations	11,534,068	12,416,950	12,515,000	13,558,000
Waste Reduction (combined in 2017)				
Personal services	77,069	-	-	-
Contractual Services	64,619	-	-	-
Commodities	13,723	-	-	-
Debt Service	-	-	-	-
Transfers*	3,366	-	-	-
Future Projects	-	-	-	-
Total Waste Reduction	158,777	-	-	-
Total Expenditures	11,692,845	12,416,950	12,515,000	13,558,000
Revenue over Expenditures	1,382,475	467,150	798,000	166,000
Beginning Balance	3,455,366	3,374,403	4,837,840	5,635,840
End Balance (Budget Basis)	\$ 4,837,840	\$ 3,841,553	\$ 5,635,840	\$ 5,801,840

Solid Waste Fund 2017-2022 Forecast



Significant Revenue Changes:

- 3% rate increases for commercial and residential customers for 2018, bringing total revenue to \$13,724,000 in 2018
- Assumes standard residential rate will increase \$0.55 per month. An ordinance establishing rates will be considered during the budget process.

Significant Expenditure Changes:

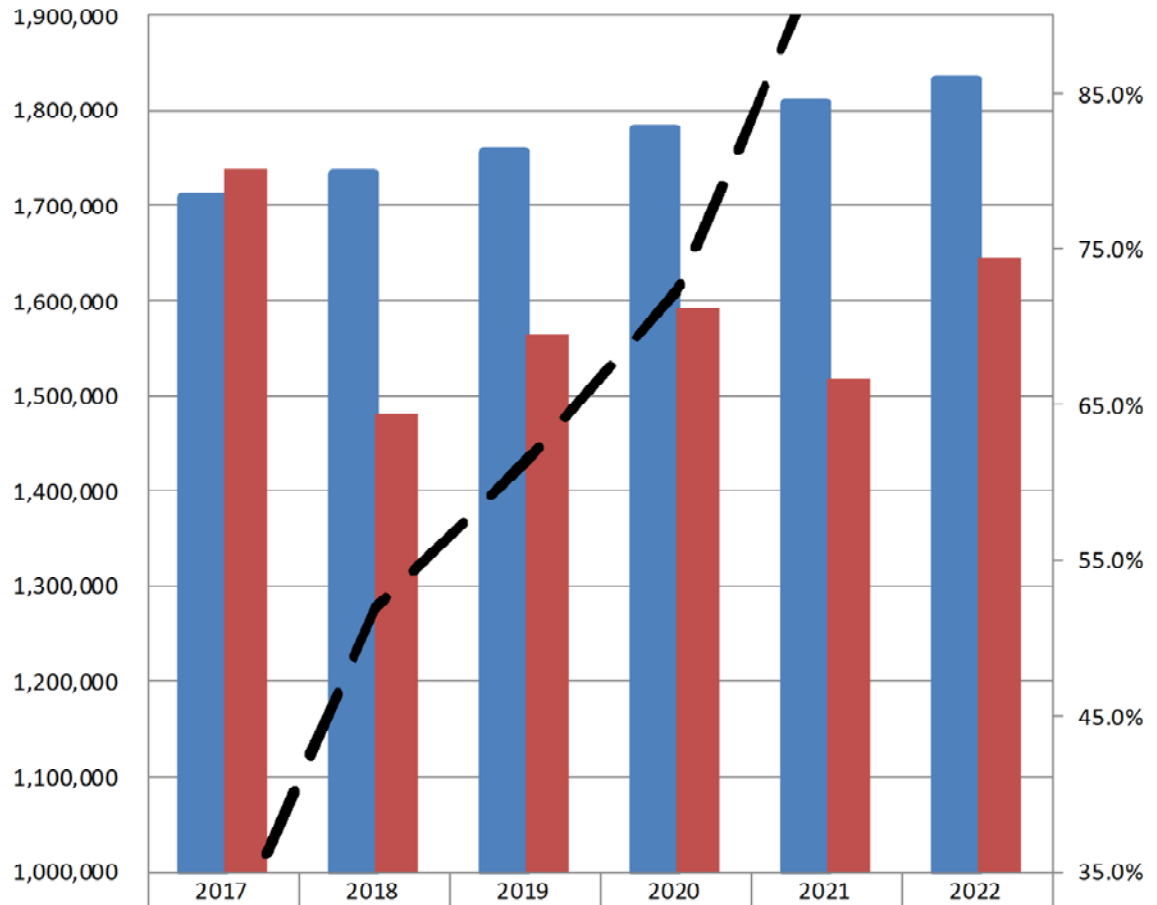
- Eliminated 2 vacant solid waste loader positions due to automation
- \$310,000 increase due to Landfill increases of 3.5% and recycling tip fees increases of 3% in 2018

PUBLIC PARKING FUND (503)

This enterprise fund is used to account for the operations of all parking facilities owned by the City. The public parking fund is an enterprise (fee supported) fund.

	Unaudited 2016	Budget 2017	Projected 2017	Projected 2018
Revenues				
Meter	\$ 645,083	\$ 628,000	\$ 620,000	\$ 628,000
Overtime Parking	613,386	702,000	800,000	816,000
Riverfront Garage	32,735	30,000	33,000	33,000
Parking Permits	128,244	116,000	128,000	128,000
9th & New Hampshire Garage	12,671	12,000	13,000	13,000
Vermont Street Garage	12,591	10,000	13,000	13,000
Interest on Investments	1,737	1,000	4,000	5,000
Prior Year Encumbrances Cancelled	104	-	-	-
Miscellaneous	-	-	100,000	100,000
Total Revenue	1,446,551	1,497,000	1,711,000	1,734,000
Expenditures				
Meter Collection				
Municipal Court - Operational	276,340	216,302	220,000	219,000
Police - Operational	391,719	420,676	421,000	435,000
Capital Outlay	29,890	99,000	99,000	-
Total	697,949	735,978	740,000	654,000
Police Patrol & Garage/Downtown Maintenance				
Police	281,942	331,496	331,000	342,000
Public Works	207,419	350,526	352,000	294,000
Parks and Rec	9	-	-	-
Capital Outlay	-	-	15,000	15,000
cip		15,000	150,000	-
Transfer to Debt Service				27,000
parking debt		150,000	150,000	150,000
Future Projects	-	-	-	-
Total	489,370	847,022	998,000	828,000
Total Expenditures	1,187,319	1,583,000	1,738,000	1,482,000
Revenue over Expenditures	259,232	(86,000)	(27,000)	252,000
Beginning Balance	285,475	414,560	544,707	517,707
End Balance (Budget Basis)	\$ 544,707	\$ 328,560	\$ 517,707	\$ 769,707

Public Parking Fund 2017-2022 Forecast



Total Revenue	1,711,000	1,734,000	1,757,000	1,783,000	1,808,000	1,833,000
Total Expenditures	1,738,000	1,482,000	1,566,000	1,592,000	1,519,000	1,646,000
Fund Balance as % of Expend	29.8%	51.9%	61.3%	72.3%	94.8%	98.9%

Significant Revenue Changes:

- Total revenues are projected at \$1,734,000 in 2018

Significant Expenditure Changes:

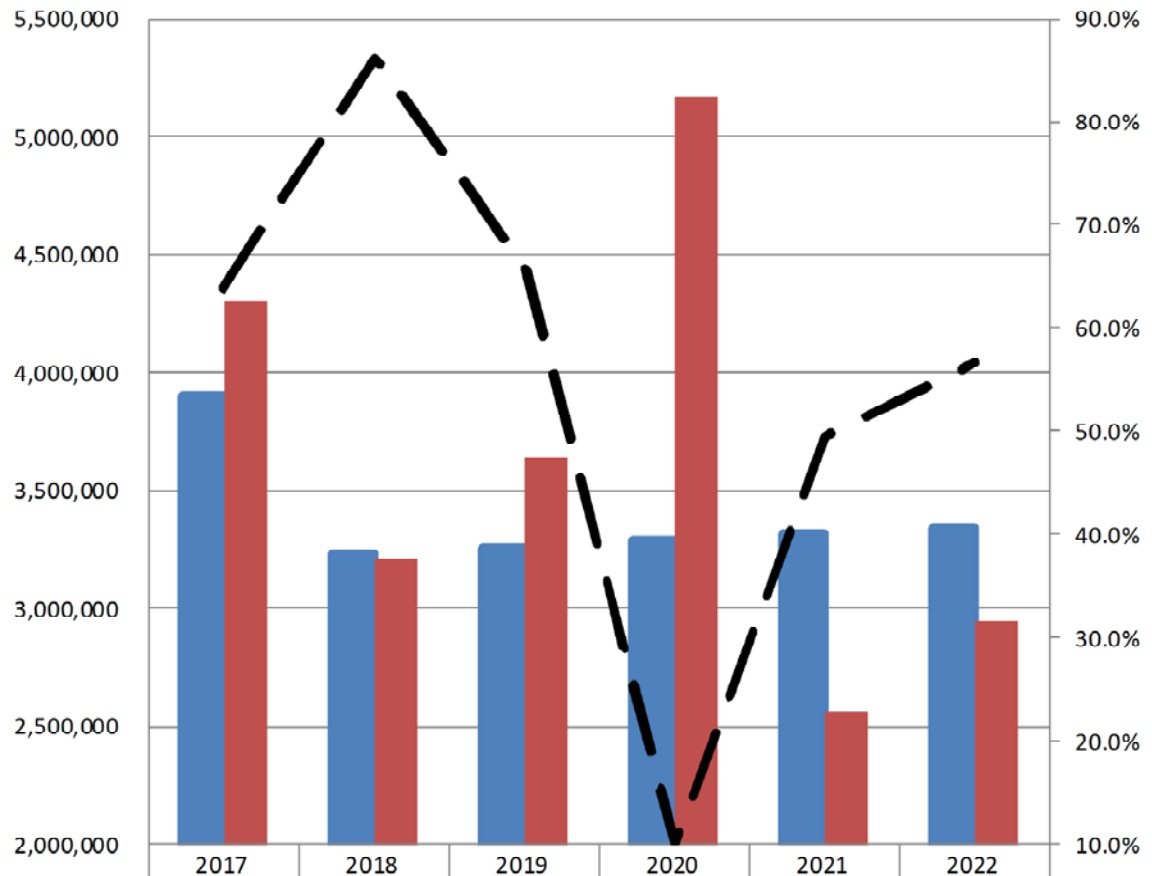
- Total expenditures decreased in 2018 which can be attributed to an one-time cost for an engineering assessment completed in 2017
- Primary cost drivers are electricity, service contracts (elevators, alarm monitoring), and equipment for cleaning

STORMWATER UTILITY FUND (505)

This enterprise fund is used to account for the storm water fees and expenses for repair and maintenance of the storm water system. The storm water utility fund is an enterprise (fee supported) fund.

	Unaudited 2016	Budget 2017	Projected 2017	Projected 2018
Revenues				
Storm Water Utility Charges	\$ 3,081,924	\$ 3,128,000	\$ 3,174,000	\$ 3,206,000
Interest on Investments	12,620	8,000	29,000	29,000
Miscellaneous	381	-	700,000	-
Total Revenue	3,094,925	3,136,000	3,903,000	3,235,000
Expenditures				
Personal services	625,390	823,303	834,000	917,000
Contractual Services	146,119	198,750	191,000	204,000
Commodities	344,310	338,590	347,000	347,000
Capital Outlay	385,362	140,000	290,000	1,250,000
cip	-	1,110,000	1,460,000	-
Transfers	450,000	450,000	450,000	451,000
Debt Service	716,059	530,474	530,000	46,000
Future Projects	-	200,000	200,000	-
Total Expenditures	2,667,240	3,791,117	4,302,000	3,215,000
Revenue over Expenditures	427,685	(655,117)	(399,000)	20,000
Beginning Balance	2,720,553	2,901,062	3,148,238	2,749,238
End Balance (Budget Basis)	\$ 3,148,238	\$ 2,245,945	\$ 2,749,238	\$ 2,769,238

Stormwater Utility Fund 2017-2022 Forecast



Total Revenue	3,903,000	3,235,000	3,266,000	3,296,000	3,318,000	3,345,000
Total Expenditures	4,302,000	3,215,000	3,639,000	5,173,000	2,567,000	2,947,000
Fund Balance as % of Expend	63.9%	86.1%	65.8%	10.0%	49.5%	56.6%

Significant Revenue Changes:

- 3% rate increase to the equivalent residential unit (ERU) rate, from \$4.12 to \$4.24, bringing total revenue to \$3,235,000 in 2018

Significant Expenditure Changes:

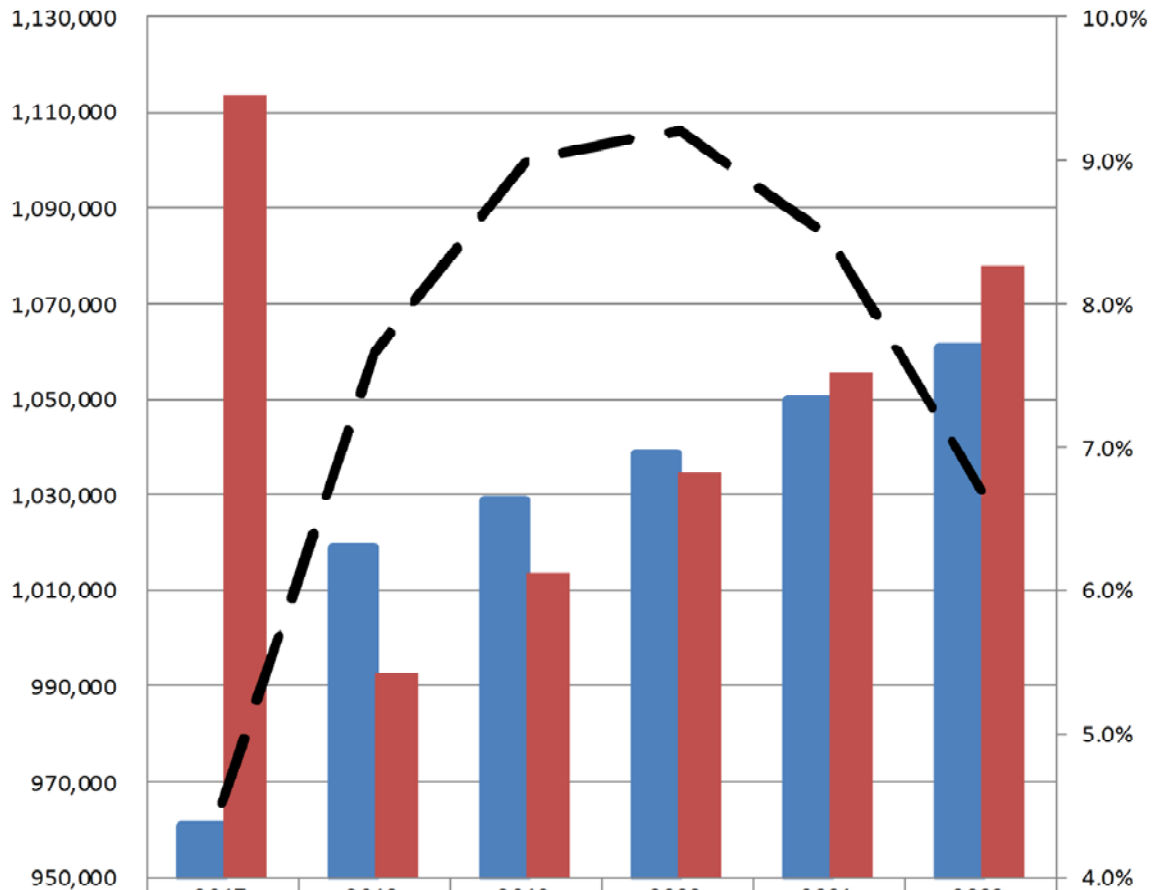
- Pay as you go capital funding is increasing in 2018 as the first major phase of debt infrastructure projects are paid off

PUBLIC GOLF COURSE FUND (506)

This enterprise fund is used to record the activities of Eagle Bend Golf Course, a publicly owned facility. The golf course fund is an enterprise (fee supported) fund.

	Unaudited 2016	Budget 2017	Projected 2017	Projected 2018
Revenues				
Golf Course Fees	\$725,309	\$850,000	\$850,000	932,000
Retail Sales	43,421	60,000	60,000	61,000
Increase due to new clubhouse	-	24,000	24,000	-
Interest on Investments	747	630	1,000	1,000
Prior Year Encumbrances Cancelled	103	-	-	-
Miscellaneous	-	26,000	26,000	25,000
Total Revenue	769,580	960,630	961,000	1,019,000
Expenditures				
Personal services	467,362	530,735	531,000	497,000
Contractual Services	139,615	159,450	161,000	176,000
Commodities	167,709	176,000	177,000	189,000
Capital Outlay	-	80,000	245,000	130,000
Transfer to Debt Service				1,000
Debt Service		-	-	-
Future Projects	-	-	-	-
Total Expenditures	774,686	946,185	1,114,000	993,000
Revenue over Expenditures	(5,106)	14,445	(153,000)	26,000
Beginning Balance	208,342	200,062	203,236	50,236
End Balance (Budget Basis)	\$ 203,236	\$ 214,507	\$ 50,236	\$ 76,236

Public Golf Course Fund 2017-2022 Forecast



Total Revenue	961,000	1,019,000	1,029,000	1,039,000	1,050,000	1,061,000
Total Expenditures	1,114,000	993,000	1,014,000	1,035,000	1,056,000	1,078,000
Fund Balance as % of Expend	4.5%	7.7%	9.0%	9.2%	8.5%	6.7%

Significant Revenue Changes:

- The budget takes into account the continued monitoring of revenues and expenses to balance the operating budget
- Revenues are increasing \$58,000 or 6%

Significant Expenditure Changes:

- Expenditures are decreasing \$121,000 or 11%
- Eliminated a vacant Golf Pro Assistant position

ECONOMIC DEVELOPMENT FUNDS

The Economic Development Funds are used to account for proceeds from the individual economic development projects. These are all special revenue funds.

	Unaudited	Budget	Projected	Projected
Revenues	2016	2017	2017	2018
TIF Property Tax	\$ 632,534	\$ 1,028,647	\$ 649,000	\$ 662,000
NRA Property Tax	68,955	189,806	190,000	194,000
TIF Sales Tax	173,803	317,152	307,000	313,000
TDD Sales Tax	328,128	315,687	406,000	414,000
Other	492,915	-	-	-
Total Revenue	1,696,335	1,851,293	1,552,000	1,583,000
Expenditures				
Economic Development				
Free State	245,863	160,340	256,000	261,000
Oread	-	572,281	1,597,000	583,000
9 NH South	422,281	530,780	618,000	516,000
9 NH North (888 New Hampshire)*	-	370,000	40,000	40,000
901 NH	28,085	28,085	28,000	29,000
720 LLC NRA	13,617	14,162	14,000	14,000
1040 Vermont NRA	29,718	29,000	29,000	30,000
810-812 Penn NRA	25,620	26,645	27,000	28,000
1101 Indiana (HERE)*		65,000	25,000	27,000
1106 Rhode Island*	-	20,000	20,000	20,000
900 Delaware*	-	35,000	35,000	35,000
Total Expenditures	765,184	1,851,293	2,689,000	1,583,000
Revenue over Expenditures	931,151	-	(1,137,000)	-
Beginning Balance	206,131	-	1,137,000	-
End Balance	\$ 1,137,282	\$ -	\$ -	\$ -
*Updated March 13, 2018				

Significant Changes:

- No significant changes

AIRPORT FUND (201)

This special revenue fund is used to account for grant proceeds received from the Federal Aviation and Administration (FAA) and the operations of the airport. Revenues are generated from the fixed based operator and farming income.

	Unaudited 2016	Budget 2017	Projected 2017	Budget 2018
Revenues				
Service Charges	\$ 368	\$ -	\$ -	\$ -
Interest	514	-	1,000	1,000
Reimb	10,500	-	-	-
Building/Field Rental	26,961	25,700	26,000	26,000
Total Revenue	38,343	25,700	27,000	27,000
Expenditures				
Total Expenditures	0	81,000	170,000	20,000
Revenue over Expenditures	38,343	(55,300)	(143,000)	7,000
Beginning Balance	84,145	\$ 95,617	144,996	1,996
Prior Year Adjustment	22,508	-	-	-
End Balance	\$ 144,996	\$ 40,317	\$ 1,996	\$ 8,996

Significant Changes:

- No significant changes

CAPITAL IMPROVEMENT RESERVE FUND

(202)

This special revenue fund is used to account for major capital improvements which are not funded by long-term debt. Transfers from the General Fund provide the resources for these expenditures.

Shown to the right is the total Capital Improvement Reserve Fund. Below, highlights only the infrastructure sales tax portion of the capital improvement reserve fund.

Fund Total	2016		2017	2018
Total Fund Revenue	8,967,295	5,494,465	6,966,000	8,879,000
Total Fund Expenditures	11,822,443	8,500,000	11,595,000	8,481,000
Total Revenue over Expenditures	(2,855,148)	(3,005,535)	(4,629,000)	398,000
Total Fund Beginning Balance	7,879,343	3,518,973	5,024,195	395,195
Total Fund Ending Balance	5,024,195	513,438	395,195	793,195

	Unaudited 2016	Budget 2017	Projected 2017	Budget 2018
Revenues				
Infrastructure Sales Tax (.3%)	\$ 4,374,024	\$ 4,779,041	4,462,000	4,551,000
Infrastructure Use Tax (.3%)	972,132	498,327	1,001,000	1,031,000
Less: Amount credited into Equip Reserve Fund			(500,000)	(500,000)
Total Revenue	5,346,156	5,277,368	4,963,000	5,082,000
Expenditures				
KLINK 2015, Iowa St				
Street Maintenance and Traffic Calming	800,038	800,000	800,000	800,000
9th & Kentucky Intersection, Signal & Sidewalk Imp f	116,052	-		
5th & Maple Pump Station	2,241,984	-		
Bob Billings Pkwy - Kasold to Wakarusa PW1503	1,631,652	-		
Kasold - Bob Billings Pkwy to 6th PW1505	29,235	4,500,000	4,500,000	1,000,000
Wakarusa - Inverness/Legends to 6th	-	2,500,000	1,900,000	-
19th - Iowa to Naismith PW1535	223,000	-	1,942,000	2,650,000
City share of 11th & Mississippi repair	150,000	-		
Bicycle Pedestrian improvements	-	200,000	200,000	200,000
13th and Mass PW18E10	-	-	-	50,000
23rd Mill Overlay Iowa to Ousdahl	-	-	-	200,000
Total Expenditures	5,191,959	8,000,000	9,342,000	4,900,000
Revenue over Expenditures	154,197	(2,722,632)	(4,379,000)	182,000
Beginning Balance	4,253,590	2,924,741	4,407,787	28,787
End Balance	\$ 4,407,787	\$ 202,109	\$ 28,787	\$ 210,787

EQUIPMENT RESERVE FUND (205)

This special revenue fund is used to account for major equipment purchases which are not budgeted in the operating funds of the Governmental Fund Types or financed with general obligation bonds. Transfers from the General Fund provide the resources for these expenditures.

Shown to the right is the total Equipment Reserve Fund. Below, highlights only the infrastructure sales tax portion of the equipment reserve fund.

Fund Total	2016		2017	2018
Total Fund Revenue	192,024	281,176	781,000	764,000
Total Fund Expenditures	4,113,818	199,500	100,000	2,025,000
Total Revenue over Expenditures	(3,921,794)	81,676	681,000	(1,261,000)
Total Fund Beginning Balance	5,511,898	760,201	1,590,104	2,271,104
Total Fund Ending Balance	\$ 1,590,104	\$ 841,877	\$ 2,271,104	\$ 1,010,104

	Unaudited 2016	Budget 2017	Projected 2017	Projected 2018
Revenue				
Infrastructure Sales Tax .3% Sales Tax	\$ -	\$ -	\$ 500,000	\$ 500,000
Total Revenue	-	-	500,000	500,000
Expenditures				
Unit 626 - Tender		100,000	-	-
Quint	100,000	-	-	-
CIP	-	-	-	1,025,000
Total Expenditures	100,000	100,000	-	1,025,000
Revenue over Expenditures	(100,000)	(100,000)	500,000	(525,000)
Beginning Balance	334,003	334,003	334,003	834,003
End Balance	\$ 234,003	\$ 234,003	\$ 834,003	\$ 309,003

CITY PARKS MEMORIAL FUND (601)

This special revenue fund is used to account for donations received from the public to fund special requests for landscaping and flower gardens.

	Unaudited 2016	Budget 2017	Projected 2017	Projected 2018
Revenues				
Donations	\$ 6,116	\$ 3,000	\$ 8,000	\$ 3,000
Grant	24,100	-	-	
Interest	400	80	-	-
Total Revenue	30,616	3,080	8,000	3,000
Expenditures				
Boat Ramp Improvements	25,975	-	-	-
Bench	1,503	-	-	-
Landscaping/Tree	2,500	-	38,000	66,000
Other	-	-	-	-
Total Expenditures	29,978	-	38,000	66,000
Revenue over Expenditures	638	3,080	(30,000)	(63,000)
Beginning Balance	92,042	20,422	93,000	63,000
End Balance	\$ 92,680	\$ 23,502	\$ 63,000	\$ -

Significant Changes:

- No significant changes

FARMLAND REMEDIATION FUND (604)

This special revenue fund is used to account for escrow funds received and remediation costs for the former Farmland Industries property.

	Unaudited 2016	Budget 2017	Projected 2017	Projected 2018
Revenues				
Interest	\$ -	\$ 18,700	\$ 16,000	\$ 14,000
Land sale	74,920	-	-	-
Other	13,562	-	-	-
Total Revenue	88,482	18,700	16,000	14,000
Expenditures				
Other Expenditures	843,730	497,800	497,000	506,000
CIP				1,000,000
Total Expenditures	843,730	497,800	497,000	1,506,000
Revenue over Expenditures	(755,248)	(479,100)	(481,000)	(1,492,000)
Beginning Balance	5,567,374	5,060,588	4,812,126	4,331,126
End Balance	4,812,126	\$ 4,581,488	\$ 4,331,126	\$ 2,839,126

Significant Changes:

- No significant changes

CEMETERY PERPETUAL CARE FUND (605)

This special revenue fund is used to provide monies for the maintenance of the City Cemetery.

	Unaudited 2016	Budget 2017	Projected 2017	Projected 2018
Revenues				
Interest	\$ 195	\$ 158	-	-
Total Revenue	195	158	-	-
Expenditures				
Total Expenditures	84,471	5,000	3,000	
Revenue over Expenditures	(84,276)	(4,842)	(3,000)	-
Beginning Balance	87,584	17,852	3,308	308
End Balance	3,308	\$ 13,010	\$ 308	\$ 308

Significant Changes:

- No significant changes

CEMETERY MAUSOLEUM FUND (606)

This special revenue fund is used to provide monies for the City Mausoleum.

	Unaudited 2016	Budget 2017	Projected 2017	Projected 2018
Revenues				
Interest	\$ 25	\$ -	-	-
Total Revenue	25		-	-
Expenditures				
Total Expenditures	-	-	4,000	-
Revenue over Expenditures	25	-	(4,000)	-
Beginning Balance	4,234	4,247	4,247	247
End Balance	4,259	\$ 4,247	\$ 247	\$ 247

Significant Changes:

- No significant changes

HOUSING TRUST FUND (607)

This special revenue fund is used to support the acquisition, construction, and rehabilitation of affordable housing.

	Unaudited 2016	Budget 2017	Projected 2017	Projected 2018
Revenues				
Transfer	\$ 200,000	\$ -	\$ -	\$ -
Debt Proceeds	-	300,000	300,000	300,000
Interest	718	154	1,000	1,000
Donations	77,024	-	-	-
Total Revenue	277,742	300,154	301,000	301,000
Expenditures				
Total Expenditures	200,000	300,000	380,000	301,000
Revenue over Expenditures	77,742	154	(79,000)	-
Beginning Balance	102,761	-	180,503	101,503
End Balance	\$ 180,503	\$ 154	\$ 101,503	\$ 101,503

Significant Changes:

- No significant changes

OUTSIDE AGENCY FUND (611)

This special revenue fund is used to account for grants passed through the outside agencies.

	Unaudited 2016	Budget 2017	Projected 2017	Projected 2018
Revenues				
Intergovernmental	\$ 3,172,809	\$ 4,020,000	\$ 4,020,000	\$ 4,120,000
Other	8,500	-	-	
Total Revenue	3,181,309	4,020,000	4,020,000	4,120,000
Expenditures				
Total Expenditures	3,213,756	4,015,254	4,020,000	4,119,000
Revenue over Expenditures	(32,447)	4,746	-	1,000
Beginning Balance	3,923	3,923	(28,524)	(28,524)
End Balance	\$ (28,524)	\$ 8,669	\$ (28,524)	\$ (27,524)

Significant Changes:

- No significant changes

WEE FOLKS SCHOLARSHIP FUND (612)

This special revenue fund was started with a \$12,000 donation from the St. Patrick's Day Parade organization. The City is to seek matching donations. The fund is to be used to provide scholarships for Lawrence youth for recreational activities.

	Unaudited 2016	Budget 2017	Projected 2017	Projected 2018
Revenues				
Donations	\$ 31,575	\$ 30,000	\$ 32,000	\$ 32,000
Interest	772	482	2,000	1,000
Total Revenue	32,347	30,482	34,000	33,000
Expenditures				
Culture and Recreation	43,807	50,000	50,000	50,000
Revenue over Expenditures	(11,460)	(19,518)	(16,000)	(17,000)
Beginning Balance	160,572	161,048	149,112	133,112
End Balance	\$ 149,112	\$ 141,530	\$ 133,112	\$ 116,112

Significant Changes:

- No significant changes

FAIR HOUSING GRANT FUND (621)

This special revenue fund is used to account for federal housing assistance grants received by the City. The monies are used to promote fair housing practices in the City and to assure compliance with federal regulations governing fair housing practices.

	Unaudited 2016	Budget 2017	Projected 2017	Projected 2018
Revenues				
Intergovernmental	\$ 72,600	\$ -	\$ -	
Miscellaneous	150	-	200	-
Interest	804	569	1,100	2,000
Total Revenue	73,554	569	1,300	2,000
Expenditures				
Social Services	28,403	11,800	30,000	199,000
Revenue over Expenditures	45,151	(11,231)	(28,700)	(197,000)
Beginning Balance	181,336	196,491	226,487	197,787
End Balance	\$ 226,487	\$ 185,260	\$ 197,787	\$ 787

Significant Changes:

- No significant changes

COMMUNITY DEVELOPMENT FUND (631)

This special revenue fund is used to account for federal block grants received and related program income. These funds are used to provide assistance to low and moderate income individuals and areas in the City.

	Unaudited 2016	Budget 2017	Projected 2017	Projected 2018
Revenues				
Intergovernmental	\$ 586,576	\$ 770,700	\$ 680,000	\$ 680,000
Loan Repayments	89,876	170,000	90,000	70,000
Total Revenue	676,452	940,700	770,000	750,000
Expenditures				
Social Services	661,730	917,077	761,000	758,000
Revenue over Expenditures	14,722	23,623	9,000	(8,000)
Beginning Balance	353,498	223,498	368,220	377,220
End Balance	\$ 368,220	\$ 247,121	\$ 377,220	\$ 369,220

Significant Changes:

- No significant changes

HOME PROGRAM FUND (633)

This special revenue fund is used to account for federal funds received to assist low income residents to purchase homes.

	Unaudited 2016	Budget 2017	Projected 2017	Projected 2018
Revenues				
Intergovernmental	\$ 260,780	\$ 500,000	\$ 200,000	\$ 300,000
Loan Repayments	58,775	31,909	32,000	32,000
Total Revenue	319,555	531,909	232,000	332,000
Expenditures				
Social Services	321,267	532,909	331,000	330,000
Revenue over Expenditures	(1,712)	(1,000)	(99,000)	2,000
Beginning Balance	51,053	183,053	49,341	(49,659)
End Balance	\$ 49,341	\$ 182,053	\$ (49,659)	\$ (47,659)

Significant Changes:

- No significant changes

TRANSPORTATION PLANNING FUND (641)

This special revenue fund is used to account for federal grants received for urban transportation planning.

	Unaudited 2016	Budget 2017	Projected 2017	Projected 2018
Revenues				
Intergovernmental	\$ 342,171	\$ 260,100	\$ 300,000	\$ 260,000
Total Revenue	342,171	260,100	300,000	260,000
Expenditures				
Total Expenditures	357,811	262,900	265,000	262,000
Revenue over Expenditures	(15,440)	(2,800)	35,000	(2,000)
Beginning Balance	(7,596)	19,019	(23,036)	11,964
End Balance	\$ (23,036)	\$ 16,219	\$ 11,964	\$ 9,964

Significant Changes:

- No significant changes

LAW ENFORCEMENT TRUST FUND (652)

This special revenue fund is used to account for proceeds from the sale of assets forfeited in a legal proceeding. Receipts in the fund are used to defray the cost of complex investigations, purchase technical equipment or provide matching funds for federal grants.

	Unaudited	Budget	Projected	Projected
	2016	2017	2017	2018
Revenues				
Misc	\$ 76,159	\$ 45,000	\$ 45,000	\$ 43,000
Interest	366	70	1,000	1,000
Total Revenue	76,525	45,070	46,000	44,000
Expenditures				
Contractual Services	76,386	50,000	50,000	40,000
Commodities	8,144	30,000	30,000	10,000
Total Expenditures	84,530	80,000	80,000	50,000
Revenue over Expenditures	(8,005)	(34,930)	(34,000)	(6,000)
Beginning Balance	88,927	63,985	81,000	47,000
End Balance	\$ 80,922	\$ 29,055	\$ 47,000	\$ 41,000

Significant Changes:

- No significant changes

SIGNIFICANT CHANGES IN FUND BALANCE

The following indicates significant changes in fund balance as defined by an anticipated increase or decrease by more than 10% in fund balance for the budgeted year. A brief explanation of the change in fund balance is provided below for each fund.

Major Funds

The City has the 5 following major funds:

General Operating Fund — No significant change in fund balance.

Bond & Interest Fund — There was a 17% decrease in fund balance budgeted for 2018. This is primarily due to planned Capital Improvement Plan (CIP) projects scheduled in 2018.

Water & Sewer Fund — No significant change in fund balance.

Solid Waste Fund — No significant change in fund balance.

Storm Water Utility Fund — No significant change in fund balance.

Non-Major Funds

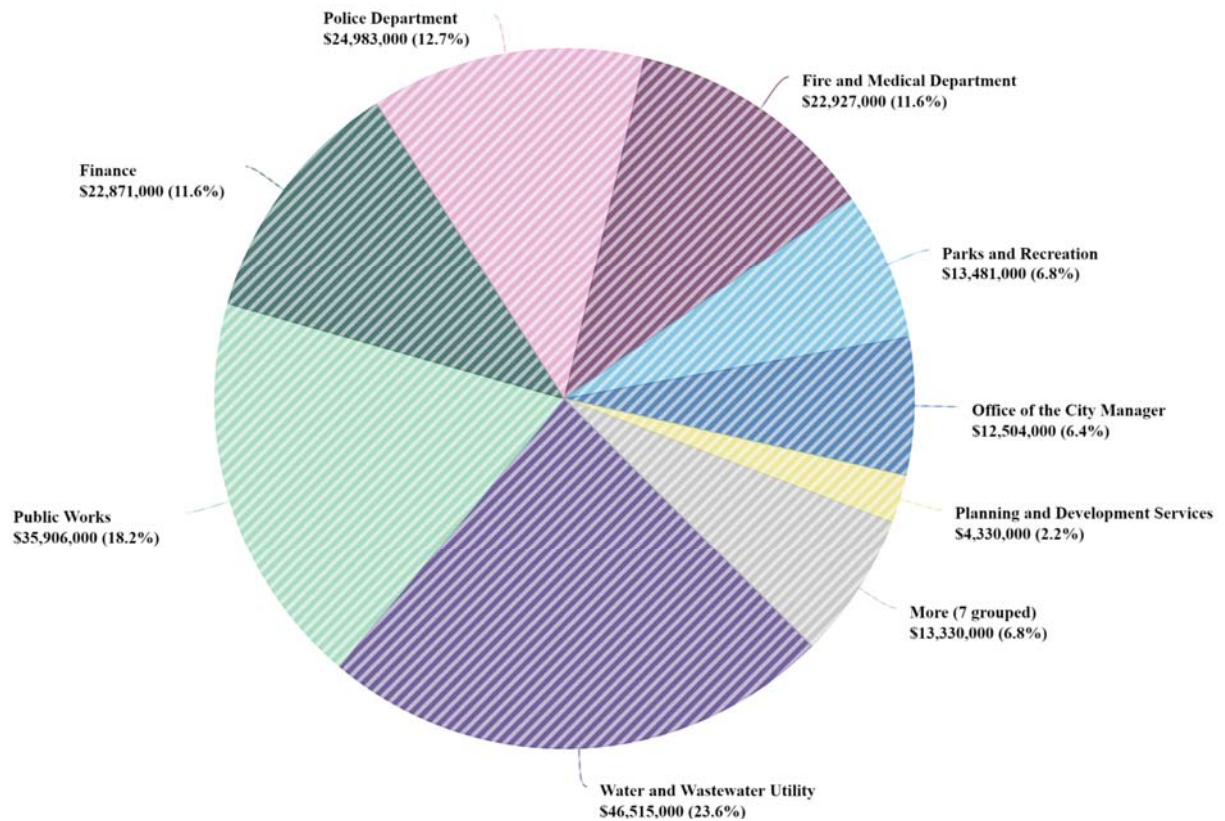
The City has the 35 following non-major funds:

- Airport Improvement Fund, Capital Improvement Reserve Fund, Equipment Reserve Fund, Guest Tax Fund, Library Fund, Transit Fund, Recreation Fund, Special Alcohol Fund, Special Gas Tax Fund, Special Recreation Fund, Free State TDD, Oread TDD, 9 NH South-TDD, 9 NH North-TDD-TIF, 901 NH, 720 LLC NRA, HERE NRA, City Parks Memorial Fund, Farmland Remediation Fund, Cemetery Perpetual Care Fund, Cemetery Mausoleum Fund, Housing Trust Fund, Outside Agency Grants, Wee Folks Scholarships, Fair Housing Grant, Community Development Grant, Home Program Fund, Transportation Planning Fund, Law Enforcement Trust Fund, Water & Sewer Non-Bonded Construction, Solid Waste Construction, Public Parking System Fund, and Golf Course Fund.

All Non-Major Funds: In aggregate, there was a 15% decrease in fund balance for 2018. This is primarily attributed to three non-major funds: Water & Sewer Non-Bonded Construction, Farmland Remediation, and Equipment Reserve. These funds are used to accumulate cash to help pay for large capital projects scheduled for construction through the City's CIP.

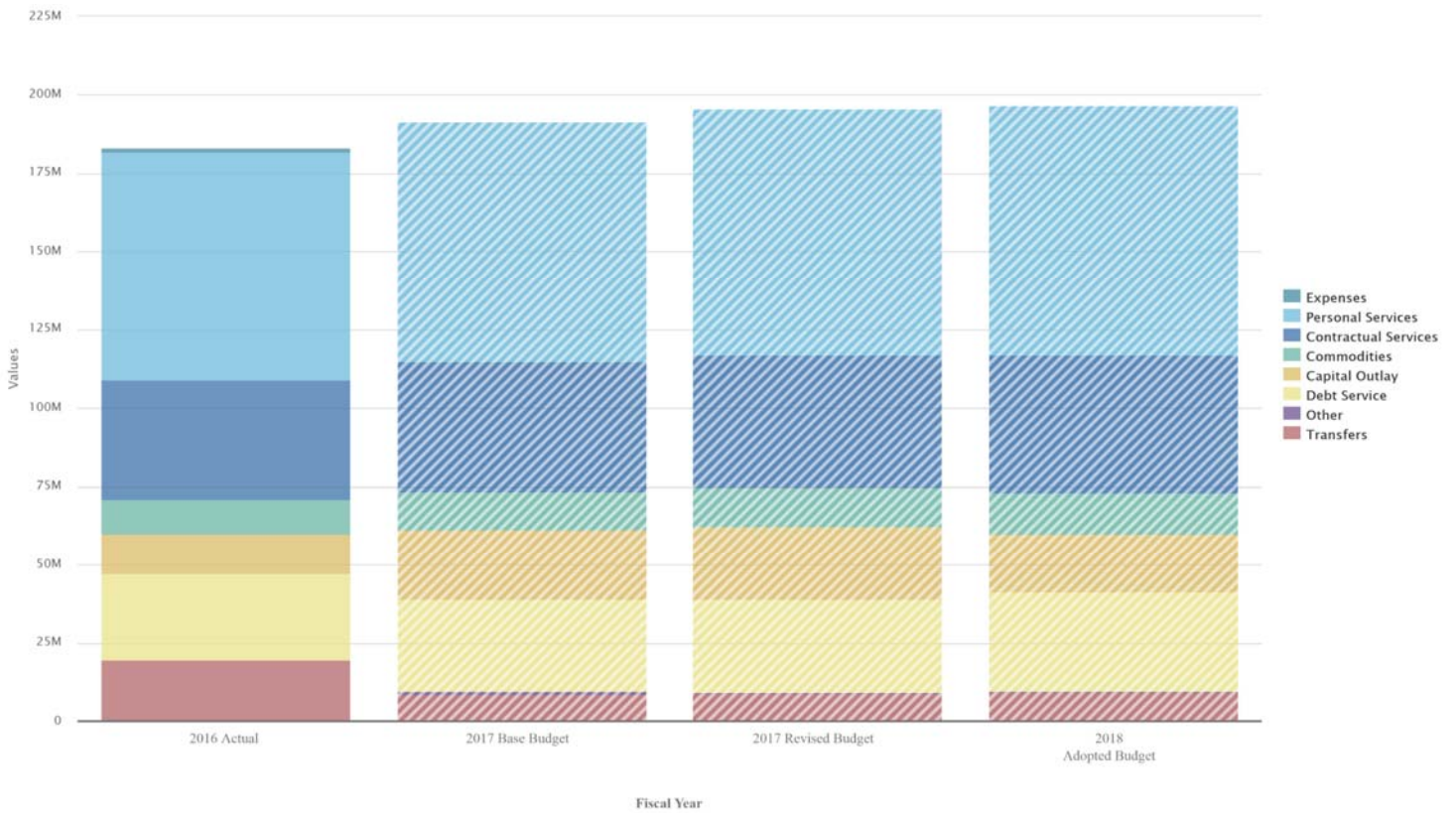
DEPARTMENT BUDGETS

EXPENDITURES BY DEPARTMENT-ALL FUNDS



Departments	2016 Actual	2017 Base Budget	2017 Revised Budget	2018 Adopted Budget
General Government	\$ 7,652	\$ 0	\$ 0	\$ 649,000
City Comission	1,074,829	1,235,000	1,317,000	1,177,000
Office of the City Manager	14,046,324	12,003,100	12,169,000	12,504,000
Planning and Development Services	3,865,602	4,624,600	4,330,000	4,330,000
Finance	28,013,807	23,404,000	24,599,000	22,871,000
Information Technology	1,025,268	1,114,900	1,129,000	1,224,000
Office of the City Attorney	2,542,885	2,414,800	2,567,000	2,927,000
Police Department	19,963,212	23,481,300	23,867,000	24,983,000
Fire and Medical Department	16,421,286	19,347,800	19,971,000	22,927,000
Public Works	34,224,284	39,270,300	40,512,000	35,906,000
Parks and Recreation	17,733,170	13,255,500	13,332,000	13,481,000
Public Library	3,750,000	4,033,700	4,131,000	4,233,000
Public Health	1,145,814	1,211,000	1,213,000	1,155,000
Water and Wastewater Utility	37,729,184	44,169,200	44,428,000	46,515,000
Tourism	1,768,324	1,925,500	2,001,000	1,965,000
Total	\$ 183,311,640	\$ 191,490,700	\$ 195,566,000	\$ 196,847,000

EXPENDITURES BY CATEGORY-ALL DEPARTMENTS

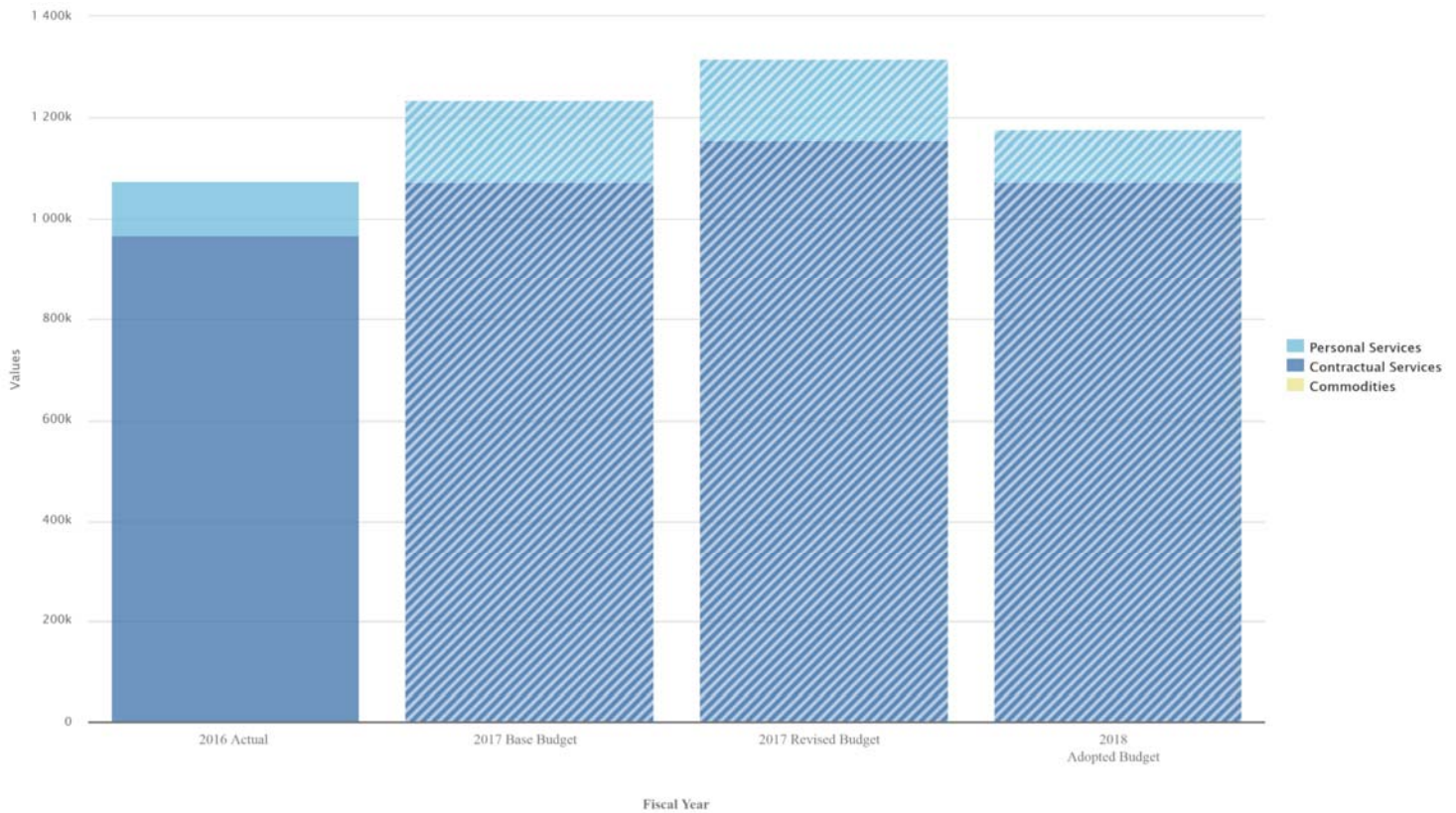


Class	2016 Actual	2017 Base Budget	2017 Revised Budget	2018 Adopted Budget
Expenses	\$ 1,395,564	\$ 0	\$ 0	\$ 0
Personal Services	72,957,601	76,693,500	78,554,000	80,003,000
Contractual Services	37,800,781	41,268,400	42,281,000	43,770,000
Commodities	11,012,189	12,192,700	12,328,000	12,868,000
Capital Outlay	12,806,431	22,240,800	23,365,000	18,793,000
Debt Service	27,692,522	29,428,800	29,778,000	31,697,000
Other	871	1,122,700	133,000	454,000
Transfers	19,645,680	8,543,800	9,127,000	9,262,000
Total	\$ 183,311,640	\$ 191,490,700	\$ 195,566,000	\$ 196,847,000

City Commission/City Auditor

The City Commission is a five-member body which performs the legislative and policymaking functions of the City. 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.

City Commission/City Auditor Department budget by Category

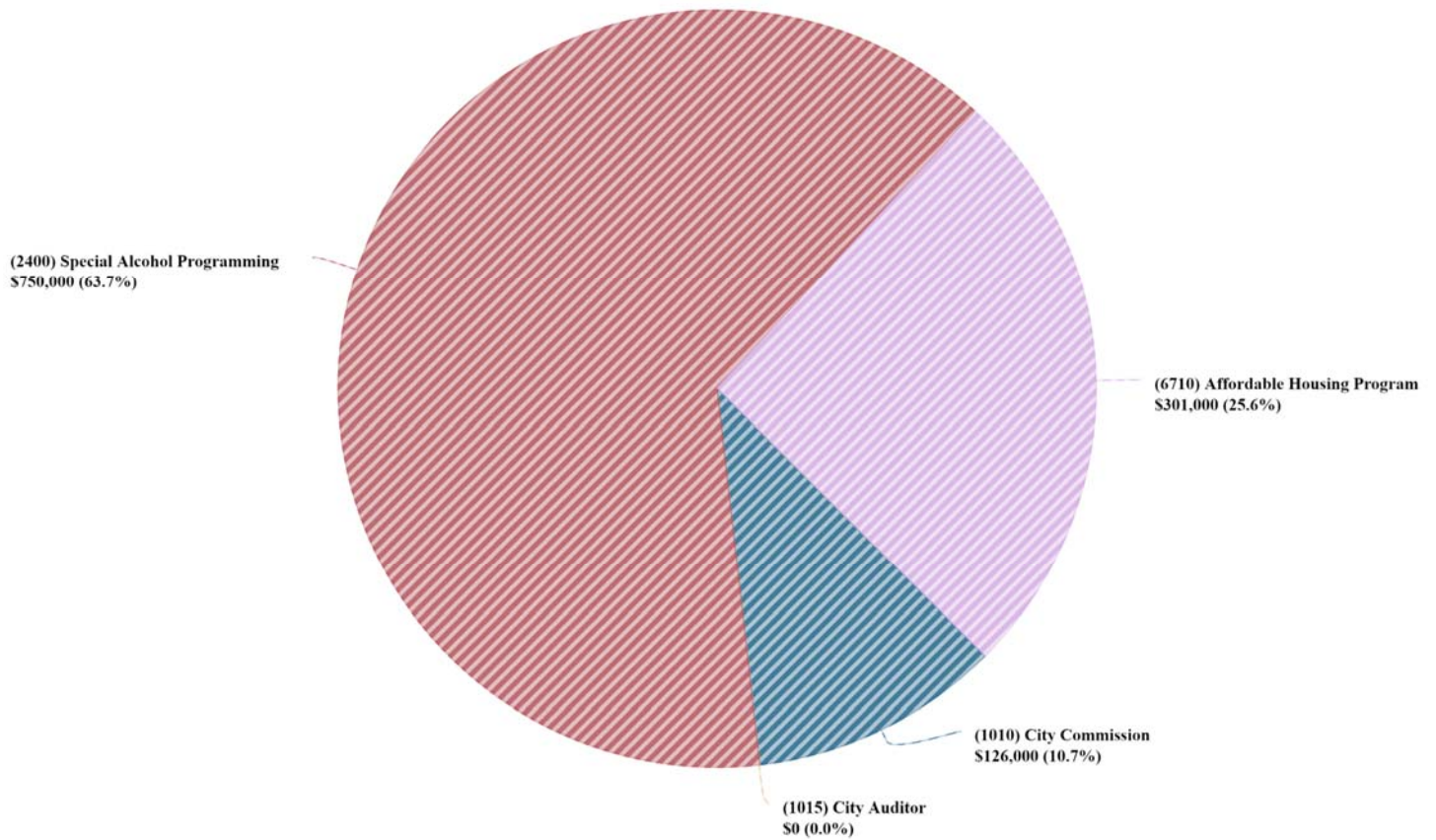


City Commission/City Auditor Department budget by Fund

Fund Type	Funds		2016 Actual	2017 Base Budget	2017 Revised Budget	2018 Adopted Budget
General			\$ 119,578	\$ 185,000	\$ 187,000	\$ 126,000
Special Revenue			955,251	1,050,000	1,130,000	1,051,000
Special Revenue	Governmental		955,251	1,050,000	1,130,000	1,051,000
Special Revenue	Governmental	(213) Special Alcohol Fund	755,251	750,000	750,000	750,000
Special Revenue	Governmental	(607) Housing Trust Fund	200,000	300,000	380,000	301,000
Total			\$ 1,074,829	\$ 1,235,000	\$ 1,317,000	\$ 1,177,000

City Commission/City Auditor

City Commission/City Auditor Department budget by Division



Significant Changes:

- \$500 for fundraisers

CIP Projects

- Affordable Housing Initiatives
- Animal Shelter Construction Partnership

Unfunded Requests

- No unfunded requests

Personnel Changes

- Elimination of vacant City Auditor position

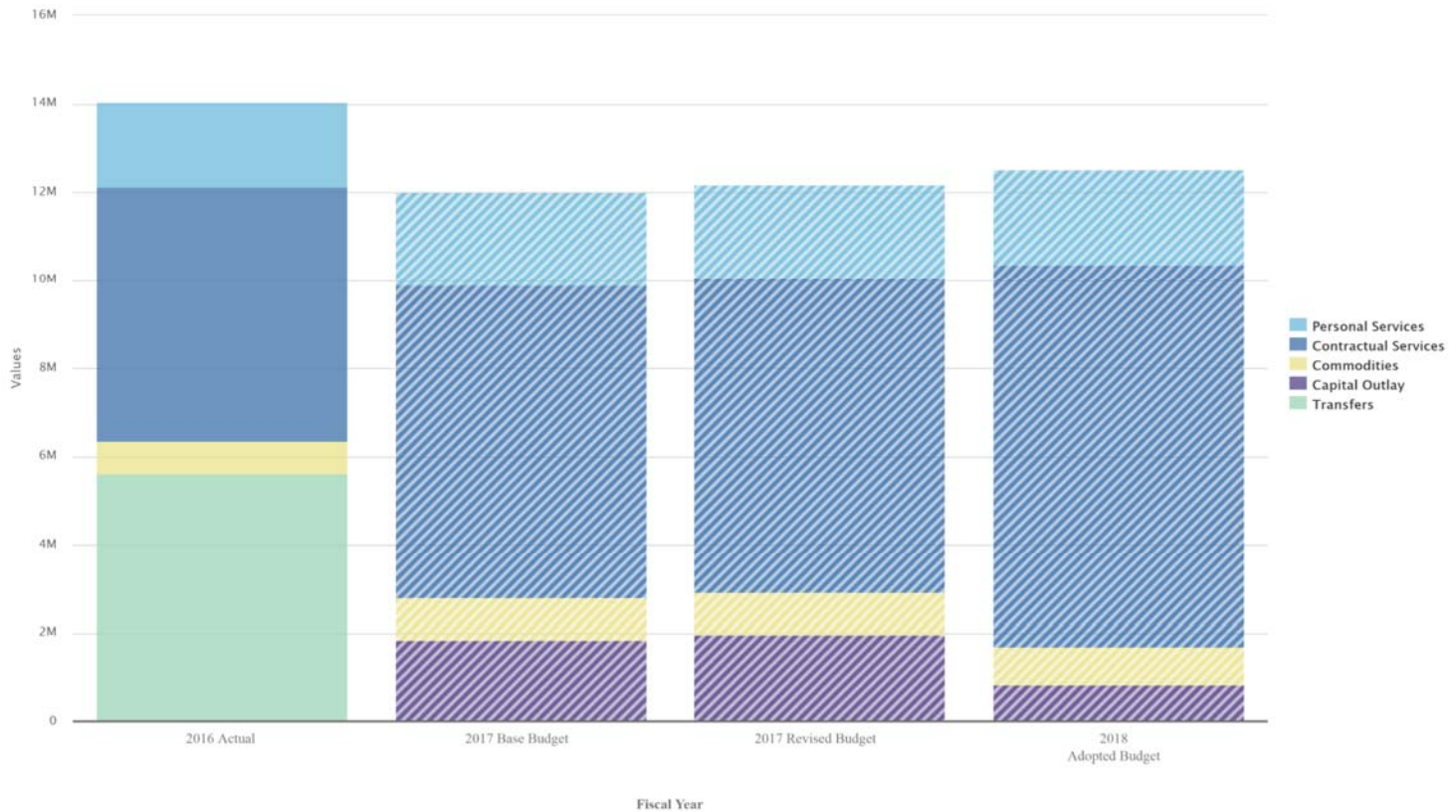
Fee Changes

- No fee changes

Office of the City Manager

The Office of the City Manager is responsible for the oversight of departmental operations, personnel functions, preparation of the recommended annual budget, and communication with citizens, employees, and the media. The Office of the City Manager has six divisions: City Manager, Public Information, City Clerk, Human Resources, Public Transit, and Risk Management.

Office of the City Manager budget by Category

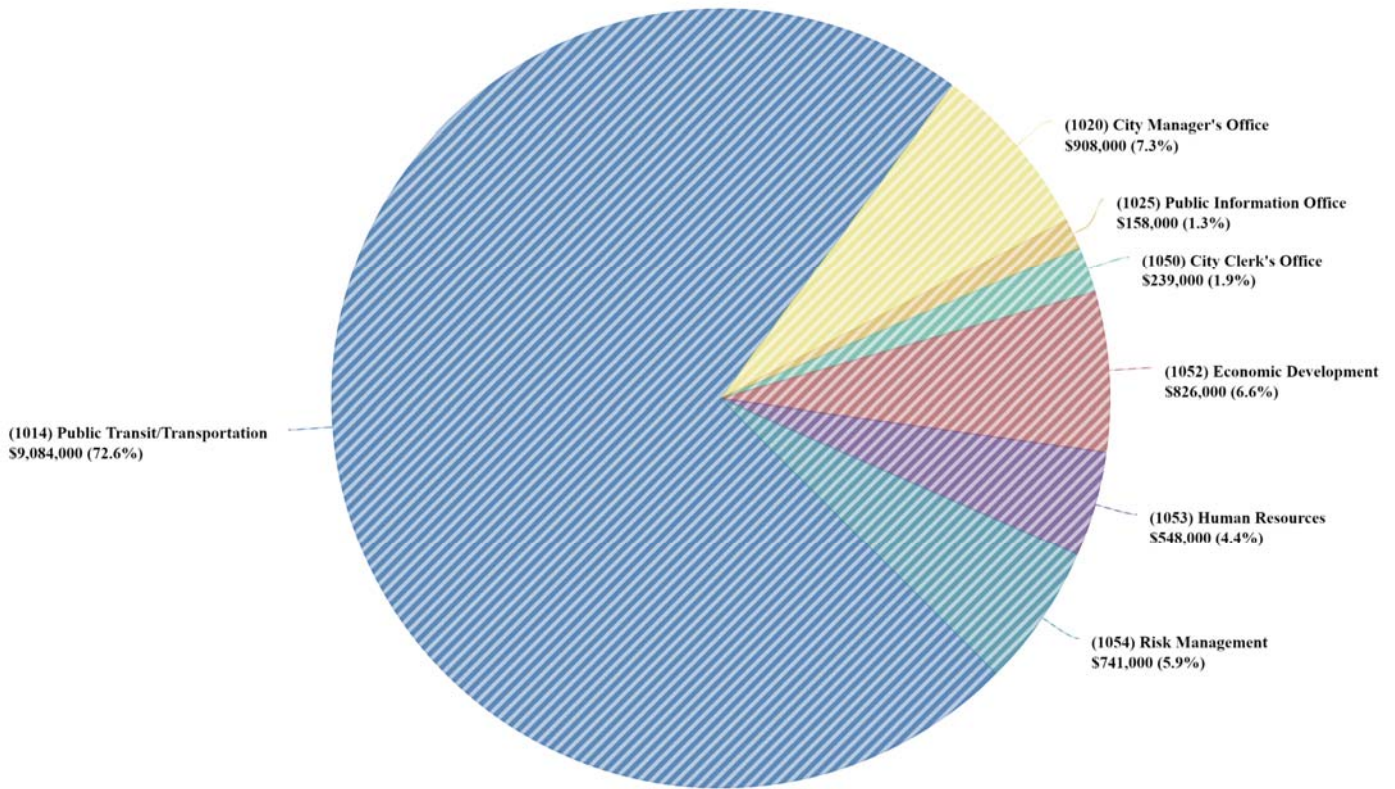


Office of the City Manager budget by Fund

Fund Type	Funds		2016 Actual	2017 Base Budget	2017 Revised Budget	2018 Adopted Budget
General			\$ 2,360,318	\$ 2,587,700	\$ 2,623,000	\$ 3,420,000
Special Revenue			11,686,006	9,415,400	9,546,000	9,084,000
Special Revenue	Governmental		11,686,006	9,415,400	9,546,000	9,084,000
Special Revenue	Governmental	(202) Capital Improve Reserve	3,107,886	0	0	0
Special Revenue	Governmental	(205) Equipment Reserve Fund	2,509,872	0	0	0
Special Revenue	Governmental	(210) Transit Fund	3,123,293	5,820,200	5,946,000	5,135,000
Special Revenue	Governmental	(611) Outside Agency Grants	2,944,955	3,595,200	3,600,000	3,949,000
Total			\$ 14,046,324	\$ 12,003,100	\$ 12,169,000	\$ 12,504,000

Office of the City Manager

Office of the City Manager budget by Division



Significant Changes:

- No significant changes

CIP Projects

- No CIP projects

Unfunded Requests

- 0.5 Human Resources Specialist (Human Resources Division)
- Reclassification of a position (Risk Manager's Division)

Personnel Changes

- Elimination of 1.0 vacant Communication Manager position

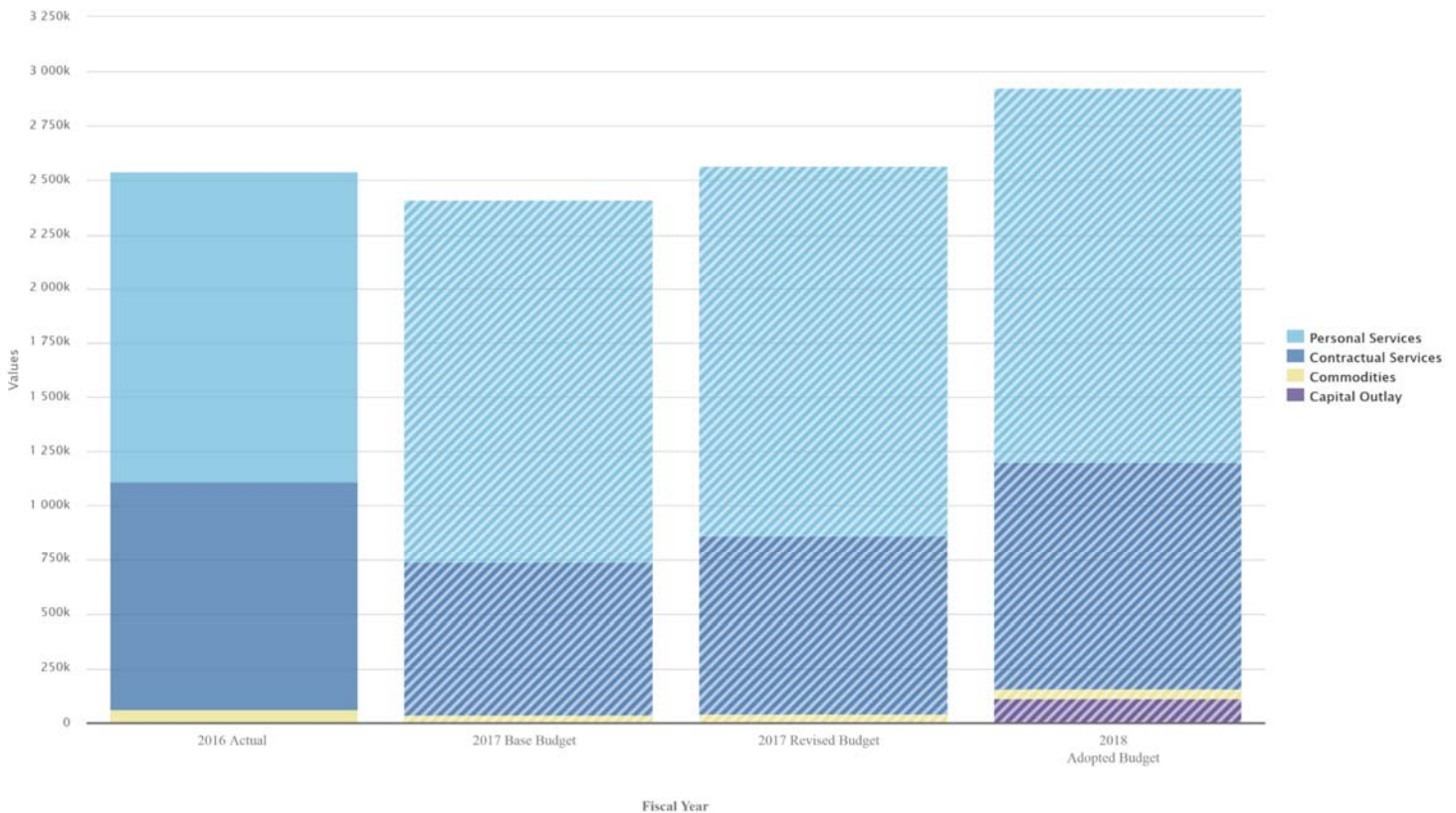
Fee Changes

- No fee changes

Office of the City Attorney

The Office of the City Attorney provides legal advice and support to the City Commission, City departments and City advisory boards. The Office of the City Attorney is comprised of three divisions: City Attorney, Human Relations, and Municipal Court.

Office of the City Attorney budget by Category

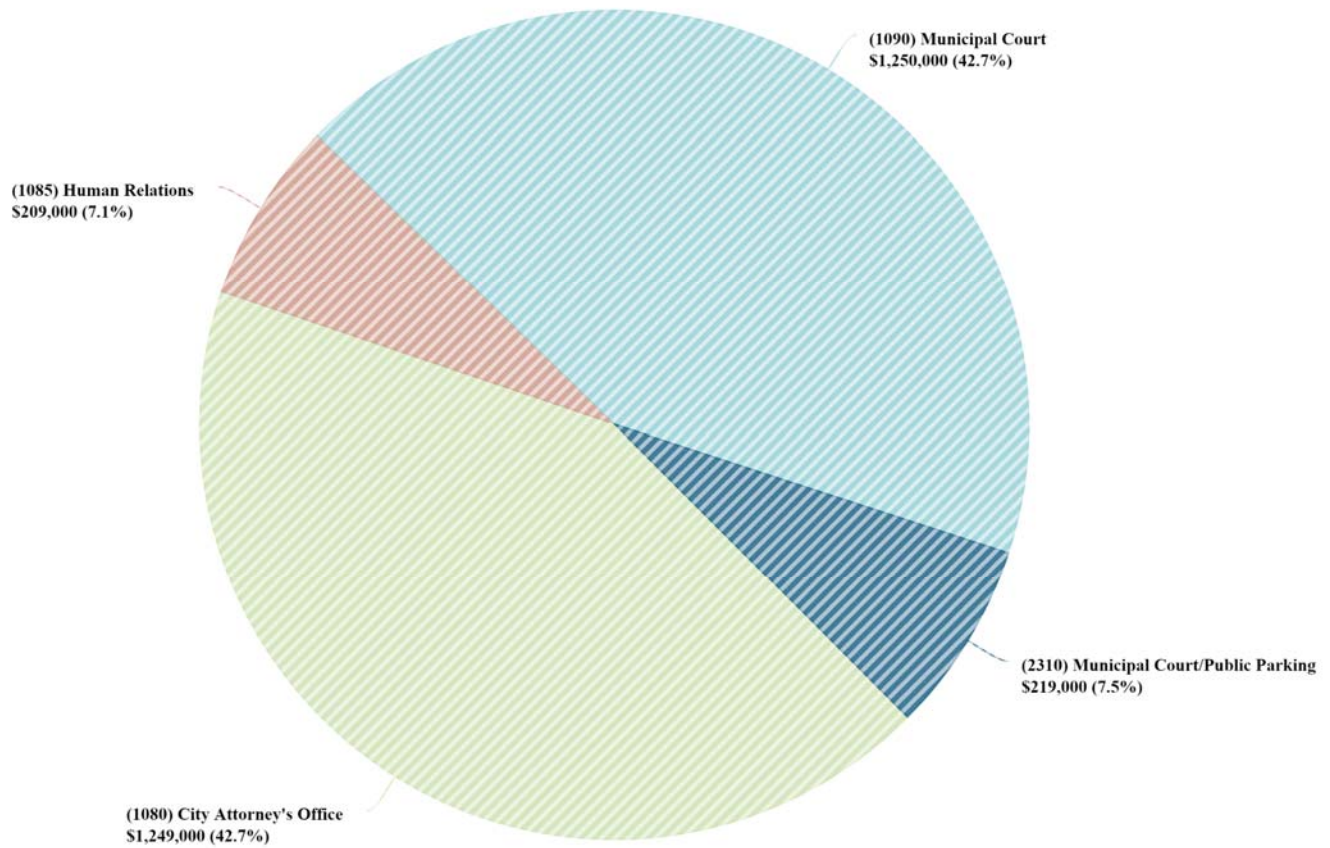


Office of the City Attorney budget by Fund

Fund Type	Funds		2016 Actual	2017 Base Budget	2017 Revised Budget	2018 Adopted Budget
General			\$ 2,210,873	\$ 2,186,700	\$ 2,317,000	\$ 2,394,000
Special Revenue			55,672	11,800	30,000	314,000
Special Revenue	Governmental		55,672	11,800	30,000	314,000
Special Revenue	Governmental	(205) Equipment Reserve Fund	27,270	0	0	115,000
Special Revenue	Governmental	(621) Fair Housing Grant	28,401	11,800	30,000	199,000
Enterprise			276,340	216,300	220,000	219,000
Enterprise	Proprietary		276,340	216,300	220,000	219,000
Enterprise	Proprietary	(503) Public Parking System	276,340	216,300	220,000	219,000
Total			\$ 2,542,885	\$ 2,414,800	\$ 2,567,000	\$ 2,927,000

Office of the City Attorney

Office of the City Attorney budget by Division



Significant Changes:

- No significant changes

CIP Projects

- Adequate security measures

Unfunded Requests

- No unfunded requests

Personnel Changes

- Addition of 0.75 (part-time) Security Guard position

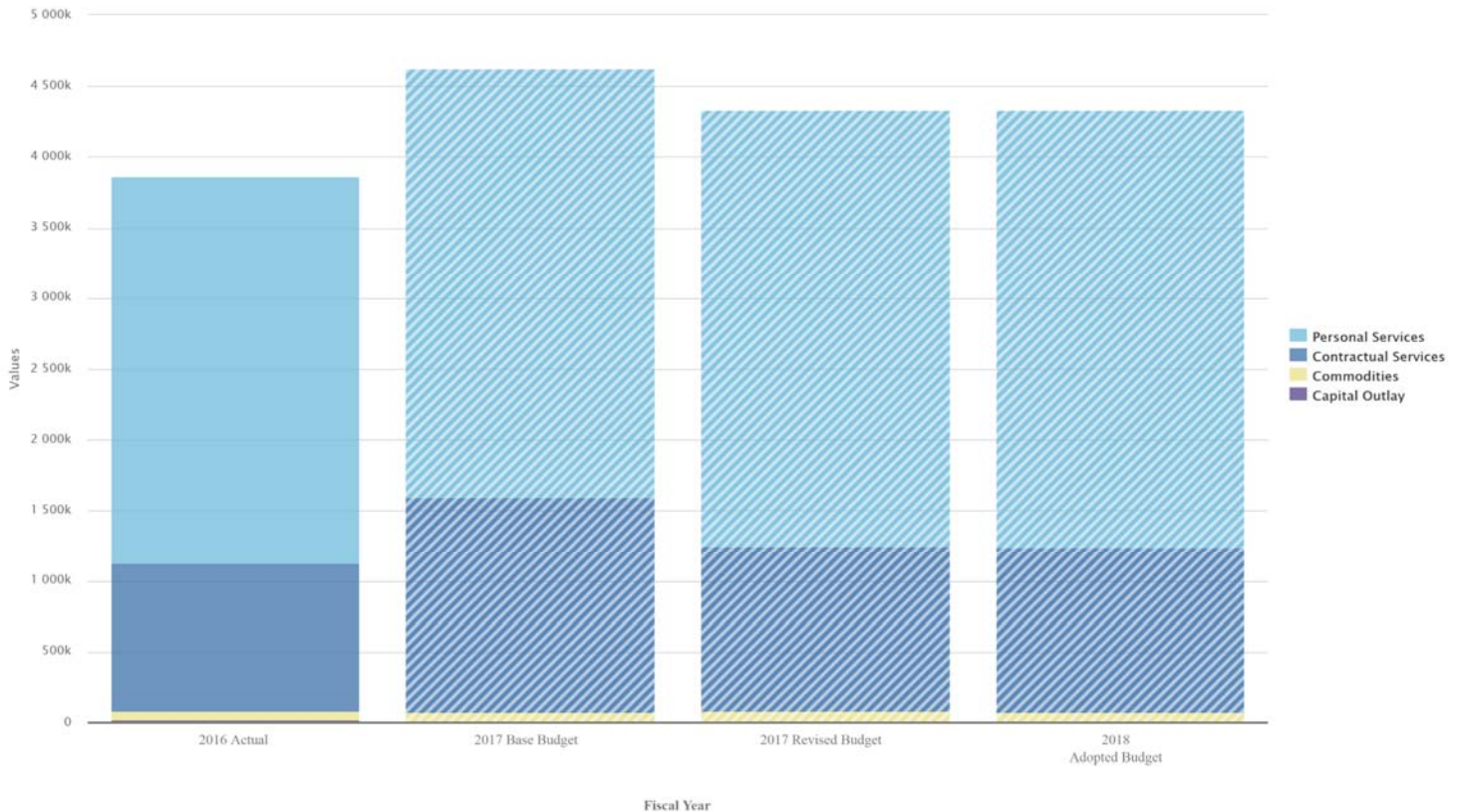
Fee Changes

- No fee changes

Planning & Development Services

The Planning & Development Services department is responsible for processing planning applications, code enforcement cases, building safety permits, contractor licenses, rental licenses and various inquiries related to development in the community. The department has four divisions: Planning (including the Metropolitan Planning Organization—Transportation), Code Enforcement, Building Safety, and Community Development.

Planning & Development Services Department budget by Category

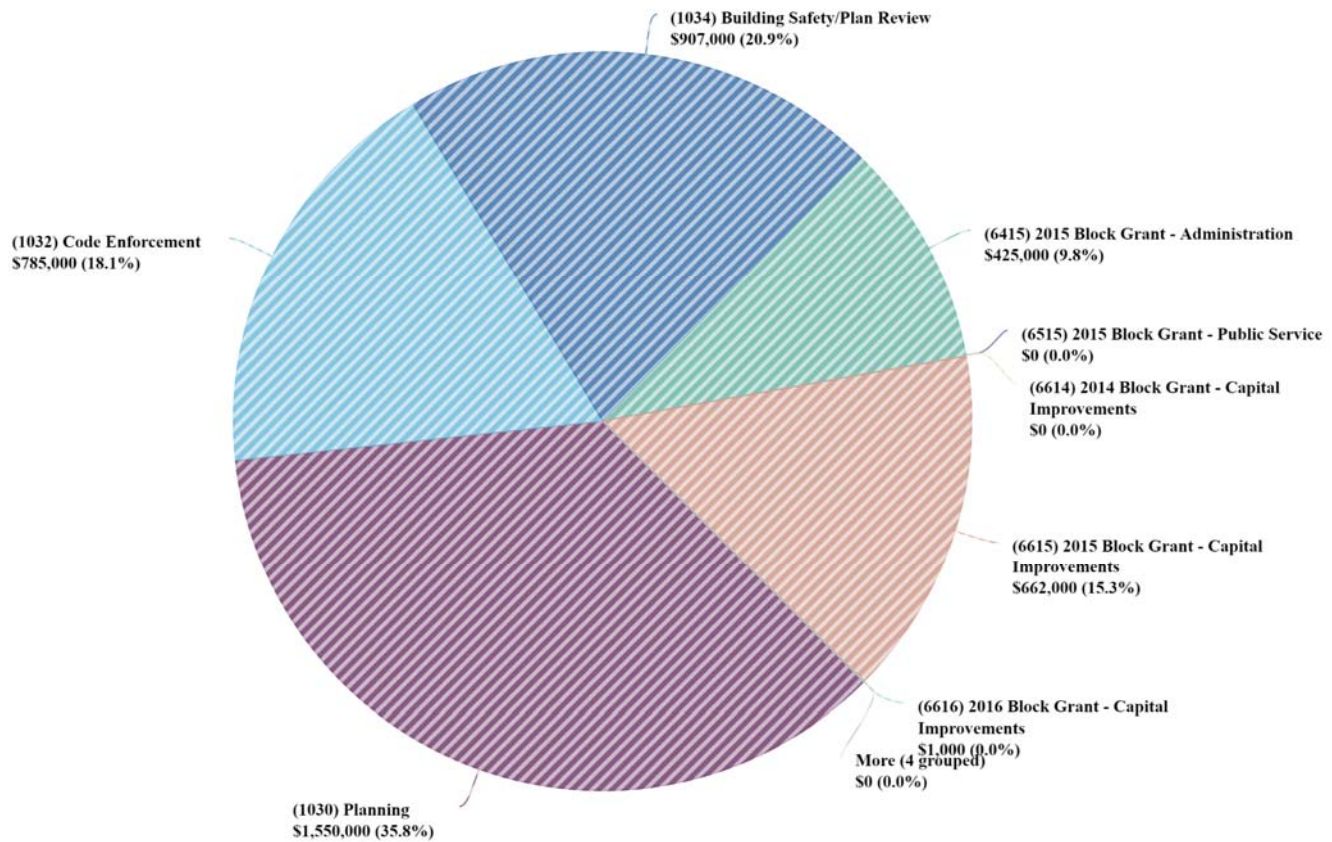


Planning & Development Services Department budget by Fund

Fund Type	Funds		2016 Actual	2017 Base Budget	2017 Revised Budget	2018 Adopted Budget
General			\$ 2,501,550	\$ 2,911,700	\$ 2,973,000	\$ 2,980,000
Special Revenue			1,364,052	1,712,900	1,357,000	1,350,000
Special Revenue	Governmental		1,364,052	1,712,900	1,357,000	1,350,000
Special Revenue	Governmental	(202) Capital Improve Reserve	23,444	0	0	0
Special Revenue	Governmental	(631) Community Development	661,730	917,100	761,000	758,000
Special Revenue	Governmental	(633) Home Program Fund	321,267	532,900	331,000	330,000
Special Revenue	Governmental	(641) Transportation Planning	357,611	262,900	265,000	262,000
Total			\$ 3,865,602	\$ 4,624,600	\$ 4,330,000	\$ 4,330,000

Planning & Development Services

Planning & Development Services Department budget by Division



Significant Changes:

- No significant changes

CIP Projects

- One Stop Shop

Unfunded Requests

- No unfunded requests

Personnel Changes

- Elimination of 1.0 vacant Code Enforcement Officer position
- Reclassify vacant Planner II position to a Planner I position

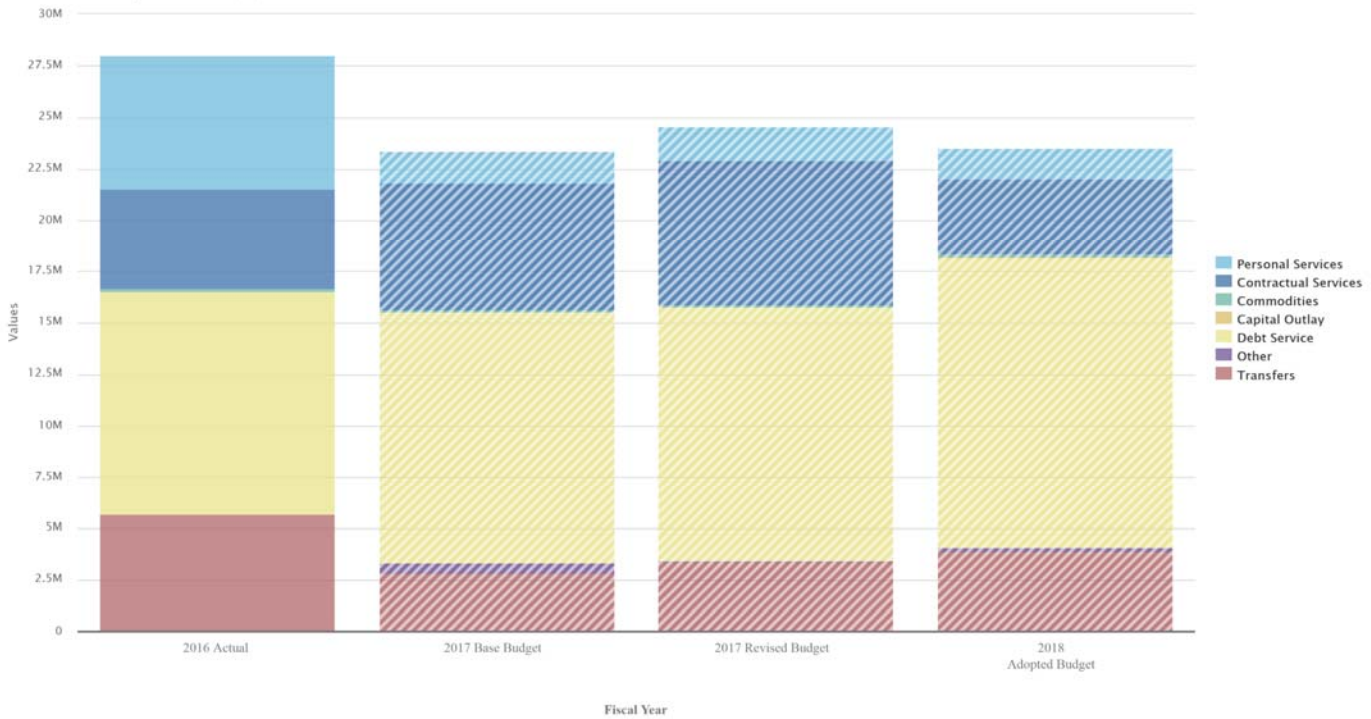
Fee Changes

- No fee changes

Finance

The Finance department is responsible for purchasing & bids, accounting, customer billing & collections, payment processing, cash management, miscellaneous receivables, payroll, debt issuance, budget preparation, financial reporting and financial forecast & analysis.

Finance Department budget by Category

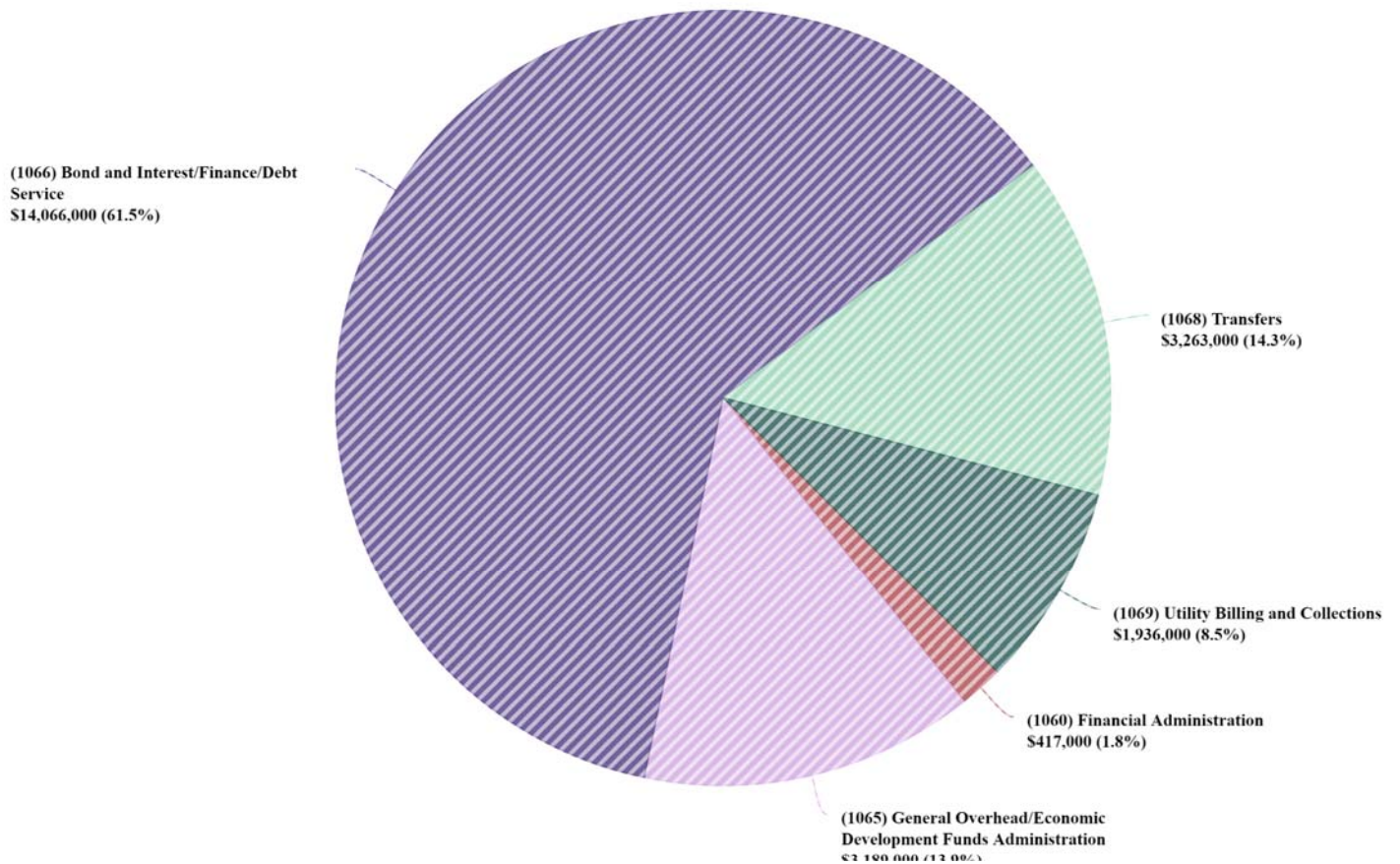


Finance Department budget by Fund

Fund Type	Funds		2016 Actual	2017 Base Budget	2017 Revised Budget	2018 Adopted Budget
General			\$ 14,658,292	\$ 7,408,400	\$ 7,601,000	\$ 5,286,000
Special Revenue			772,835	1,850,800	2,689,000	2,232,000
Special Revenue	Governmental		772,835	1,850,800	2,689,000	2,232,000
Special Revenue	Governmental	(205) Equipment Reserve Fund	7,652	0	0	649,000
Special Revenue	Governmental	(231) Free State TDD	245,863	160,300	256,000	261,000
Special Revenue	Governmental	(232) Oread TDD/TIF	0	572,300	1,597,000	583,000
Special Revenue	Governmental	(233) 9 NH South TDD/TIF	422,280	530,800	618,000	516,000
Special Revenue	Governmental	(234) 9 NH North TDD/TIF	0	370,000	0	0
Special Revenue	Governmental	(235) 901 NH TIF	28,085	28,100	28,000	29,000
Special Revenue	Governmental	(251) 720 LLC NRA	13,617	14,200	14,000	14,000
Special Revenue	Governmental	(252) 1040 Vermont LLC NRA	29,718	28,500	29,000	30,000
Special Revenue	Governmental	(253) 810/812 Penn NRA	25,620	26,600	27,000	28,000
Special Revenue	Governmental	(254) 1106 Rhode Island Street NRA	0	120,000	120,000	122,000
Debt Service			10,813,968	12,195,000	12,345,000	14,066,000
Enterprise			1,776,364	1,949,800	1,964,000	1,936,000
Enterprise	Proprietary		1,776,364	1,949,800	1,964,000	1,936,000
Enterprise	Proprietary	(501) Water & Sewer Fund	1,776,364	1,949,800	1,964,000	1,936,000
Total			\$ 28,021,459	\$ 23,404,000	\$ 24,599,000	\$ 23,520,000

Finance

Finance Department budget by Division



Significant Changes:

- No significant changes

CIP Projects

- No CIP projects

Unfunded Requests

- No unfunded requests

Personnel Changes

- No personnel changes

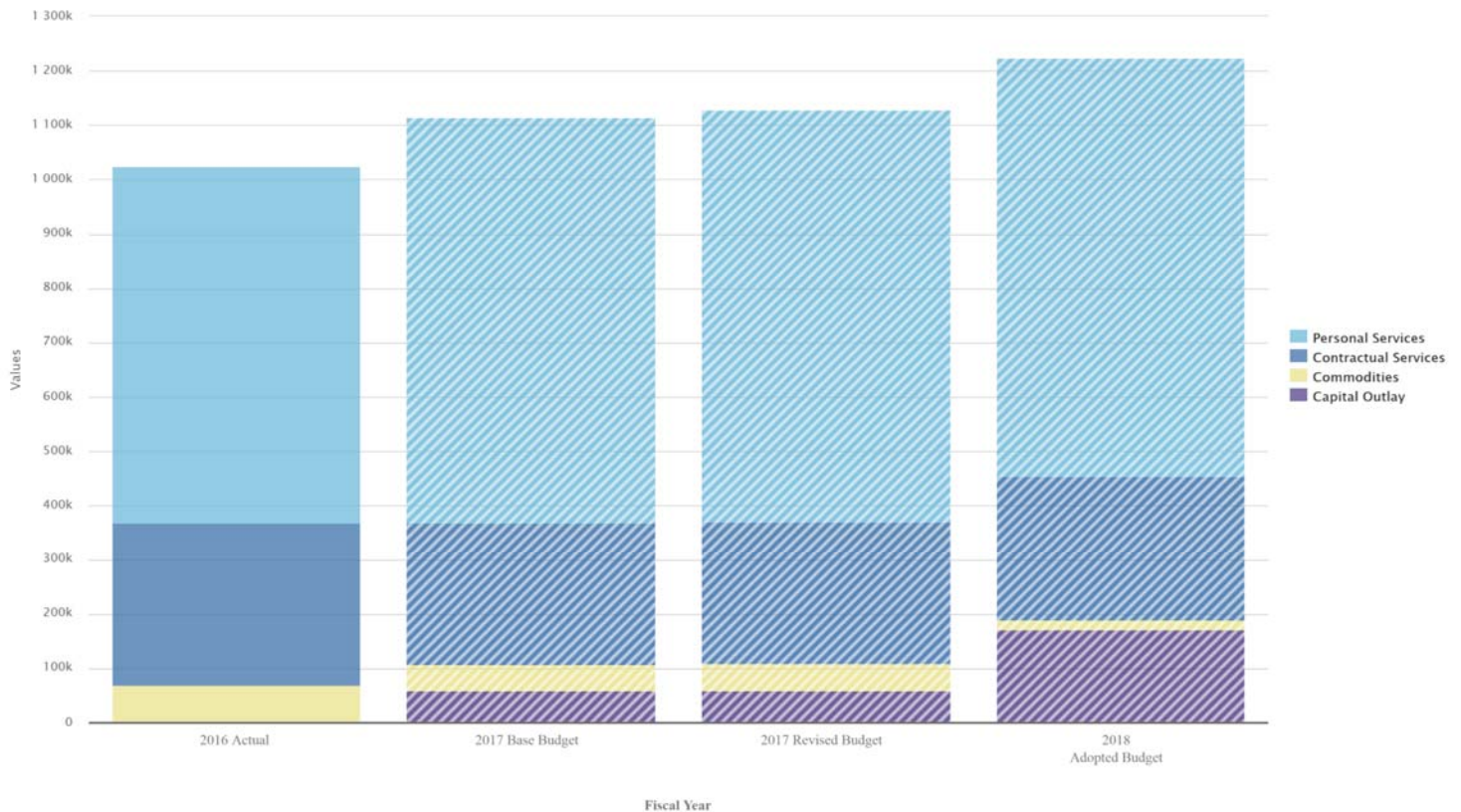
Fee Changes

- No fee changes

Information Technology

The Information Technology 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), ERP and Business applications support, document imaging, telecommunications, fiber projects, and e-government services.

Information Technology Department budget by Category



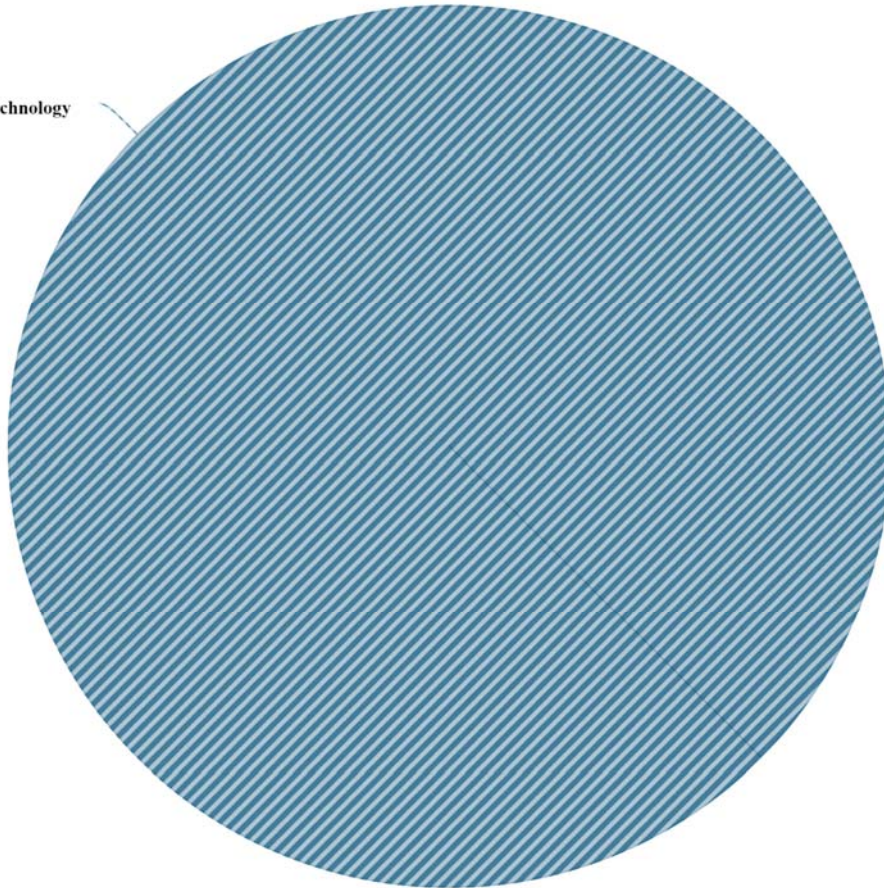
Information Technology Department budget by Fund

Fund Type	Funds		2016 Actual	2017 Base Budget	2017 Revised Budget	2018 Adopted Budget
General			\$ 985,625	\$ 1,065,400	\$ 1,079,000	\$ 1,063,000
Special Revenue			39,643	49,500	50,000	161,000
Special Revenue	Governmental		39,643	49,500	50,000	161,000
Special Revenue	Governmental	(205) Equipment Reserve Fund	39,643	49,500	50,000	161,000
Total			\$ 1,025,268	\$ 1,114,900	\$ 1,129,000	\$ 1,224,000

Information Technology

Information Technology Department budget by Division

(1070) Information Technology
\$1,224,000 (100.0%)



Significant Changes:

- No significant changes

CIP Projects

- Annual fiber projects
- Access layer switches

Unfunded Requests

- 1.0 Network Technician

Personnel Changes

- No personnel changes

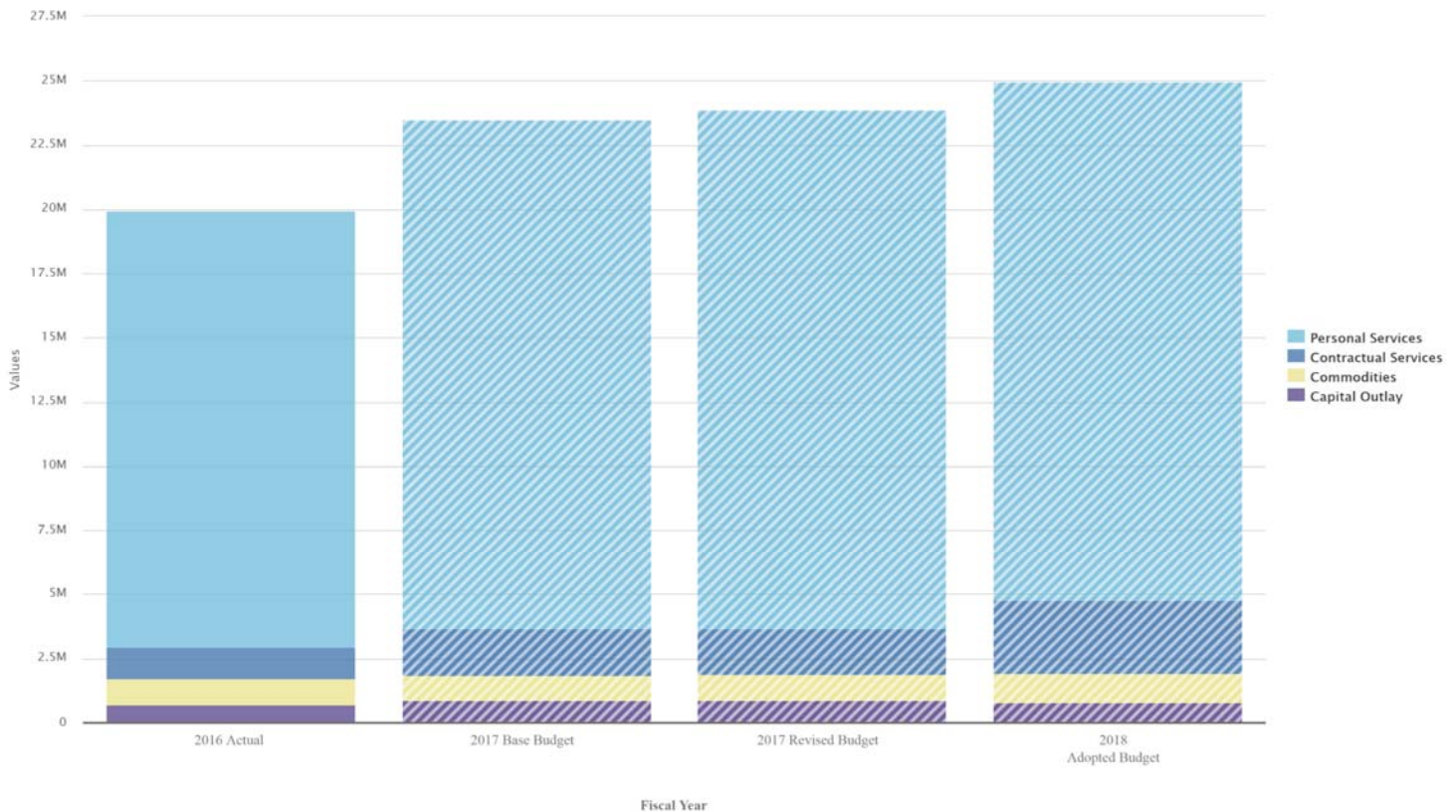
Fee Changes

- No fee changes

Police

The Lawrence Police Department currently operates with an authorized strength of 153 commissioned police officers and a 34 member civilian support staff. The department is comprised of five divisions: Administration, Patrol, Investigations, Technical Services, and Community Services.

Police Department budget by Category

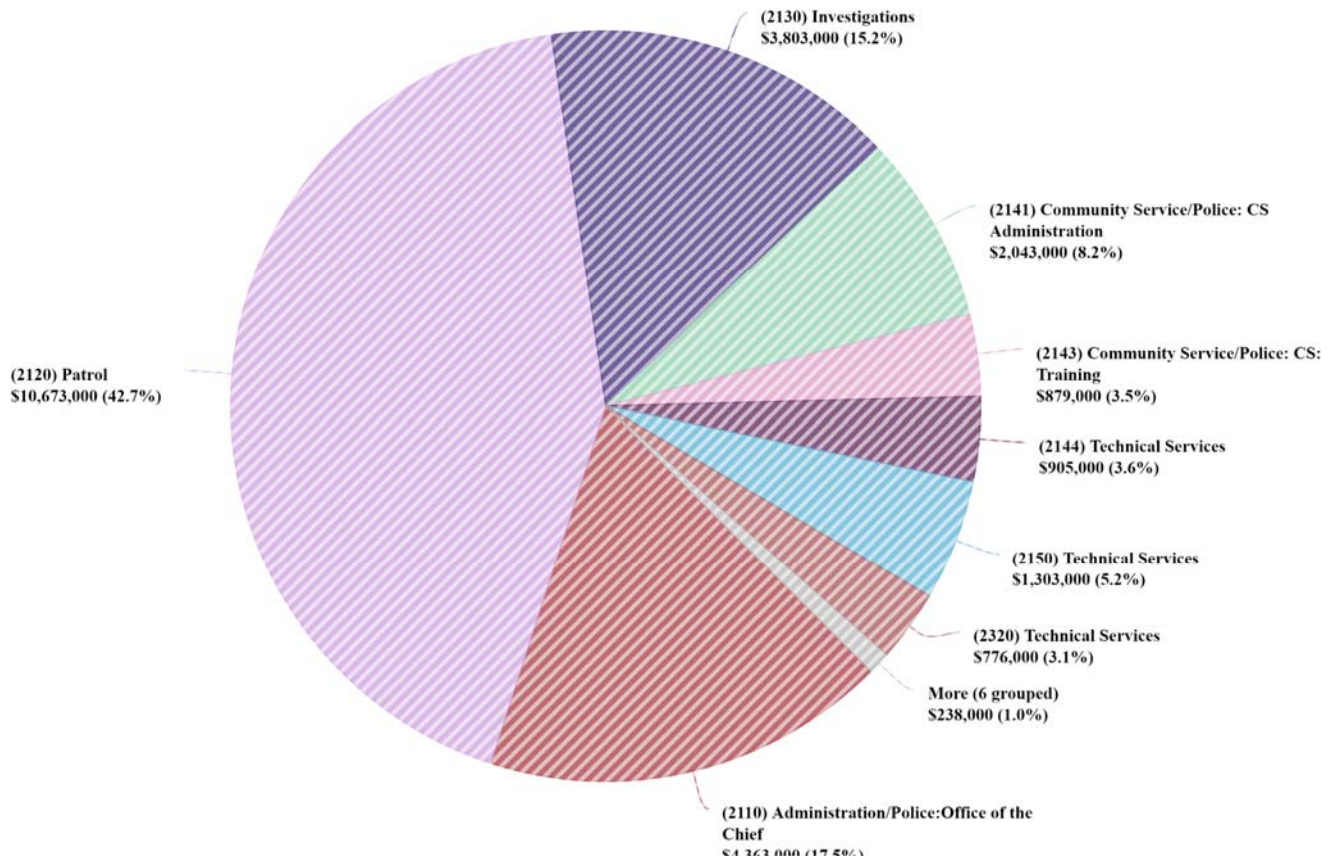


Police Department budget by Fund

Fund Type	Funds		2016 Actual	2017 Base Budget	2017 Revised Budget	2018 Adopted Budget
General			\$ 18,811,085	\$ 22,300,100	\$ 22,685,000	\$ 24,091,000
Special Revenue			448,575	330,000	330,000	116,000
Special Revenue	Governmental		448,575	330,000	330,000	116,000
Special Revenue	Governmental	(202) Capital Improve Reserve	244,892	0	0	0
Special Revenue	Governmental	(213) Special Alcohol Fund	0	0	0	66,000
Special Revenue	Governmental	(611) Outside Agency Grants	119,153	250,000	250,000	0
Special Revenue	Governmental	(652) Law Enforcement Trust Fund	84,530	80,000	80,000	50,000
Enterprise			703,551	851,200	852,000	776,000
Enterprise	Proprietary		703,551	851,200	852,000	776,000
Enterprise	Proprietary	(503) Public Parking System	703,551	851,200	852,000	776,000
Total			\$ 19,963,212	\$ 23,481,300	\$ 23,867,000	\$ 24,983,000

Police

Police Department budget by Division



Significant Changes:

- No significant changes

CIP Projects

- Police Facility (Phase 1)
- Police Radios
- Firearms Simulator
- Body Worn Cameras

Unfunded Requests

- 1.0 Deputy Chief of Police

Unfunded Requests Cont.

- 1.0 Mental Health Squad Police Officer
- 1.0 Internal Audit Sergeant

Personnel Changes

- Additional 1.0 Technical Support position
- Moved Bert Nash mental health co-responder to Special Alcohol Fund

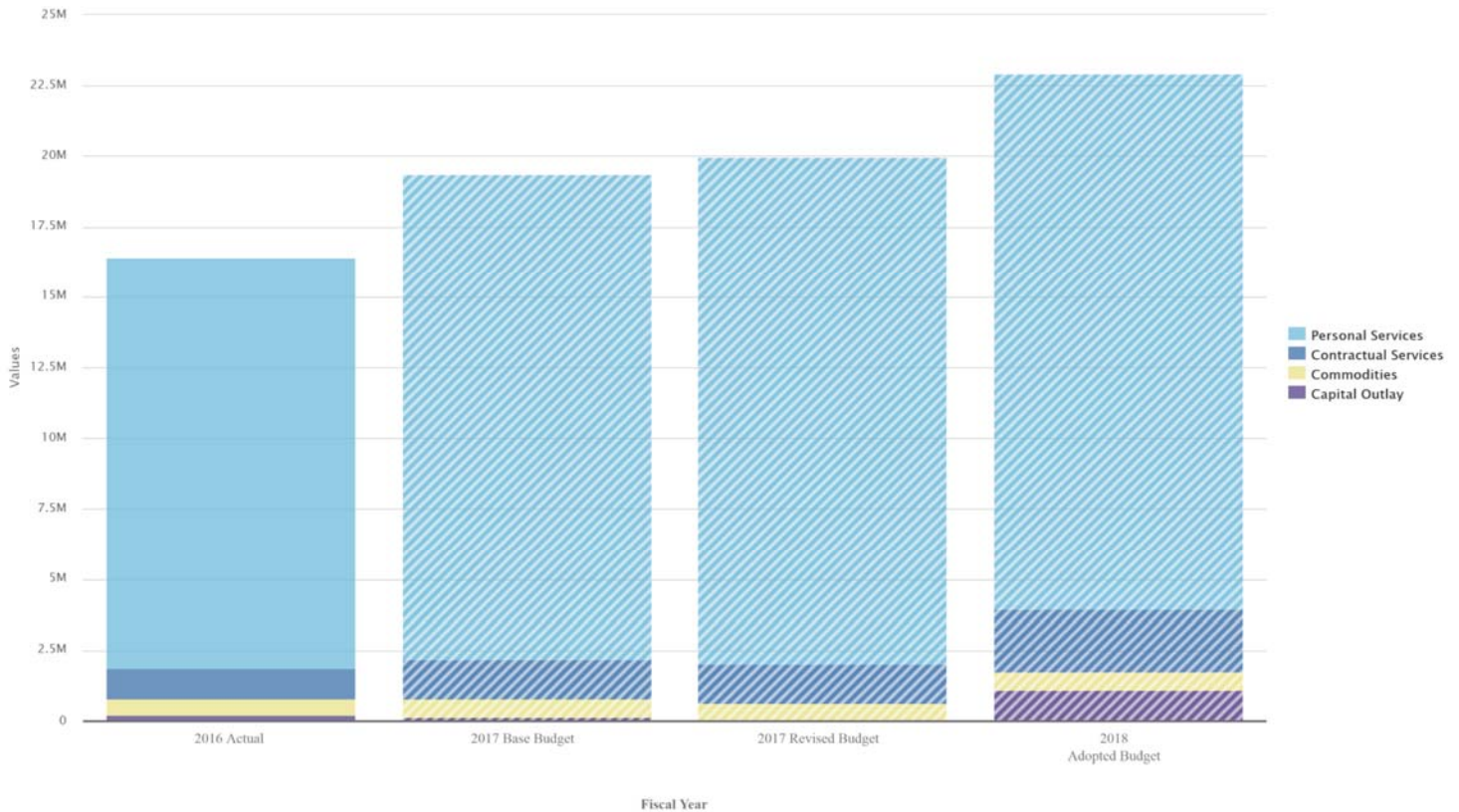
Fee Changes

- No fee changes

Fire Medical

The Lawrence-Douglas County Fire Medical department is a joint agreement between the City and County to provide fire and medical services. Fire services are provided by the department for all City of Lawrence residents while EMS and hazardous material responses are provided for all Douglas County residents. This department is partially funded through Douglas County

Fire Medical Department budget by Category

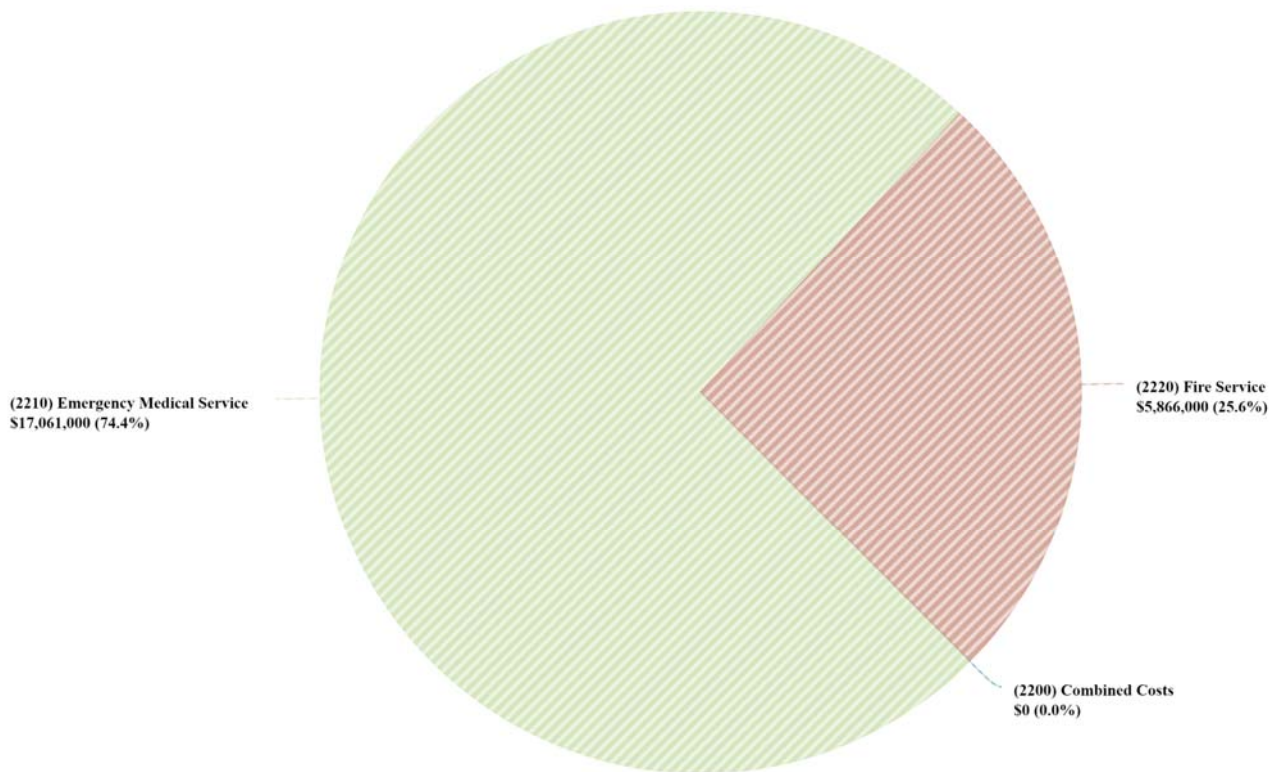


Fire Medical Department budget by Fund

Fund Type	Funds		2016 Actual	2017 Base Budget	2017 Revised Budget	2018 Adopted Budget
General			\$ 16,091,660	\$ 19,197,800	\$ 19,921,000	\$ 21,827,000
Special Revenue			329,626	150,000	50,000	1,100,000
Special Revenue	Governmental		329,626	150,000	50,000	1,100,000
Special Revenue	Governmental	(202) Capital Improve Reserve	229,626	0	0	0
Special Revenue	Governmental	(205) Equipment Reserve Fund	100,000	150,000	50,000	1,100,000
Total			\$ 16,421,286	\$ 19,347,800	\$ 19,971,000	\$ 22,927,000

Fire Medical

Fire Medical Department budget by Division



Significant Changes:

- No significant changes

CIP Projects

- Burn tower
- Apparatus bay exhaust system
- Quint replacement

Unfunded Requests

- 1.0 Administrative Support Position
- 3.0 Battalion Chief positions

Unfunded Requests Cont.

- 3.0 Firefighter positions
- 1.0 Inspector/Plan Reviewer position
- Neighborhood Smoke Alarm Program
- Vehicle Replacement

Personnel Changes

- No personnel changes

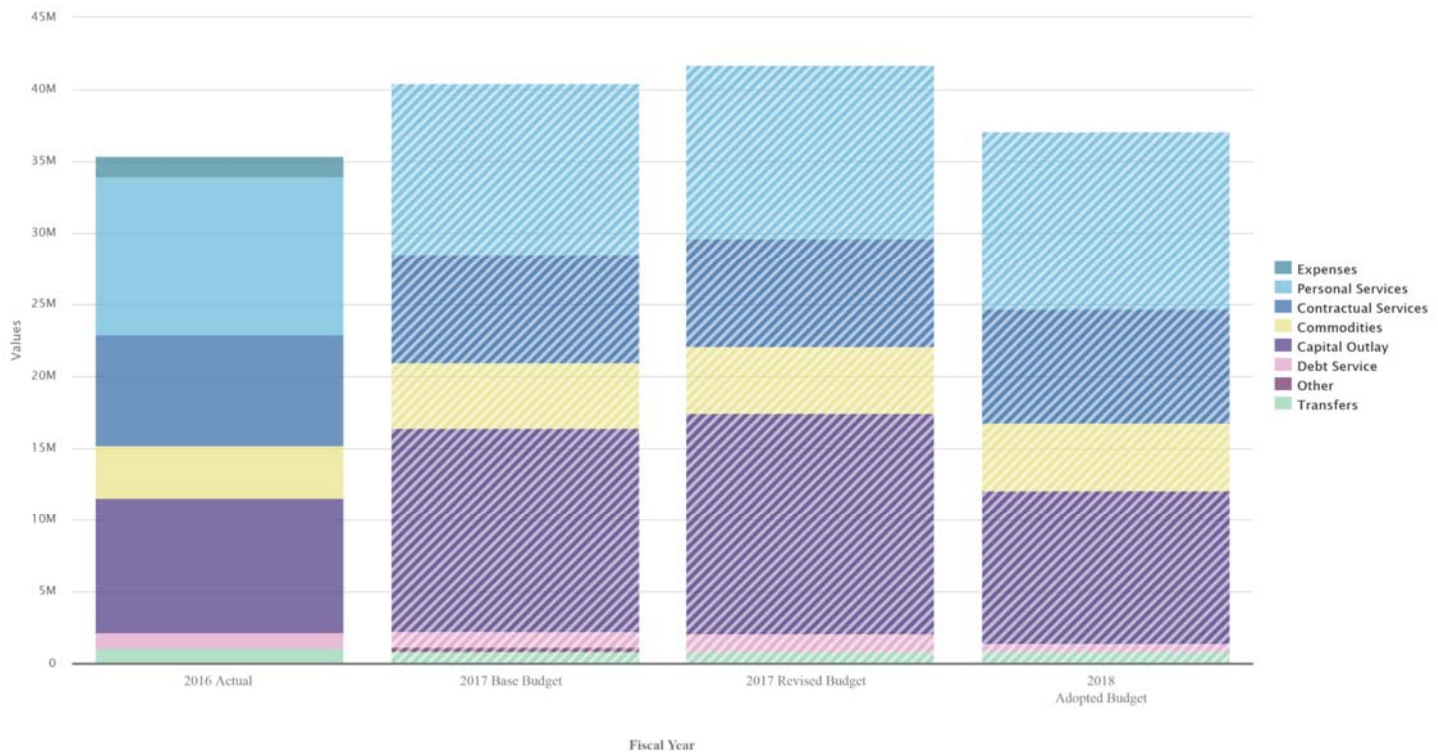
Fee Changes

- County pays 100% of Eudora EMS

Public Works

Public Works is a full service, front-line operational department. The Public Works Department provides community services in infrastructure and maintenance (facilities & structures, street and stormwater maintenance, pavement management), engineering (engineering design and technical support, stormwater and traffic engineering), services (solid waste and fleet management, and administrative functions). Public Works projects and services are vital to the growth, health, safety, comfort and quality of life for our community.

Public Works Department budget by Category

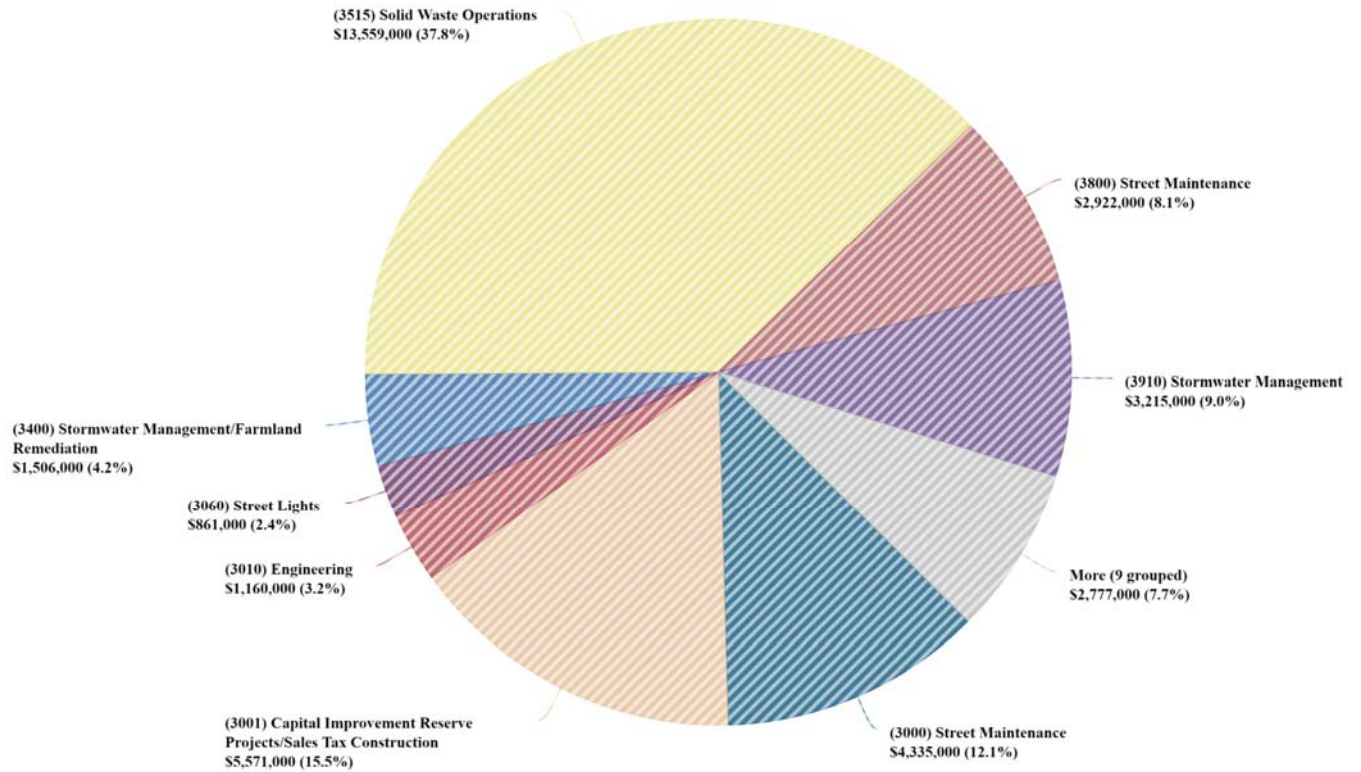


Public Works Department budget by Fund

Fund Type	Funds		2016 Actual	2017 Base Budget	2017 Revised Budget	2018 Adopted Budget
General			\$ 7,532,923	\$ 8,822,100	\$ 8,890,000	\$ 8,718,000
Special Revenue			13,108,484	12,235,500	15,352,000	11,084,000
Special Revenue	Governmental		13,108,484	12,235,500	15,352,000	11,084,000
Special Revenue	Governmental	(201) Airport Improvement Fund	0	81,000	170,000	20,000
Special Revenue	Governmental	(202) Capital Improve Reserve	8,101,833	8,500,000	11,595,000	6,481,000
Special Revenue	Governmental	(205) Equipment Reserve Fund	1,429,380	0	0	0
Special Revenue	Governmental	(214) Special Gas Tax Fund	2,595,388	3,001,700	2,935,000	2,922,000
Special Revenue	Governmental	(604) Farmland Remediation	843,730	497,800	497,000	1,506,000
Special Revenue	Governmental	(611) Outside Agency Grants	138,154	155,000	155,000	155,000
Enterprise			14,728,691	19,423,700	17,483,000	17,259,000
Enterprise	Proprietary		14,728,691	19,423,700	17,483,000	17,259,000
Enterprise	Proprietary	(502) Solid Waste Fund	11,692,845	12,417,000	12,515,000	13,558,000
Enterprise	Proprietary	(503) Public Parking System	207,419	515,500	666,000	486,000
Enterprise	Proprietary	(505) Storm Water Utility	2,667,240	3,791,200	4,302,000	3,215,000
Enterprise	Proprietary	(562) Sanitation-NonBonded	161,187	2,700,000	0	0
Total			\$ 35,370,098	\$ 40,481,300	\$ 41,725,000	\$ 37,061,000

Public Works

Public Works Department budget by Division



Significant Changes

- No significant changes

CIP Projects

- Street Maintenance
- Ped/Bike/ADA
- East 9th Street

Unfunded Requests

- No unfunded requests

Personnel Changes

- Elimination of 2.0 vacant Solid Waste Loader positions

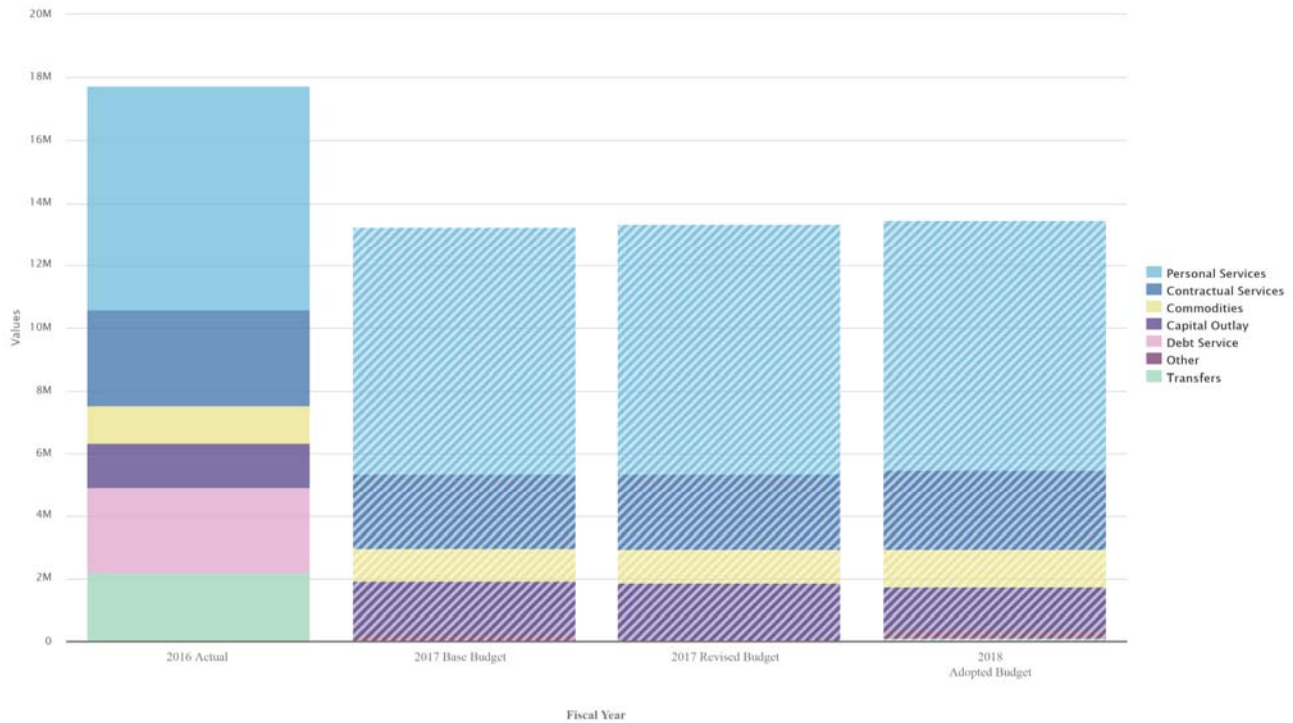
Fee Changes

- Right-of-Way Permit
- Meter Bags
- No Parking Signs
- Solid Waste Fees
- Stormwater Fees

Parks & Recreation

The Parks and Recreation department operates, manages, and maintains all City parks and recreation facilities. The Park and Recreation mission is to provide excellent City services that enhance the quality of life of the Lawrence community. The Park and Recreation Department has three divisions: Parks, Recreation, and Golf Course.

Parks & Recreation Department budget by Category

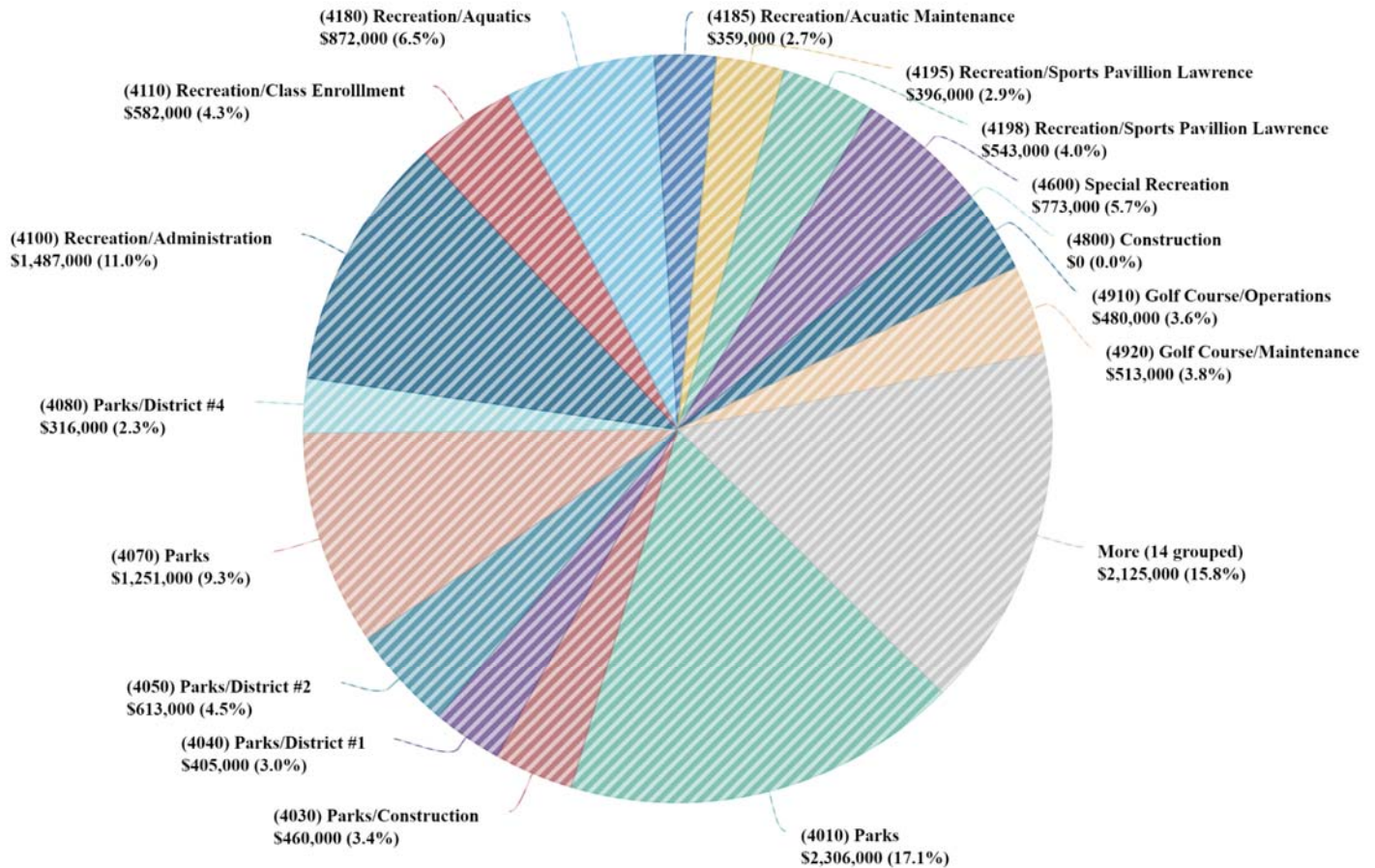


Parks & Recreation Department budget by Fund

Fund Type	Funds		2016 Actual	2017 Base Budget	2017 Revised Budget	2018 Adopted Budget
General			\$ 3,688,948	\$ 5,561,300	\$ 5,605,000	\$ 5,300,000
Special Revenue			13,269,528	6,748,000	6,613,000	7,188,000
Special Revenue	Governmental		13,269,528	6,748,000	6,613,000	7,188,000
Special Revenue	Governmental	(202) Capital Improve Reserve	114,762	0	0	0
Special Revenue	Governmental	(206) Guest Tax Fund	266,810	232,100	238,000	252,000
Special Revenue	Governmental	(211) Recreation	5,413,579	5,676,800	5,495,000	6,032,000
Special Revenue	Governmental	(212) Sales Tax Reserve	6,589,968	0	0	0
Special Revenue	Governmental	(216) Special Recreation Fund	714,659	769,100	770,000	773,000
Special Revenue	Governmental	(601) City Parks Memorial Fund	29,978	0	38,000	66,000
Special Revenue	Governmental	(605) Cemetery Perp Care Fund	84,471	5,000	3,000	0
Special Revenue	Governmental	(606) Cemetery Mausoleum Fund	0	0	4,000	0
Special Revenue	Governmental	(611) Outside Agency Grants	11,494	15,000	15,000	15,000
Special Revenue	Governmental	(612) Wee Folks Scholarship	43,807	50,000	50,000	50,000
Enterprise			774,693	946,200	1,114,000	993,000
Enterprise	Proprietary		774,693	946,200	1,114,000	993,000
Enterprise	Proprietary	(503) Public Parking System	9	0	0	0
Enterprise	Proprietary	(506) Golf Course	774,684	946,200	1,114,000	993,000
Total			\$ 17,733,170	\$ 13,255,500	\$ 13,332,000	\$ 13,481,000

Parks & Recreation

Parks & Recreation Department budget by Division



Significant Changes:

- Santa Fe Depot
- Emerald Ash Borer Program

CIP Projects

- Downtown Master Plan
- Youth Sports Complex Concessions and Restrooms

Unfunded Requests

- Deferred CIP Projects

Personnel Changes

- Elimination of 1.0 vacant Administrative Support position
- Elimination of 1.0 vacant Golf Pro Assistant position
- Moved 1.0 Facility Maintenance position from General Fund to Recreation Fund

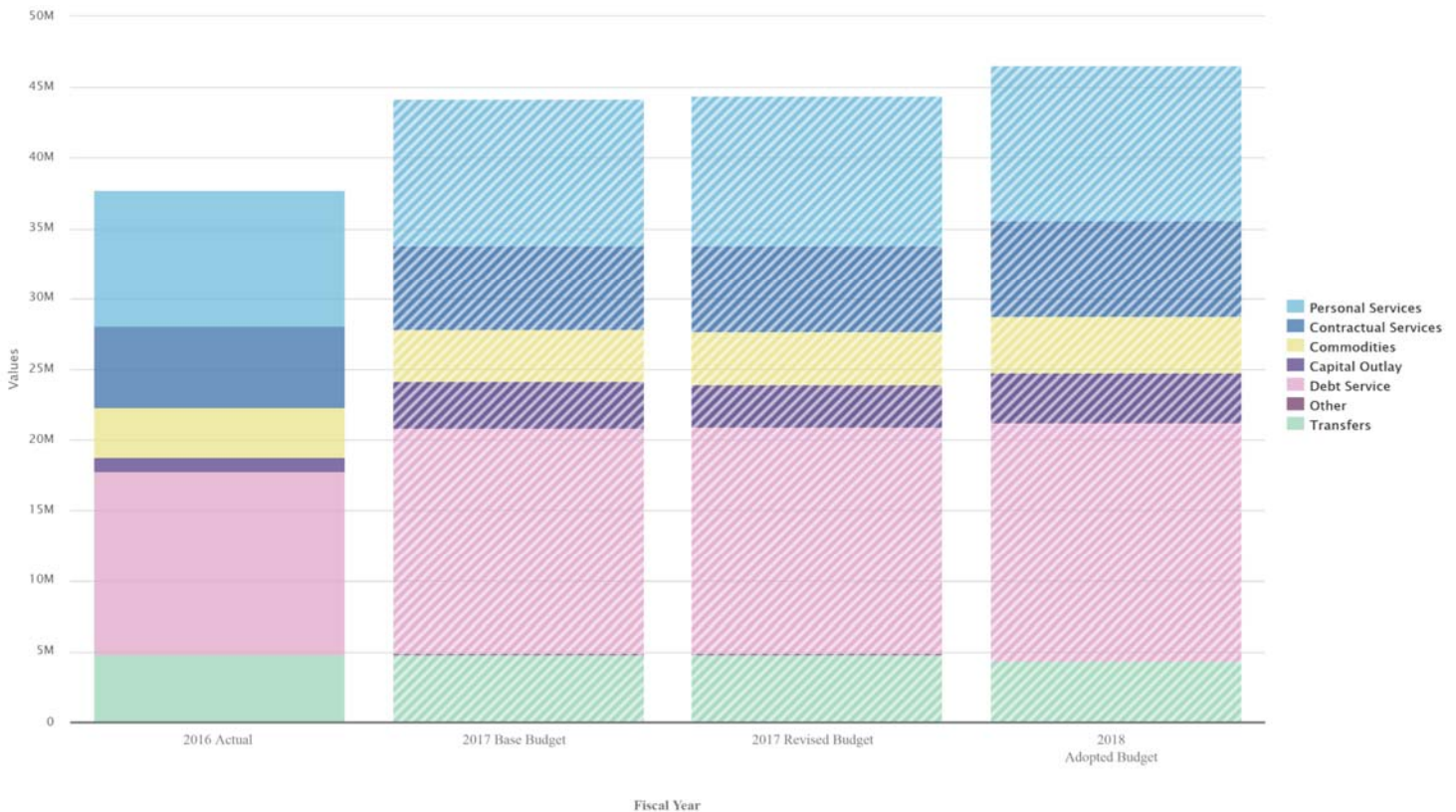
Fee Changes

- Annual fee adjustments to offset recreation program costs

Utilities

The Utilities Department is responsible for treating and distributing the City's drinking water, maintaining adequate water supply for fire protection, collecting and treating the City's wastewater, assuring compliance with all Federal, State, and local regulations regarding water and wastewater facility operations, and ensuring optimum operations of the water distribution and sanitary sewer collection systems.

Utilities Department budget by Category

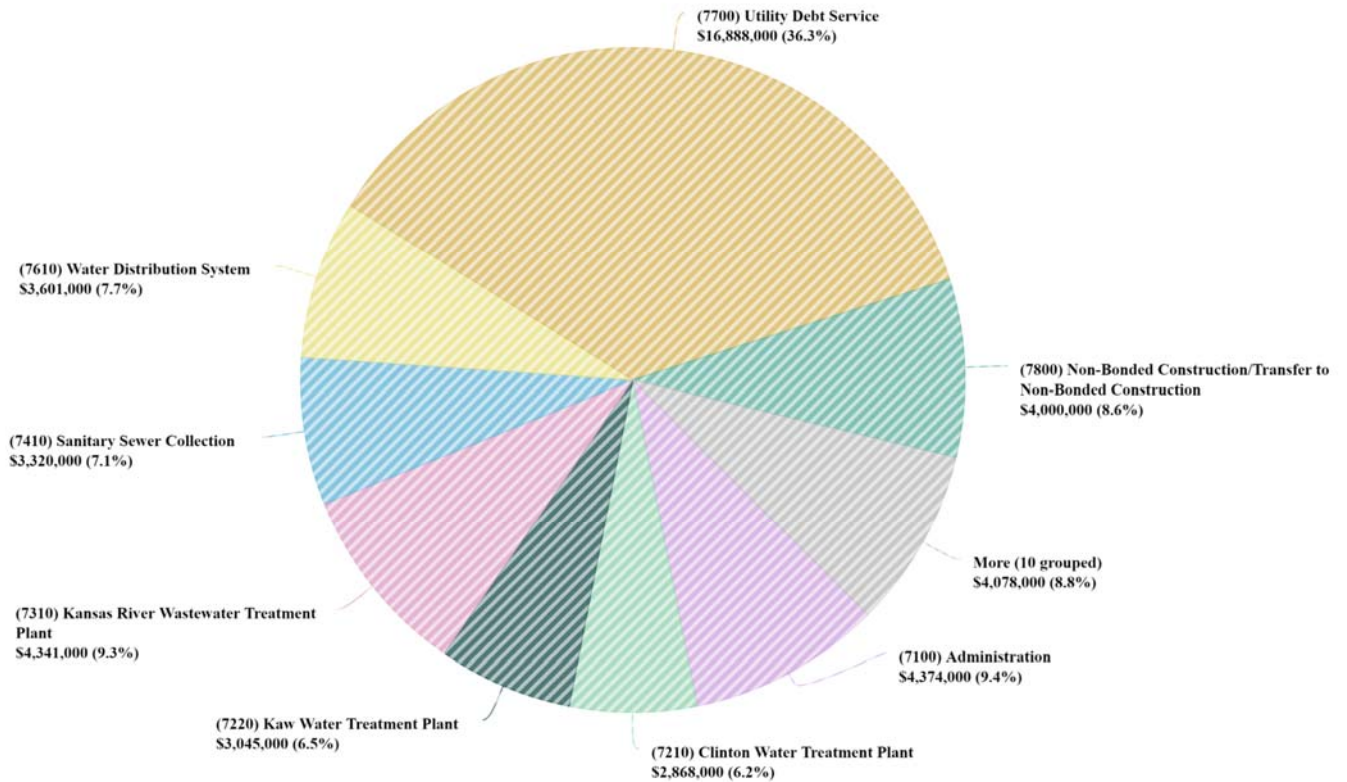


Utilities Department budget by Fund

Fund Type	Funds		2016 Actual	2017 Base Budget	2017 Revised Budget	2018 Adopted Budget
Enterprise			\$ 37,729,184	\$ 44,169,200	\$ 44,428,000	\$ 46,515,000
Enterprise	Proprietary		37,729,184	44,169,200	44,428,000	46,515,000
Enterprise	Proprietary	(501) Water & Sewer Fund	36,607,221	41,669,200	41,928,000	43,515,000
Enterprise	Proprietary	(552) Utilities-NonBonded Construction	1,121,963	2,500,000	2,500,000	3,000,000
Total			\$ 37,729,184	\$ 44,169,200	\$ 44,428,000	\$ 46,515,000

Utilities

Utilities Department budget by Division



Significant Changes:

- Operation of Wakarusa Waste Water Treatment Plant

CIP Projects

- Advanced Metering Infrastructure
- Water/Sewer Infrastructure Rehabilitation and Replacement

Unfunded Requests

- No unfunded requests

Personnel Changes

- Elimination of 1.0 vacant Field Services Supervisor position
- Elimination of 2.0 vacant Field Services Representative positions

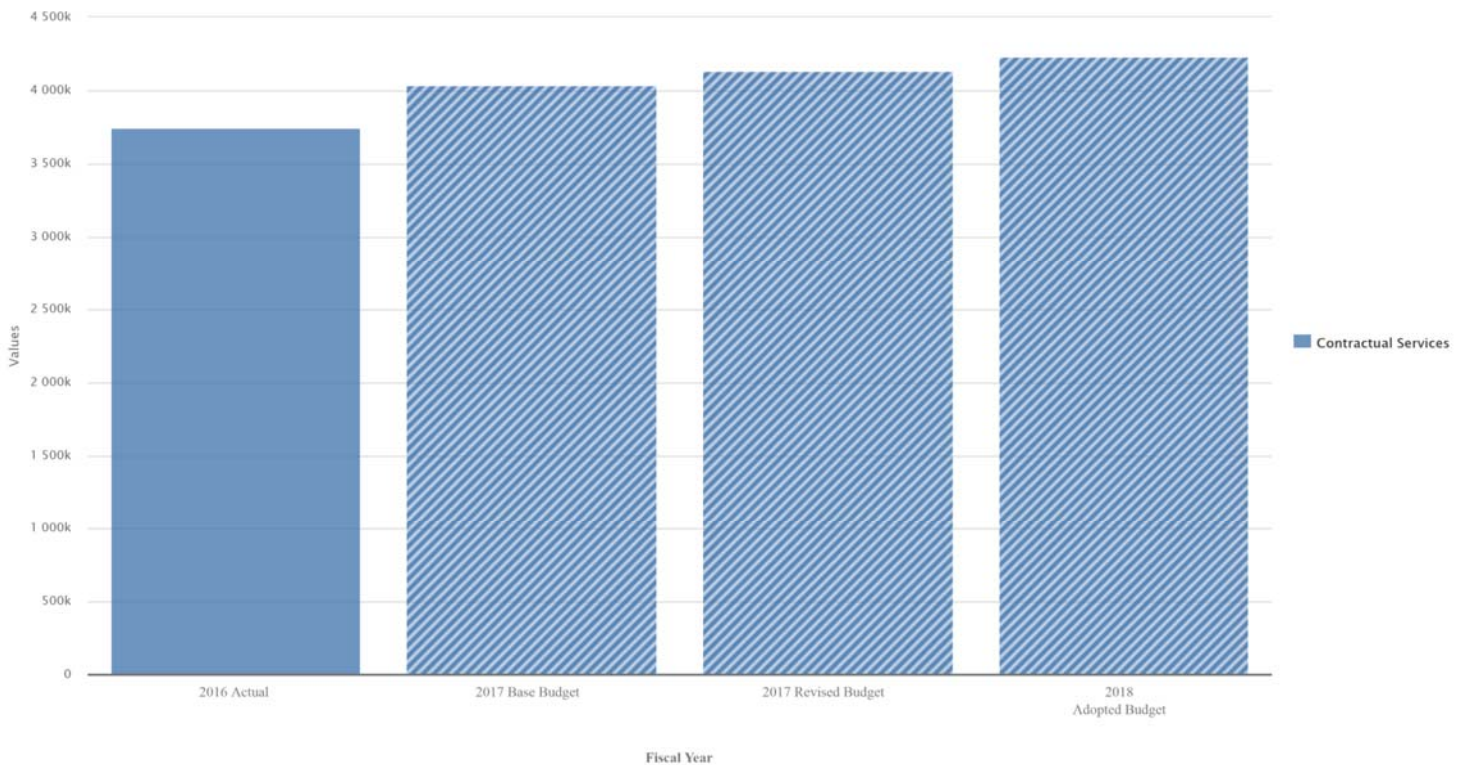
Fee Changes

- Rate Plan
- System Development Charges
- Miscellaneous Fees

Public Library

The mission of the Lawrence Public Library is to provide and promote informational, intellectual, and cultural resources for our Community. Under City Charter Ordinance No. 16, "The Governing Body of the City of Lawrence, shall annually levy a tax for the equipping, operating and maintaining of the Free Public Library of the City of Lawrence, Kansas, in such sum as the Library Board shall determine not to exceed 4.0 mills on each dollar of the assessed tangible valuation of the City and an additional sum not to exceed .5 mills on each dollar of the assessed tangible valuation of the City for the purpose of paying both the Library's social security tax and contributions to the Kansas Public Employees Retirement System (KPERS). Any future increase or decrease to the tax levy provisions of this Section may be made by ordinary ordinance passed by the Governing Body of the City of Lawrence ."

Public Library budget by Category



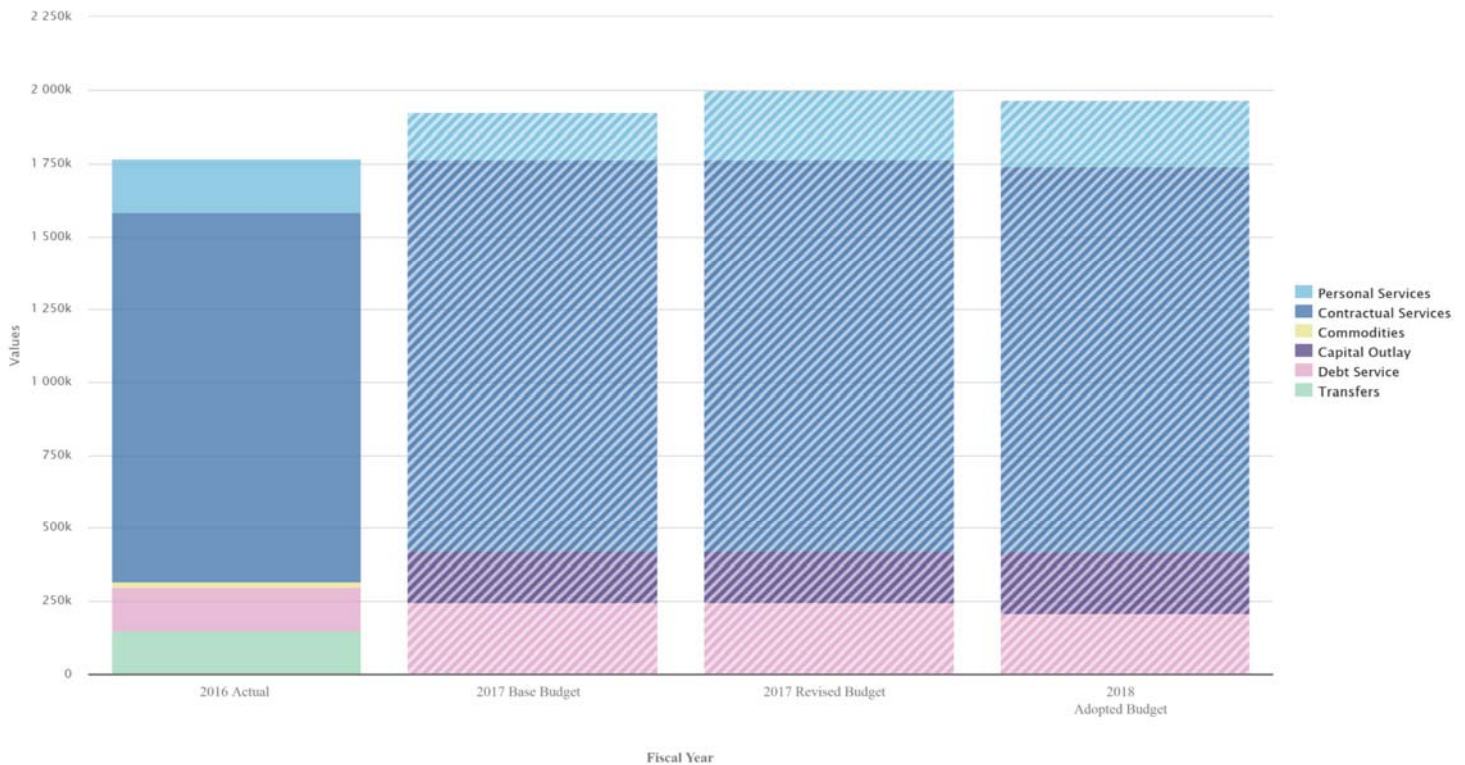
Public Library budget by Fund

Fund Type	Funds		2016 Actual	2017 Base Budget	2017 Revised Budget	2018 Adopted Budget
Special Revenue			\$ 3,750,000	\$ 4,033,700	\$ 4,131,000	\$ 4,233,000
Special Revenue	Governmental		3,750,000	4,033,700	4,131,000	4,233,000
Special Revenue	Governmental	(209) Library Fund	3,750,000	4,033,700	4,131,000	4,233,000
Total			\$ 3,750,000	\$ 4,033,700	\$ 4,131,000	\$ 4,233,000

Tourism

The City of Lawrence collects a 6% Transient Guest Tax on the rental of rooms, lodging, or other sleeping accommodations. This revenue is used to support tourism through specific outside agencies as well as specific parks programs designed to provide beautification to downtown. The City of Lawrence created a grant program to fund events and programs encourage travel to Lawrence through event creation and promotion. eXplore Lawrence, the Lawrence Convention and Visitors Bureau, manages and represents travel and tourism interests for Lawrence and Douglas County. eXplore Lawrence, is a 501c(6) not-for-profit corporation. The organization is dedicated to creating economic development by attracting visitors, conventions and events to our city.

Tourism budget by Category



Tourism budget by Fund

Fund Type	Funds		2016 Actual	2017 Base Budget	2017 Revised Budget	2018 Adopted Budget
Special Revenue			\$ 1,768,324	\$ 1,925,500	\$ 2,001,000	\$ 1,965,000
Special Revenue	Governmental		1,768,324	1,925,500	2,001,000	1,965,000
Special Revenue	Governmental	(206) Guest Tax Fund	1,618,990	1,925,500	2,001,000	1,965,000
Special Revenue	Governmental	(207) Guest Tax Reserve Fund	149,334	0	0	0
Total			\$ 1,768,324	\$ 1,925,500	\$ 2,001,000	\$ 1,965,000

2018 Budget

Introduction

Each year, the City provides funding to a number of outside agencies including economic development agencies, social service agencies, and other governmental agencies. The requests received for 2018 are shown on the following pages. The tables also shows the amount, if any, of funding these agencies were allocated in the 2017 Budget.

SOCIAL SERVICE AGENCIES

New Process for 2018 Budget

In the past, the City Manager's Recommended Budget would include recommended allocations for each individual agency. The recommendations for funding for social service agencies followed the recommendations of the Social Service Funding Advisory Board (SSFAB). This year, the Recommended Budget included a total of \$1,365,000 for social services but did not recommend agency allocations.

After the 2018 recommended budget was released, the SSFAB provided the following recommendations on how to allocate funds from the General Operating Fund and Special Alcohol Fund among the various agencies shown below and the City Commission approved the allocations with budget adoption.



Agency	2017 Projected	2018 Budget Request	2018 SSFAB Recommendation
Bert Nash Community Mental Health Center	465,785	500,023	443,000
General Fund	143,970	178,208	144,000
Special Alcohol Fund	321,815	321,815	299,000
Boys & Girls Club of Lawrence	214,350	255,900	214,000
Alcohol Fund	98,372	107,100	98,000
General Fund	115,978	148,800	116,000
Communities In Schools of Mid-America, Inc.	2,290	12,000	6,000
General Fund	2,290	12,000	6,000
DCCCA, Inc.	130,704	162,409	132,000
Alcohol Fund	130,704	162,409	132,000
Douglas County CASA, Inc.	21,520	25,000	22,000
General Fund	21,520	25,000	22,000
Douglas County Child Development Association	-	70,075	9,000
Alcohol Fund	-	13,700	9,000
General Fund	-	56,375	-
Douglas County Dental Clinic, Inc.	15,000	15,000	15,000
General Fund	15,000	15,000	15,000
Health Care Access, Inc.	30,277	30,277	30,500
Alcohol Fund	6,946	6,946	7,000
General Fund	23,331	23,331	23,500

Agency	2017 Projected	2018 Budget Request	2018 SSFAB Recommendation
Heartland Medical Clinic, Inc.	61,167	102,414	61,000
Alcohol Fund	61,167	102,414	61,000
Housing and Credit Counseling, Inc. (HCCI)	15,650	21,840	17,000
General Fund	15,650	21,840	17,000
Just Food of Douglas County, KS Inc.	5,000	25,000	10,000
General Fund	5,000	25,000	10,000
Kansas Big Brothers Big Sisters, Inc.	27,207	40,000	26,800
Alcohol Fund	9,570	15,000	9,000
General Fund	17,637	25,000	17,800
Lawrence Alcoholic Recovery House, Inc.	7,000	7,500	7,500
Alcohol Fund	7,000	7,500	7,500
Lawrence Arts Center, Inc.	-	60,000	-
General Fund	-	60,000	-
Lawrence Children's Choir, Inc.	5,000	12,000	-
Special Recreation Fund	5,000	12,000	-
Lawrence Community Food Alliance	5,748	15,000	7,500
General Fund	5,748	15,000	7,500
Lawrence Community Shelter, Inc.	184,000	347,000	184,000
Alcohol Fund	84,000	148,000	84,000
General Fund	100,000	199,000	100,000
Senior Resource Center for Douglas County, Inc.	-	24,000	-
General Fund	-	24,000	-
Success By 6 Coalition of Douglas County	25,033	55,000	25,000
General Fund	25,033	55,000	25,000
TFI Family Services, Inc.	6,503	10,000	8,000
General Fund	6,503	10,000	8,000
The Salvation Army	7,458	13,000	11,000
General Fund	7,458	13,000	11,000
The Sexual Trauma & Abuse Care Center	8,200	8,200	8,200
General Fund	8,200	8,200	8,200
The Shelter, Inc.	28,575	32,000	28,500
General Fund	28,575	32,000	28,500
The Willow Domestic Violence Center	24,118	25,000	23,000
Alcohol Fund	18,618	17,710	17,000
General Fund	5,500	7,290	6,000
Van Go, Inc.	55,733	63,890	56,000
Alcohol Fund	26,273	32,000	26,500
General Fund	29,460	31,890	29,500
Warm Hearts of Douglas County, Inc	4,480	5,470	5,000
General Fund	4,480	5,470	5,000
Women's Fresh Start Project	-	36,533	15,000
General Fund	-	36,533	15,000
Grand Total	1,350,798	1,974,531	1,365,000

2018 Budget

OUTSIDE AGENCY REQUESTS

— ECONOMIC DEVELOPMENT AGENCIES —

The requests received for 2018 from economic development agencies and other outside agencies are shown below. The table also shows the amount, if any, the agency was allocated in 2017.

Agency	2017 Projected	2018 Requested	2018 Budget
Bioscience and Technology Business Center, Inc. (BTBC)	300,000	350,000	300,000
General Fund*	300,000	350,000	300,000
Lawrence Chamber of Commerce (including SBDC)	220,000	220,000	220,000
General Fund	220,000	220,000	220,000
The Dwayne Peaslee Technical Training Center	150,000	987,500	200,000
General Fund	150,000	987,500	200,000
Grand Total	670,000	1,557,500	720,000

*The City's support for BTBC includes \$200,000 for general operations, \$25,000 for an incentive fund, and \$75,000 for facility expansion. The facility expansion was a 10-year obligation that will expire in 2018.

OTHER AGENCIES

Agency	2017 Projected	2018 Requested	2018 Budget
Douglas County Historical Society	40,000	13,174	13,174
Guest Tax Fund	40,000	13,174	13,174
Douglas County Special Olympics	500	500	500
Special Recreation Fund	500	500	500
Downtown Lawrence, Inc.	49,000	49,000	49,000
Guest Tax Fund	49,000	49,000	49,000
eXplore Lawrence	990,000	1,080,000	1,060,000
Transient Guest Tax	990,000	1,080,000	1,060,000
Johnson County K-10 Connector	120,000	190,403	120,000
Transit	120,000	190,403	120,000
Lawrence Alliance	4,000	4,000	4,000
General Fund	4,000	4,000	4,000
Lawrence Arts Center, Inc.	30,000	80,000	30,000
Special Recreation Fund	30,000	80,000	30,000
Lawrence Cultural Arts Commission	41,500	128,000	49,000
Special Recreation Fund	41,500	128,000	49,000
Lawrence Douglas County Health Department	671,401	728,221	671,401
General Fund	671,401	728,221	671,401
Lawrence Humane Society, Inc.	360,000	365,000	365,000
General Fund	360,000	365,000	365,000
Lawrence Public Library	4,033,737	4,131,400	4,131,400
Library Fund	4,033,737	4,131,400	4,131,400
Senior Resource Center for Douglas County, Inc.	7,500	7,500	7,500
General Fund	7,500	7,500	7,500
Sister Cities Advisory Board	8,000	8,000	8,000
Guest Tax Fund	8,000	8,000	8,000
Grand Total	6,355,638	6,785,198	6,508,975

2018 - 2022 CAPITAL IMPROVEMENT PLAN

2018 - 2022

CAPITAL IMPROVEMENT PLAN

INTRODUCTION

The Capital Improvement Plan (CIP) is a tool to help the City look beyond year-to-year budgeting to determine what, when, where and how future public improvements will take place over the next five years. The Capital Improvement Budget is made up of 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 \$100,000 resulting in either the creation of a new fixed asset or results in the enhancement to an existing fixed asset with a life expectancy of at least 2 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.

CAPITAL IMPROVEMENT PROCESS

Each year, capital project lists are submitted by various City departments, agencies, and the public. The projects are reviewed by the Management Team made up of representatives from several departments. The Team uses a set of scoring criteria to determine a score for every project submitted. The scores are translated into priority rankings.

The Finance Department takes the highest priority CIP items and enters the fiscal impact into a five-year fiscal forecast for each impacted fund. The Finance Department forwards the CIP with recommendations, to the City Manager. The recommendations are made to ensure that the impacted funds are kept in balance long-term.

The City Manager 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 the following pages. A chart showing the projects that are not funded is also included.

2018-2022 Capital Improvement Plan

PROJECTS BY FUNDING SOURCE

Source	Project #	2018	2019	2020	2021	2022	Total
Airport							
Reconstruct Terminal Apron-Phase 1	PW18A2CIP		70,000				70,000
RehabT-Hangar Taxiways	PW18A8CIP	20,000					20,000
Pavement Maintenance airport	PW19A2CIP		100,000				100,000
Terminal Apron Rehab - Phase 2	PW21A9CIP				34,000		34,000
Airport Total		20,000	170,000		34,000		224,000
Capital Improvement Reserve Fund							
Union Pacific Depot Renovations	PR1909CIP		125,000				125,000
Annual Vehicle Replacement Program	PW1702CIP	850,000	700,000	700,000	700,000	700,000	3,650,000
Capital Improvement Reserve Fund Total		850,000	825,000	700,000	700,000	700,000	3,775,000
Capital Improvement Reserve Fund - I							
Sidewalk/Bike / Ped Improvements / ADA Ramps	CID9	200,000	600,000	750,000	1,000,000	1,000,000	3,550,000
KLINK / CCLIP	PW1701Kcip			300,000			300,000
Kasold Reconstruction-6th St to Bob Billings Pkwy	PW17E1CIP	1,000,000					1,000,000
Traffic Calming	PW17E8CIP		300,000	300,000	300,000	300,000	1,200,000
Contracted Street Maintenance Program	PW17SM1CIP	800,000	1,300,000	1,300,000	1,300,000	1,300,000	6,000,000
Curb and Gutter Rehabilitation Program	PW17SM2CIP		400,000	400,000	450,000	500,000	1,750,000
Contract Milling for In House Pavement Rehab	PW17SM4CIP		100,000	100,000	100,000	125,000	425,000
Massachusetts & 13th Turn Lane Improvements	PW18E10	50,000					50,000
Kasold - Clinton Pkwy to HyVee	PW18E2CIP		1,000,000				1,000,000
23rd Street - Haskell Bridge to East City Limits	PW18E3CIP			500,000	1,250,000	3,000,000	4,750,000
19th Street Iowa to Naismith Phase 2	PW18E7CIP	2,650,000					2,650,000
23rd Mill/Overlay- Iowa to Ousdahl	PW18E9CIP	200,000					200,000
Wakarusa - 18th St to Research Pkwy	PW19E1CIP					2,800,000	2,800,000
27th St Bridge	PW21SM3CIP				500,000		500,000
Capital Improvement Reserve Fund - Infrastructure Total		4,900,000	3,700,000	3,650,000	4,900,000	9,025,000	26,175,000
Equipment Reserve - Infrastructure							
Apparatus Bay Exhaust System	FM1807CIP	200,000					200,000
641 Replacement Quint 40	FM1817CIP	825,000					825,000
Personal Protective Equipment Alternate Set	FM1908CIP		540,000				540,000
645 Replacement Rescue 5 (incl equip)	FM1920CIP			836,000			836,000
Mobile Radios	FM2009CIP				600,000		600,000
634 Replacement Investigation Unit 1	FM2126CIP					375,000	375,000
Equipment Reserve - Infrastructure Total		1,025,000	540,000	836,000	600,000	375,000	3,376,000

Source	Project #	2018	2019	2020	2021	2022	Total
Equipment Reserve Fund							
Adequate Security Measures	CA 1601 CIP	114,600					114,600
Tenant Finish for Municipal Court Relocation	CA 1801 CIP		400,000				400,000
Access Layer Switches	IT1701CIP	61,000	59,500				120,500
VMWare Hardware Refresh	IT2001CIP			100,000			100,000
Annual Fiber Projects	ITFIBER	100,000	100,000	100,000	100,000	100,000	500,000
Equipment Reserve Fund Total		275,600	559,500	200,000	100,000	100,000	1,235,100
Farmland Remediation							
Farmland Pond Cap	PW18V01 CIP	1,000,000					1,000,000
Farmland Remediation Total		1,000,000					1,000,000
General Fund							
Vehicle Replacement	PD1804 CIP	403,760					403,760
Resurface North Parking at Holcom Complex	PR1706 CIP	105,000					105,000
Parks & Recreation Maintenance and Repairs	PR1801 CIP	620,000					620,000
Youth Sports Complex - Concessions / Restroom	PR1802 CIP	160,000					160,000
East Lawrence Recreation Center Renovation	PR1820 CIP		100,000				100,000
Indoor Aquatic Center Pool Painting / Play Feature	PR1821 CIP	110,000					110,000
Community Building Renovation (Historic Property)	PR1822 CIP	105,000					105,000
South Park Playground (ADA Compliance)	PR1823 CIP	100,000					100,000
Equipment Replacement- Aerial Lift Truck	PR1881 CIP		198,000				198,000
Parks & Recreation Maintenance and Repairs	PR1901 CIP		650,000				650,000
Holcom Park Recreation Center Renovation	PR1907 CIP		125,000				125,000
Outdoor Aquatic Center - Pool Slide Replacements	PR1915 CIP		130,000				130,000
Parks & Recreation Maintenance and Repairs	PR2001 CIP			783,000			783,000
Lyons Park Playground and Shelter Replacement	PR2006 CIP			120,000			120,000
Deerfield Park -Add Restroom / Replace Shelter	PR2007 CIP			120,000			120,000
Park Land Acquisition - West	PR2012 CIP			300,000			300,000
Burroughs Creek Park - Spray Park	PR2013 CIP		225,000				225,000
Parks & Recreation - Rollback Truck	PR2081 CIP			100,000			100,000
Parks & Recreation Maintenance and Repairs	PR2101 CIP				700,000		700,000
Lawrence Loop Trail - Downtown Section	PR2112 CIP				600,000		600,000
Equipment Replacement - Chipper Truck	PR2181 CIP				100,000		100,000
Parks & Recreation Maintenance and Repairs	PR2201 CIP					700,000	700,000
Portable Stage For Summer Concerts	PR2209 CIP					125,000	125,000
Outlet Park upgrade shelter and playground	PR2211 CIP					120,000	120,000
John Taylor Park - Spray Park / Shelter	PR2212 CIP					225,000	225,000
Install Acoustical Panels in SPL Gyms	PR3025 CIP					200,000	200,000
Contracted Street Maintenance Program	PW17SM1 CIP	2,000,000	2,000,000	2,000,000	2,000,000	2,300,000	10,300,000
General Fund Total		3,603,760	3,428,000	3,423,000	3,400,000	3,670,000	17,524,760
General Obligation Debt							
Affordable Housing Initiatives	CIO5	300,000	350,000	350,000	350,000	350,000	1,700,000
Sidewalk/Bike / Ped Improvements / ADA Ramps	CIO9	250,000					250,000
Animal Shelter Construction Partnership	CM1701CIP			2,500,000			2,500,000
Training Burn Tower Replacement	FM1703CIP	700,000					700,000
Portable Radios	FM2010CIP					900,000	900,000
Training Center Remodel	FM2045CIP			250,000			250,000
642 Replacement Quint 20	FM2127CIP			1,287,500			1,287,500

Source	Project #	2018	2019	2020	2021	2022	Total
643 Replacement Quint 50	FM2128CIP				1,287,500		1,287,500
Secondary Internet Connection	IT1801CIP	120,000					120,000
Police Radios	PD1801CIP	450,000	450,000	450,000			1,350,000
Firearms Simulator	PD1802CIP	300,000					300,000
Police Facility Phase 1	PD1803CIP		17,000,000				17,000,000
Body Worn Camera Project	PD1805CIP	463,600					463,600
One Stop Shop Leased Tenant Finish	PS1701CIP	180,000					180,000
KLINK / CCLIP	PW1701K cip	300,000	0		0	300,000	600,000
6th and Queen Road intersection benefit district	PW17E10	450,000					450,000
19th Street Reconstruction - Harper to O'Connell	PW17E3CIP		1,775,000				1,775,000
Queens Road Improvements - 6th to City Limits	PW17E4CIP	4,850,000					4,850,000
East 9th Street Improvements	PW17E6CIP	2,500,000					2,500,000
Traffic Calming	PW17E8CIP	200,000					200,000
Riverbank stabilization East of Bowersock	PW17E9CIP	1,000,000					1,000,000
City Hall fire alarm panel and general maint.	PW18B5CIP	120,000					120,000
ARTS Center Roof	PW18B6CIP	400,000					400,000
23rd Street Center Turn Lane, Mass to Louisiana	PW18E10CIP	200,000					200,000
Louisiana 12th-13th	PW18E8CIP	350,000					350,000
Reconstruct RWY15-33	PW19A3CIP		200,000				200,000
Fire/medical HVAC replace #2 & #4	PW19B1CIP		100,000				100,000
ITC Exterior repairs and HVAC	PW19B4CIP		750,000				750,000
Pavement repair Fire Med/investigation training	PW20B3CIP			630,000			630,000
Fire Med.4 & 5 pavement repair	PW21B4CIP				840,000		840,000
Airport Lighting system	PW22A10CIP				75,000		75,000
Roof Replace (ITC, Maint Garage, Fire Training)	PW22B1CIP					750,000	750,000
General Obligation Debt Total		13,133,600	20,625,000	5,467,500	2,552,500	2,300,000	44,078,600
Golf Course							
Eagle Bend Golf Clubhouse Phase III	PR1708CIP					350,000	350,000
Golf Course Total						350,000	350,000
Guest Tax Fund							
Downtown Brick Pavers (year 2 of 3)	PR1809CIP	100,000					100,000
Carnegie Building tuck-point (Historic Building)	PR1908CIP			150,000			150,000
Downtown Pavers Replacements (year 3 of 3)	PR1913CIP		125,000				125,000
Downtown Lawrence Master Plan	PR1918CIP	110,000					110,000
Guest Tax Fund Total		210,000	125,000	150,000			485,000
Intergovernmental							
KLINK / CCLIP	PW1701K cip	300,000	0	300,000	0	300,000	900,000
19th Street Reconstruction - Harper to O'Connell	PW17E3CIP		750,000				750,000
CDBG Sidewalk Gap Program	PW17E7CIP	100,000	100,000	100,000	100,000	100,000	500,000
Reconstruct Terminal Apron-Phase 1	PW18A2CIP			700,000			700,000
RehabT-Hangar Taxilanes	PW18A8CIP	180,000					180,000
Massachusetts & 13th Turn Lane Improvements	PW18E10	100,000					100,000
23rd Street Center Turn Lane, Mass to Louisiana	PW18E10CIP	500,000					500,000
23rd Street - Haskell Bridge to East City Limits	PW18E3CIP				1,000,000	1,000,000	2,000,000
19th Street Iowa to Naismith Phase 2	PW18E7CIP	900,000					900,000
Louisiana 12th-13th	PW18E8CIP	100,000					100,000
23rd Mill/Overlay- Iowa to Ousdahl	PW18E9CIP	300,000					300,000
Reconstruct RWY15-33	PW19A3CIP		2,250,000				2,250,000

Source	Project #	2018	2019	2020	2021	2022	Total
Drainage Improvements	PW20ASCIP					1,350,000	1,350,000
Terminal Apron Rehab - Phase 2	PW21A9CIP				306,000		306,000
Airport Lighting system	PW22A10CIP					750,000	750,000
Intergovernmental Total		2,480,000	3,100,000	1,100,000	1,406,000	3,500,000	11,586,000
Private Partnership							
Animal Shelter Construction Partnership	CM1701CIP	5,000,000					5,000,000
Private Partnership Total		5,000,000					5,000,000
Public Parking							
Downtown parking lot maintenance	PW19B3CIP		100,000	100,000		100,000	300,000
Public Parking Total			100,000	100,000		100,000	300,000
Public Transit Fund							
Multi Modal Facility	T101	500,000	4,000,000				4,500,000
Transit Shelters and Additional Amenities	T102	150,000	150,000	150,000	150,000		600,000
Fixed Route Transit Buses	T103		500,000	500,000	500,000	500,000	2,000,000
Public Transit Fund Total		650,000	4,650,000	650,000	650,000	500,000	7,100,000
Solid Waste - Construction							
Solid Waste Facility at Kresge Phase 2	PW17SW1		3,700,000				3,700,000
Solid Waste - Construction Total			3,700,000				3,700,000
Solid Waste Operations Fund							
PW/ Utilities/ P&R operations center	PW18B7CIP	30,000					30,000
429 Rear load replacement to an ASL	PW18F11CIP	255,000					255,000
475 Small rear load refuse truck replacement	PW18F1CIP	100,000					100,000
428 Rear load refuse truck replacement	PW18F2CIP	140,000					140,000
474 Rear load replacement to an ASL	PW18F3CIP	255,000					255,000
490 Rubber tire loader replacement	PW18F4CIP	195,000					195,000
439 Roll off container truck replacement	PW18F5CIP	150,000					150,000
Solid Waste Phase 3 - Fuel Facility at Kresge	PW18SW1CIP			650,000			650,000
413 Front load refuse truck replacement	PW19F1CIP		280,000				280,000
499 Small container truck replacement	PW19F2CIP		110,000				110,000
472 Rear load refuse truck replacement	PW19F3CIP		155,000				155,000
473 Rear load refuse truck replacement	PW19F4CIP		155,000				155,000
431 Rear load refuse truck replacement	PW19F5CIP		155,000				155,000
491 Rear load refuse truck replacement	PW19F6CIP		120,000				120,000
Tub Grinder	PW19SW1CIP		450,000				450,000
447 Roll off container truck replacement	PW20F1CIP			170,000			170,000
414 Front load refuse truck replacement	PW20F2CIP			240,000			240,000
437 Automated side load refuse truck	PW20F3CIP			260,000			260,000
436 Automated side load refuse truck	PW20F4CIP			260,000			260,000
432 Rear load refuse truck replacement	PW20F5CIP			170,000			170,000
449 Automated side load refuse truck	PW21F1CIP				265,000		265,000
452 Automated side load refuse truck	PW21F2CIP				265,000		265,000
445 Roll off container truck replacement	PW21F3CIP				170,000		170,000
444 Roll off container truck replacement	PW21F4CIP				170,000		170,000

Source	Project #	2018	2019	2020	2021	2022	Total
486 Rubber tire loader replacement	PW21F5CIP				175,000		175,000
415 Front load refuse truck replacement	PW21F6CIP				255,000		255,000
448 ASL Replacement	PW22F1CIP					270,000	270,000
477 Hook Lift Replacement	PW22F2CIP					115,000	115,000
438 Hook Lift Replacement	PW22F3CIP					115,000	115,000
430 Rear load replacement	PW22F4CIP					175,000	175,000
434 Rear load replacement	PW22F5CIP					175,000	175,000
435 Rear load replacement	PW22F6CIP					175,000	175,000
470 Container maintenance truck replacement	PW22F7CIP					100,000	100,000
Solid Waste Operations Fund Total		1,125,000	1,425,000	1,750,000	1,300,000	1,125,000	6,725,000
Special Gas Tax Fund							
Contracted Street Maintenance Program	PW17SM1CIP	200,000					200,000
Contract Milling for In House Pavement Rehab	PW17SM4CIP	100,000					100,000
ITS Video Detection/ upgrade and replacement	PW17SM5CIP	153,000	156,060	159,181	162,365	165,480	796,086
PW/ Utilities/ P&R operations center	PW18B7CIP	10,000					10,000
Backhoe Lease program	PW18F6CIP	210,000			70,000	52,000	332,000
Asphalt Paving Equipment Replacement	PW19F8CIP		250,000				250,000
New Class 5 Truck	PW20F9CIP			115,000			115,000
765 Single axle dump truck replacement	PW21F7CIP				215,000		215,000
Additional Streets Unit	PW22F10CIP					110,000	110,000
307 Road tractor replacement	PW22F12CIP					115,000	115,000
Hook Patch Unit	PW22F13CIP					160,000	160,000
Combination hook lift truck	PW22F8CIP					206,000	206,000
Special Gas Tax Fund Total		673,000	406,060	274,181	447,365	808,480	2,609,086
Special Recreation Fund							
Replace Cardio / Weight Equip	PR1919CIP		125,000				125,000
Special Recreation Fund Total			125,000				125,000
Stormwater Fund							
13th Brook Drainage Improvement Improvements	PW17S2CIP	275,000					275,000
Storm Water Culvert Lining	PW17S3CIP	250,000	250,000	250,000	250,000	275,000	1,275,000
Contracted Street Maintenance Program	PW17SM1CIP	140,000	140,000	140,000	140,000	140,000	700,000
PW/ Utilities/ P&R operations center	PW18B7CIP	15,000					15,000
Backhoe Lease program	PW18F6CIP				140,000	108,000	248,000
Combination Vac/Jet Truck	PW18F7CIP	345,000					345,000
Naismith Drainage Channel	PW18S1CIP		1,000,000				1,000,000
361 Street sweeper replacement	PW19F9CIP		290,000				290,000
17th and Alabama Drainage Improvement	PW19S1CIP			2,500,000			2,500,000
Drainage Improvements	PW20A5CIP					150,000	150,000
362 Street sweeper replacement	PW20F6CIP			285,000			285,000
Concrete Channel W of Arrowhead Princeton to Peter	PW20S1CIP				1,500,000		1,500,000
735 excavator replacement	PW21F11CIP	305,000					305,000
19th St Maple Ln to Brook	PW21S1CIP					2,000,000	2,000,000
Stormwater Fund Total		1,330,000	1,680,000	3,175,000	2,030,000	2,673,000	10,888,000
Utility - Operations/Maintenance							
PW/ Utilities/ P&R operations center	PW18B7CIP	20,000					20,000

Source	Project #	2018	2019	2020	2021	2022	Total
Utility - Operations/Maintenance Total		20,000					20,000
Utility - Wastewater							
Collection System Field Operations Building	UT1884CIP	100,000	590,000	2,990,000			3,680,000
PS #8 Elimination - 21" Gravity Sewer	UT1892CIP	450,000	4,160,000				4,610,000
Kansas River WWTP Nutrient Removal Pilot	UT2083CIP			610,000			610,000
Pump Station 9 Expansion to 15 MGD	UT2184CIP				3,280,000		3,280,000
Pump Station 16 Upstream Interceptor Rehab	UT2185CIP				1,320,000		1,320,000
P59 Forcemain to P510	UT2188CIP				6,330,000		6,330,000
Lower Yankee Tank Capacity	UT2285CIP					8,650,000	8,650,000
Kaw WWTP Side Stream - Belt Press Ammonia	UT2293CIP					1,320,000	1,320,000
Kaw WWTP Nutrient Removal/Deammo & Sidestream	UT2294CIP					6,580,000	6,580,000
Sewer Main Relocations for Road Projects	UT9903CIP	390,000	400,000	420,000	440,000	450,000	2,100,000
WW Failed Infrastructure Contingency	UT9904CIP	290,000	400,000	420,000	440,000	450,000	2,000,000
Pump Station Annual Improvements	UT9905CIP	140,000	150,000	150,000	160,000	160,000	760,000
Kansas River WWTP Annual Improvements	UT9906CIP	390,000	400,000	420,000			1,210,000
WWTP Annual Improvements (2 PLANTS)	UT9907CIP				870,000	900,000	1,770,000
Clay Pipe/Manhole Rehabilitation	UT9908CIP	1,130,000	1,170,000	1,220,000	1,270,000	1,320,000	6,110,000
Rapid I/I Reduction Program	UT9909CIP	2,830,000	2,940,000	3,060,000	3,180,000	3,310,000	15,320,000
Utility - Wastewater Total		5,720,000	10,210,000	9,290,000	17,290,000	23,140,000	65,650,000
Utility - Water							
19th Street Reconstruction - Harper to O'Connell	PW17E3CIP	1,100,000					1,100,000
23rd Street Center Turn Lane, Mass to Louisiana	PW18E10CIP	450,000					450,000
Collection System Field Operations Building	UT1884CIP	100,000	590,000	2,990,000			3,680,000
Bowersock Dam Scour Hole Maintenance	UT1885CIP	1,000,000					1,000,000
Vermont Bridge and Concrete Main Assessment	UT1896CIP	400,000					400,000
Automated Meter Reading Installation	UT1898CIP	6,420,000	4,450,000				10,870,000
Stratford Tower Replacement	UT1984CIP		370,000	3,430,000			3,800,000
Kaw Water TP Basin Infrastructure Rehab	UT1985CIP		1,170,000				1,170,000
Kaw Lime Slakers Replacement	UT1987CIP		580,000	3,420,000			4,000,000
2019 - Tower Inspections and Cleanings	UT1988CIP		250,000				250,000
Clinton WTP Plant Piping	UT2094CIP			550,000	3,230,000		3,780,000
Clinton Storage Tanks Maintenance/ Coatings	UT2187CIP				2,540,000		2,540,000
23rd St. Haskell - E City Limits Watermain Rplcmnt	UT2196CIP				1,710,000		1,710,000
2022 Kaw WTP Infrastructure Rehab	UT2286CIP					5,270,000	5,270,000
Wakarusa - Research Parkway to 23rd	UT2299CIP					1,000,000	1,000,000
Clinton WTP Improvement Program	UT9900CIP	400,000	410,000	430,000	450,000	470,000	2,160,000
Kaw WTP Improvement Program	UT9901CIP	300,000	410,000	430,000	450,000	470,000	2,060,000
Watermain Replacement/Relocation Program	UT9902CIP	2,640,000	4,360,000	4,540,000	3,010,000	3,900,000	18,450,000
Utility - Water Total		12,810,000	12,590,000	15,790,000	11,390,000	11,110,000	63,690,000
GRAND TOTAL		54,825,960	67,958,560	46,555,681	46,799,865	59,476,480	275,616,546

2018-2022 Unfunded Capital Improvement Plan

Source	Project #	2018	2019	2020	2021	2022	Total
Unfunded							
OPPOSITION to 19th & Harper	CI02	0					0
E 902 Road Improvements	CI03				1,700,000		1,700,000
Affordable Housing Initiatives Increase	CI06	1,200,000	1,200,000	1,150,000	1,150,000	1,150,000	5,850,000
Boys & Girls Club Teen Center	CI1801	100,000					100,000
The East Ninth Project Art	CI1802	400,000	100,000				500,000
Protected Bicycle Lanes, Mass Street	CI1804		343,500				343,500
13th/Oak Hill bike-walk, Mass-Elmwood	CI1805	15,000	300,000				315,000
Parkhill Parks Playground Improvement	CI1806	195,000					195,000
Peaslee Center Grant	CI1807	837,500					837,500
East 1650 Rd in Venture Park & 23rd Intersection	CI1808	20,000	470,000				490,000
Haskell Ave & 15th St Roundabout	CI1809	275,000					275,000
Naismith shared use path, 18 - 23rd St	CI1810	782,500					782,500
6thSt shared use path, Monterey Way-Wisconsin St	CI1811	50,000	485,500				535,500
Upgrade Accounting System	FA1601CP				500,000		500,000
Fiber Project for City Hall to 23rd & Haskell	IT1802F1	321,000					321,000
Fiber Install to Connect Wastewater Plants	IT1803F2	119,500					119,500
Fiber for 23rd & Iowa to 10-Highway Bypass	IT1901F3		335,000				335,000
Fiber Projects for Water Towers & Traffic Signals	IT1902F4		302,500				302,500
Fiber Project for 9th Street	IT2002F5			164,000			164,000
Fiber for Venture Park & East Hills Business Park	IT2003F6			150,000			150,000
Fiber Project for 19th Street	IT2101F7				282,000		282,000
Fiber for 15th & Iowa to Bob Billings & Wakarusa	IT2102F8				156,000		156,000
ITC Deferred Maintenance	PD1704CIP	619,000					619,000
Install additional parking lot at Eagle Bend GC	PR1807CIP	125,000					125,000
Cemetery Roads	PR1810CIP	100,000					100,000
Indoor Aquatic Center -- Add Event Space	PR1812CIP			1,000,000			1,000,000
Lawrence Loop Trail - Hospital to Peterson Rd	PR1817CIP	500,000					500,000
Dog Park - Broken Arrow Park	PR1818CIP	100,000					100,000
Broken Arrow Park - Shelter, Restroom, Playground	PR1902CIP	350,000					350,000
Burcham Park/Upgrade Shelter and Playground	PR1910CIP		100,000				100,000
Veterans Park Courts	PR1911CIP		115,000				115,000
Peterson Road Park New Development	PR1912CIP		200,000				200,000
Clinton Lake Regional Park - 27th street	PR1914CIP		400,000				400,000
Park Land Acquisition - South	PR1916CIP		300,000				300,000
Overland Drive Park Development	PR2002CIP			200,000			200,000
Green Meadows Park Development	PR2004CIP			150,000			150,000
Kansas River Walk Development	PR2010CIP					650,000	650,000
Outdoor Aquatic Center - Major Renovation	PR2102CIP				2,000,000		2,000,000
Downtown Farmers Market	PR2113CIP				200,000		200,000
Downtown Event Space	PR2114CIP				750,000		750,000
Lawrence Loop Trail from Queens Rd to Kasold	PR2204CIP					1,200,000	1,200,000
Large Park Shelter	PR2206CIP					800,000	800,000
Horticulture -Upgrade Shop & Office facility	PR2207CIP					350,000	350,000
Maintenance Facility NW area of the City	PR2214CIP					500,000	500,000

Source	Project #	2018	2019	2020	2021	2022	Total
PW/ Utilities/ P&R operations center	PW18B7CIP					20,125,000	20,125,000
23rd Street - Haskell Bridge to East City Limits	PW18E3CIP					1,710,000	1,710,000
Wakarusa - 18th St to Research Pkwy	PW19E1CIP					700,000	700,000
Wakarusa - 18th Street to 23rd Street	PW20E1CIP					5,240,000	5,240,000
Wakarusa Extended - 27th St to CR458	PW22E1CIP				9,970,000	4,000,000	13,970,000
395 Street flush tank truck replacement	PW22F11CIP					150,000	150,000
T-Hangers	PWTBDA6CIP				1,800,000		1,800,000
Unfunded Total		6,109,500	4,651,500	2,814,000	18,508,000	36,575,000	68,658,000
GRAND TOTAL		6,109,500	4,651,500	2,814,000	18,508,000	36,575,000	68,658,000

2018 CIP Budget Impact on City's Operating Budget

Project	Funding Source(s)	Total 2017 Cost	Annual Operating Impact	Operating/Maintenance Budget
Citizen Input		<i>subtotal: \$ 5,300,000</i>		
Affordable Housing Initiatives	\$300,000 G.O. Debt	\$ 300,000	No Impact	N/A
Animal Shelter Construction	\$5,000,000 G.O. Debt	\$ 5,000,000	No Impact	N/A
City Attorney's Office		<i>subtotal: \$ 114,600</i>		
Adequate Security Measures	\$114,600 Equipment Reserve	\$ 114,600	Increase Operational	General Fund, City
Fire Medical		<i>subtotal: \$ 1,725,000</i>		
Training Burn Tower Replacement	\$700,000 G.O. Debt	\$ 700,000	Decrease	General Fund, Fire Medical
641 Replacement Quint 40	\$825,000 Equipment Reserve	\$ 825,000	No Impact	N/A
Apparatus Bay Exhaust System	\$200,000 Equipment Reserve	\$ 200,000	Decrease	General Fund, Fire Medical
Information Technology		<i>subtotal: \$ 281,000</i>		
Access Layer Switches	\$61,000 Equipment Reserve	\$ 61,000	No Impact	N/A
Annual Fiber Projects	\$100,000 Equipment Reserve	\$ 100,000	No Impact	N/A
Secondary Internet Connections	\$120,000 G.O. Debt	\$ 120,000	No Impact	N/A
Parks & Recreation		<i>subtotal: \$ 1,090,000</i>		
Parks & Recreation Maintenance and	\$620,000 General Fund	\$ 620,000	No Impact	N/A
Install additional restrooms at Youth	\$160,000 General Fund	\$ 160,000	Increase Operational	General Fund, Parks &
Downtown Brick Pavers	\$100,000 Guest Tax Fund	\$ 100,000	No Impact	N/A
South Park Playground Upgrades	\$100,000 General Fund	\$ 100,000	No Impact	N/A
Downtown Master Plan	\$110,000 Guest Tax Fund	\$ 110,000	No Impact	N/A
Planning and Development		<i>subtotal: \$ 180,000</i>		
One Stop Shop Design	\$180,000 G.O. Debt	\$ 180,000	No Impact	N/A
Police		<i>subtotal: \$ 1,617,360</i>		
Police Radios	\$450,000 G.O. Debt	\$ 450,000	Decrease	General Fund, Police
Police Vehicles	\$403,760 General Fund	\$ 403,760	No Impact	N/A
Firearms Simulator	\$300,000 G.O. Debt	\$ 300,000	No Impact	N/A
Body Worn Cameras	\$463,600 G.O. Debt	\$ 463,600	Increase Operational	General Fund, Police
Public Transit		<i>subtotal: \$ 650,000</i>		
Multi-Modal Transit Facility	\$500,000 Public Transit Fund	\$ 500,000	Increase Operational Costs	Public Transit Fund, Public Transportation Division
Transit Shelters & Amenities	\$150,000 Public Transit Fund	\$ 150,000	Increase Operational Costs	Public Transit Fund, Public Transportation Division

Public Works		subtotal: \$ 26,888,000			
Bike/Pedestrian Improvements & ADA Ramps	\$200,000 Capital Improvement Reserve Fund-Infrastructure \$250,000 G.O. Debt	\$ 450,000	Increase Operational Costs	General Fund, Parks & Recreation Department	
KLINK	\$300,000 G.O. Debt \$300,000	\$ 600,000	No Impact	N/A	
Kasold Reconstruction -6th Street to Bob Billings Parkway	\$1,000,000 Capital Improvement Reserve Fund	\$ 1,000,000	Decrease Operational Costs	General Fund/Special Gas Tax Fund, Public Works Department	
Public Works Annual Vehicle	\$850,000 Capital Improvement	\$ 850,000	No Impact	N/A	
6th and Queens Road Benefit District	\$450,000 G.O. Debt	\$ 450,000	Decrease Operational Costs	General Fund/Special Gas Tax Fund, Public Works Department	
19th St. Reconstruction - Harper to O'Connell	\$1,100,000 Water & Sewer Fund	\$ 1,100,000	Decrease Operational Costs	General Fund/Special Gas Tax Fund, Public Works Department	
Queens Road Improvements-6th St. to City Limits	\$4,850,000 G.O. Debt	\$ 4,850,000	Increase Operational Costs	General Fund/Special Gas Tax Fund/Water & Sewer Fund, Public Works Department/Utilities Department	
East 9th Street Improvements	\$2,500,000 G.O. Debt	\$ 2,500,000	Decrease Operational Costs	General Fund/Special Gas Tax Fund, Public Works Department	
CDBG Sidewalk Gap Program	\$100,000 Intergovernmental	\$ 100,000	No Impact	N/A	
Traffic Calming	\$200,000 G.O. Debt	\$ 200,000	No Impact	N/A	
Riverbank Stabilization East of Bowersock	\$1,000,000 G.O. Debt	\$ 1,000,000	Decrease Operational Costs	General Fund/Special Gas Tax Fund, Public Works Department	
Contracted Street Maintenance Program	\$800,000 Capital Improvement Reserve Fund-Infrastructure \$2,000,000 General Fund \$200,000 Special Gas Tax Fund \$140,000 Stormwater Fund	\$ 3,140,000	Decrease Operational Costs	General Fund/Special Gas Tax Fund, Public Works Department	
Contract Milling for In-House Pavement Rehabilitation	\$100,000 Special Gas Tax Fund	\$ 100,000	Decrease Operational Costs	General Fund/Special Gas Tax Fund, Public Works Department	
ITS Video Detection Upgrade and Replacement	\$153,000 Special Gas Tax Fund	\$ 153,000	Decrease Operational Costs	General Fund/Special Gas Tax Fund, Public Works Department	
Massachusetts & 13th Turn Lane	\$50,000 Capital Improvement Reserve Fund-Infrastructure \$100,000 Intergovernmental	\$ 150,000	Decrease Operational Costs	General Fund/Special Gas Tax Fund, Public Works Department	
23rd Street Center Turn Lane, Mass to Louisiana	\$200,000 G.O. Debt \$500,000 Intergovernmental \$450,000 Water & Sewer Fund	\$ 1,150,000	Decrease Operational Costs	General Fund/Special Gas Tax Fund, Public Works Department	
19th Street - Iowa to Naismith Phase 2	\$2,650,000 Capital Improvement Reserve Fund-Infrastructure \$900,000 Intergovernmental	\$ 3,550,000	Decrease Operational Costs	General Fund/Special Gas Tax Fund, Public Works Department	

Louisiana from 12 to 13	\$350,000 G.O. Debt \$100,000 Intergovernmental	\$ 450,000	Decrease Operational Costs	General Fund/Special Gas Tax Fund, Public Works Department
23rd Street Mill and Overlay - Iowa to Ousdahl	\$200,000 Capital Improvement Reserve Fund-Infrastructure \$300,000 Intergovernmental	\$ 500,000	Decrease Operational Costs	General Fund/Special Gas Tax Fund, Public Works Department
PW/Utilities/P&R Operations Center	\$30,000 Solid Waste Fund \$10,000 Special Gas Tax Fund \$15,000 Stormwater Fund \$20,000 Water & Sewer Fund	\$ 75,000	No Impact	N/A
Backhoe Lease Program	\$210,000 Special Gas Tax Fund	\$ 210,000	Decrease Operational Costs	General Fund/Special Gas Tax Fund, Public Works Department
Combination Vac/Jet Truck	\$345,000 Stormwater Fund	\$ 345,000	Decrease Operational Costs	General Fund/Special Gas Tax Fund, Public Works Department
Farmland Pond Cap	\$1,000,000 Farmland Remediation Fund	\$ 1,000,000	Decrease Operational Costs	Farmland Remediation Fund, Public Works Department
Excavator Replacement	\$305,000 Stormwater Fund	\$ 305,000	Decrease Operational Costs	General Fund/Special Gas Tax Fund, Public Works Department
Rehab T-Hanger Taxilanes	\$20,000 Airport Fund	\$ 200,000	Decrease	Airport Improvement Fund,
Two Rear Load Replacements to an	\$510,000 Solid Waste Fund	\$ 510,000	Decrease	Solid Waste Fund, Public
Small Rear Load Refuse Truck	\$100,000 Solid Waste Fund	\$ 100,000	Decrease	Solid Waste Fund, Public
Rear Load Refuse Truck	\$140,000 Solid Waste Fund	\$ 140,000	Decrease	Solid Waste Fund, Public
Rubber Tire Loader Replacement	\$195,000 Solid Waste Fund	\$ 195,000	Decrease	Solid Waste Fund, Public
Rolloff Container Truck Replacement	\$150,000 Solid Waste Fund	\$ 150,000	Decrease	Solid Waste Fund, Public
13th Brook Drainage Improvements	\$275,000 Stormwater Fund	\$ 275,000	Decrease	Stormwater Fund, Public
Storm Water Culvert Lining	\$250,000 Stormwater Fund	\$ 250,000	Decrease	Stormwater Fund, Public
Resurface North Parking Lot at Holcome Complex	\$105,000 General Fund	\$ 105,000	Decrease Operational Costs	General Fund, Public Works Department
Indoor Aquatics Center Pool Painting/	\$110,000 General Fund	\$ 110,000	Decrease	General Fund, Public Works
Community Building Renovation	\$105,000 General Fund	\$ 105,000	Decrease	General Fund, Public Works
City Hall Fire Alarm Panel and	\$120,000 G.O. Debt	\$ 120,000	Decrease	General Fund, Public Works
Arts Center Roof	\$400,000 G.O. Debt	\$ 400,000	Decrease	General Fund, Public Works

Utilities		subtotal: \$ 16,980,000			
Collection System Field Operations	\$200,000 Water & Sewer Fund	\$	200,000	Decrease	Water & Sewer Fund, Utilities
Bowersock Dam Scour Hole Maintenance	\$1,000,000 Water & Sewer Fund	\$	1,000,000	Decrease Operational Costs	Water & Sewer Fund, Utilities Department
Elimination of 21" Gravity Sewer	\$450,000 Water & Sewer Fund	\$	450,000	Decrease	Water & Sewer Fund, Utilities
Vermont Bridge and Concrete Main	\$400,000 Water & Sewer Fund	\$	400,000	Decrease	Water & Sewer Fund, Utilities
Automated Meter Reading Installation	\$6,420,000 Water & Sewer Fund	\$	6,420,000	Decrease	Water & Sewer Fund, Utilities
Clinton Water Treatment Plant	\$400,000 Water & Sewer Fund	\$	400,000	Decrease	Water & Sewer Fund, Utilities
Kaw Water Treatment Plant	\$300,000 Water & Sewer Fund	\$	300,000	Decrease	Water & Sewer Fund, Utilities
Watermain Replacement/ Relocation	\$2,640,000 Water & Sewer Fund	\$	2,640,000	Decrease	Water & Sewer Fund, Utilities
Sewer Main Relocations for Road	\$390,000 Water & Sewer Fund	\$	390,000	No Impact	N/A
Failed Infrastructure Contingency	\$290,000 Water & Sewer Fund	\$	290,000	Decrease	Water & Sewer Fund, Utilities
Pump Station Annual Improvements	\$140,000 Water & Sewer Fund	\$	140,000	Decrease	Water & Sewer Fund, Utilities
Kansas River Waste Water Treatment	\$390,000 Water & Sewer Fund	\$	390,000	Decrease	Water & Sewer Fund, Utilities
Clay Pipe/Manhole Rehabilitation	\$1,130,000 Water & Sewer Fund	\$	1,130,000	Decrease	Water & Sewer Fund, Utilities
Rapid Inflow & Infiltration Reduction	\$2,830,000 Water & Sewer Fund	\$	2,830,000	Decrease	Water & Sewer Fund, Utilities
Total		\$ 54,825,960			

Lawrence at a Glance



Incorporated: 1854

Form of Government: Council-Manager

Number of City Commissioners: 5

County Seat: Douglas County

City Population: 93,917

Land Area: 34.3

Bachelor's Degree or Higher: 53.4% of residents age 25 and over have a Bachelor's Degree or higher

Universities: University of Kansas and Haskell Indian Nations University

Public School District: #497

School Enrollment: 11,969

Hospital: Lawrence Memorial Hospital

Number of Patient Beds: 174

City Residents' Median Household Income: \$46,929

Median Age: 26.7

Unemployment Rate: 3.6%

Fire Medical Calls for Service: 11,734

Police Calls for Service: 100,142

Violent Crime Index (per 1,000): 2.4

Mile of Streets: 362.9

Miles of Sanitary Sewer: 454

Miles of Water Mains: 523

Number of Parks: 56

Park Acreage: 3,800

Approximate Number of Volumes at the Lawrence Public Library: 207,500

Top Employers: Number of Employees

University of Kansas	10,089
General Dynamics	1,500-2,500
Lawrence Public Schools	1,856
City of Lawrence	1,503
Lawrence Memorial Hospital	1,403
Hallmark Cards	800
Berry Plastics	750
Amarr Garage Doors	750
HyVee	540
Dillons	465

Lawrence at a Glance

Building Permits

Single Family	161
Duplex	78
Multi-Family	7 (467 total units)

Fire/Medical

Stations	6
Firefighters/Officers	143
Number of Inspections	7,241
Fire Insurance Rating	1

Police

Stations	2
Commissioned Officers	153
Marked Units (vehicles)	40

Water System

Plants	2
Service Connections	33,256
City Owned Fire Hydrants	3,531

Sanitary Sewer

Plants	1
Service Connections	32,395
Average Daily Treatment	10.6 Million Gallons
Pump Stations	31

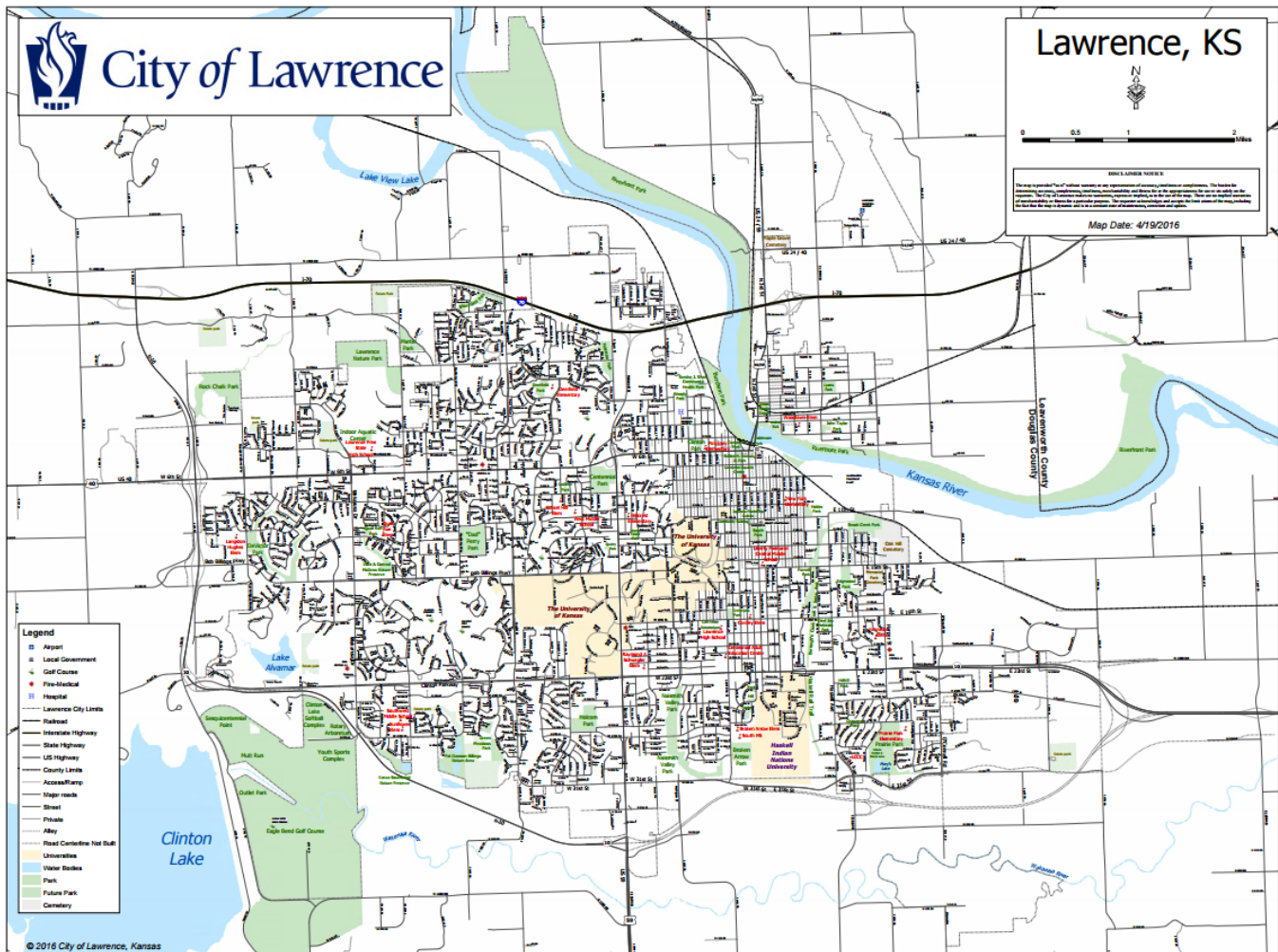
Parks & Recreation

Number of Parks	56
Total Miles of Shared Use Paths	43.3
Total Miles of Soft Surface Paths	43
Total Acres of Landscape/Right-of-way Areas	307.5



Form of Government

The City of Lawrence, established in 1854, operates a Council-Manager form of government, although the council is known as the City Commission and its members are referred to as Commissioners. The City Commission consists of five Commissioners elected at-large on a non-partisan basis. Three Commissioners are up for election every two years. The top two vote-getters win a four-year term, and the third place finisher wins a two year term. This ensures that during every election a majority of the Commission can be replaced. The Commission determines all matters of policy and approves all City ordinances and resolutions as well as adopts the annual City budget. The City Manager is responsible for the administration of all City services and programs as well as ensuring that all laws and ordinances are enforced.



Glossary

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.

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.

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.

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.

Commodities: Consumable goods, such as office supplies, that are used by the City.

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.

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.

Fare Box Receipts: Fares collected from transit system users placed in Fund 210, the Public Transportation 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.

Glossary

General Obligation Bond: Long-term debt payable from the full faith and credit of the City. Typically such bonds are payable from property taxes.

Government Fund: A fund used to account for the acquisition, use and balances of expendable financial resources and the related current liabilities (except those that account for proprietary or fiduciary funds). There are four types of governmental funds: general, special revenue, debt service, and capital projects.

Grant: 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.

Inter-fund Transfer: Transfer of resources between funds that are not recorded as revenues to the fund receiving or expenditure to the fund providing.

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.

Personal Services: Cost of wages, salaries, retirement, and other fringe benefits for City employees.

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.

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.

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.

BUDGET POLICIES

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 later in 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.

The first opportunity for public comment on the budget 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.

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.

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:

- Capital Improvement Reserve Fund
- Equipment Reserve Fund
- Outside Agency Grants
- Wee Folks Scholarship Fund
- Fair Housing Assistance Fund
- Community Development Fund
- Home Program Fund
- Transportation Planning Fund
- Water and Wastewater Non-Bonded Construction
- Solid Waste Non-Bonded Construction

Budgetary Policies and Procedures

Budget Calendar

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

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

In addition to state statutes, an annual budget calendar is developed according to an administrative policy. The 2018 budget process calendar can be found in the background materials.

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.

Budget Policies

The City has a number of budget related policies that help direct budget development. These policies can be found on the following pages but include the following:

- Investment and Cash Management Policy
- Debt Management Policy
- Mid-Year Funding Request Policy
- Debt Issuance Guidelines
- Governmental Accounting Policy
- General Fund Balance Policy

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.

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.

Budgetary Policies and Procedures

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.

Plans Used to Develop the Budget

Horizon 2020 is the City's Long Range Comprehensive Plan. It is used, along with other long range and strategic plans by 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.

The Water and Wastewater Master Plans, adopted in 2013, are used to determine how and when to make improvements to our water distribution and wastewater collections systems. These projects are used to determine the rates to charge customers for water and sewer services. The Storm Water Master Plan, which was completed in 1996, identified 41 capital projects needed to improve storm water management throughout the City. It determined how much debt to issue as well as the monthly storm water utility fee necessary to generate sufficient funding for the projects in the plan. Our Fire Medical Department prepared a Strategic Plan in 1997 and are in the process of updating that plan with current information and needs. This plan provides the goals that the department uses to decide how to allocate their resources each year. Additionally, Parks and Recreation are in the process of finishing a Master Plan, with an anticipated completion date of late 2016. An Infrastructure Sales Tax plan was developed to identify projects to be funded with the 0.3% sales tax adopted in 2008.

Investment & Cash Management Policy

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.

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.

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.

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.

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:

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.
2. Repurchases Agreements -- Contractual agreements between the City and commercial banks, trust companies, state or federally chartered savings and loan associations or 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.

Investment & Cash Management Policy

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.
4. Temporary notes of the City of Lawrence.
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.

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.

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.
2. Collateralization -- The City requires full collateralization of all City investments other than obligations of the United States 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.

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.

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.
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.
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.

Investment & Cash Management Policy

Investment Return Objectives

Consistent with State law, the City shall seek to optimize return on investments within the constraints of this policy.

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.

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%.

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.

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.

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.

Governmental Accounting Policy

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.

Fund Accounting System

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

- General Fund - to account for all unrestricted resources except those required to be accounted for in another fund.
- 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.
- Capital Project Funds - to account for financial resources segregated for the acquisition of major capital facilities (other than those financed by Enterprise Funds).
- 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

- 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.
- 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.

Governmental Accounting Policy

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.

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.

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.

Mid-Year Funding Request Policy

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.

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.

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.)

Debt Management Policy

Purpose

The Debt Management Policy Statement sets forth comprehensive guidelines for the financing of capital expenditures.

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.

Procedure

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,

Debt Management Policy

- Other factors as deemed appropriate.

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. 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.

Debt Management Policy

- *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.
- *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.

Debt Management Policy

- *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.

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 Funds
 - 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.
- 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.

Debt Management Policy

- *Bond Council*
 - 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 Council
 - 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
 - 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.

Debt Management Policy

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.

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.

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.

8. CREDIT RATINGS

- Rating Agency Relationship
 - 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.

Debt Management Policy

- 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.
- 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.

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.

Debt Issuance Guidelines

The City of Lawrence adopts the following guidelines for the issuance of debt:

- Ratio of Net Direct Debt Outstanding to Appraised Valuation will not exceed 1.5%
- Ratio of General Obligation bonds and Temporary Notes Outstanding to the Statutory Debt Limit will not exceed 60%.
- Ratio of Governmental funds Debt Service payments as percentage of total Governmental Funds expenditures will not exceed 15%.
- Amount of Net Direct Debt Outstanding per population will not exceed \$1,500.
- Amount of Overlapping Net Direct Debt Outstanding to Appraised Valuation will to exceed 3.5%.
- Bond and Interest mill levy should 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

General Fund Balance Policy

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 ensure 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.

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.

Legal Debt Margin

The Bond and Interest 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. By December 31, 2017, the City's total general obligation debt was \$122,544,000. The City is limited by State law in the amount of general obligation debt it can incur (for more information regarding debt, please refer to our budget policy section). This limit is set at 30% of the total assessed valuation, including motor vehicle assessments. The legal debt margin as of December 31, 2017 is computed as follows:

Real & Personal Property Assessed Valuation - July 1, 2017	\$ 936,593,968	
Motor Vehicle Property Valuation - July 1, 2017	86,389,994	
Total Equalized Assessed Tangible Valuation	<u>1,022,983,962</u>	
Debt Limitation (30% of assessed valuation)		306,895,189
Total General Obligation Bonds	116,544,000	
Total General Obligation Notes	<u>6,000,000</u>	
Total General Obligation Debt	<u>122,544,000</u>	
Less: Bonds Paid from Enterprise Funds	(16,230,000)	
Less: Proceeds used for Street Intersection or in front of school property	<u>(5,718,427)</u>	
Less: Total debt not applicable to limit	<u>(21,948,427)</u>	
Total Debt applicable to limitation		\$ 100,595,573
Legal Debt Margin		<u>\$ 206,299,616</u>

For more information related to debt, see the Debt Management Policy and Debt Issuance Guidelines on pages 150-157.



Home to a population of 93,917, the City of Lawrence, Kansas is a diverse and multifaceted city that provides many of the amenities of a large metropolitan area, while still maintaining a strong sense of community. Located in Northeast Kansas, Lawrence is just 45 minutes west of Kansas City, and 30 minutes east of Topeka, the state capital.

Lawrence offers a rich and fascinating history, a wide range of exciting cultural experiences, nationally recognized educational institutions, and some of the most unique and enjoyable shopping opportunities in the Midwest.

Lawrence is also home to two universities: the University of Kansas and Haskell Indian Nations University. Approximately 28,000 students attend KU, which has one of the nation's most beautiful campuses. Haskell Indian Nations University is the nation's only inter-tribal university for Native Americans, representing more than 150 tribes from all across the country.



City of Lawrence

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