

2026 Proposed Budget & Capital Improvement Plan
Questions & Answers

1. Q: Can the City of Lawrence pre-pay or pay off its debts?

A: The City issues bonds in annual series to investors that have specific maturity dates. Investors agree to buy our bonds in return for interest over that time period. Therefore we can only pay bonds off at either the call date (early redemption) date or maturity date set for those bonds.

2. Q: Is the General Fund impacted by GO or Revenue bonds?

A: No, the General Fund only contains cash funded CIP projects. There is a specific fund, Debt Service Fund, set aside with its own mill levy to pay for GO bonds and Revenue Bonds are paid back from revenues generated in those utility activities.

3. Q: Why does the City issue one year temporary notes?

A: Temporary notes are used to fund construction or creation of an asset. Issuing temporary notes in one year increments allows us to borrow only what the project needs in that 12-18 month time frame. We can also adapt to project change orders and avoid IRS arbitrage costs and penalties from over issuing money that can't be spent down in a timely manner. One year notes also typically have a lower cost of borrowing (interest rates) than multi-year temporary notes. This interest savings over time far exceeds the issuance costs that occur as part of an annual issuance.

4. Q: Why does the City issue long term debt in 5, 10 and 20 year increments?

A: The City matches the borrowing term with the expected useful life of the asset. For example, a fire apparatus has an estimated 10 year useful life and therefore it is paid back with a 10 year bond. Whereas a street improvement has an over 20 year life so those bonds are paid back over a 20 year term to match use the use of that asset with the tax revenue over that same period.

5. Q: In reviewing the information in LJW today - what are service charges in similar sized cities in Kansas or western Missouri. How do our current - and the proposed increases - compare? (LDCFM)

A: Below is a link to LDCFM's presentation to the Douglas County Commission on June 11th, which explained the proposed fees in detail:

<https://www.youtube.com/watch?v=gN21m0smXcA&t=684s>.

In brief, here is the market data study that was used. The department looked at fees charged by other public EMS agencies in Kansas that have high call volumes and provide EMS services to an entire county. They are:

- Sedgwick County EMS
- Kansas City, Kansas Fire Department (serves all of Wyandotte County)
- Johnson County Med-Act.

Service Provided	LDCFM	Sedgwick County	KCKFD	Med-Act	Mkt Avg	LDCFM vs. Mkt In \$	In %	Proposed Change	Proposed New Rate
BLS Non-Emergency	\$595	\$380	\$600	\$399	\$460	\$135	29%	--	\$595
ALS Non-Emergency	\$699	\$650	\$600	\$479	\$576	\$123	21%	--	\$699
BLS Emergency	\$595	\$815	\$875	\$639	\$776	(\$181)	-23%	↑ 28%	\$762
ALS Emergency	\$699	\$870	\$875	\$758	\$834	(\$135)	-16%	↑ 28%	\$895
ALS 2	\$774	\$925	\$1,200	\$1,097	\$1,074	(\$300)	-28%	↑ 28%	\$991
Mileage	\$9.23	\$17.00	\$15.00	\$13.72	\$15.24	(\$6.01)	-39%	market average	\$15.24

Current rates were last set in 2018. Inflation from January 2018 to January 2025 has been 28.16% according to the [Bureau of Labor Statistics CPI Inflation Calculator](#).

Based on the market study and inflation rate, staff will be recommending that emergency service fees are raised by 28%, and mileage charges are set at the market average. LDCFM is not recommending any changes to the non-emergency rates as the intention is to stop providing these services in the near future. We will begin licensing private third-party ambulance services to perform non-emergency transfers. The goal of this change is to minimize the amount of time LDCFM ambulances are providing non-emergency services and maintain their availability for our core mission of 911 response.

6. Q: In a similar thought process, how does the size of our fire medical staffing compare to similar sized cities in Kansas and western Missouri. I would ask for this staffing data both in terms of overall staffing, but also the senior level staffing like battalion chiefs. (LDCFM)

A: LDCFM provides both fire and EMS services. There are other communities which operate with separate fire and EMS agencies. Here is a breakdown of some regional communities:

- Lawrence – Douglas County: Combined Fire/EMS agency
- Topeka: City Fire Department, Private Ambulance Service
- Manhattan: City Fire Department, County Ambulance Agency
- Independence MO: Combined Fire/EMS agency
- Lee's Summit MO: Combined Fire/EMS agency

Here is a table listing these communities, the population they protect, and the number of single role fire, single role EMS, and dual role personnel they employ. There is 1 LDCFM employee for every 805 residents.

Community	Population	Fire FTEs	EMS FTEs	Fire & Med FTEs	Total FTEs	Per-Cap FTEs
Lawrence-Douglas Co.	120,000	n/a	n/a	149	149	805
Topeka KS	126,000	220	Unknown*	n/a	-	-

Manhattan KS	72,000	89	40	n/a	129	558
Independence MO	116,000	n/a	n/a	192	192	604
Lee's Summit MO	101,000	n/a	n/a	120	120	842

**no publicly available data*

There is one LDCFM Chief for every 12.4 sworn firefighters, and one LDCFM Chief for every 10,000 residents:

Community	Population	Fire Chiefs	EMS Chiefs	Fire & Med Chiefs	Total Chiefs	FFs / Chief	Per-Cap Chiefs
Lawrence-Douglas Co.	120,000	n/a	n/a	12	12	12.4	10000
Topeka KS	126,000	17	unknown *	n/a	-	-	-
Manhattan KS	72,000	8	3	n/a	11	11.7	6545
Independence MO	116,000	n/a	n/a	16	16	12.0	7250
Lees Summit MO	101,000	n/a	n/a	15	15	8.0	6733

**no publicly available data*

7. Q: What does the Capital Improvement Plan (CIP) show versus the Budget Fund Summaries?

A: The CIP is a tool for planning the City's long-term capital needs. The CIP document shows anticipated cashflow for projects within each year. This is when the City plans to expend funds for each project, not necessarily new funds for each year as our capital projects span multiple years and budget cycles.

In previous years, the Budget Fund Summaries have aligned with the CIP in showing cashflow. However, the 2026 Proposed Budget has made the change to show only new budget for the year. This results in a large difference in capital expenses from the 2025 Adopted Budget to the 2026 Proposed Budget. The City also has several multi-year funds that require budget adjustments every year to account for, primarily, rolling project budgets from one year to the next.

Example: City Hall Reconfiguration shows \$8.5M in 2026 in the CIP. However, only \$500k of this is new budget being requested so only \$500k is being shown in the Proposed 2026 Budget.

8. Q: Can you please provide the City's revenue projections for paying the City's debt?

A: For the Debt Service Fund, there is an assumption of a flat mill levy (7.956) and 4% assessed valuation growth in the outyears. For the water/wastewater, we use an outside rate consultant and will bring forward to City Commission updated proposed rates for the next 3 years, but anticipate no higher 9.5%.

9. Q: How is the City funding the additional \$3.2M for GO payments and \$5.2M for revenue payments in 2025? If the City had comparable revenue available for 2026, how would the City be funding the additional \$8.5M for GO payments and \$6.2M in revenue payments?

A: General Obligation bonds are supported by the full faith and credit of the City. This means that these bonds are supported by the City's taxing ability and are paid through the mill levy reserved for debt service. The City forecasts its bonding capacity every year and found that the additional GO payments were in alignment with its capacity to pay in the Debt Service fund.

Revenue bonds are supported by a specific source of revenue (ex: Solid Waste revenue bonds are supported by Solid Waste utility fees). Revenue is forecasted each year in alignment with each fund's anticipated rate model to ensure alignment with future revenues and any debt payments.

10. Q: Regarding the 2025 Adopted Budget Book Bond & Interest (Debt Service) fund:

- **What type of debt is the \$14M in Miscellaneous revenue - temp notes or GO bonds?**
 - A: This is General Obligation bonds.
- **How much of this Miscellaneous revenue debt is paying off long-term GO bonds versus temporary notes?**
 - ~~A: This is paying off long-term General Obligation bonds.~~
 - The previous answer did not correctly answer the intended question. Please see the revised answer below.
 - In the 2025 Budget Book, the amount of budgeted Miscellaneous revenue is the anticipated amount of bonds that will be issued to retire the portion of the temporary notes that are ready for final financing.
- **What type of debt is represented by the \$33M in Transfers In from the Capital Improvement Fund - temp notes and GO bonds?**
 - A: These are temporary notes. In this case, it is 2024 temp notes coming to be retired and replaced with new notes or temporary notes that are going to final bond.
- **How much of the Transfers In debt is paying off long-term GO bonds versus temporary notes?**
 - A: These transfers in are paying off temporary notes.

11. Q: Please provide the necessary information to facilitate the direct purchase of any bonds the city may be offering. There is no reason to have to pay sales commissions to a broker or insurance salesman.

A: There are two options for the sale of bonds, competitive sale to an underwriter and direct placement with a qualified financial institution. The City competitively bids its bond sales to achieve the lowest cost of interest. Underwriting firms develop their best offers, and the City selects the lowest bid or best deal. Municipal securities are regulated by both the Securities and Exchange Commission (SEC) and the Municipal Securities Rules Board (MSRB). Based on requirements from these regulators, securities can only be sold by a registered dealer to investors. The City cannot sell directly to the public itself. There are costs incorporated with a bond sale including legal review, state filing fees, registration fees and publication fees that occur regardless of sale method. This is to ensure adherence to all applicable laws and to safeguard investors.

12. Q: It was stated that up to date information was available on the City's financial portal. However, it appears that the stated 2025 Operating Budget on this page is different than what appears in the 2025 Adopted Budget Book. What is the accurate number?

A: While the Budget Book is the primary focus of budget conversations while it is being developed, it is a point in time document that is not updated as amendments are made. During a fiscal year, the City makes quarterly budget adjustments (approved by the Commission). Any adjustments are input directly into the financial system and would adjust the budget from what is shown in the Adopted Budget Book. Some examples of this would be rolling project costs over from one fiscal year to the next.

Additionally, the City has many multi-year funds such as grants that operate on different fiscal periods than the City. This results in differences from the Adopted Budget Book. The online Open Finance portal is the most up-to-date information regarding budget and actual expenditures. It refreshes with data from the City's financial system every night.

13. Q: What is the City's most recent, total debt and where can I access it?

A: Below is a table with all outstanding GO Bond, including 2025 issuances, with their annual principal and interest payments to maturity. The running outstanding bond balance is in the final column. This table is for ALL GO debt which includes general obligation, stormwater and solid waste. It does not include temporary notes. Audited financial numbers are available in the Annual Comprehensive Financial Report. This process takes place every year (ex: in 2025, the City is completing its 2024 audited annual report). The City's online financial portal details any actual expenses paid during the year, including payments from the Debt Service fund.

Schedule	Maturity Dates
Profile as Of	12/31/2024
Frequency	Annual
First Period End	12/31/2025
End Date	12/31/2054

	Total General Obligation			
Date	Principal	Interest	Total	Outstanding Balance
12/31/2025	8,048,000.00	4,126,482.04	12,174,482.04	131,725,000.00
12/31/2026	8,974,000.00	5,319,605.66	14,293,605.66	122,751,000.00
12/31/2027	9,486,000.00	4,532,319.04	14,018,319.04	113,265,000.00
12/31/2028	8,695,000.00	4,144,411.28	12,839,411.28	104,570,000.00
12/31/2029	8,900,000.00	3,792,891.28	12,692,891.28	95,670,000.00
12/31/2030	9,185,000.00	3,449,348.78	12,634,348.78	86,485,000.00
12/31/2031	8,670,000.00	3,093,758.78	11,763,758.78	77,815,000.00
12/31/2032	8,765,000.00	2,764,028.78	11,529,028.78	69,050,000.00
12/31/2033	9,085,000.00	2,426,641.28	11,511,641.28	59,965,000.00
12/31/2034	8,940,000.00	2,086,802.52	11,026,802.52	51,025,000.00
12/31/2035	5,790,000.00	1,755,993.76	7,545,993.76	45,235,000.00
12/31/2036	5,225,000.00	1,534,843.78	6,759,843.78	40,010,000.00
12/31/2037	5,430,000.00	1,343,350.02	6,773,350.02	34,580,000.00
12/31/2038	5,655,000.00	1,146,287.52	6,801,287.52	28,925,000.00
12/31/2039	5,255,000.00	943,212.52	6,198,212.52	23,670,000.00
12/31/2040	4,325,000.00	750,868.76	5,075,868.76	19,345,000.00
12/31/2041	3,735,000.00	609,462.52	4,344,462.52	15,610,000.00
12/31/2042	3,295,000.00	487,718.78	3,782,718.78	12,315,000.00
12/31/2043	3,055,000.00	372,981.26	3,427,981.26	9,260,000.00
12/31/2044	2,690,000.00	261,631.26	2,951,631.26	6,570,000.00
12/31/2045	1,955,000.00	165,068.76	2,120,068.76	4,615,000.00
12/31/2046	730,000.00	98,068.76	828,068.76	3,885,000.00
12/31/2047	745,000.00	82,556.26	827,556.26	3,140,000.00
12/31/2048	760,000.00	66,725.00	826,725.00	2,380,000.00
12/31/2049	775,000.00	50,575.00	825,575.00	1,605,000.00
12/31/2050	795,000.00	34,106.26	829,106.26	810,000.00
12/31/2051	810,000.00	17,212.50	827,212.50	
Total	139,773,000.00	45,456,952.16	185,229,952.16	

This next table isolates just the debt service payments applicable to the Debt Service Fund (301). This is for GO bonds and the temporary notes currently outstanding. Hence the larger P&I amounts due in 2025 and 2026.

Schedule	Maturity Dates
Profile as Of	12/31/2024
Frequency	Annual
First Period End	12/31/2025
End Date	12/31/2054

	Total Debt Service Fund			
Date	Principal	Interest	Total	Outstanding Balance
12/31/2025	39,920,342.89	4,405,272.29	44,325,615.18	170,802,001.14
12/31/2026	64,638,902.91	7,020,434.32	71,658,916.74	111,926,313.45
12/31/2027	8,937,275.98	4,029,990.12	12,967,266.10	102,989,037.47
12/31/2028	8,072,264.44	3,673,480.70	11,745,745.14	94,916,773.03
12/31/2029	8,265,505.28	3,352,970.86	11,618,476.14	86,651,267.75
12/31/2030	8,515,425.72	3,041,021.64	11,556,447.36	78,135,842.03
12/31/2031	8,025,059.12	2,718,774.22	10,743,833.34	70,110,782.91
12/31/2032	8,088,537.11	2,421,005.96	10,509,543.07	62,022,245.80
12/31/2033	8,376,581.18	2,116,937.04	10,493,518.22	53,645,664.62
12/31/2034	8,381,818.18	1,811,845.76	10,193,663.94	45,263,846.44
12/31/2035	5,202,965.33	1,508,254.28	6,711,219.61	40,060,881.11
12/31/2036	4,723,549.87	1,315,745.96	6,039,295.83	35,337,331.24
12/31/2037	4,905,309.79	1,148,591.96	6,053,901.75	30,432,021.45
12/31/2038	5,104,464.16	976,752.34	6,081,216.50	25,327,557.29
12/31/2039	4,680,939.20	798,000.74	5,478,939.94	20,646,618.09
12/31/2040	3,725,706.89	631,051.74	4,356,758.63	16,920,911.20
12/31/2041	3,113,020.60	512,710.58	3,625,731.18	13,807,890.60
12/31/2042	2,667,731.18	414,935.76	3,082,666.94	11,140,159.42
12/31/2043	2,432,044.46	324,712.82	2,756,757.28	8,708,114.96
12/31/2044	2,315,587.84	238,688.54	2,554,276.38	6,392,527.12
12/31/2045	1,777,527.12	157,526.16	1,935,053.28	4,615,000.00
12/31/2046	730,000.00	98,068.76	828,068.76	3,885,000.00
12/31/2047	745,000.00	82,556.26	827,556.26	3,140,000.00
12/31/2048	760,000.00	66,725.00	826,725.00	2,380,000.00
12/31/2049	775,000.00	50,575.00	825,575.00	1,605,000.00
12/31/2050	795,000.00	34,106.26	829,106.26	810,000.00
12/31/2051	810,000.00	17,212.50	827,212.50	
Total	216,485,559.25	42,967,947.57	259,453,086.33	

14. Q: What is the City's indebtedness at as a percent of the debt limit?

A: A previous percentage stated at Commission was incorrect. As of December 31st, 2024 our Debt limit is \$425,185,641 based on a total assessed valuation of 1,417,285,471. Our applicable debt in this period is \$162,819,132 or 38.29%. A table below shows a 10 year lookback at our limit where the City has fluctuated between 30 and 50%.

CITY OF LAWRENCE, KANSAS											Table 13
Computation of Legal Debt Margin											
Last Ten Fiscal Years											
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	
Total Assessed Valuation of Taxable Property*	\$ 958,124,464	995,923,209	928,947,354	985,103,931	1,037,322,439	1,090,533,504	1,137,488,005	1,166,581,186	1,310,674,863	1,417,285,471 [†]	
Debt Limit Percent of Assessed Value	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%	
Debt Limit	287,437,339	298,776,963	278,684,206	295,531,179	311,196,732	327,160,051	341,246,402	349,974,356	393,202,459	425,185,641	
Total net debt applicable to limit** (includes temporary notes)	101,295,382	90,516,715	107,626,339	98,015,014	131,274,981	128,097,174	139,538,449	166,466,669	141,025,235	162,819,132 [†]	
Legal Debt Margin	\$ 186,141,957	\$ 208,260,248	\$ 171,057,867	\$ 197,516,165	\$ 179,921,751	\$ 199,062,877	\$ 201,707,953	\$ 183,507,687	\$ 252,177,224	\$ 262,366,509	
Total Net Debt Applicable To The Limit As A Percentage of Debt Limit	35.24%	30.30%	38.62%	33.17%	42.18%	39.15%	40.89%	47.57%	35.87%	38.29%	
Note: Under State finance law, the City's outstanding general obligation debt should not exceed 30 percent of the total assessed property value.											
* Total Assessed Valuation of Taxable Property is based on the prior year Tax Levy. Amounts indicated in this table for 2017-2019 have been corrected.											
** General obligation bonds and temporary notes issued to finance utility improvements, revenue bonds, and certain refunding bonds are not subject to the debt limit pursuant to K.S.A. 10-301 et seq. Prior to 2016, all general obligation debt was included in this computation.											

In the proposed CIP, only \$47.6M of the \$83M will be applicable to the debt limit as the Stormwater GO and Solid Waste GO bonds are repaid by those revenue in those funds. Assuming a 5% increase in assessed valuation in 2025, our debt limit would increase to \$446,444,923. Accounting for 2025 principal payments, the applicable part of the 2025A GO and 2025I Notes our estimated applicable debt would be \$227,670,491 or 49% of our limit.

15. Q: When did the City start issuing temporary notes?

A: Per the MSRB records, the City of Lawrence has issued some variety of temp notes as far back as the 1990s. Electronic records didn't come online until the early 2000s, so those records are more readily accessible and organizable.

The City regularly issued temp notes in the 90s and early 00s. And those early ones looked different and were issued multiple times a year. And then starting in 2009, the City began the practice of annual short term or one-year temporary notes as we are accustomed to now.

16. Q: According to the City's Annual Comprehensive Financial Report, the City receives approximately \$39 million a year in federal dollars, is this accurate?

A: It is correct that the "Operating Grants and Contributions" on the Statement of Activities is approximately \$39 million. However, it would not be accurate to say this is all federal funding as this category is broad and contains many items. Additionally, \$16 million is on the City's side (total primary government) and the remaining portion is in the City's component units. The City has no control over the component units

nor would it be required to make up the component units' grants in the instance they are no longer received. Here is a link to the [2024 Annual Comprehensive Financial Report](#). The referenced information can be found on PDF page 33.

17. Q: Why is the General Fund making transfers to the Debt Service fund?

A: This transfer is concerning the "Green Bonds" that the City issued in 2017. This issuance was for General Obligation Energy Improvement Bonds which were used to provide financing for a wide variety of energy efficiency and environmental improvement projects for various City facilities. The City anticipated annual cost savings from these energy efficient improvements. This estimated cost savings, approximately \$398k, was then to be transferred to the Debt Service fund as an additional payment for the Green Bond debt. The Green Bonds are expected to be paid off by 2039.

18. Q: In 2014, there were estimates of the events that the Sports Pavilion was supposed to generate. Has the facility met these estimates?

A: The Sports Pavilion is booked approximately 96 days out of the year with tournaments. SPL held a total of 54 tournaments/camps/clinics in 2024 with the following breakdown compared to initial 2014 estimates.

Category	2014 Estimate		2024 Actuals	
	Tournaments	Camps/Clinics	Tournaments	Camps/Clinics
Basketball	18	6	17	8
Volleyball	12	4	21	3
Indoor Soccer	2	2	1	3
Other Sports	2	4	0	1

19. Q: How much revenue has the Sports Pavilion generated?

A: In 2024, SPL generated approximately \$492,150 from tournaments. Total SPL revenue in 2024 was approximately \$558,670. Total revenue includes programming, sponsorships, and concessions as well as tournament revenue.

20.Q: How much are fees for tournaments and clinics? When was the last time these fees were raised and is there any current proposal to raise these fees?

A: Current fees (2025) are available in the table below. The last time these fees were raised was 2023.

Parks, Recreation and Culture is proposing to implement Tournament Spectator Fees in 2026 (but not increase tournament fees). If the Commission decides not to move forward with membership fees, the alternate proposal includes raising tournament fees from \$52/hour to \$65/hour. This would generate an additional \$55,000 (instead of the estimated \$250,000 with spectator fees).

Category	Current Fees	
	Tournaments	Clinics
Court	\$52/hour	\$65/hour
Merch Fee	\$100	\$100
Gate Fee	\$100	\$100
Banner Fee	\$50	\$50
Turf	\$150/hour	\$150/hour
Room Rental (Victory/Champions)	\$45/hour	\$45/hour
Room Rental (Legacy)	\$60/hour	\$60/hour
Tennis Court Fee	\$10/hour	\$10/hour

21. Q: What are the City's specific numerical projections for all annual debt service payments for the next 25 years once the:

- **anticipated revenue bonds are issued in November 2025 (the 2025 CIP includes \$56M in revenue bonds, but some of this may have already been issued as temp notes),**
- **proposed \$126M debt for 2026 become GO and revenue bonds, and**
- **the current \$75M of temporary notes transition to GO and revenue bonds and require principal payments, not just interest payments?**

Revenues	2024 Actuals :	2025 Budget	Projected 2026	Projected 2027	Projected 2028	Projected 2029	Projected 2030	Projected 2031
Taxes	\$12,140,175	\$12,651,000	\$13,347,510	\$13,857,020	\$14,386,667	\$14,937,253	\$15,509,614	\$16,104,619
Special Assessments	\$756,501	\$763,000	\$1,282,075	\$1,314,127	\$1,346,980	\$1,380,655	\$1,415,171	\$1,450,550
Investment Income	\$1,427,679	\$880,000	\$625,000	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000
Intergovernmental	\$84,345	\$-	\$-	\$-	\$-	\$-		
Miscellaneous	\$105,490	\$150,000	\$151,500	\$153,015	\$154,545	\$156,091	\$157,652	\$159,228
Transfers In	\$398,000	\$398,000	\$398,000	\$398,000	\$398,000	\$398,000	\$398,000	\$398,000
Totals	\$14,912,190	\$14,842,000	\$15,804,085	\$16,222,162	\$16,786,192	\$17,371,999	\$17,980,437	\$18,612,397
Expenses	2024 Actuals :	2025 Budget	2026	2027	2028	2029	2030	2031
General Government	\$40,034	\$33,000	\$33,000	\$33,000	\$33,000	\$33,000	\$18,000	\$18,000
Principal	\$7,592,888	\$7,778,705	\$8,557,628	\$10,220,018	\$11,271,069	\$12,337,229	\$13,116,168	\$13,029,942
Interest	\$4,804,949	\$4,368,000	\$6,600,214	\$7,835,466	\$9,075,875	\$9,334,270	\$9,242,772	\$8,922,678
Other								
Totals	\$12,437,871	\$12,179,705	\$15,190,842	\$18,088,484	\$20,379,944	\$21,704,499	\$22,376,940	\$21,970,620
Over/Under	\$2,474,319	\$2,662,295	\$613,243	(\$1,866,322)	(\$3,593,752)	(\$4,332,500)	(\$4,396,503)	(\$3,358,223)
End of Year Fund Balance	\$28,584,654	\$31,246,949	\$31,860,191	\$29,993,868	\$26,400,116	\$22,067,615	\$17,671,112	\$14,312,888
Minimum Fund Balance per policy	\$6,073,353	\$7,595,421	\$9,044,242	\$10,189,972	\$10,852,250	\$11,188,470	\$10,985,310	\$11,036,813
Over/Under Fund Balance policy		\$23,651,528	\$22,815,949	\$19,803,896	\$15,547,867	\$10,879,145	\$6,685,802	\$3,276,075

A: Above is the current fund forecast for the Debt Service Fund (301). This forecast incorporates the anticipated impact of temporary notes and GO bonds outlined on the General Obligation Bond page of the 2026-2030 Proposed CIP related to GO Milly Levy debt. It does not include the Stormwater or Solid Waste GO debt, as those are included in utility rate modeling. This model is assuming an average bond interest rate of 4.5%. The Debt Service Fund model assumes that the City will bond 90% of outstanding temp noted projects and the remaining 10% will roll into a subsequent year's temp note as those projects are not yet complete.

	Current Authorization	Additional Authorization Request	New Authorization	Current Cashflow Expenditures	2026	2027	2028	2029	2030	Total	Score
Beginning Balance											
General Fund					47,615,000	19,663,000	9,515,000	4,000,000	4,300,000	85,093,000	
Stormwater Fund					11,160,000	3,200,000	3,050,000	4,700,000	4,300,000	26,410,000	
Solid Waste Fund					25,000,000	11,800,000	-	-	-	36,800,000	
General Obligation Bond Revenues					\$ 83,775,000	\$ 34,663,000	\$ 12,565,000	\$ 8,700,000	\$ 8,600,000	\$ 148,303,000	
FUNDED PROJECTS:											
MS1-00023A MSO Operations Campus - Phase 1 MSO	6,900,000	-	6,900,000	5,900,000	1,000,000	-	-	-	-	1,000,000	30 x
MS1-00053 Clinton Parkway Metal Pipe Rehab	-	-	-	-	-	600,000	2,200,000	-	-	2,800,000	28
MS-210030 Jayhawk Watershed Middle Reach	13,850,000	500,000	14,350,000	7,650,000	6,700,000	-	-	-	-	6,700,000	27 x
MS-230027 Maple Lane Storm, Sanitary and Watermain Improvements	4,400,000	2,300,000	6,700,000	4,400,000	2,500,000	-	-	-	-	2,500,000	27 x
MS1-00058 11th St and Haskell Ave Street Improvements	-	-	-	-	-	-	-	350,000	2,500,000	2,850,000	26
MS1-00052 Storm Rehab at Crestline and Bob Billings	-	-	-	-	150,000	1,850,000	-	-	-	2,000,000	26
MS-219804 Stormwater System Id, Assessment & Model Creation	5,501,000	-	5,501,000	100,000	150,000	-	-	-	-	150,000	24 x
MS1-00041 N 8th and N 9th Street Stormwater Improvements	-	-	-	-	-	200,000	50,000	1,500,000	-	1,750,000	22
MS1-00040 Maple St. PS Conveyance Improvements	-	-	-	-	-	-	225,000	2,000,000	-	2,225,000	20 x
MS1-00057 Quail Creek South Channel Improvements	-	-	-	-	-	-	-	200,000	1,200,000	1,400,000	18
MSB-A26000 Stormwater Replacement, Rehab and Construction	-	-	-	-	660,000	550,000	575,000	650,000	600,000	3,035,000	17 x
Stormwater Fee Debt					\$ 11,160,000	\$ 3,200,000	\$ 3,050,000	\$ 4,700,000	\$ 4,300,000	\$ 26,410,000	
MS1-00023B MSO Operations Campus - Phase 2 SWD/CMG	39,400,000	-	39,400,000	2,600,000	25,000,000	11,800,000	-	-	-	36,800,000	24 x
Solid Waste Fee Debt					\$ 25,000,000	\$ 11,800,000	\$ -	\$ -	\$ -	\$ 36,800,000	
MS1-00023A MSO Operations Campus - Phase 1 MSO ¹	25,400,000	-	25,400,000	24,400,000	3,700,000	-	-	-	-	3,700,000	30 x
PR1-00020 Outdoor Aquatic Center - Major Renovation	6,100,000	-	6,100,000	1,500,000	4,600,000	-	-	-	-	4,600,000	28 x
MS1-00033 27th St Bridge	-	-	-	-	-	570,000	600,000	-	-	1,170,000	27
PD1-00001 Police Department Parking Expansion & EV/Solar Canopy	775,000	-	775,000	375,000	250,000	150,000	-	-	-	400,000	27 x
MS1-00017 Bob Billings - Kasold to Monterey Way	7,550,000	-	7,550,000	3,800,000	3,500,000	-	-	-	-	3,500,000	26 x
MSB-A23000 Farmstead Remedial Alternatives	12,800,000	-	12,800,000	4,550,000	6,525,000	1,063,000	-	-	-	7,588,000	26 x
MS1-00023B MSO Operations Campus - Phase 2 SWD/CMG	25,900,000	-	25,900,000	1,600,000	15,700,000	8,600,000	-	-	-	24,300,000	24 x
CM1-00001 City Hall Reconfiguration	12,000,000	500,000	12,500,000	4,000,000	8,000,000	500,000	-	-	-	8,500,000	24 x
FM1-00011 Expansion Fire Medical Station Number 6	12,960,000	-	12,960,000	300,000	1,540,000	5,420,000	5,700,000	-	-	12,660,000	23 x
PR1-00021 Cemetery Maintenance Shop - Replacement	-	-	-	-	-	430,000	-	-	-	430,000	22 x
MSB-A26000 Street Maintenance Program	-	-	-	-	1,500,000	2,900,000	3,215,000	4,000,000	4,300,000	15,945,000	19 x
MS1-00035 Bob Billings Pkwy - K10 to E 800 Rd	4,880,000	-	4,880,000	1,680,000	2,300,000	-	-	-	-	2,300,000	16 x
General Obligation Mill Levy Debt					\$ 47,615,000	\$ 19,663,000	\$ 9,515,000	\$ 4,000,000	\$ 4,300,000	\$ 85,093,000	
General Obligation Bond Expenditures					\$ 83,775,000	\$ 34,663,000	\$ 12,565,000	\$ 8,700,000	\$ 8,600,000	\$ 148,303,000	

As previously indicated to the Commission, the Debt Service fund has fund balance that is being spent down over the next five years and bringing this fund closer to its policy target.

The City maintains a debt service fund projection related to projected GO Debt that contains projections and assumptions related to assessed value and mill levy rates. Similarly, the City maintains rate models for the utility funds that also incorporate fee revenue projects and future anticipated bonding. The City manages long term financial planning, with input and consultation from financial advisors and bond council and with guidance from the City Commission based on our city-wide strategic fire medical station plan. With additional guidance and parameters based on adopted documents such as the Fund Balance Policy, Capital Improvement Policy and Investment Policy that are all adopted by Commission. They are linked below:

[Fund Balance Policy](#)

[Capital Improvement Policy](#)

[Investment Policy](#)

More information to follow regarding the revenue bond projections from the MSO department.

22.Q: The City's new Q&A document states that in 2025, \$14M in miscellaneous revenue in Bond and Interest fund is from new GO bonds and is being used to pay off old GO bonds.

- **For 2023, 2024, and anticipated 2026 budgets, is any of the miscellaneous or "transfers in" in this or other funds also new GO bond revenue paying off old GO bond debt? If so, please identify how much of this is occurring in each revenue category in each fund for each year?**

- **There is no record of the City refunding GO bonds in 2025 or any other years since 2020. How did the City take out new GO bond revenue to pay for old GO bonds without going through the official “refunding” process for this specific type of bond issuance?**

A: The City does not issue new GO Bonds to pay for previous GO bonds. Per the Official Statement documents, the City only issues long term GO Bonds for the funding of specific projects outlined in the bond transcript and offering documents. These can be brand new projects or most often in our City, to pay off or take a project out of the temporary financing of a temporary note.

Refunding transactions are pursued when the interest rate savings exceed the cost of issuance of a new series and provide material budgetary savings of interest in future years. In recent years, the municipal bond interest rate market has not produced rates favorable for refunding. And the Finance Department reviews conditions with the City's Financial Advisor annually as bonds become callable and prior to bond issued to look for savings.

Please see the updated answer to the referenced Q&A question 10. The previous answer described the process incorrectly.

23.Q: How much of the City's current temporary notes are for each of the following – governmental activity GO bonds, utility GO bonds, and revenue bonds?

A: For the April 2025 issuance, the par amounts are as follows:

- Governmental Activity GO Bonds: \$56,250,903
- Utility GO Bonds: \$15,779,097
- Revenue Bonds: N/A
-

24.Q: How is the City bookkeeping and documenting, in the City's budget books and other documents, the cash flow of temporary notes into

- **direct payments for their assigned projects,**
- **into new temporary notes, and**
- **into long-term GO and revenue bonds?**

A: It is important to note that the City records all debt transactions in accordance with GAAP principles and GASB guidance in its financial system and in our annual report on the full modified accrual basis. In Governmental Funds, such as the General Fund, the revenue is recognized as an other financing source and the debt service payments are recognized as an expenditure on the income statement. These can also be displayed in those same categories on the Schedule of Revenue,

Expenditures and Changes in Fund Balance or more commonly known as the Budget to Actuals

- In Enterprise Funds, such as Water/Wastewater, bonds that are issued are recorded on the balance sheet as a liability and do not show on the income statement. Similarly, principal payments are shown on the balance sheet as a reduction in outstanding liability and only the interest payment is recorded as a non-operating expense on the income statement.
- The Budget Book displays the anticipated flow of bond revenue and payments) for the purpose of illustrating and documenting the bonding activity outlined in the CIP. The Budget Book shows bond issuance as inflows of revenue and payments as outflows of expenditures in the budgeted year.
- Temporary notes are shown as inflows or revenues in the appropriate fund that is constructing the project such as Capital Projects, Stormwater, Solid Waste, etc. This revenue is held in those funds to support the project expenditures as they occur or for those expenditures that have already occurred in prior years.
- At maturity of the temporary note series, those revenues are replaced by either new temporary notes or by long term bonds. The maturing notes must be remitted back to the paying agent, State of Kansas, so the bond revenue is moved to the Debt Service fund to match with where the principal and interest payment are made to the state. As this revenue is being replaced by new bond series, these are not true bond paydowns.
- For projects still under construction, the new incoming temporary revenue is then issued into the appropriate fund in the same manner as the first bullet to take the place of the matured note's revenue.
- For projects that have reached completion and have final costs, those projects are capitalized and booked into the appropriate balance sheet. This is either in the governmental funds for GO projects or the respective proprietary fund for the revenue bond projects.
- The final bond revenue is also similarly booked into the Debt Service fund for governmental GO projects and the respective proprietary funds for the revenue bonded projects and business type GO bonds to support those capital assets noted above.

25.Q: How much of the City's debt service payments (adopted/revised and actuals from 2023 and 2024 and adopted/revised from 2025 and 2026) are

- **GO bond principal,**
- **GO bond interest,**
- **revenue bond principal,**
- **revenue bond interest,**

- **temporary note interest, and**
- **bookkeeping revenue from new temporary notes to pay off old temporary notes?**

A: Across All Funds: Please note that the 2026 Proposed Budget includes budgeted principal and interest for Solid Waste (502) and Stormwater (504) funds. Previously budgets did not include this as these transactions are ultimately recorded on the balance sheet, not in budgeted expenditures and revenues. These Utility GO bonds will also be paid through utility rates.

The City incurs costs to issue bonds; however, these costs are included in the bond sizing itself.

	2023 Actuals	2024 Actuals	2025 Actuals	2026 Proposed
GO - Principal	\$8,020,999	\$7,897,000	\$8,048,000	\$8,967,000
GO - Interest	\$3,427,644	\$3,728,747	\$4,126,482	\$4,808,000
Temp. Notes - Principal	\$52,610,000	\$35,054,000	\$41,403,000	\$72,030,000
Temp. Notes - Interest	\$3,561,613	\$1,793,213	\$895,122	\$2,937,000
Rev - Principal	\$9,415,000.	\$9,780,000	\$11,681,032	\$11,925,000
Rev - Interest	\$7,200,293	\$8,401,635	\$9,469,065	\$9,094,000

26.Q: Why are there such discrepancies between the budgeted amounts and actuals for debt service payments and revenues in the Bond & Interest and Utilities Bonded Construction funds in 2023 and 2024, and in B&I in 2025 (estimated actual was provided in the City's Budget Q&A document)?

A: Actual principal payments are recorded directly to the liability located on the balance sheet. So, while the City budgets for principal payments, once these actual expenditures occur, they are recorded on a balance sheet not seen in the 2026 Proposed Budget Fund Summaries, which only shows budgeted revenues and expenses. One example is in Fund 501: Water/Wastewater.

27. Q: The City's portal says that the City's 2025 operating budget is \$659 million, while the 2025 budget book says it's \$519M. This \$140M discrepancy can be found in the

- **Capital Projects fund, which has \$55M more in revenues than the 2025 budget book says it should, and**
- **the Utilities Bonded Construction fund has \$86M more.**

Can you please explain why these funds have a total of \$140M more in revenue than the budget indicates and what debt revenue this additional \$140M

represents – that is, the amounts of GO bonds, temporary notes, and revenue bonds from which years’ issuance?

A: The Budget Book is a point-in-time document for a specific fiscal year (January-December). However, the City has many funds that do not operate on a sole fiscal year basis or that operate on a different fiscal year schedule (grants, for instance). The Budget Book outlines the budget for that specific fiscal year. The Capital Projects (402) and Utilities Bonded Construction (505) funds are some of the City’s multi-year funds in order to align with capital projects that span multiple years. Additionally, as described in another question, previous Budget Books aligned with the CIP which shows expenditure cashflow. This does not necessarily equate to needed budget in a given fiscal year. Previously, when approved budgets were uploaded into the City’s financial system, adjustments would need to be made to only add new project budgets for the year. Otherwise, more budget than necessary would be allocated.

28.Q: What is the breakdown of how much of the City’s miscellaneous income in the Bond & Interest, Capital Improvement, and Utilities Bonded Construction Funds, as indicated in the Budget Books and 2026 proposed budget, is in the form of GO bonds, temporary notes, and revenue bonds for 2023, 2024, 2025, and 2026?

A: The following are the totals for GO bonds, temporary notes, and revenue bonds based on 2023-2025 actuals and the 2026 Proposed Budget.

Please note that the 2026 Proposed Budget includes budgeted principal and interest for Solid Waste (502) and Stormwater (504) funds. Previously budgets did not include this as these transactions are ultimately recorded on the balance sheet, not in budgeted expenditures and revenues.

	2023 Actuals	2024 Actuals	2025 Actuals	2026 Proposed
GO Bonds	\$11.7M	\$14.7M	\$28.3M	\$72M
Temp. Notes	\$35.3M	\$38.8M	\$72.9M	\$57.2M
Revenue Bonds	\$40.1M	\$32.1M	Will be issued Q4 2025	\$42.4M

29.Q: The "Future Financing" section of the April 2024 official statement states that the City planned to take out an approximate \$30M in revenue bonds in 2024, which they did. The 2025 CIP shows an expected \$56M in revenue bonds, but the "Future Financing" section of the April 2025 official statement makes no mention of anticipated revenue bond issuance. Why is this? How much is the City planning on taking out in revenue bonds in November 2025?

A: The statement speaks specifically to GO Bonds, which is a separate credit and source of revenue from our revenue bonds. The City has typically in previous official statements included anticipated revenue bond amounts. The omission of Fall 2025 Revenue bonds in the 2025A GO official statement future funding note was an unintentional oversight that does not impact our ability or intent to issue revenue bonds

30.Q: The All Funds Summary for the 2026 proposed budget states that Miscellaneous revenue is \$177M. How much of this is GO Bonds, revenue bonds, new temporary notes, and re-issued temporary notes?

A: This category includes other miscellaneous revenues besides anticipated debt revenue. Some examples include donations/sponsorships, property lease, reimbursement expenses, and disposal of assets.

Across all funds, approximately \$72M is budgeted for G.O. Bond Proceeds; approximately \$42.4M is for Revenue Bonds, and approximately \$57.2M is for Temporary Note Proceeds.

31. Q: Can you explain why capital expenses are only \$39.5M even though the CIP expenses are expected to be \$157M in 2026? Can you explain what “new budget for the year” means?

- **Additionally, this reduction in expenses plus the very high levels of miscellaneous debt finance revenue means that revenues over expenditures are expected to be \$78M. We don’t believe that the city has an additional \$78M of extra revenue anticipated next year. Can you please explain this?**

A: At the request of the City Commission, the CIP shows anticipated cashflow of projects within each fiscal year. Anticipated cashflow is when the City plans to expend funds for each project, *not necessarily when new funds are needed*. Cashflow and new budget/funds needed do not necessarily align since capital projects span multiple years and budget cycles. As such, a capital project in the CIP may already have been allocated budget in a previous budget cycle which means that it does not need to be budgeted again. New budget for the year means any additional budget the capital project would need to meet the full anticipated cashflow amount listed in the CIP.

In previous years, the Budget aligned with the CIP in showing cashflow for illustrative purposes. The change to show only new budget was made for the 2026 Proposed Budget. This is to better align with what budget actually needs to be allocated and uploaded into the City’s financial system.

The referenced \$78M is across all funds which each have varying expenditure requirements. Largely, the miscellaneous revenue category is debt revenue that aligns with what the City has issued or is forecasting for issuance based on the 2026 Proposed CIP. However, since the CIP is a multi-year plan, requested budget for one fiscal year does not necessarily align with what capital expenditures will occur as part of a larger capital project that has budget authority spanning across multiple years as noted above.

32.Q: The All Funds Summary chart states that the City has \$326M in funds that are Available for Use, but the combination of all funds' Available for Use (and Unrestricted Net Position for the enterprise funds) amounts is only \$204M. Even adding the \$78M in revenues over expenditures from this chart does not equal the \$326M in Available for Use funds. Can you please explain if this "Available for Use" number is accurate, and if so, what money it represents?

A: Every fund in the City has different fund balance policy requirements. These range from 60 days of expenditures to 250 days in some of the City's enterprise funds. Each fund's policy requirement is noted on its page in the 2026 Proposed Fund Summaries.

The All Funds Summary page is intended to mimic the individual fund pages. The referenced Available to Use number is calculated on this page by taking an average of 60 days of expenditures (reserve by policy) and subtracting this from the total fund balance / net position (beginning balance / net position + revenues – expenditures). This is only for illustrative purposes of the City as a whole for the Proposed Budget. Each fund has restrictions on what its fund balance or unrestricted net position can be used for. For specifics on availability, it is best to look at a specific fund since, most often, sources cannot be mixed.

33.Q: The 2024 capital expenses were expected to be \$125M according to the 2024 and 2025 budget books, but the audited numbers reported in the proposed 2026 budget All Funds Summary say 2024 capital expenses were only \$30M. We know some of this may be because project timelines change, which then change expenditures from year to year, but we would like to understand why there is a \$95M discrepancy between the budgeted and audited capital expense numbers for 2024.

A: As noted in the footnotes for the 2026 Proposed Budget Fund Summaries, this year has been updated to reflect only new budget amounts for the year. Previous Budget Books reported expected cashflow in alignment with the CIP, which would have included new and existing previous year project budget amounts.

Additionally, many capital expenses are moved to assets once they have been capitalized. So, while the City budgets for capital expenses, once these actual expenditures occur, they are recorded on a balance sheet not seen in the 2026 Proposed Budget Fund Summaries, which only shows revenues and expenses. One

example is Fund 501: Water/Wastewater which includes a note detailing this in the 2026 Proposed Budget Fund Summaries.

34.Q: Similarly, this same chart says that the City only had \$50M in miscellaneous revenue in 2024, but the 2024 official statements show a total of \$83.3M in debt-financed revenue -- \$13.5M in GO bonds, \$38.4M in GO temp notes, and \$31.4M in revenue bonds. Why is this total debt not reflected in the audited miscellaneous revenue numbers from 2024?

A: The Proposed 2026 Fund Summaries is using 2024 expenses and revenues actuals from the City's financial system. These actuals are audited during the City's Annual Comprehensive Financial Report process. However, the Budget (Fund Summaries) and the ACFR use different basis for displaying numbers. The Budget shows only revenues and expenses while the ACFR uses a wider array including assets and liabilities. The difference in actuals is due to how debt is accounted. For instance, Water/Wastewater debt is recorded directly as a liability, not revenue. This shows up in the balance sheet in the ACFR, but it is not seen in the Budget actuals since it is not categorized as a revenue.

35.Q: How much would the City generate with a mill levy of .25, .5, and .8 that factors in the fund balance reserve requirement?

A: 21.392 (+.25) = approx. \$315,000 available
 21.642 (+.5) = approx. \$630,000 available
 21.942 (+.8) = approx. \$1,010,000 available

36. Q: What is the average salary + benefits for a police officer and firefighter?

A: Avg. police officer cost = approx. \$115,000
 Avg. firefighter cost = approx. \$127,000

37. Q: Is there an unfunded \$40,000 expenditure in the proposed budget for a study for the Farmer's Market?

A: This was funded out of funds from this year (2025) in the amount of \$20,000 with matching funds from the County and State, so it was removed from the 2026 CIP, which had it listed as "unfunded." The other components continue to be shown as unfunded.

38.Q: Does the City have a Debt Service fund forecast for the next 25 years?

A: The City does not have a forecast that extends 25 years. Below is a forecast for this fund that extends 10 years. This forecast incorporates the anticipated impact of temporary notes and GO bonds outlined on the General Obligation Bond page of the

2026-2030 Proposed CIP related to GO Milly Levy debt. It does not include the Stormwater or Solid Waste GO debt, as those are included in utility rate modeling. This model is assuming an average bond interest rate of 4.5%. The Debt Service Fund model assumes that the City will bond 90% of outstanding temp noted projects and the remaining 10% will roll into a subsequent year's temp note as those projects are not yet complete. The outyears (2031-2035) are assuming additional debt in the Street Maintenance Program with a 3% increase year over year.

Based on discussions with departments, the City is using the 90/10 split for temporary notes for a forecasting basis as we believe that represents future financing plans. It is not meant to be representative of past performance.

Revenues	2024 Actuals :	2025 Budget	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Taxes	\$ 12,140,175	\$ 12,651,000	\$ 13,347,510	\$ 13,857,020	\$ 14,386,667	\$ 14,937,253	\$ 15,509,614	\$ 16,104,619	\$ 16,723,169	\$ 17,366,205	\$ 18,034,704	\$ 18,729,682
Special Assessments	\$ 756,501	\$ 763,000	\$ 1,282,075	\$ 1,314,127	\$ 1,346,980	\$ 1,380,655	\$ 1,415,171	\$ 1,450,550	\$ 1,486,814	\$ 1,523,984	\$ 1,562,084	\$ 1,601,136
Investment Income	\$ 1,427,679	\$ 880,000	\$ 625,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000
Intergovernmental	\$ 84,345	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Miscellaneous	\$ 105,490	\$ 150,000	\$ 151,500	\$ 153,015	\$ 154,545	\$ 156,091	\$ 157,652	\$ 159,228	\$ 160,820	\$ 162,429	\$ 164,053	\$ 165,693
Transfers In	\$ 398,000	\$ 398,000	\$ 398,000	\$ 398,000	\$ 398,000	\$ 398,000	\$ 398,000	\$ 398,000	\$ 398,000	\$ 398,000	\$ 398,000	\$ 398,000
Totals	\$ 14,912,191	\$ 14,842,000	\$ 15,804,085	\$ 16,222,162	\$ 16,786,192	\$ 17,371,998	\$ 17,980,437	\$ 18,612,397	\$ 19,268,803	\$ 19,950,618	\$ 20,658,841	\$ 21,394,511

Expenses	2024 Actuals :	2025 Budget	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
General Government	\$ 40,034	\$ 33,000	\$ 33,000	\$ 33,000	\$ 33,000	\$ 33,000	\$ 18,000	\$ 18,000	\$ 18,000	\$ 18,000	\$ 18,000	\$ 18,000
Principal	\$ 7,592,888	\$ 7,778,705	\$ 8,557,628	\$ 10,220,018	\$ 11,271,069	\$ 12,337,229	\$ 13,116,168	\$ 13,029,942	\$ 13,456,221	\$ 14,123,555	\$ 14,401,588	\$ 11,644,830
Interest	\$ 4,804,949	\$ 4,368,000	\$ 6,600,214	\$ 7,835,466	\$ 9,075,875	\$ 9,334,270	\$ 9,242,772	\$ 8,922,678	\$ 8,599,405	\$ 8,257,760	\$ 7,903,860	\$ 7,546,127
Other												
Totals	\$ 12,437,870	\$ 12,179,705	\$ 15,190,841	\$ 18,088,485	\$ 20,379,944	\$ 21,704,499	\$ 22,376,941	\$ 21,970,620	\$ 22,073,626	\$ 22,399,315	\$ 22,323,449	\$ 19,208,957
Over/Under	\$ 2,474,321	\$ 2,662,295	\$ 613,243	\$ (1,866,323)	\$ (3,593,752)	\$ (4,332,501)	\$ (4,396,504)	\$ (3,358,223)	\$ (2,804,823)	\$ (2,448,697)	\$ (1,664,608)	\$ 2,185,554
End of Year Fund Balance	\$ 28,584,654	\$ 31,246,948	\$ 31,860,191	\$ 29,993,868	\$ 26,400,116	\$ 22,067,615	\$ 17,671,112	\$ 14,312,888	\$ 11,508,065	\$ 9,059,368	\$ 7,394,760	\$ 9,580,314
Minimum Fund Balance per policy	\$ 6,073,353	\$ 7,578,921	\$ 9,027,742	\$ 10,173,472	\$ 10,835,750	\$ 11,179,470	\$ 10,976,310	\$ 11,027,813	\$ 11,190,658	\$ 11,152,724	\$ 9,595,478	\$ 9,798,094
Over/Under Fund Balance policy		\$ 23,668,027	\$ 22,832,449	\$ 19,820,396	\$ 15,564,367	\$ 10,888,145	\$ 6,694,802	\$ 3,285,075	\$ 317,408	\$ (2,093,356)	\$ (2,200,718)	\$ (217,779)

39.Q: How does the City bookkeep the proceeds from GO Bonds in the Budget Book?

A: GO Bond Proceeds are included in the Miscellaneous category under Revenue in years 2023-2025, and under Bond Proceeds in 2022. The shift is due to the adoption of a new financial ERP system with an updated chart of accounts (COA).

40. Q: Are GO Bond Proceeds documented in all years of the City's Budget Books?

A: Yes, at least since the 2022 Budget Book.

41. Q: If the GO bond revenue is documented in the Budget Book, which fund should receive it?

A: Debt Service (Bond & Interest) or the respective proprietary fund.

42.Q: Does the City take out any new GO bonds that are not paying off temporary notes?

A: The City has, in the past, taken out GO bonds for projects that did not require temporary financing. The City would consider this practice for future projects that did not require temporary notes for interim financing.

43.Q: Why did the Bond & Interest Fund receive \$14M in GO bond proceeds in 2025?

A: That is the amount that was budgeted for 2025. The fund currently has \$24.65MM recorded as GO Bond proceeds.

44. Q: In 2024 and 2026, GO bond and temp note revenue, both of which were paying off temp notes, were accounted for as Miscellaneous. In 2025, the GO bond revenue was accounted for in the Miscellaneous category, while the temporary notes, which were being transferred from the Capital Improvement fund to pay off old temp notes, were accounted for in the Transfers In category. Based on this, how does the City plan to record these temp note and GO Bond revenues into the Debt Service (Bond & Interest) Fund in the future?

A: Per the City's Chart of Accounts, bond proceeds are sorted in the "Miscellaneous" category. GO Bond Proceeds, Temporary Note Proceeds, and Revenue Bonds each have separate account codes that roll into this larger Miscellaneous category. In the 2025 Budget, the decision was made to separate out GO Bond proceeds and temporary note proceeds. However, these expense accounts were both still coded as Miscellaneous per the City's chart of accounts in its financial system. In the 2026 Budget, the City has kept the chart of account designation as Miscellaneous without separating anything out manually.

45.Q: Does the City take out temporary notes for revenue bonds? If not, why does the City not use this practice for revenue bonds?

A: No, the City does not take out temporary notes for revenue bonds. Revenue bonds are issued for in annual program amounts to support those specific projects in the CIP for water and wastewater related projects.

46.Q: Does information outlining the specific projects and their specific funding amounts exist somewhere within the revenue bond Official Statements or in another document? If so, what document does the Commission approve to authorize their revenue bond debt and the associated projects?

A: The funding for specific projects is outlined in the CIP. The official statement refers readers back to the City's CIP document for specific project information. Also, the City authorizes revenue bond projects in accordance with State law, which

includes publication of a notice of intent and subsequent protest period. Res. No. 7397 is an example.

From authorizing revenue bond projects to issuance of bonds, there are typically four steps at the Commission level: (1) CIP approval; (2) approval of a resolution approving projects and proceeding with publication/protest period (e.g., Res. No. 7397); (3) a "sale resolution" that gives staff the green light to market revenue bonds; and (4) a "bond ordinance/resolution" that approves the best bid on revenue bonds.

47.Q: Can you explain what funds debt revenue and debt payments are occurring in and how the City is notating these revenue and payments to demonstrate that they reflect new temp notes, reissued temp notes, GO bonds, and revenue bonds? All bond revenue appears to be lumped into the single miscellaneous category, so it is not clear how much new temp note, reissued temp note, GO bond, and revenue bond proceeds are in this miscellaneous category.

A: In the Budget Book, the revenue from bond or temporary note proceeds are recorded as Miscellaneous. GO Temp Note proceeds are recorded as Miscellaneous in Fund 402 (Capital Projects); GO Bond proceeds are recorded as Miscellaneous in Fund 301 (Debt Service). The amount of temporary notes that was not spent will assist paying off the temporary note. This payment is recorded in the Debt Service Fund. After review, to better capture the process, staff believe a transfer to the Debt Service Fund from the Capital Projects Fund should be recorded to move these funds since the initial temporary note proceeds are recorded in the Capital Projects Fund.

48. Q: How is temp note revenue versus final bond revenue differentiated in these categories?

A: GO Temp Note proceeds are recorded as Miscellaneous in Fund 402 (Capital Projects); GO Bond proceeds are recorded as Miscellaneous in Fund 301 (Debt Service).

49.Q: Where is the revenue bond revenue documented? The Bonded Utilities fund shows \$37M of miscellaneous revenue, but the City plans to take out \$56M of revenue bond debt this year. Where is the additional \$19M in revenue bonds recorded?

A: Budget for revenue bond proceeds is recorded in the Bonded Utilities Construction fund (Fund 505). The noted \$56M is anticipated expenses as the CIP shows anticipated cashflow, not necessarily how much the City plans on bonding in the given year. The 2025 Adopted Budget Book aligned with the CIP by also showing anticipated cashflow. Because the City has multi-year projects, some projects may

have already received the necessary funding in previous years. This means that the City does not need to issue new bonds for these projects even though there are anticipated expenses for the given year.

50.Q: Why are there large discrepancies in the debt service totals provided in this Q&A chart versus the 2024 & 2025 adopted budgets?

A: In 2024 and 2025, the budget book included the principal payments in the proprietary funds and those are not recorded as an expense but as a decrease to the liability account.

Additionally, the Budget is a stagnant document that aims to plan what expenses in these categories will be in the upcoming year. The Budget is largely planned in the spring and early fall of the prior year, and the City bonds in spring of the next year. Due to this time difference as well as changes in project timelines and resource availability, actuals may differ. The City uses its debt forecast for the basis of its budget numbers.

51. Q: Why does the 2026 Stormwater Fund have \$15M in misc income, \$16M in debt service payments, and only \$1.4M in capital expenses?

A: This fund is now showing both the debt proceeds and principal and interest payments made from this fund which is the reason for the increase from 2025. These revenues and expenses will not show up as actuals due to the capitalization of assets per GAAP. The capital expenses are aligned with the new budget needed in the City's financial ERP system.

52.Q: Why are there discrepancies between the budgeted and actual amounts for debt service payments and revenues in the Bond & Interest and Utilities Bonded Construction funds in 2023 and 2024, and in B&I in 2025?

A: Actual principal payments are recorded directly to the liability located on the balance sheet. So, while the City budgets for principal payments, once these actual expenditures occur, they are recorded on a balance sheet not seen in the 2026 Proposed Budget Fund Summaries, which only shows budgeted revenues and expenses. One example is in Fund 501: Water/Wastewater.

Fund 505 (Utilities Bonded Construction) serves as a pass through for City's revenue bonds. Revenue bond proceeds are moved to the Water/Wastewater fund and are recognized as a liability per GAAP. The City has budgeted anticipated revenue bond proceeds in this fund as an attempt to illustrate their receipt. However, the Budget Book does not show liabilities or assets like the Annual Comprehensive Financial Report. These aspects of actuals can be viewed within the ACFR.

53.Q: What does the Open Finance Portal versus the Budget Book show? Do these match?

A: The Open Finance Portal is showing financial information from the City's Tyler ERP system. The Capital Projects and Utilities Bonded Construction funds are multi-year, meaning their budgets can be added and utilized across multiple fiscal years. Budget can rollover to be used in 2026 and 2027 for current authorized projects. This set-up of multi-year funds assists the City as it is designing, planning, and constructing capital projects that do not strictly align with a single fiscal year.

The 2025 Budget Book shows anticipated expenditure cashflow, aligning with the CIP. Tyler ERP is showing debt authorization budget for the life of the project. Project delays and inflation occur throughout the life cycle of a project, and, as a result, it is essential to budget the project's debt authorization in full to encumber contracts in a timely manner in an effort to maintain the lowest cost of ownership for constructing assets. Project expenditures are monitored and tracked to align with and not to exceed temporary notes issued each fiscal year.

54.Q: If the Utilities Bonded Construction Fund is holding \$86M in multi-year proceeds from revenue bonds, and the revenue bond proceeds are not tied to specific projects, why is the City planning on taking out an additional \$56M in revenue bonds in 2025 (according to the 2025-2029 CIP)?

A: At the end of 2024, the City had \$47M of unspent revenue bond proceeds. That is expected to be drawn down by the end of 2025. Therefore, we need to issue more revenue bonds to support the water/wastewater system noted above.

55.Q: Previous answers stated "previous Budget Books aligned with the CIP which shows expenditure cashflow. This does not necessarily equate to needed budget in a given fiscal year." Isn't expenditure cashflow what equates to "needed budget in a given fiscal year"?

A: No. Because capital projects span multiple years and project timelines do not align directly with a fiscal year, many projects have budget within the City's financial system matching their individual debt authorization. Though the City's Budget Books have previously aligned with the CIP to show expenditure cashflow within the "capital expenses" category, this number is not what has been entered into the financial system. While budget exists in the financial system for the purpose of encumbering contracts in a timely manner in an effort to maintain the lowest cost of ownership for constructing assets, project expenditures are monitored and tracked to align with and not to exceed temporary notes issued each fiscal year.

56.Q: What is the breakdown of how much of the City’s miscellaneous income in the Bond & Interest, Capital Improvement, and Utilities Bonded Construction Funds, as indicated in the Budget Books and 2026 proposed budget, is in the form of GO bonds, temporary notes, and revenue bonds for 2023, 2024, 2025, and 2026?

A: Below is the amounts of GO Proceeds, Temporary Notes, and Revenue Bonds by fund in each year’s respective budget, based on account codes.

	Fund 301	Fund 402	Fund 505
	<i>GO Proceeds</i>	<i>Temp. Notes</i>	<i>Revenue Bonds</i>
2023 Budget	\$52.1M	\$18.2M	\$35M
2024 Budget	\$52.2M	\$39M	\$52.6
2025 Budget	\$46.3M*	\$81.4M	\$37M
2026 Proposed	\$56.2M	\$57.2M	\$42.4M

*Please note, as described in a previous question, a portion of the 2025 GO Bond Proceed amount was broken out from the Miscellaneous category to Transfers In in an attempt to capture the temporary note proceeds transfer to this fund. However, these were not categorized as temporary notes in the chart of accounts.

57. Q: The CIP report from June 2025 indicates that the City will be taking out \$83.8M in GO bonds. The answer to previous questions states that the City will be taking out \$72M in GO bonds and \$57.2M in temporary notes for a total of \$129.2M in GO revenues. Does this mean that the City plans to reissue \$45.4M in temporary notes in 2026?

A: The \$83.8M is the total anticipated GO Bond cashflow expenditures for 2026. The GO bond and temporary note forecast for the City takes this amount into account for budgeting purposes. However, since capital projects are multi-year and have various timing changes and impacts, there are instances where the City issues additional temporary notes to finish aspects of projects from prior years. In these instances, the City pays back the temporary notes and then includes any additional amount in its new issuance. This practice is accounted for in the City’s debt forecasting.

58.Q: How does the \$39.5M presented in the All Funds Summary for 2026 capital expenses align with the \$157M of 2026 capital expenses presented in the CIP? What numbers do the \$39.5M represent? Can you please direct us to specific numbers that add up to \$39.5M to explain this number?

A: This is an accounting category and represents amounts across all funds. In addition to CIP projects, it also includes items that do not meet the CIP criteria threshold and thus are not included in the 2026-2030 Proposed CIP. Examples include vehicle and equipment replacement from department operating budgets

costing less than \$100k. The City is working on developing a better way to show new budget being requested for projects as it is not displayed directly in the CIP and is instead based on the existing project budgets within the City's financial ERP system.

59.Q: What is the updated recreation facility memberships and fees proposal?

A: As of 8/27/2025, the updated proposal is as follows:

MEMBERSHIPS & FEES

/2025

Membership Fees

Sports Pavilion Lawrence, Holcom Park Recreation Center and East Lawrence Recreation Center

	Residents	Non-Residents
Adult Monthly	\$12	\$15
Household Monthly	\$20	\$24
Senior Monthly	\$8	\$10
Adult Annual	\$120	\$150
Household Annual	\$200	\$240
Senior Annual	\$80	\$100

Day Passes

	Resident Fee	Non-Resident Fee
Sports Pavilion Lawrence®	\$5	\$8
Holcom or East Lawrence	\$3	\$5
SPL Tournament Spectator	\$5	

More options

20-Visit Punch Cards

Resident Fee	Non-Resident Fee
\$60 (\$3.00/visit)	\$130 (\$6.50/visit)

Adjustments Following Commission Discussion:

- One lower-priced membership option (with access to all facilities)
- All Douglas County Youth are FREE
- FREE for Financially Qualified Residents
- Resident Rate for Lawrence Residents (+20% Non-Resident rate adults/seniors outside of Lawrence)
- Adjusted 2026 membership target goal to 3,000 (~3% of population)
 - Increased from 2,000 to 3,000 due to lower fees
 - 2,250 paying members
 - 450 FREE Youth
 - 300 FREE Qualified Resident
- Net Reduction of \$50,000 in revenue
 - Original Revenue Estimate: \$500,000
 - Revised Revenue Estimate: \$450,000