

# FISCAL YEAR 20 19 BUDGET

*celebratory edition*



Celebratory budget edition honoring Finance Director Conrad Lamb for 36 years of dedicated service to the citizens of Lee's Summit. #Retirement2018

# SECTION 1: INTRODUCTION

## HISTORY

Over a hundred and years ago, the small 11 block Town of Strother straddled the Missouri Pacific Railroad tracks. Today, that small town consists of 65.24 square miles and is known as the City of Lee's Summit. In the late 1800's, a man by the name of William B. Howard was drawn to this fertile, gently rolling prairie land with the dream of building a city. Today, more than 96,000 residents have been enticed to this progressive, yet restful and family-oriented community atmosphere, with a unified dream to create a dynamic, vital city. From yesterday to today, the story of this once small town has been filled with the courage, dedication, and quiet determination of its citizens, making Lee's Summit an ideal city in which to live and work.

On October 28, 1865, William B. Howard founded the Town of Strother by filing a plat containing the 11 blocks that currently encompass the downtown business district. At the time of incorporation, the population count stood at one hundred people. In November of 1868, the name was changed and the area incorporated as the "Town of Lee's Summit". Although the "Summit" portion of the name was obviously based on the fact the town's elevation is the highest point on the railroad between Kansas City and St. Louis, there are numerous opinions and theories on the origin of "Lee". According to one theory, the town was named after Civil War General Robert E. Lee, since incorporation took place shortly after the war and the majority of citizens migrated from the Southern states. However, another version suggests the town was named after a prominent early settler, Dr. Pleasant Lea. The discrepancy in the spelling of "Lea" has been attributed to railroad sign painters.

Lee's Summit's most infamous citizen was Cole Younger, called "The Last of the Great Outlaws" by author Homer Croy. According to history, soldiers drove Younger to a life outside the law after his father's murder and subsequent robbery. While Union forces were enforcing Order #11, the command issued in 1862 ostensibly to burn homes belonging to those with Southern ties, Younger and his brothers were credited with saving some of the original homes within Lee's Summit, the most prominent of which belonged to William B. Howard. Order #11 helped to unify the transplanted southern population in Missouri and compelled Younger to join the Confederate guerrilla band known as Quantrill's Raiders. Cole Younger was arrested after an attempted bank robbery in Northfield, Minnesota. Following 25 years of imprisonment for his crimes, Cole Younger was paroled in 1901. Three years later, Younger returned to Lee's Summit where he lived as a model citizen until his death in 1916. His grave is located in the Lee's Summit Historic Cemetery.

The Fire of 1885 demonstrated yet again the stamina personified by citizens in Lee's Summit. While most of the town's residents were attending Sunday morning church services, fire erupted in the downtown district, which consisted of dry, wooden buildings. A detailed account of the fire, as printed in the April 16, 1885, issue of The Lee's Summit Journal, stated the buildings burned "...like greased wood". Virtually the entire business district was destroyed and the loss aggregated at \$87,000, with a total of 25 buildings consumed by the flames. However, the stalwart citizens took their losses in stride and promptly commenced to rebuild the town.

## Introduction

Almost 30 years later, Mr. R. A. Long, a prominent Kansas City lumberman, began building his dream, which became a reality with the construction of Longview Farm. In 1912, Mr. Long purchased approximately 1,700 acres in the southwest portion of Lee's Summit. Mostly self-sufficient, the farm included five major barn groups and 42 buildings. When completed and functional, Longview Farm became internationally known for the horses and livestock contained within its white rail fences and was one of only three dozen such showplace farms.

The history of Lee's Summit abounds with the tragedies and triumphs of courageous people who have never failed in their dream of creating a city that will continually progress and prosper. Most importantly, Lee's Summit is comprised of dedicated people who never lose touch with the basic values that make a community livable. We feel Lee's Summit has lived up to the dreams of its forefathers.

### MAYOR AND CITY COUNCIL



**Mayor Bill Baird**

#### District 1



**Rob Binney**



**Diane Forte**

#### District 2



**Trish Carlyle**



**Craig Faith**

#### District 3



**Phyllis Edson**



**Beto Lopez**

#### District 4



**Fred DeMoro**



**Bob Johnson**

## Introduction

### Mayor

The City of Lee's Summit operates under a Mayor/City Council form of government.

The Mayor is elected at-large for a four-year term and is recognized as the head of the city for all legal and ceremonial purposes and by the Governor of Missouri for all purposes of military law. The Mayor presides at City Council meetings, executes all ordinances, resolutions, proclamations, grants and executive orders. Any ordinance or resolution adopted by the City Council may be vetoed by the Mayor; however, the Mayor may only vote in the event of a tie.

The Mayor presents a State of the City address at least once annually as to the affairs of the city and any recommendations of the Mayor.

### City Council

The City Council consists of eight members. Two Councilmembers are elected by qualified voters from each of the four respective districts of the city, as provided by Section 9.4, City Council Districts.

City Councilmembers shall be elected to serve staggered four-year terms. At each regular municipal election, Councilmembers shall be elected to fill the offices of those whose terms expire.

### Finance and Budget Committee

The Finance and Budget Committee evaluates and reviews financial statements, investment actions, recommends purchasing and bid approvals to the full Council and considers all other financial transactions as directed by the City Council. The Committee also reviews the City Manager's proposed budget prior to its consideration by the City Council pursuant to Article XI of the City Charter

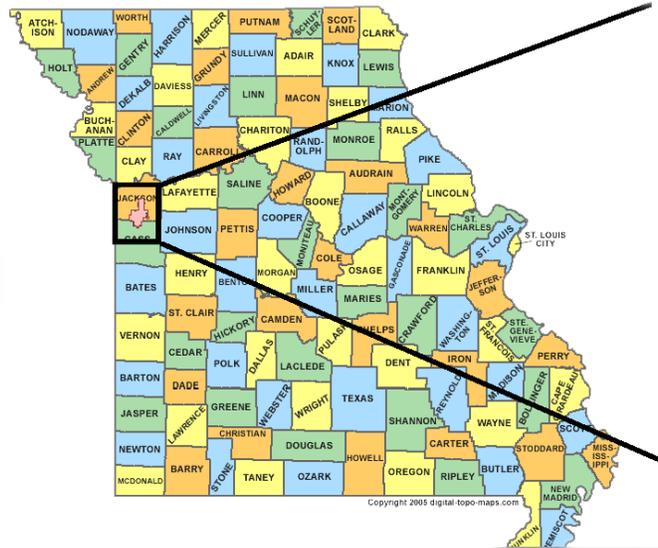
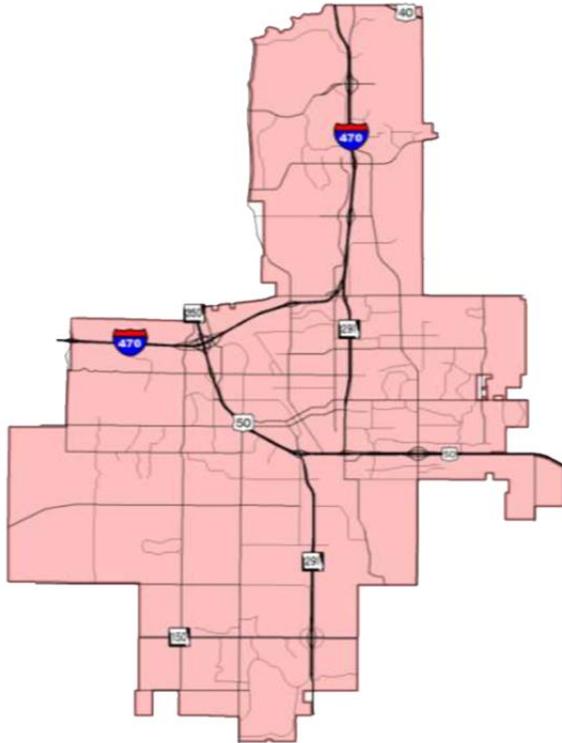
For the FY19 budget process, the committee consisted of the following members:

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Bob Johnson, Chair  
Beto Lopez  
Trish Carlyle  
Phyllis Edson

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# Introduction



Demographics	2010 Census
Average Household Size	2.62
Median Age	37.2
Median Household Income	\$73,151
Per Capita Income	\$33,149
Households	33,054.00
Median Value Owner-Occupied Housing Units	\$185,500

MO Statewide Populations and Rankings		
Geographic Area	Total Population	Rank
State of Missouri	5,988,927	
<b>Counties</b>		
St. Louis County	998,954	1
<b>Jackson County</b>	<b>674,158</b>	<b>2</b>
St. Charles County	360,485	3
Greene County	275,174	4
Clay County	221,939	5
Jefferson County	218,733	6
Boone County	162,642	7
Jasper County	117,404	8
Franklin County	101,492	9
Cass County	99,478	10
<b>Cities</b>		
Kansas City	459,787	1
St. Louis	319,294	2
Springfield	159,498	3
Independence	116,830	4
Columbia	108,500	5
<b>Lee's Summit</b>	<b>91,364</b>	<b>6</b>
O'Fallon	79,329	7
St. Joseph	76,780	8
St. Charles	65,794	9
Blue Springs	52,575	10

# Introduction

## City of Lee's Summit Demographic and Economic Statistics Last Ten Fiscal Years

Year	Population	Median Household Income	Per Capita Personal Income	Median Age	Education Level			School Enrollment	Unemployment Rate
					High School Graduate Percentage	Some College Or Associate's Degree or Higher Percentage	Bachelor's Degree Or Higher Percentage		
2008	91,586							16,742	3.40%
2009	92,927							16,986	7.60%
2010	93,163							17,120	6.70%
2011	91,364	\$ 71,772	\$ 31,266	38.8	16.4%	29.9%	50.1%	17,287	6.70%
2012	91,767							17,524	5.30%
2013	92,292							17,559	5.00%
2014	93,092							17,615	4.70%
2015	93,888							17,610	4.00%
2016	95,430							17,747	3.60%
2017	95,973							17,927	2.80%

Source: U.S. Census Bureau, U.S. Bureau of Labor Statistics, City of Lee's Summit Planning Department, and Lee's Summit R-7 School District

(1) City specific Data for off census year is not readily available

## City of Lee's Summit Principal Employers Current Year and Nine Years Ago

Employer	2017			2008		
	Employees	Rank	Percentage Of Total City Employment	Employees	Rank	Percentage Of Total City Employment
Lee's Summit R-7 School	2,420	1	4.74%	2,578	1	6.51%
University of Central Missouri	2,000	2	3.92%	—	—	0.00%
City of Lee's Summit	1,380	3	2.70%	659	6	1.67%
Saint Luke's East - Lee's Summit	1,300	4	2.55%	541	8	1.37%
Truman Medical Center-Lakewood	1,200	5	2.35%	1,200	3	3.03%
John Knox Village	1,000	6	1.96%	1,050	4	2.65%
Lee's Summit Medical Center	600	7	1.17%	480	10	1.21%
Aspen Contracting Inc	550	8	1.08%	—	—	0.00%
GEHA Holdings Inc	511	9	1.00%	—	—	0.00%
AT&T Call Center	500	10	0.98%	1,200	2	3.03%
Metropolitan Community College-Longview				1,000	5	2.53%
CVS Caremark Inc				559	7	1.41%
Unity Village				550	9	1.39%
	<u>11,461</u>		<u>22.45%</u>	<u>9,817</u>		<u>24.80%</u>

Source: Lee's Summit Economic Development Council: *Workforce, Major Employers*

**City of Lee's Summit  
Operating Indicators by Function  
Last Ten Fiscal Years**

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>Building Permits Issued (1)</b>										
Residential/single family	380	129	110	170	166	270	319	319	310	324
Residential/multi family	58	8	1	—	—	2	6	7	7	27
Commercial/industrial	35	23	19	13	10	14	9	15	16	32
Additions	1,937	1,245	1,082	1,302	5229 *	1,588	1,404	1,943	1,548	1,572
<b>Police Protection (1)</b>										
Part I Crimes	2,521	2,378	2,290	2,232	2,229	2,357	2,053	1,628	1,542	1,842
Notable Part II Crimes	2,178	2,222	2,295	2,385	2,200	2,417	1,972	2,015	2,104	2,271
Traffic Crashes	2,125	2,083	1,912	2,047	1,906	1,753	1,821	1,750	1,800	1,885
Calls for Service	64,715	76,322	85,255	91,037	88,846	77,008	75,325	73,244	67,244	65,235
Number of Officers	122	129	136	136	143	142	142	142	143	143
Animal Control Calls for Service	8,562	8,110	8,857	8,857	8,737	8,474	8,960	9,848	10,518	8,905
<b>Fire Protection (1)</b>										
Fire Personnel	146	146	146	146	146	146	146	144	144	153
Calls Answered	7,714	8,415	7,996	8,461	9,147	9,027	8,917	9,073	10,000	9,811
<b>Water Source</b>										
Kansas City Water Co.	32.82%	33.94%	12.00%	19.40%	34.30%	27.90%	27.60%	23.20%	28.60%	25.90%
Independence Water Co	67.18%	66.06%	88.00%	80.60%	65.70%	72.10%	72.40%	76.80%	71.40%	74.10%
<b>Water</b>										
# of Service Connections	33,666	33,735	33,800	34,260	34,242	34,538	34,774	35,160	35,379	35,816
# of Fire Hydrants	4,975	4,871	4,887	4,922	4,940	4,940	5,006	5,021	5,076	5,188
Avg Daily Consumption in Gallons	10,705,000	9,540,000	8,960,000	9,650,000	11,603,000	10,790,000	10,390,000	9,270,000	10,150,000	9,950,000
Maximum Contract Amount	21,500,000	21,500,000	21,500,000	21,500,000	21,500,000	27,500,000	27,500,000	27,500,000	32,500,000	32,500
Maximum Daily Demand	22,000,000	15,000,000	16,500,000	20,400,000	22,810,000	25,500,000	19,000,000	19,000,000	21,300,000	18,800,000
Storage Capacity (gallons)	35,200,000	35,200,000	35,200,000	35,200,000	35,200,000	35,200,000	35,200,000	35,200,000	35,200,000	35,200,000

(1) Statistics based on calendar year

\* This includes re-roof premits. In April 2011 a significant hail storm hit the area.

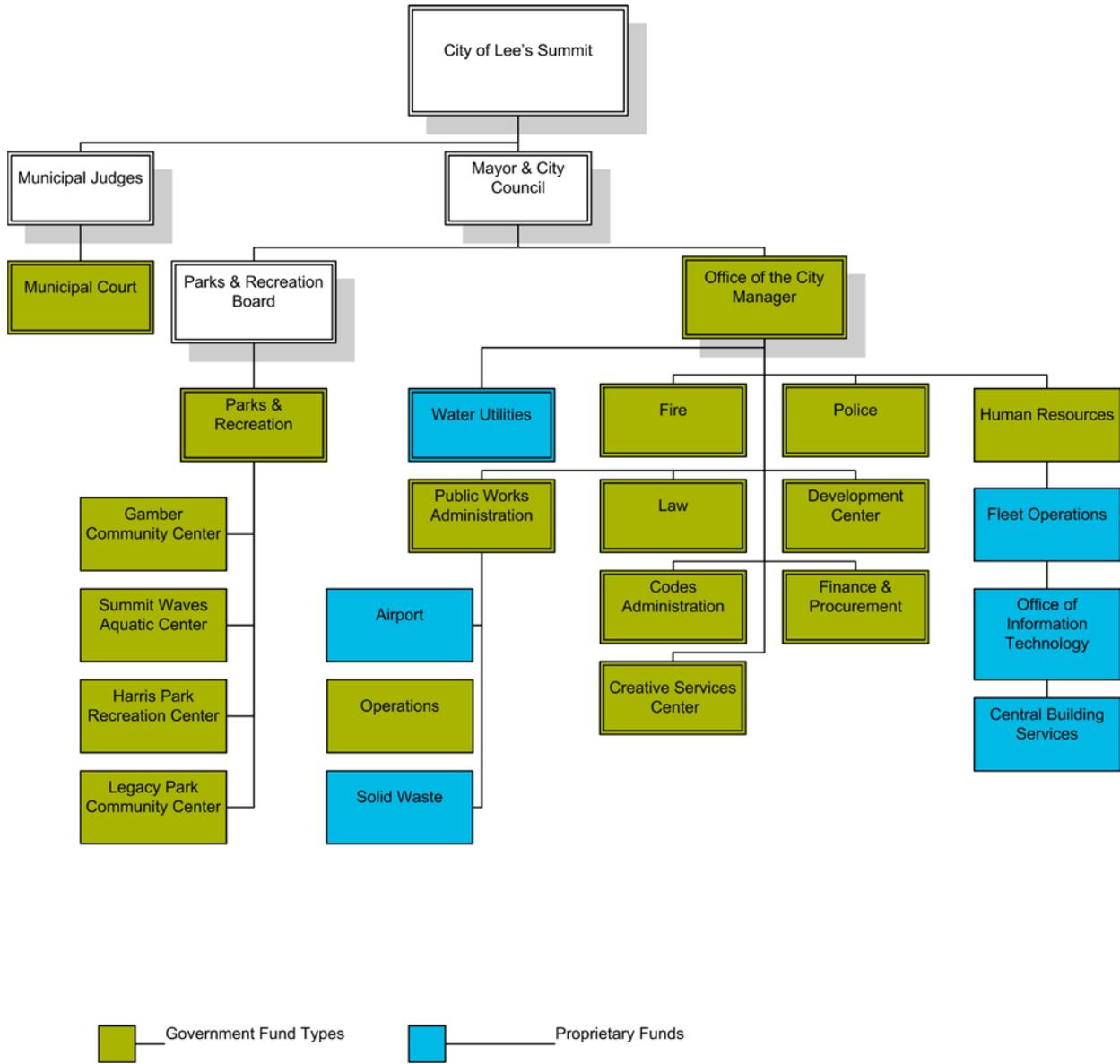
Source: City records

**City of Lee's Summit  
Capital Asset Statistics by Function  
Last Ten Fiscal Years**

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>Police Protection</b>										
Stations	1	1	1	1	1	1	1	1	1	1
<b>Fire Protection</b>										
Stations	7	7	7	7	7	7	7	7	7	7
<b>Public Works</b>										
Residential Centerline Miles	325	327	327	337	308	308	309	309	306	309
Collector Centerline Miles	67	102	102	83	88	89	92	92	94	95
Arterial Centerline Miles	75	91	91	103	83	82	81	81	83	84
<b>Parks and Recreation</b>										
Parks	27	27	27	28	28	28	29	29	29	30
Swimming Pools	1	1	1	1	1	1	1	1	1	1
Indoor Aquatic Center	1	1	1	1	1	1	1	1	1	1
Tennis Courts	15	15	15	15	15	15	15	15	15	15
Community Centers	3	3	3	3	3	3	3	3	3	3
<b>Water</b>										
Miles of Water Mains	637	637	604	607	604	604	607	607	611	617

Source: City records

### Organization Chart



**AWARD FOR DISTINGUISHED BUDGET PREPARATION**

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the City of Lee's Summit, Missouri for its annual budget for the fiscal year beginning July 1, 2017.

The award reflects the City's commitment to meeting the highest principles of governmental budgeting. This signifies that Lee's Summit's budget rated proficient in serving as: a policy document, a financial plan, an operations guide, and a communications device.

This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished  
Budget Presentation  
Award*

PRESENTED TO

**City of Lee's Summit  
Missouri**

For the Fiscal Year Beginning

**July 1, 2017**

*Christopher P. Morrill*

Executive Director

## 2018-2019 Budget Calendar

The annual budget calendar is developed by the City Manager and Chairman of the Finance and Budget Committee. The calendar includes Committee meeting schedule and important milestones to guide the budget process.

FY19 Budget Calendar Overview	
<b>August 2017</b>	
<b>August 7, 2017</b> 4:00 PM	<b>Regular Finance &amp; Budget Committee Meeting</b> Agenda:
<b>September 2017</b>	
September 12, 2017	MT meeting: Prep for FY18 Budget Process; Review Calendar; Set Action Items
<b>September 18, 2017</b> 5:30 PM	<b>Regular Finance &amp; Budget Committee Meeting (rescheduled from September 5)</b> Agenda: Review of FY19 Budget Calendar, Discussion of Priority Based Budgeting
<b>October 2017</b>	
<b>October 2, 2017</b> 5:30 PM	<b>Regular Finance &amp; Budget Committee Meeting</b> Agenda: Dashboards,
October 20, 2016	Budget Kickoff Meeting
October 20, 2016	Departments begin preparing mid year projections
<b>November 2017</b>	
<b>November 6, 2017</b> 5:30 PM	<b>Regular Finance &amp; Budget Committee Meeting</b> Agenda: Discussion of Use Tax, Dashboards, Cleanup and Rollover Amendment
November 2016	Pre-budget meeting with Internal Service Departments
<b>December 2017</b>	
<b>December 4, 2017</b> 5:30 PM	<b>Regular Finance &amp; Budget Committee Meeting</b> Agenda: Dashboards
December 5, 2016	LBP Training: Navigation and Entry
December 6, 2016	LBP Training: Navigation and Entry
December 7, 2016	LBP Training: Workforce and Reporting
December 8, 2016	LBP Training: Workforce and Reporting
<b>January 2018</b>	
<b>January 8, 2018</b> 5:30 PM	<b>Regular Finance &amp; Budget Committee Meeting (rescheduled from January 1)</b> Agenda: Dashboards
January 2018	Departments prepare FY19 budget requests
January 12, 2018	All FY18 year end projections due
January 16, 2018	City Manager Review of FY18 YE Projections
January 26, 2018	Core Expenditure Numbers due
<b>February 2018</b>	
<b>February 5, 2018</b> 5:30 PM	<b>Regular Finance &amp; Budget Committee Meeting</b> Agenda: Review of FY18 Year End Projections, Dashboards , Tentative Audit Report
February 2, 2018	All expansion requests due for City Manager Review (Personnel, Capital, Fleet, ITS)
February 2, 2018	Changes to the Schedule of Fees Due
February 19, 2018	Department budget meetings with City Manager begin
February 2018	Parks and Recreation budget to Park Board
<b>March 2018</b>	
<b>March 5, 2018</b> 5:30 PM	<b>Regular Finance &amp; Budget Committee Meeting</b> Agenda: FY19 revenue projections, Changes to Schedule of Fees
<b>April 2018</b>	
<b>April 2, 2018</b> 5:30 PM	<b>Regular Finance &amp; Budget Committee Meeting</b> Agenda: Dashboards
<b>April 30, 2018</b> 5:30 PM	<b>Special Finance &amp; Budget Committee Meeting:</b> Agenda: Presentation of City Manager's proposed FY19 Budget
April 2018	Department budget meetings with City Manager conclude
April 2018	Annual Report Delivered to City Council
<b>May 2018</b>	
<b>May 1, 2018</b> 5:30 PM	<b>Special Finance &amp; Budget Committee Meeting</b> Agenda: Continued Presentation of City Manager's proposed FY19 Budget
<b>May 7, 2018</b> 4:00 PM	<b>Regular Finance &amp; Budget Committee Meeting</b> Agenda: Committee Review of FY19 Budget
<b>May 14, 2018</b> 4:00 PM	<b>Special Finance &amp; Budget Committee Meeting: (If needed)</b> Agenda: Continued Discussion of FY19 Budget
May 17, 2018	Notice of public hearing due by noon
<b>May 21, 2018</b> 4:00 PM	<b>Special Finance &amp; Budget Committee Meeting: (If needed)</b> Agenda: Continued review of City Manager's proposed budget
<b>June 2018</b>	
<b>June 7, 2018</b> 6:15 PM	<b>City Council Meeting:</b> Public Hearing: Council Review of FY19 Budget Ordinance
<b>June 14, 2018</b> 6:15 PM	<b>City Council Meeting: (Work Session)</b> Budget Review? 5 Year Plan Discussion?
<b>June 21, 2018</b> 6:15 PM	<b>City Council Meeting:</b> Second Reading of FY19 Budget Ordinance

# Administrative Summary

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*Years of Service*



Together, we have worked hard to become a nationally top ranked community while remaining a viable and financially sustainable organization. We are very fortunate to find ourselves in this very prominent position.

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## 2: Administrative Summary

April 30, 2018

Mayor and City Council,

The fiscal year 2018-2019 (FY19) budget that has been prepared for you is one that has been crafted in an environment where strategic thinking is necessary to develop new opportunities. Like most municipalities throughout the country, Lee's Summit faces difficult challenges regarding the sustainable delivery of high quality municipal services. Lee's Summit is not immune to shrinking revenues and increased costs. This environment creates uncertainty in how problems are to be solved and the priority in which they are addressed. Nowhere is this more evident or personalized for Lee's Summit than it is regarding compensation and benefits for City employees. No challenge is greater for us right now than finding a sustainable solution to address lagging compensation and wages for those serving our community.

As an organization, and through this budget, we have the responsibility to work through these challenges and begin implementing solutions. What makes Lee's Summit different than most cities, and a city earning high accolades such as "Best Place to Live" in the state of Missouri, "America's 50 Best Cities to Live", and "10 Happiest Mid-Sized Cities in America", is the community's ability to discuss, strategize, plan, and rally support for its toughest problems. The citizens of this community, our elected officials, stakeholders in the educational institutions, Chamber of Commerce, Economic Development Council, Downtown Main Street, Velocity, and city staff can positively collaborate to turn opportunities into positive outcomes.

### 1. Budget Request

In the FY19 Budget, and in future budgets, City staff works to allocate resources to best support the delivery of municipal services. The City has approximately 70 different funds, each categorized by purpose. We are proposing a total budget expenditure of \$200,182,524. This includes all proposed funding for daily operations, capital improvements, debt service, internal service, and enterprise operations.

Total Proposed Budget		
Fund Type	FY18 Budget	FY19 Proposed
General Fund	67,190,459	71,050,067
Special Revenue Funds	13,366,470	7,706,295
Debt Service Funds	11,244,005	11,528,908
Capital Project Funds	56,345,533	45,616,881
Enterprise Funds	55,986,791	49,421,912
Internal Service Funds	13,660,025	14,858,461
<b>Total Proposed Expenditure</b>	<b>217,793,284</b>	<b>200,182,524</b>

## 2: Administrative Summary

General Fund: This fund includes budgets for 10 departments that provide the mission critical services to our residents such as police and fire protection, street maintenance, planning, codes, municipal court, and general administration of the City.

Special Revenue Funds: These funds include Parks, grants, tax increment financing (TIF), and transportation development district (TDD) funds. These funds are used to account for the proceeds of specific revenue sources (other than expendable trust or major capital project) requiring separate accounting because of legal or regulatory provisions or administrative actions.

Debt Service Funds: The City utilizes two funds to record the receipt and disbursement of monies used to repay principal and interest charges on city-issued debt. The General Obligation Debt Service Fund and Park COP Debt Service Fund are used to account for the annual retirement of bonds issued since 2003.

Enterprise Funds: The City's enterprise funds hold the budgets for departments that operate in business-type activities. These funds rely on revenues generated from sales of materials or services. The enterprise funds include budgets for Water Utilities, Solid Waste, and Airport activities.

Internal Service Funds: The City uses internal service funds, or Proprietary Funds, to account for its fleet of vehicles and equipment, information technology systems, central building services, and trust funds. The internal service departments allocate costs for the reimbursement of services to other departments.

### Citizen Based Strategic Planning

Proposed in this budget is funding to begin a citizen based strategic planning process. The community has benefited from previous citizen strategic plans in 1999 and again in 2007. The 1999 plan, entitled 'Lee's Summit 21<sup>st</sup> Century' was developed with assistance from the National Civic League and provided a foundational document that guided the City through its decision making process. The 1999 plan was organized into four key performance areas (KPAs) which included Development, Education & Culture, Health & Safety, and Preservation. The Implementation Committee was chaired by Dr. Robert (Bud) Hertzog and Nancy Blackwell. The 1999 plan had a noticeable and long lasting impact on the community. It's legacy and reputation made it known as the 'bricks and mortar' plan which guided and enabled much needed investment in physical infrastructure.

The 2007 plan, entitled 'Lee's Summit 360° Charting Tomorrow' (LS360), was commissioned by the Mayor and City Council and facilitated by the National Civic League. The plan was developed through collaboration with 163 stakeholders and many more citizens from the community. The Implementation Committee was led by Jon Ellis and Vicky Cundiff. The 2007 plan had six KPAs which included Education, Economic Development, Health & Human Services, Local Government, Quality of Life, and Transportation. The 2007 plan was essential to the growth and maturity of the community. To this day, the City's robust network of Boards, Commissions, and Task Forces, still carry and have implemented the citizens goals which is seen in policies, processes, procedures, and initiatives.

The Lee's Summit community has very much embraced strategic planning and engagement. We believe this to be a strength of the community and a distinguishable trait that differentiates Lee's Summit from the pack.

## 2: Administrative Summary

Also included in this budget is funding to redesign the City’s annual budget process. As resources become scarcer and needs more prevalent, it is imperative to utilize a more transparent and qualitative financial planning process. Upon approval of the FY19 budget, staff will begin transitioning to the Priority Based Budgeting methodology. With this framework, it will be easier for our elected officials and staff to match resources to needs. Simply, if every initiative or effort is a priority, then nothing is a priority.

### 2. Review of Financial Condition – General Fund

In 2017, the City of Lee’s Summit achieved a triple A (AAa) credit rating from Moody’s Investor Service. According to Moody’s, “the upgrade to Aaa reflects the city’s historical trend of strong fiscal management and healthy reserve position. The rating also considers the city’s large and growing tax base favorably located in the Kansas City, MO metropolitan area; strong resident income levels, and manageable debt and pension burdens.”

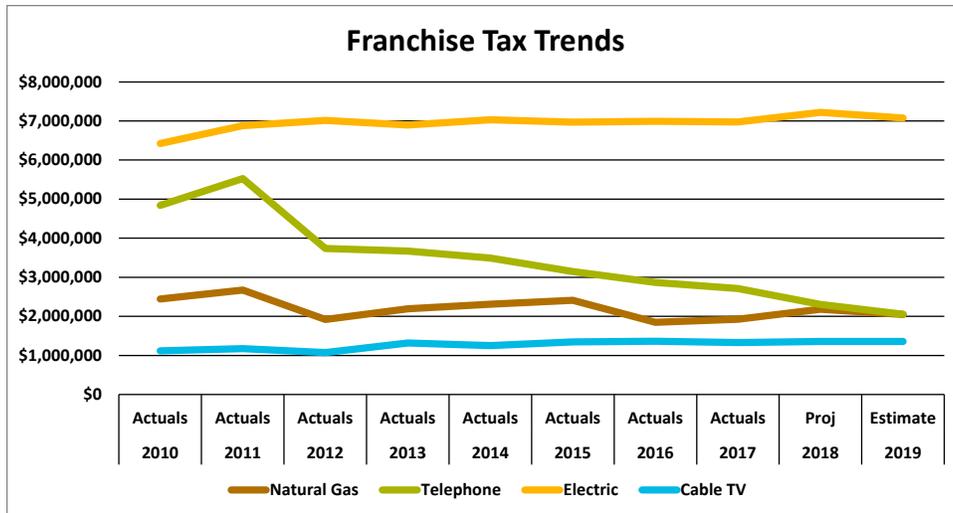
Much like a person’s individual credit rating, this achievement will allow for lower interest rates on City issued debt thereby allowing more money to be invested in the community. It is estimated that this rating will save the City approximately \$150k in interest expenses. While this should be celebrated, improvement can be made by revising the City’s general fund reserve balance ordinance. From a balance sheet perspective, our elected officials should consider increasing the reserve balance minimum to help protect the City during a financial crisis or natural disaster. The reserve balance calculation that occurs on July 1 of each year does not fully illustrate the financial condition from a cash standpoint.

General Fund	FY2017 Budget	FY2017 Actual*	FY2018 Budget	FY2019 Forecast	FY2020 Forecast	FY2021 Forecast	FY2022 Forecast	FY2023 Forecast
Total Revenue	63,510,293	66,876,874	68,856,006	71,564,506	72,569,724	73,622,430	74,848,342	75,931,537
Total Operating Exp.	63,334,175	64,087,657	66,877,978	69,795,503	71,366,921	73,004,075	74,719,223	76,518,217
Net Operating Budget	176,118	2,789,217	1,978,028	1,769,003	1,202,803	618,354	129,119	(586,679)
One-Time Exp/Rev.	887,995	1,520,908	1,983,300	932,334	0	0	0	0
Total Budget Surplus/(Deficit)	(711,877)	1,268,309	(5,272)	836,669	1,525,033	940,584	129,119	(586,679)

Additionally, the triple A rating (AAa) does not imply a perfect financial condition. Instead, it is a high mark that requires strong fiscal management for continual achievement.

A continuing trend from past fiscal years is the long-term deterioration of franchise taxes, the third-largest revenue source, will continue to be a concern. The cause of this deterioration is as a result of new technologies and efficiencies. The demise of traditional land-line phone and more energy-efficient homes are contributors to the reduction of this revenue. Traditional methods of revenue collection may continue to produce declining outcomes, and modern approaches will need to be pursued.

## 2: Administrative Summary



As internet sales continues to represent an increasing portion of economic activity, the lack of a Use Tax places Lee's Summit-based retailers at a competitive disadvantage. Staff is recommending the consideration of a use tax as a potential long-term solution similar to the recently-approved Motor Vehicle Sales Tax.

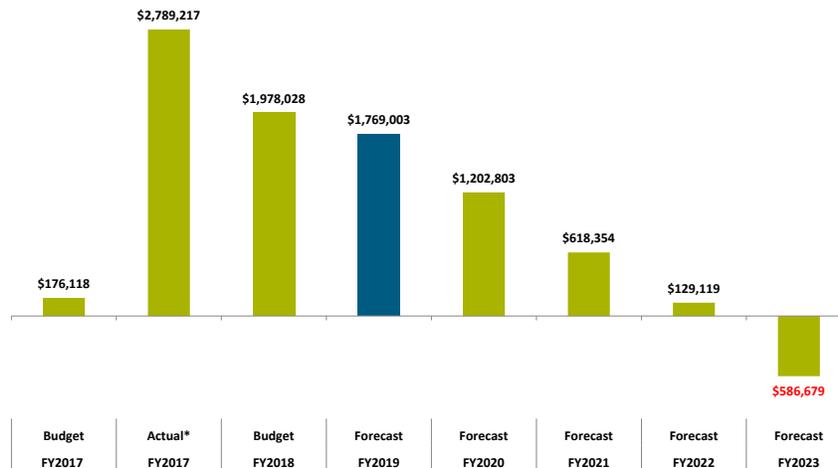
A new concern becoming apparent in FY19 is the diminished capacity in ambulance fees. As EMS costs increase, the City is unable to recover those costs through fees and charges as most service charges are capped and restricted by medicare/Medicaid.

On the expense side, health insurance continues to be a major uncontrolled expense for operating funds. Holmes & Murphy, the City's health insurance broker, has advised the City to expect 9% annual increases for health insurance costs. That increase amounts to nearly \$700k in new costs every year to the general fund. To protect funding set aside for future wage adjustments a 7% increase has been budgeted for FY19 with the goal of reducing health insurance expense.

Until these trends are reversed, the financial strain will limit the City's ability to make new investments in personnel and service delivery. Although it is expected that the general fund will return significant savings to the reserve balance, this is primarily attributed to delayed appropriation of monies set aside for the implementation of the compensation study, marginal revenue growth, and cost avoidance for City supplies. A majority of the savings returned to the fund balance is one time in nature and should not be counted on to sustain ongoing expenses.

## 2: Administrative Summary

### General Fund Net Operating Budget

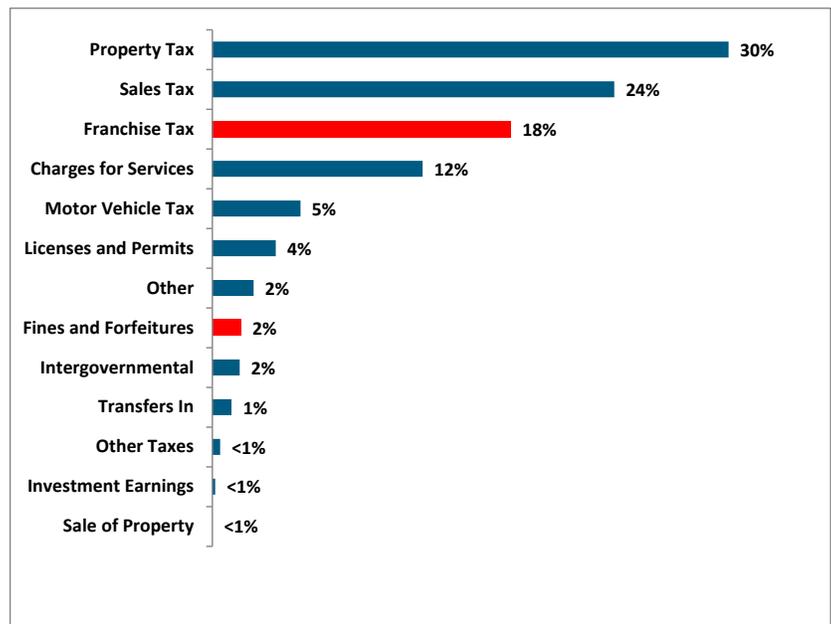


## 3. General Fund Overview

In FY19, General Fund revenue estimates total \$71,564,506 which will be used to fund an operating budget of \$69,795,503. The proposed budget also includes one-time, special project expenses of \$1,254,564. The proposed budget also carries forward the approximately \$1.6m remaining from the \$2 million set aside for the implementation of wage adjustments as a result of the Compensation and Benefit Study.

### General Fund Revenues

**Property Tax:** FY19 estimates a 3.77% increase in Property Taxes over the previous fiscal year (FY18) actual amounts. The increases are reflected as a result of an increase in our assessed value in calendar year 2017 in Jackson and Cass Counties as well as a preliminary calendar year 2017 assessed value estimate supplied by Jackson County. FY19 Projections estimate 2% growth in Jackson County property tax receipts to total additional revenue of approximately \$327k. Also included is an increase in payment in lieu of tax (PILOT) revenues that total approximately \$493k or 26% of which most will pass through to the other taxing jurisdictions.



**Sales Tax:** General Fund sales tax revenue is a net figure of the gross 1% sales tax receipts less sales tax redirection from Economic Activity Taxes (EATs) generated within Tax Increment Financing (TIF) projects in Lee's Summit. Following a robust year of growth in the sales tax, FY19 revenue projections assume

## 2: Administrative Summary

2% growth in gross receipts following nearly a 7.85% increase in the current year. This projection is supported by forecasted population growth and available housing units.

**Franchise Tax:** As discussed previously, this revenue is received from utility providers who attain access to the City's right of way for the commercial purposes to deliver private services. Franchise tax revenues from electric and natural gas are largely dependent on weather and consumption of these utilities. Natural Gas estimates assume the two year average for FY18 and FY19. This results in a slight decrease of \$62k or 3% from the FY18 budget. Telephone franchise tax continues to be the single greatest revenue threat for general fund operations. For FY19, telephone franchise tax is estimated to decrease an additional 9%. From FY13 to present, telephone franchise tax has shrunk 44% or \$1.6m. Network data transmission has been exempted from a user's telephone bill and this revenue stream is in long-term decline. In total, franchise tax revenue is expected to decrease \$506,877 (-4.0%) from FY18 budgeted revenue.

	FY18	FY19	Change from FY18	
	Budget	Requested	\$	%
Property Tax	20,508,192	21,664,477	1,156,285	5.64%
Sales Tax	16,197,424	16,868,252	670,828	4.14%
Franchise Tax	13,037,427	12,530,550	-506,877	-3.89%
Motor Vehicle Tax	3,671,162	3,694,490	23,328	0.64%
Other Taxes	324,597	322,690	-1,907	-0.59%
Fines and Forfeitures	1,405,838	1,199,105	-206,733	-14.71%
Licenses and Permits	2,411,880	2,655,300	243,420	10.09%
Intergovernmental	1,008,067	1,148,065	139,998	13.89%
Charges for Services	7,570,459	8,826,224	1,255,765	16.59%
Investment Earnings	56,845	120,000	63,155	111.10%
Other	1,659,600	1,730,838	71,238	4.29%
Sale of Property	0	0	0	-
Transfers In	1,004,515	804,515	-200,000	-19.91%
<b>Total</b>	<b>68,856,006</b>	<b>71,564,506</b>	<b>2,708,500</b>	<b>3.93%</b>

**Charges for Service:** On February 11, 2016, City Council passed Ordinance No. 7815, which establishes a 50% cost recovery rate for EMS service. As a result of this change, EMS charges for service is expected to increase net revenue by \$293,717 or 8.3% in FY19.

### General Fund Expenditures

The FY19 budget is a transitional one as the organization welcomes a new Mayor and Councilmembers. The challenge though remains the same which is to maximize the scarce resources provided by taxpayers and residents of the community in the most efficient manner possible. In FY19, the total proposed budget expenditure of the General Fund is \$71,050,068, a 5.74% increase over the current fiscal year. As we describe in the following paragraphs, we are balancing the needs to continue our current level of municipal services with the desire to create an attractive workplace environment and meet the needs of a growing community.

**Personnel Services:** This category of expense accounts for costs associated with employees' compensation and benefits. As a service organization, our largest expense is for those who provide our municipal services such as accountants, police officers, fire fighters, and other dedicated professionals. Like past fiscal years, the health insurance expense continues to be one of the most challenging operational concerns. In FY19, the City has budgeted for a 7%, or \$713k, increase for this

	FY18	FY19	Change from FY18 Budget	
	Budget	Request	\$	%
Personnel Services	45,806,645	46,924,867	1,118,222	2.44%
Supplies for Resale	245,000	255,500	10,500	4.29%
Other Supplies, Services, and Char	10,181,400	11,915,524	1,734,124	17.03%
Repairs and Maintenance	1,485,895	1,551,709	65,814	4.43%
Utilities	1,734,766	1,749,764	14,998	0.86%
Fuel and Lubricants	556,097	512,803	-43,294	-7.79%
Miscellaneous	236,825	103,950	-132,875	-56.11%
Capital Outlay	54,902	135,000	80,098	145.89%
Interdepartment Charges	6,314,969	6,402,753	87,784	1.39%
Transfers Out	573,961	1,498,198	924,237	161.03%
<b>Total</b>	<b>67,190,460</b>	<b>71,050,068</b>	<b>3,859,608</b>	<b>5.74%</b>

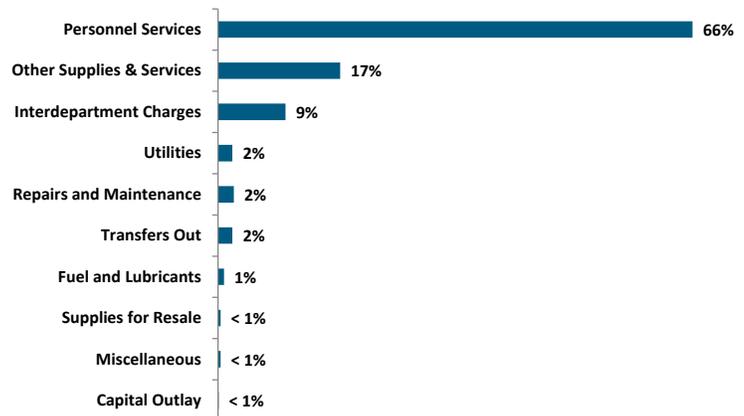
## 2: Administrative Summary

expense. If nothing is done to control this cost, it will erode the City’s ability to meet service expectations and provide compensation adjustments. Additionally, FY19 includes a full year cost of the cost of living adjustment given in FY18 to core general employees. To recap, the cost of living adjustment was given in anticipation of the results of the compensation and benefit study. In the FY18 budget, approximately \$2.0m was set aside to fund implementation of the study. However, implementation costs significantly exceeded the \$2.0m amount. Following the cost of living adjustment, approximately \$1.6m remains to be allocated for wage adjustments.

**Other Supplies and Services:** This category of expense accounts for those associated with daily operations such as good, services, supplies, contractual expense, and many other items. Two major line item expenses reside in this category, the EMS insurance adjustment and the Payment in Lieu of Taxes (PILOT) expense. In FY19, PILOT expense has increased \$461k which is remitted to the other taxing jurisdictions. The largest increase in this category comes from the

EMS Insurance adjustment. For FY19, this expense is expected to increase \$1.9m as it becomes more difficult to collect fees for services as a result of medicare/Medicaid caps on charges. Overall this category in the proposed budget is increasing \$1.7m, or 17.03%.

Expense Categories as a Share of General Fund (%)



## 4. Enterprise and Internal Service Funds

Enterprise and internal service funds receive revenues from user fees and charges directly from internal and external customers. These funds are not directly supported by tax revenue, but by charges to City departments and users. Included in these funds are Water Utilities, Airport, Harris Park as enterprise funds and Fleet Management, Central Building Services, and Information Technology Services as internal service funds.

Enterprise Funds	FY18	FY19	Change from FY18	
	Budget	Proposed	\$	%
Airport Fund	11,462,427	2,223,687	-9,238,740	-80.60%
Harris Park Community Center	1,552,812	1,454,992	-97,820	-6.30%
Solid Waste Management	2,111,171	2,551,752	440,581	20.87%
Water/Sewer Fund	40,860,382	43,191,481	2,331,099	5.71%

**Water Utilities** is responsible for providing clean, safe drinking water to the City with the exception of two areas served by other water districts. The department purchases treated water from Independence and Kansas City to serve over 35,000 residential, commercial, and irrigation accounts. Similarly, the department operates and maintains facilities to collect wastewater from its customers so that it is conveyed to Little Blue Valley Sewer District for treatment. The department provides sanitary sewer service to approximately 32,500 accounts.

## 2: Administrative Summary

The **Airport** provides general management and administration of resources to operate, maintain, market, and promote the airport which operates two runways and eight taxiways, totaling 166,044 square yards of pavement, and 23 buildings.

**Resource Recovery Park:** Following the privatization of landfill services, the City will provide oversight to the City's contractor ensure compliance with state laws and the delivery of services. The City will also provide project management for the delivery and construction of a trash transfer station.

Internal Service Fund	FY17	FY18	Change from FY17	
	Budget	Proposed	\$	%
Central Building Services	1,668,059	1,737,262	69,203	4.15%
Claims & Damages Reserve Fund	875,000	845,625	-29,375	-3.36%
Fleet Operations	5,744,190	5,163,561	-580,629	-10.11%
ITS Services	4,870,227	4,082,428	-787,799	-16.18%
Short Term Disability Fund	39,533	38,015	-1,518	-3.84%
Unemployment Trust Fund	32,262	32,262	0	0.00%
Work Comp Self-Insurance	929,352	1,034,191	104,839	11.28%

**Information Technology Services (ITS)** provides central management of information technology resources and initiatives for the entire organization. Key projects to be led by ITS for the upcoming fiscal year include replacement of the City's document management system and police records systems.

**Fleet Management** provides oversight and management of the City's motor vehicle and equipment fleet, including administration of the Vehicle and Equipment Replacement Program (VERP), motor pool, maintenance and repair services, acquisition and disposal of the City's fleet units. Key work done in this arena includes expanding capabilities to doing repairs in-house thereby reducing maintenance costs for the City. Additionally, utilizing funding identified in the current fiscal year, fleet will be continuing the effort to relocate the central fueling station behind City Hall alleviating functional and environmental concerns.

**Central Building Services (CBS)** provides oversight and management of the City's facilities including administration of the Building and Equipment Replacement Program (BERP), project management, facility maintenance services and custodial services programs, as well as maintenance and repair services for excess properties and leased facilities. CBS will coordinate the following maintenance projects in FY19.

- Roof Replacement – Fire Department Headquarters
- Parking Stalls and Drive Replacement – City Hall
- Hot water tank replacement – City Hall
- Repair of south apron concrete – Maintenance Facility
- Roof Repair and HVAC Maintenance - Airport

## 5. Capital Improvement Plan

The 2019-2023 Capital Improvement Plan (CIP) has been divided into eight major categories, plus the Public Works and Water Utilities programs. The total estimated cost of all projects included in the five-year plan is \$314,775,000.

## 2: Administrative Summary

Capital Project Funds	FY18 Budget	FY19 Proposed
Airport	8,921,000	6,003,000
Bridges, Streets, Signals	15,999,000	21,810,616
Capital Equipment Replacement	225,531	1,008,000
Facilities	13,000,000	0
Parks Construction	1,900,000	2,835,000
Water & Sewer Construction	6,516,000	8,460,000
<b>Total</b>	<b>46,561,531</b>	<b>40,116,616</b>

All funding sources that may be used for various capital improvements are reviewed each year. Much of the work to develop the CIP focuses on the balancing of available resources with the identified capital needs. Consideration must be given to factors such as annual revenue projections from various sources, restrictions on the uses of certain funds, legal limitations on debt capacity, and City policies relative to project funding. For budgeting purposes, the first year's funding is included in the annual budget with the subsequent years funding added to each future annual budget respectively. In FY19, major CIP projects receiving funding include:

- Colbern Road – M350 to Douglas St
- Streetlights – Shenandoah Dr.
- Stormwater Improvements and Streambank stabilization

## 6. Workforce and Expansion Requests

Workforce, or employee counts, is described as a ratio of full-time equivalents (FTE) where one full-time employee is estimated to work 2,080 hours annually, or 2,912 hours for certain Fire Department personnel. In the FY19 Budget, the workforce includes 427 full-time positions and 97 part-time positions with approximately 1,000 dedicated professionals employed by the City of Lee's Summit.

Fund	Full-time Equivalents (FTE)			Change from FY18	
	FY17	FY18	FY19	Count	%
General Fund	539.58	548.10	551.98	3.88	0.71%
Parks & Recreation	110.89	111.54	109.45	-2.09	-1.87%
Water Utilities	60.50	62.50	62.46	-0.04	-0.06%
Airport	7.46	9.16	8.46	-0.70	-7.64%
Solid Waste	1.00	1.00	1.60	0.60	60.00%
CBS	10.62	8.62	8.12	-0.50	-5.80%
Fleet	9.12	9.12	9.12	0.00	0.00%
ITS	27.76	28.05	28.13	0.08	0.29%
<b>Total</b>	<b>766.93</b>	<b>778.09</b>	<b>779.32</b>	<b>1.23</b>	<b>0.16%</b>

Each year departments are asked to submit expansion requests for consideration of funding in the annual budget. An expansion request is a new expenditure that is to be made in an effort to enhance services, increase efficiency, or improve the working environment. For a growing community, it is common for these needs to be in excess of available resources. The City of Lee's Summit is in this position and must carefully consider each new request as well as the current needs of the organization. Previously, many of the unfunded expansion items listed below were delayed in an effort to help provide sustainable funding for wage enhancements. Understanding this is the most important priority for the organization; new FY19 expansion requests will remain unfunded until we find solutions that could include a combination of these two factors:

## 2: Administrative Summary

- a. Adjust current levels of service or programs to create ongoing cost savings
- b. Continue finding revenue enhancements opportunities

We will work with the Mayor and Council to find the right solutions to fund the most critical expansion needs.

Previously Unfunded Department Expansion Requests				
Department	Type	Description	FY18 Cost	Recurring Cost
Fire	Personnel	Communications Specialist (4 FTE)	\$205,709	\$205,109
Fire	Personnel	Captain of Training (2nd FTE)	\$81,036	\$76,469
Fire	Personnel	Administrative Assistant	\$49,736	\$48,455
Fire	Personnel	EMS Assistant Chief	\$109,638	\$104,829
Fire	Personnel	Captain of Prevention	\$85,496	\$83,690
Fire	Personnel	Battalion Chief of Planning	\$101,354	\$96,697
ITS	Personnel	Applications Administrator	\$84,047	\$79,567
ITS	Personnel	System Administrator	\$97,417	\$93,217
Police	Personnel	Animal Control Officer	\$53,056	\$51,636
PW Operations	Capital	Shop fan installation	\$36,000	\$0
<b>Total</b>			<b>\$903,489</b>	<b>\$839,669</b>
<b>Cost to General Fund</b>			<b>\$903,489</b>	<b>\$839,669</b>

## 2: Administrative Summary

FY19 Submitted Expansion Requests				
Department	Type	Description	FY19 Cost	Recurring Cost
Development Services	Personnel	Building Inspector	\$110,798	\$79,253
Development Services	Personnel	Senior Engineering Inspector conversion	\$25,927	\$25,882
Development Services	Personnel	Secretary PT contract	\$4,973	\$0
Fire Department	Personnel	Communications Specialist (x6)	\$343,860	\$333,330
Fire Department	Personnel	Battalion Chief, EMS	\$105,724	\$103,918
Fire Department	Vehicle	Ambulance VERP Upgrade to 4x4	\$4,500	\$0
Fire Department	Capital	Lucas Device, AED for reserve command vehicle	\$15,775	\$0
Fire Department	IT	Toughbooks (x2)	\$10,700	\$3,000
Fire Department	Vehicle	Vehicle for Support Services	\$21,000	VERP
Police Department	Personnel	Lead Detention Officer (reclassify)	\$2,441	\$2,441
Police Department	Personnel	Police Officer (Traffic Enforcement)	\$65,233	\$59,152
Public Works	Capital	Rate Study for Stormwater Utility	\$375,000	\$0
Public Works	Vehicle	Sedan VERP Upgrade to F150	\$5,221	VERP
Water Utilities	Capital	Acoustic leak correlation equipment	\$32,000	\$0
Water Utilities	Personnel	Seasonal Laborers (x2)	\$10,710	\$10,410
Water Utilities	Capital	Timekeeping system	\$9,500	Yes
Water Utilities	Vehicle	Utility Trailer	\$9,000	\$400
Airport	Personnel	Line Attendant .5 FTE increase	\$15,969	\$15,639
Airport	Personnel	Line Attendant 1 FTE increase	\$23,710	\$45,271
Airport	Capital	De-icing Equipment	\$10,450	\$10,450
Airport	Capital	Improvements to Hangar 1 HVAC	\$12,373	\$0
Airport	Capital	Circulating Fan for Hangar 1	\$11,789	\$0
Airport	Capital	Hangar 1 Electronic Gate Opener	\$15,155	\$0
Airport	Capital	Window and door awnings for Hangar 1	\$10,000	\$0
Fleet	Personnel	Mechanic	\$53,366	\$47,965
Fleet	IT	Computers (x3)	\$5,500	MERP
Fleet	Capital	Truck post lifts	\$25,000	\$0
<b>Total</b>			<b>\$1,335,674</b>	<b>\$737,111</b>
<b>Cost to General Fund</b>			<b>\$1,249,304</b>	<b>\$711,912</b>

## 7. Summary

As an organization and community, we should be proud of the ability to grow, deliver high quality municipal services, and maintain fiscal responsibility. This would not be possible without our Finance Director, Conrad Lamb. The FY19 budget is the last budget for Mr. Lamb to help guide and prepare. In 1982, the year in which Mr. Lamb started work for the City as Assistant Finance Director, the annual budget totaled approximately \$4,028,369. Today, the budget has grown to nearly \$71,000,000. Mr. Lamb has helped guide the City of Lee's Summit during three decades of incredible growth. During this time his leadership provided a very stable and solid footing for our future. I hope that Mr. Lamb is remembered by this organization and by the community as someone whose legacy is hard to beat. I have heartfelt appreciation for Mr. Lamb and all of the staff who work to serve the citizens of Lee's Summit. With this great team of staff, elected officials, and citizens, we can find solutions to the problems of today and tomorrow.

We must work through the compensation issues facing the City in a manner as to not jeopardize the reliability and dependability of municipal services. As City Manager, I am committed to serving the City Council in its efforts to find solutions for this challenging issue. This budget has allocated funds in a

## 2: Administrative Summary

manner to best meet the service needs of the community. I look forward to continued dialogue and discussion to improve and enhance the City of Lee's Summit's municipal services.

Sincerely,

A handwritten signature in black ink, appearing to read "Stephen Arbo".

Stephen Arbo  
City Manager

## 2: Administrative Summary

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**This section is reserved for future strategic planning efforts. On October 2, 2018, the Mayor and City Council approved a contract with Novak Consulting Group to begin a citizen strategic planning process.**

**The plan is anticipated to be complete in the next 4-6 months.**

# Budget Overview

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*Sustainability*



Together, we have worked hard to become a nationally top ranked community while remaining a viable and financially sustainable organization. We are very fortunate to find ourselves in this very prominent position.

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### 3: Budget Overview

## Fund Structure

The City budget is divided into 70 different funds which fall into one of two major categories:

### Governmental Fund Types

Governmental Funds are those which rely on taxes for support. The taxes are deposited into the revenue accounts of the General Fund, Special Revenue Funds, Debt Service Funds and Capital Projects Funds.

### Proprietary Fund Types

Proprietary Funds rely on user charges for support and include the Enterprise Funds, which provide services to and collect fees from the general public. The Internal Service Funds provide service to and collect fees from the General Operating Fund, Special Revenue Funds, and Enterprise Funds that are directly benefited.

Governmental Fund Types			Proprietary Fund Types	
General	Special Revenue	Capital Project	Enterprise	Internal Service
General	Parks & Recreation Fund	SummitWoods East TIF	Water/Sewer Fund	Central Building Services
	Gamber Center	I470 Business Center TIF	Airport Fund	Fleet Operations
	Legacy Park Community Center	Chapel Ridge TIF	Solid Waste Management	ITS Services
	Summit Waves	Longview TIF	Harris Park Community Center	Short Term Disability Fund
	Cemetery Trust Fund	Longview TDD		Unemployment Trust Fund
	Business & Industry Fund	Ritter Plaza TIF		Claims & Damages Reserve Fund
	Entitlement Fund	Todd George/50 Hwy TIF		Work Comp Self Insurance
	VAWA Grant Fund	Water Tap Fund		
	Public Safety Equip Replacement Fund	Sewer Tap Fund		
		Water Construction		
	<b>Debt Service</b>	Sewer Construction Fund		
		WU Equipment Replacement		
	General Obligation Debt	Airport Construction		
	Park COP Debt	Capital Improvement Sales Tax		
		Road & Bridge Improvement		
		Park Development Fund		
		TIF Application Fund		
		Cultural Arts 2013		
		Blue Pkwy & Colbern Rd CID Fund		
		US50/Rte 291 S Interchange Bonds		
		Paragon Star TIF		

### 3: Budget Overview

## Review of Funds

The following table lists the estimated beginning fund balance or retained earnings; projected revenues; and expenditures (including interfund transfers) and the projected ending fund balance for all City funds.

Fund	Name	Unaudited	FY19 Budget		Projected	Net Change	
		Balance 6/30/2018	Add Revenue	Less Expenditures	Balance 6/30/2018	Amount	Percent
<b>GOVERNMENTAL FUNDS</b>							
100	General Fund	26,351,552	71,564,506	71,050,067	26,865,990	514,438	1.95%
	<b>Total Governmental Funds</b>	<b>26,351,552</b>	<b>71,564,506</b>	<b>71,050,067</b>	<b>26,865,990</b>	<b>514,438</b>	<b>1.95%</b>
<b>SPECIAL REVENUE FUNDS</b>							
200	Parks & Recreation Fund	2,378,588	3,615,661	3,445,394	2,548,855	170,267	7.16%
201	Gamber Center	430,090	489,796	445,671	474,215	44,125	10.26%
202	Legacy Park Community Ctr	1,343,250	2,107,284	1,927,353	1,523,180	179,930	13.40%
203	Summit Waves	1,906	653,284	625,834	29,355	27,449	1440.49%
204	Cemetery Trust Fund	1,310,088	204,688	203,219	1,311,558	1,469	0.11%
220	Business & Industry Fund	344,222	508,688	574,044	278,866	(65,356)	-18.99%
230	Road & Bridge Escrow	183,804	0	0	183,804	0	0.00%
240	Entitlement Fund	(108,978)	354,769	354,780	(108,989)	(11)	0.01%
245	VAWA Grant Fund	438,688	0	130,000	308,688	(130,000)	-29.63%
260	Postclosure Trust Fund	5,185,540	214,018	0	5,399,558	214,018	4.13%
275	Public Safety Equip Replcmt Fd	241,084	189,711	0	430,795	189,711	78.69%
	<b>Total Special Revenue Funds</b>	<b>11,748,283</b>	<b>8,337,898</b>	<b>7,706,295</b>	<b>12,379,886</b>	<b>631,604</b>	<b>5.38%</b>
<b>CAPITAL PROJECT FUNDS</b>							
300	SummitWoods East TIF	3,156,679	2,549,264	2,500,000	3,205,943	49,264	1.56%
301	SmtWds East TIF Amendment	7,285	0	0	7,285	0	0.00%
303	I470 Business Center TIF	118,609	1,041,964	1,061,275	99,298	(19,311)	-16.28%
304	SummitWoods TDD	2,259	11,500	11,000	2,759	500	22.13%
306	Chapel Ridge TIF	87,554	0	0	87,554	0	0.00%
307	Longview Farm TIF (old TIF)	123,077	342,733	342,000	123,810	733	0.60%
308	Longview TDD	181,179	33,600	33,000	181,779	600	0.33%
309	Ritter Plaza TIF	90,476	88,867	126,622	52,721	(37,755)	-41.73%
312	Todd George/50 Hwy TIF	(5,453,751)	1,789,516	1,326,369	(4,990,604)	463,147	-8.49%
313	Water District No. 14	99,729	0	0	99,729	0	0.00%
314	Water Tap Fund	(2,231,537)	3,889,301	2,088,000	(430,236)	1,801,301	-80.72%
315	Sewer Tap Fund	2,567,474	219,401	230,000	2,556,875	(10,599)	-0.41%
316	Water Construction	16,138,769	4,408,436	3,797,000	16,750,205	611,436	3.79%
317	Sewer Construction Fund	11,820,383	4,072,725	2,345,000	13,548,108	1,727,725	14.62%
318	WU Equipment Replacement	5,045,430	775,965	1,008,000	4,813,395	(232,035)	-4.60%
319	ERP System	14,185	0	0	14,185	0	0.00%
321	Airport Construction	(16,813,033)	1,559,000	6,003,000	(21,257,033)	(4,444,000)	26.43%
322	Capital Imprvmt Sales Tax	28,749,025	17,217,081	13,143,000	32,823,106	4,074,081	14.17%
323	R & B Excise Tax	(3,536)	0	0	(3,536)	0	0.00%
324	Road & Bridge Improvement	5,030,860	8,434,126	8,294,616	5,170,370	139,510	2.77%
327	Park Development Fund	567,681	3,352,500	2,835,000	1,085,181	517,500	91.16%
338	Storm Water Improvements	3,008,519	0	0	3,008,519	0	0.00%
341	Infrastructure Improv '10	116	0	0	116	0	0.00%
343	Tudor Rd Improvemnts 2010	(1,463,614)	0	0	(1,463,614)	0	0.00%
345	TIF Application Fund	14,790	100,000	99,999	14,791	1	0.01%
346	Cultural Arts 2013	430,812	0	0	430,812	0	0.00%
347	Road Improvements 2013	679	0	0	679	0	0.00%
348	Blue Pkwy & Colbern Rd CID Fnd	(3,713,112)	15	0	(3,713,097)	15	0.00%
349	US 50/Rte 291 S Intrch Bonds	266,035	0	373,000	(106,965)	(373,000)	-140.21%
350	Paragon Star TIF	0	1,484	0	1,484	1,484	0.00%
351	Longview Farm 2016 TIF	(300,000)	47,000	0	(253,000)	47,000	-15.67%
352	Public Safety Bonds 2016	(695,083)	130,000	0	(565,083)	130,000	-18.70%
	<b>Total Capital Project Funds</b>	<b>46,847,940</b>	<b>50,064,478</b>	<b>45,616,881</b>	<b>51,295,537</b>	<b>4,447,597</b>	<b>9.49%</b>

### 3: Budget Overview

#### DEBT SERVICE FUNDS

400 General Obligation Debt	6,530,004	9,212,490	8,253,908	7,488,586	958,582	14.68%
410 Park COP Debt	2,981,966	3,829,520	3,275,000	3,536,486	554,520	18.60%
415 Revenue Bonds - Dpr & Repl	(2,733,553)	0	0	(2,733,553)	0	0.00%
<b>Total Debt Service Funds</b>	<b>6,778,417</b>	<b>13,042,010</b>	<b>11,528,908</b>	<b>8,291,519</b>	<b>1,513,102</b>	<b>22.32%</b>

#### ENTERPRISE FUNDS

500 Water/Sewer Fund	13,139,901	38,963,838	43,191,481	8,912,257	(4,227,643)	-32.17%
510 Airport Fund	21,793,603	1,969,213	2,223,687	21,539,129	(254,474)	-1.17%
520 Solid Waste Management	(3,781,336)	131,639	2,551,752	(6,201,449)	(2,420,113)	64.00%
530 Harris Park Community Ctr	163,251	1,589,963	1,454,992	298,222	134,971	82.68%
<b>Total Enterprise Funds</b>	<b>31,315,418</b>	<b>42,654,653</b>	<b>49,421,912</b>	<b>24,548,160</b>	<b>(6,767,259)</b>	<b>-21.61%</b>

#### INTERNAL SERVICE FUNDS

600 Central Building Services	2,402,073	1,300,483	1,932,320	1,770,236	(631,837)	-26.30%
610 Fleet Operations	(4,838,695)	2,545,165	5,892,407	(8,185,937)	(3,347,242)	69.18%
620 ITS Services	(461,980)	4,489,310	4,819,697	(792,367)	(330,387)	71.52%
630 Short Term Disability Fnd	128,591	35,234	35,233	128,592	1	0.00%
640 Unemployment Trust Fund	62,881	49,728	49,727	62,882	1	0.00%
650 Claims & Damages Reserve Fund	184,788	1,043,956	940,866	287,878	103,090	55.79%
660 Work Comp Self Insurance	1,807,855	912,685	1,188,211	1,532,329	(275,526)	-15.24%
670 Health Insurance Reserve Fund	1,138,858	0	0	1,138,858	0	0.00%
<b>Total Internal Service Funds</b>	<b>424,372</b>	<b>10,376,561</b>	<b>14,858,461</b>	<b>(4,057,528)</b>	<b>(4,481,900)</b>	<b>-1056.13%</b>

#### GRAND TOTAL

<b>123,465,981</b>	<b>196,040,106</b>	<b>200,182,524</b>	<b>119,323,562</b>	<b>(4,142,418)</b>	<b>-3.36%</b>
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#### Combined Revenues by Type

	General	Special Revenue	Debt Service	Capital Projects	Enterprise	Internal Service	Total
PROPERTY TAX-Property taxes	20,508,192	3,211,119	0	3,576,878	0	0	27,296,189
SALES TAX-Sales tax	16,197,424	0	4,171,200	16,717,876	0	0	37,086,500
FRANCHISE TX-Franchise tax	13,037,427	0	0	0	0	0	13,037,427
MOTOR VEH TX-Motor vehicle taxes	3,671,162	0	0	0	0	0	3,671,162
BED TAX-Bed tax	0	394,372	0	0	0	0	394,372
OTHER TAXES-Other taxes	324,597	2,500	0	0	0	0	327,097
FINES & FORF-Fines and forfeitures	1,405,838	21,170	45,160	29	296,111	0	1,768,308
INTERGOVT-Intergovernmental	1,008,067	581,300	0	572,985	8,474,950	0	10,637,302
LIC & PERMIT-Licenses and permits	2,411,880	0	0	0	80,204	0	2,492,084
CHRG FOR SER-Charges for services	7,570,459	2,985,905	0	1,711,573	38,910,507	0	51,178,444
MATRL & FUEL-Material and fuel sales	0	190,144	0	0	984,455	0	1,174,598
INVEST EARNG-Investment earnings	56,845	21,100	39,000	216,626	95,930	20,500	450,001
OTHER-Other	1,659,600	143,570	0	105,000	935,017	326,640	3,169,827
BOND PROC/PR-Bond Proceeds/Premiums	0	0	-60,000	0	0	0	-60,000
INTRDEPT REV-Interdepartment revenues	0	0	0	0	0	8,899,077	8,899,077
TRANSFERS IN-Transfers in	1,004,515	571,812	0	17,876,652	773,267	305,465	20,531,711
SALE OF PROP-Sale of property	0	94,500	0	0	0	670,027	764,527
<b>Grand Total</b>	<b>68,856,006</b>	<b>8,217,491</b>	<b>4,195,360</b>	<b>40,777,619</b>	<b>50,550,441</b>	<b>10,221,709</b>	<b>182,818,627</b>

### 3: Budget Overview

#### Combined Expenses by Type

	General	Special Revenue	Debt Service	Capital Projects	Enterprise	Internal Service	Total
Personal Services	45,806,644	3,880,858	0	0	5,995,759	3,641,090	60,571,736
Supplies for Resale	245,000	0	0	0	16,872,499	0	17,117,499
Other Supplies and Services	10,181,400	2,409,289	113,600	5,784,860	4,352,468	3,549,602	26,391,220
Repairs and Maintenance	1,485,895	534,917	0	0	563,068	617,701	3,201,581
Utilities	1,734,766	410,797	0	0	632,831	319,849	3,098,243
Fuel and Lubricants	556,097	34,977	0	0	64,073	3,350	658,497
Depreciation	0	0	0	0	5,142,971	1,604,738	6,747,709
Miscellaneous	236,825	19,912	0	0	70,119	3,000	329,856
Debt Service and Interest	0	0	10,955,405	43,001	1,253,652	0	12,252,058
Capital Outlay	54,902	234,625	0	0	184,810	3,532,175	4,006,512
Construction	0	-130,852	0	55,610,000	1,228,775	-67,108	56,640,815
Interdepartment Charges	6,314,969	326,175	0	0	805,661	524,830	7,971,634
Transfers Out	573,961	62,790	175,000	670,530	19,023,389	26,041	20,531,711
<b>Total</b>	<b>67,190,458</b>	<b>7,783,487</b>	<b>11,244,005</b>	<b>62,108,391</b>	<b>56,190,076</b>	<b>13,755,268</b>	<b>218,271,686</b>

Transfers Out: Includes payments for expansion items, appropriations for the Arts Council, Beautification Commission, and 4<sup>th</sup> of July event expenses.

#### Fund and Department organization

The General Fund: This fund includes budgets for 10 departments that provide the mission critical services to our residents, such as police and fire protection, street maintenance, planning, codes, court, and general administration of the City.

Special Revenue Funds: Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than expendable trust or major capital project) requiring separate accounting because of legal or regulatory provisions or administrative action. This includes the Parks, grants, business and industry, tax increment financing (TIF), and transportation development district (TDD) funds.

Debt Service Funds: The city utilizes two funds to record the receipt and disbursement of monies used to repay principal and interest charges on city issued debt. The General Obligation Debt Service Fund and Park COP Debt Service Fund are used to account for the annual retirement of bonds issued from 2003 through 2017.

Capital Project Funds: The capital improvement funds include budgets that allocate expenses for infrastructure improvements. The City's capital projects are funded by a variety of different sources. The City's road and bridge maintenance projects and capital improvements are funded by a ½ sales tax. Other projects are funded by tax increment financing and through the sale of general obligation bonds.

Enterprise Funds: The City's enterprise funds hold the budgets for departments that operate in business-type activities. These funds rely on revenues generated from sales of materials or services. The enterprise funds include budgets for our Water Utilities, Solid Waste, and Airport activities.

### 3: Budget Overview

Internal Service Funds: The City uses internal service funds, or Proprietary Funds, to account for its fleet of vehicles and equipment, information technology systems, central building services, and trust funds. The internal service departments allocate costs for the reimbursement of services to other departments.

#### Full Time Equivalents (FTE)

FTE's are positions or employees that are expressed as a ratio of hours worked. One FTE is assumed to work 2,080 hours per year. For Firefighters, 1 FTE is assumed to work 2,912 hours per year. The table below lists all approved FTEs for FY17.

Example FTE Calculation:					
Position	Hours Worked		Hours Available	=	FTE
Management Analyst	1500	÷	2080	=	0.72

Fund	Full-time Equivalents (FTE)			Change from FY18	
	FY17	FY18	FY19	Count	%
General Fund	539.58	548.10	551.98	3.88	0.71%
Parks & Recreation	110.89	111.54	109.45	-2.09	-1.87%
Water Utilities	60.50	62.50	62.46	-0.04	-0.06%
Airport	7.46	9.16	8.46	-0.70	-7.64%
Solid Waste	1.00	1.00	1.60	0.60	60.00%
CBS	10.62	8.62	8.12	-0.50	-5.80%
Fleet	9.12	9.12	9.12	0.00	0.00%
ITS	27.76	28.05	28.13	0.08	0.29%
<b>Total</b>	<b>766.93</b>	<b>778.09</b>	<b>779.32</b>	<b>1.23</b>	<b>0.16%</b>

### 3: Budget Overview

#### Key Financial Trends

The City's Finance & Budget Committee is updated monthly regarding the City's financial condition and financial trends. In addition to the monthly information, the Budget Committee reviews key trends when presented midyear projections and budget estimates.

At the beginning of the budget process for FY19, the City's major sources showed marginal growth following rapid development that started early in 2000 and slowed during the most recent recession. However, positive monthly trends emerged during FY18 that forecasted significant revenue growth and reduced expenditures. Total General Fund revenue for FY18 is anticipated to finish \$1.6m, or 2%, above FY17 amounts. Looking forward, during discussion with the Mayor and City Council, there was comfort to budget and assume greater growth in sales tax in FY19. The outcome resulted in an increased sales tax projection of 3.5% for FY19.

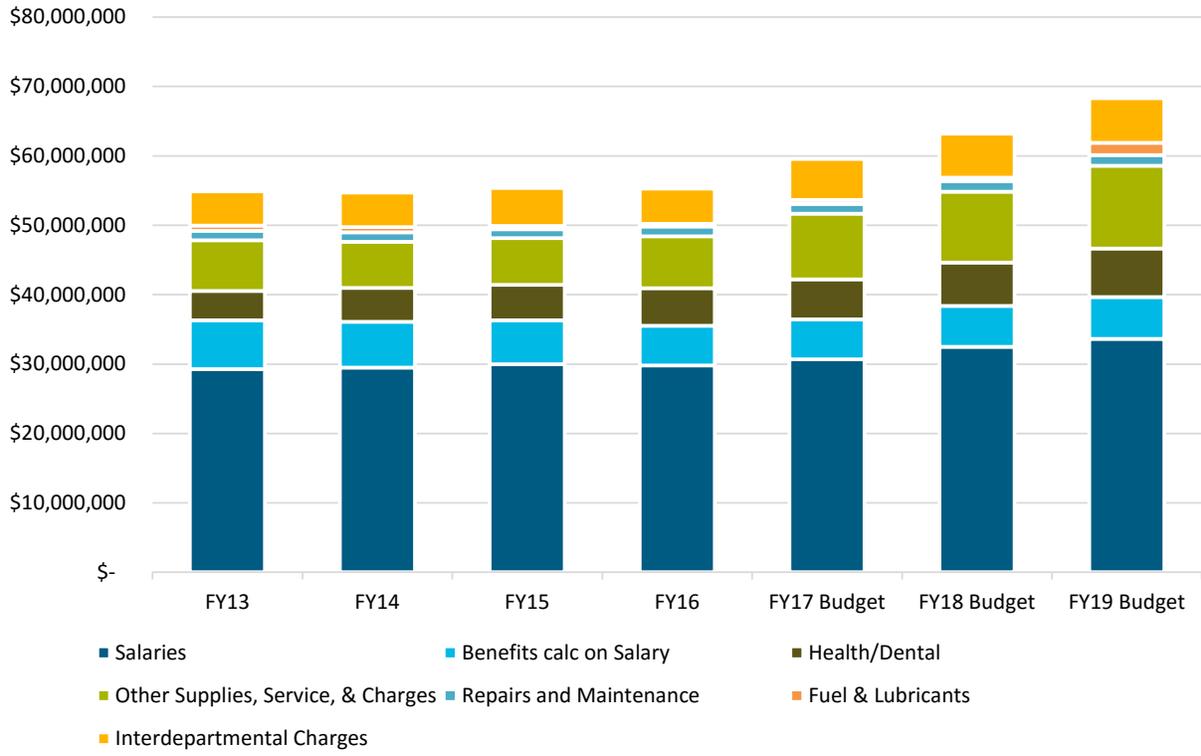
#### General Fund Major Revenues



In addition to revenue analysis, key expenditure trends are presented for Finance & Budget Committee review. The largest category of expenditures, excluding capital costs, is personnel. An important trend the City is monitoring is the increase in health insurance costs. Health insurance is growing faster than any other operating cost. The FY19 budget anticipated a 7% increase in health insurance costs however, following adoption of the budget, an actual renew rate of 1.9% was achieved.

### 3: Budget Overview

#### General Fund Major Expenses



**BILL NO. 18-88**

**ORDINANCE NO. 8405**

AN ORDINANCE APPROVING, ADOPTING AND APPROPRIATING THE BUDGET OF THE CITY OF LEE'S SUMMIT, MISSOURI, FOR THE FISCAL YEAR ENDING JUNE 30, 2019.

WHEREAS, in accordance with Section 11.2 of the Lee's Summit City Charter, the City Manager has submitted to the Mayor and Council a budget for the fiscal year ending June 30, 2019 and an accompanying message; and,

WHEREAS, in accordance with Section 11.5 of the Lee's Summit City Charter, the Council has caused to be published in one or more newspapers of general circulation in the city a general summary of the budget and a notice stating the times and places where copies of the message and budget were available for inspection by the public, and the time and place for a public hearing on the budget; and,

WHEREAS, a public hearing on the proposed budget for fiscal year ending June 30, 2019 was held on June 7, 2018, not less than two weeks after such publication; and,

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF LEE'S SUMMIT, MISSOURI, as follows:

SECTION 1. That the maximum amounts to be expended for the fiscal and budget year of 2018-2019 (FY19) are as follows, and said amounts are hereby approved, adopted and appropriated by funds:

<b>2018 -2019 Budget</b>
--------------------------

	Fiscal Year 2018 - 2019	Interfund Transfers	Net Budget 2018 - 2019
<b>General Fund</b>			
Administration	4,558,333	1,308,487	3,249,846
Pub. Wks./Engineering	5,474,274	-	5,474,274
Law Enforcement	20,577,975	28,791	20,549,184
Fire/Ems Services	18,503,970	160,920	18,343,050
Finance	10,631,258	-	10,631,258
Legal Services	1,412,666	-	1,412,666
Municipal Court	990,859	-	990,859
PW Operations Division	4,743,655	-	4,743,655
Development Services	3,466,253	-	3,466,253
Planning & Special Projects	690,824	-	690,824
<b>Total:</b>	<b>71,050,067</b>	<b>1,498,198</b>	<b>69,551,869</b>

### 3: Budget Overview

#### BILL NO. 18-88

#### ORDINANCE NO. 8405

<b>Special Revenue Funds</b>			
Parks & Recreation Fund	3,445,394	-	3,445,394
Gamber Center	445,671	-	445,671
Legacy Park Community Ctr	1,927,353	-	1,927,353
Summit Waves	625,834	5,985	619,849
Cemetery Trust Fund	203,219	18,578	184,641
Business & Industry Fund	574,044	6,297	567,747
Entitlement Fund	354,780	-	354,780
VAWA Grant Fund	130,000	-	130,000
<b>Total:</b>	<b>7,706,295</b>	<b>30,860</b>	<b>7,675,435</b>
<b>TIF &amp; TDD Funds</b>			
SummitWoods East TIF	2,500,000	-	2,500,000
1470 Business Center TIF	1,061,275	-	1,061,275
SummitWoods TDD	11,000	-	11,000
Longview Farm TIF (old TIF)	342,000	-	342,000
Longview TDD	33,000	-	33,000
Ritter Plaza TIF	126,622	-	126,622
Todd George/50 Hwy TIF	1,326,369	-	1,326,369
<b>Total:</b>	<b>5,400,266</b>	<b>-</b>	<b>5,400,266</b>
<b>Capital Project Funds</b>			
Water Tap Fund	2,088,000	-	2,088,000
Sewer Tap Fund	230,000	-	230,000
Water Construction	3,797,000	-	3,797,000
Sewer Construction Fund	2,345,000	-	2,345,000
WU Equipment Replacement	1,008,000	-	1,008,000
Airport Construction	6,003,000	-	6,003,000
Capital Imprvmt Sales Tax	13,143,000	-	13,143,000
Road & Bridge Improvement	8,294,616	1,859,616	6,435,000
Park Development Fund	2,835,000	-	2,835,000
TIF Application Fund	99,999	-	99,999
US 50/Rte 291 S Intrch Bonds	373,000	-	373,000
<b>Total:</b>	<b>40,216,615</b>	<b>1,859,616</b>	<b>38,356,999</b>

### 3: Budget Overview

#### BILL NO. 18-88

#### ORDINANCE NO. 8405

<b>Debt Service Funds</b>			
General Obligation Debt	8,253,908	-	8,253,908
Park COP Debt	3,275,000	3,275,000	(0)
<b>Total:</b>	<b>11,528,908</b>	<b>3,275,000</b>	<b>8,253,908</b>
<b>Enterprise Funds</b>			
Water/Sewer Fund	43,191,481	11,688,629	31,502,852
Airport Fund	2,223,687	76,696	2,146,991
Solid Waste Management	2,551,752	214,018	2,337,734
Harris Park Community Ctr	1,454,992	3,519	1,451,473
<b>Total:</b>	<b>49,421,912</b>	<b>11,982,862</b>	<b>37,439,050</b>
<b>Internal Service Funds</b>			
Central Building Services	1,932,320	-	1,932,320
Fleet Operations	5,892,407	-	5,892,407
ITS Services	4,819,697	-	4,819,697
Short Term Disability Fnd	35,233	-	35,233
Unemployment Trust Fund	49,727	-	49,727
Claims & Damages Reserve Fund	940,866	-	940,866
Work Comp Self Insurance	1,188,211	-	1,188,211
<b>Total:</b>	<b>14,858,461</b>		<b>14,858,461</b>

Total Budget (All Funds) for the fiscal year ending June 30, 2019: **\$200,182,524**

SECTION 2. That pay ranges for the position classification plan of the City, which is attached hereto as Exhibit A and incorporated herein by reference as if fully set forth herein, is hereby approved pursuant to Section 2-308 of the Code of Ordinances of the City of Lees Summit, Missouri.

SECTION 3. That this ordinance shall be in full force and effect from and after the date of its passage and approval.

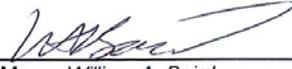
SECTION 4. That should any section, sentence, or clause of this ordinance be declared invalid or unconstitutional, such declaration shall not affect the validity of the remaining sections, sentences, or clauses.

**3: Budget Overview**

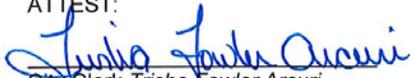
**BILL NO. 18-88**

**ORDINANCE NO. 8405**

PASSED by the City Council of the City of Lee's Summit, Missouri, this 28<sup>th</sup> day of June, 2018.

  
\_\_\_\_\_  
Mayor William A. Baird

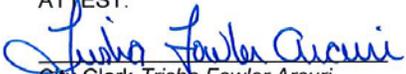
ATTEST:

  
\_\_\_\_\_  
City Clerk Trisha Fowler Arcuri

APPROVED by the Mayor of said city this 28<sup>th</sup> day of June, 2018.

  
\_\_\_\_\_  
Mayor William A. Baird

ATTEST:

  
\_\_\_\_\_  
City Clerk Trisha Fowler Arcuri

APPROVED AS TO FORM:

  
\_\_\_\_\_  
City Attorney Brian W. Head

#### Organizational Policies and Procedures

##### **Summary of Significant Accounting Policies**

The City of Lee's Summit, Missouri (the City) was incorporated in 1868 and covers an area of approximately 64 square miles in Jackson and Cass Counties, Missouri. Lee's Summit is a charter city operating under an elected Mayor-City Council form of government. The City Administrator is the chief administrative officer of the City. The City provides services to more than 70,000 residents in many areas including law enforcement, fire protection, water and sewer services, community enrichment and development, and various social services. Educational services are provided by separate governmental entities.

The accounting and reporting policies of the City conform to generally accepted accounting principles (GAAP) applicable to local governments. The following represent the more significant accounting and reporting policies and practices of the City.

##### **The Financial Reporting Entity**

The City is governed by an elected eight-member council and a mayor. As required by GAAP, these financial statements present the City of Lee's Summit (the primary government). The following component unit is included in the City's reporting entity because of the significance of its operational and financial relationship with the City.

##### *Blended Component Unit*

The following legally separate entity is a component unit which is, in substance, a part of the City's general operations. This component unit provides services almost entirely to the primary government and provides services which almost exclusively benefit the primary government. Data from this unit is combined with data of the primary government for financial reporting purposes.

The Lee's Summit, Missouri Municipal Building Authority (the Authority) is a not-for-profit corporation incorporated under the laws of the state of Missouri on August 13, 1994. The Authority is governed by a three-member board appointed by the City Council. The Authority was established to promote, acquire, develop, construct, own and lease facilities within the City which are approved by the City Council for the purpose of promoting the economic, social, industrial, cultural and commercial growth and for the general benefit of the City and its residents. Administration of its various programs is performed by City employees. Although it is legally separate from the City, the Authority is reported as if it were part of the primary government because its sole purpose is to finance and construct the City's public buildings. Separate financial statements for the Authority are not prepared.

##### **Basis of Budgeting and Presentation**

The accounts of the City are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, equities, revenues and expenditures or expenses. The various funds are grouped by type in the general purpose financial statements. The following fund types and account groups are used by the City.

### 3: Budget Overview

#### *Governmental Fund Types*

The **General Fund** is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund.

**Special Revenue Funds** are used to account for the proceeds of specific revenue sources (other than expendable trust or major capital projects) requiring separate accounting because of legal or regulatory provisions or administrative action.

The **Debt Service Fund** is used to account for the accumulation of resources for, and the payment of, principal, interest and fiscal charges on long-term obligations other than obligations payable from the operations of Proprietary Fund Types.

**Capital Project Funds** are used to account for financial resources segregated for the acquisition or construction of major capital facilities other than those financed by Proprietary Fund Types or Expendable Trust Funds.

#### *Proprietary Fund Types*

**Enterprise Funds** are used to account for operations which provide a service to the general public and are financed primarily by user charges from such services.

**Internal Service Funds** are used to account for the financing of goods or services provided by one department to other departments of the City on a cost-reimbursement basis.

#### *Fiduciary Fund Types*

**Expendable Trust Funds** are used to account for assets held in trust by the City for others. The City's Expendable Trust Funds include the Entitlement Fund.

#### *Account Groups*

The **General Fixed Assets Account Group** is established to account for all fixed assets of the City other than those accounted for in the Proprietary Fund Types. Construction in progress, which recognizes the value of assets not completed, is also included in this fund.

The **General Long-Term Debt Account Group** is established to account for all long-term indebtedness of the City except that accounted for in the Proprietary Fund Types.

#### **Basis of Accounting**

The accounting and financial reporting applied to a fund is determined by its measurement focus. All Governmental Fund Types and Expendable Trust Funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

### 3: Budget Overview

The modified accrual basis of accounting is used by all Governmental Fund Types, Expendable Trust Funds and Agency Funds. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become measurable and available). “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The City considers property taxes as available if they are collected within 60 days after year-end. A one-year availability period is used for revenue recognition for all other Governmental Fund revenues. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as fund liabilities when due or when amounts have been accumulated in the Debt Service Fund for payments to be made early in the following year.

Those revenues susceptible to accrual are property taxes, franchise taxes and interest. Sales taxes collected and held by the state at year-end on behalf of the City also are recognized as revenue. Fines, licenses and permits are not susceptible to accrual because, generally, they are not measurable until received in cash.

All Proprietary Fund Types are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. Fund equity (i.e., net total assets) is segregated into contributed capital and retained earnings components. Proprietary Fund Type operating statements present increases (e.g., revenues, non-operating revenues and operating transfers in) and decreases (e.g., expenses, non-operating expenses and operating transfers out) in net total assets.

The accrual basis of accounting is utilized by the Proprietary Fund Types. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. The City does not apply Financial Accounting Standards Board (FASB) statements issued after November 30, 1989 for its Proprietary Funds.

#### **Cash Equivalents**

Cash equivalents include investments with original maturities of less than three months.

#### **Other Taxes and Revenues**

Recognized state shared taxes, such as motor, gas and liquor taxes, represent payments received during the current fiscal period.

Federal and state grant aid is reported as revenue when the related reimbursable expenditures are incurred. Unrestricted aid is reported as revenue in the fiscal year the entitlement is received. Charges for services are generally susceptible to accrual and are recorded as revenue when earned.

Licenses, fees, fines, forfeitures and other revenues are generally not susceptible to accrual and are recorded when received in cash.

### 3: Budget Overview

#### Inventories

Inventories, which primarily consist of water line maintenance materials, are valued at cost using the first-in, first-out (FIFO) method. The costs of Governmental Fund Type inventories are recorded as expenditures when consumed rather than when purchased.

#### Prepaid Insurance

Prepaid insurance represents the payment of insurance premiums for coverage that benefits more than one fiscal period. The premium amounts are amortized over the policy periods.

#### Deferred Bond Issue Costs and Unamortized Bond Discount

Deferred bond issue costs and unamortized bond discount are amortized over the life of the debt using the effective interest method.

#### Property, Plant and Equipment

Property, plant and equipment owned by the Proprietary Fund Types are stated at actual or estimated historical cost, less accumulated depreciation. Contributed assets are recorded at estimated fair market value at the time received. Assets acquired through capital leases are recorded in the appropriate property, plant and equipment accounts and are depreciated over their estimated useful lives. Amortization of assets recorded under capital leases is included within Proprietary Fund Type depreciation expense. Depreciation of plant and equipment is provided on the straight-line basis over the estimated useful lives of the respective assets as follows:

Buildings	20–40 years
Plant and water/sewerage systems	35–75 years
Machinery and equipment	3–15 years

It is general practice to charge maintenance and repairs to expenses. Major expenditures for renewals and betterments are capitalized and depreciated over their estimated useful lives.

Cost of assets sold or retired and the related amounts of accumulated depreciation are eliminated from the accounts in the year of sale or retirements, and any resulting gain or loss is reflected in the general purpose financial statements.

#### General Fixed Assets

General fixed assets have been acquired for general governmental purposes. Assets purchased are recorded as expenditures in the Governmental Fund Types and capitalized at actual or estimated historical cost in the General Fixed Assets Account Group. In the case of gifts or contributions, such assets are recorded in General Fixed Assets Account Group at fair market value when received.

### 3: Budget Overview

Certain improvements, including roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems, have not been capitalized. No depreciation is provided on general fixed assets.

#### **Interest Expenditures**

Expenditures for interest on general long-term debt are accounted for in the year of payment.

#### **Compensated Absences**

Under the terms of the City's personnel policy, City employees are granted vacation and sick leave in varying amounts. In the event of termination, an employee is paid for accumulated vacation days up to the equivalent of two years' vacation (maximum of six weeks). Employees are paid for one-eighth of accumulated sick leave upon termination if they have five or more years of employment with the City. All employer-related costs of vacation and sick leave are accrued and recorded when earned. Only the current portion of accrued vacation and sick leave is recorded in the Governmental Fund Types, and the remainder of the liability is reported in the General Long-Term Debt Account Group. All employer-related costs of accrued vacation and sick leave in the Proprietary Fund Types is recorded entirely within those funds.

#### **Budgetary Procedures**

The reported budgetary data represents the final approved budget after amendments as adopted by the City Council. Amendments to the original budget were not material, and appropriations lapse at year-end. The basis of accounting is the same for both budgeting and GAAP reporting purposes. The City Council utilizes the following procedures in establishing the budgetary data reflected in the general purpose financial statements.

- (1) Prior to the beginning of the fiscal year, the City Administrator submits to the City Council a proposed operating budget for the fiscal year commencing the following July 1. The operating budget provides a complete financial plan of all funds and activities for the upcoming fiscal year. In no event shall the total proposed expenditures exceed the estimated revenues to be received plus any unencumbered cash reserves estimated to be on hand at the beginning of the budget year.
- (2) Public hearings are conducted to obtain taxpayer comments.
- (3) Prior to July 1, the budget is legally enacted through passage of an ordinance.

The appropriated budget is prepared by fund, department and program. Department heads may make transfers of appropriations within their departments. Upon written request by the City Administrator, the Council may, by ordinance, transfer part or all of any unencumbered appropriation balance from one department to another. The legal level of budgetary control is the department level.

Although the City is legally required to prepare budgets for all funds, there is no legal requirement to report on those budgets. Therefore, the Combined Statement of Revenues, Expenditures and Changes in

### 3: Budget Overview

Fund Balances – Budget and Actual presents a comparison of budget and actual for only the General Fund, Special Revenue Funds, Debt Service Fund and the Expendable Trust Fund.

All special revenue funds have annual appropriated budgets except for the Federal Emergency Management Measures Fund (FEMA). The FEMA Fund is activated only when the City is declared a state or federal disaster area.

Capital projects are budgeted on a project basis rather than on an annual fiscal basis; therefore, a comparison of actual to budget for Capital Project Funds would not be meaningful

#### **Budget Adoption and Administration**

As adopted by City Charter and Council Policy

The following procedures will be followed in the preparation, adoption, administration, and control of departmental budgets within city organizations.

#### **Preparation**

The following fund types shall be budgeted:

- General Operating
- Special Revenue
- Debt Service
- Capital Projects
- Enterprise
- Internal Service

Prior to the preparation of departmental budget requests, the City Manager and Department Directors shall meet with the City Council to discuss priorities for the coming fiscal year. The priorities shall be the basis for which the Department Directors then prepare individual Program Budget requests for the upcoming year. The City Manager and Department Directors will meet to present and discuss their respective budget requests at least two months prior to the beginning of the new fiscal year. They will make adjustments as necessary to meet the overall budget goals and funding levels of the City.

#### **Budget Adoption**

The City Manager and Department Directors will submit their combined budget proposal to the Budget Committee one month prior to adoption. The Mayor and City Council will review the proposed budget draft during the Work Session preceding the meeting of adoption.

The City Council shall publish in one or more newspapers in the City a general summary of the budget and a notice stating: 1) the times and places where copies of the message and budget are available for inspections by the general public; and 2) the time and place, not less than two weeks after such publication, for a public hearing on the budget.

### 3: Budget Overview

Adoption of the budget will be by passage of the budget ordinance by the City Council and approval by the Mayor, as provided by law. The budget shall provide a complete financial plan of all city funds and activities for the ensuing fiscal year and, except as required by law or this Charter, shall be in such form as the City Manager deems desirable or the Council may require. The budget must be balanced, in which expenses do not exceed revenues. In no event shall the total proposed expenditures exceed the estimated revenues to be received plus any unencumbered cash reserves estimated to be on hand at the beginning of the budget year.

#### **Expense categories for the City of Lee's Summit include:**

- **Personal Services:** Control of expenditures in the area of personal services is provided through position control. No new positions may be created without the approval of the City Manager, Mayor, and City Council.
- **Commodities:** The Commodities category shall include uniforms that are purchased, office equipment and furniture, small tools, janitorial, fuel and lube and other items consumed in performing the function of the department.
- **Contractual Services:** Contractual Services are professional fees such as organizational memberships, legal fees, auditing, testing, service and equipment rentals, and maintenance and repair expenses incurred in the routine operation of the department.
- **Maintenance & Repairs:** The Maintenance & Repairs category is for buildings, vehicles and equipment used in the delivery of service by the department. This also includes the Internal Services overhead charge.
- **Utilities:** Utilities expenditures are those incurred for gas, electric, phone, cell phones, water and sewer.
- **Fuel & Lubricants:** These are the petroleum expenditures incurred for motorized equipment and vehicles.
- **Depreciation:** The periodic expense of assets based on value and estimated life of the capital assets.
- **Debt Service:** This is the principal, interest and fiscal agent expenditures relating to general obligation, revenue bonds, and certificates of participation as well as any lease purchase type debt instruments.
- **Interfund Transfers:** Interfund transfers are used to provide resources on a program basis while still maintaining fiscal integrity by fund source and type.
- **Capital Outlay:** Capital Outlays are expenditures incurred through the acquisition or enhancement of capital assets, to the extent the expenditure exceeds \$5,000 and has a useful life or can be expected to extend the life two years or more. A more detailed explanation of this account may be found in the City's Capital Asset Policy.

### 3: Budget Overview

#### Administration

No Capital Expenditure will be made unless:

- It was specifically budgeted for in the adopted budget, or the Management Analyst determines that there are funds available in the department's budget, and the City Manager approves the purchase in writing.
- The City Council upon recommendation of the appropriate standing committees shall authorize the unbudgeted expenditure if it exceeds \$10,000 to the extent that the reappropriation of funds does not diminish the overall goal and objectives of the departments program for which these funds are taken. The request for such approval shall be highlighted on the Council's Regular Agenda, and backup material provided which explains the purpose of the change and its impact on budget priorities.

The City Manager shall approve all transfers of funds between line items within each department's budget which exceed \$10,000. The City Manager may transfer part or all of any unencumbered appropriation balance among programs within a department and, upon written request by the City Manager, the Council may by ordinance transfer part or all of any unencumbered appropriation balance from one department to another.

**Reporting:** The Administration Department will provide timely reports of budget position to each Department Director, the City Manager, Mayor, and City Council.

**Expenditure Projection and Analysis:** The Administration Department will analyze the expenditures of each department on a monthly basis and inform each Department Director whose expenditures appear to be exceeding the adopted budget. By the end of the seventh month of each budget year, the Administration Department will notify all Department Directors whose budgets are likely to be exceeded. The City Manager, Mayor, and City Council shall also be notified. Each Department Director so notified shall, within two weeks, inform the Finance Director and City Manager of the actions he/she will take to avoid exceeding the departmental budget.

#### CONTROL OF BUDGET OVERRUNS

**Budget Overruns:** If, during the budget year, the Administration Department shall determine that a department's expenditures will exceed the approved budget, the Management Analyst shall with the approval of the City Manager prepare an adjustment to the budget. If the department's expenditures are expected to exceed the approved budget a Budget Amendment shall be prepared for submission to the Mayor and City Council. In the event of an emergency, the City Manager may authorize an expenditure by a department which is in an "overrun" situation.

### 3: Budget Overview

#### Summary

The Director of each department shall be held responsible and accountable for the expenditures of his/her department. The Management Analyst shall, through timely reports and analysis, keep Department Directors and elected officials informed of any possible budget problems. A department shall not exceed its approved budget without authorization from the City Manager. Amendments which change the total budgeted appropriations for any fund will be made through adoption of a budget revision ordinance.

### 3: Budget Overview

## 2017 – 2018 Budget Calendar

The annual budget calendar is developed by the City Manager and Chairman of the Budget Committee. The calendar includes the Budget Committee meeting schedule and important milestones to guide the budget process.

FY18 Budget Calendar Overview	
August 2016	
August 1, 2016 4:00 PM	<b>Regular Finance &amp; Budget Committee Meeting</b> Agenda: Review FY18 Budget Process (Calendar), Levy Discussion
August 29, 2016 4:00 PM	<b>Regular Finance &amp; Budget Committee Meeting (rescheduled from September 5)</b> Agenda: Public Safety upgrades
August 30, 2016	MT meeting: Prep for FY18 Budget Process; Review Calendar; Set Action Items
October 2016	
October 3, 2016 4:00 PM	<b>Regular Finance &amp; Budget Committee Meeting</b> Agenda: Rollover Amendment, Dashboards, Storm water infrastructure funding(?)
October 24, 2016	Budget Kickoff Meeting
October 24, 2016	Departments begin preparing mid year projections
November 2016	
November 7, 2016 4:00 PM	<b>Regular Finance &amp; Budget Committee Meeting</b> Agenda: Discussion of Use Tax, Dashboards
November 9, 2016	Pre-budget meeting with Internal Service Departments
December 2016	
December 5, 2016 4:00 PM	<b>Regular Finance &amp; Budget Committee Meeting</b> Agenda: Dashboards, Chamber PSA, Downtown PSA
December 5, 2016	LBP Training: Navigation and Entry (2:00pm in the ITS Training Room)
December 6, 2016	LBP Training: Navigation and Entry (11:00am in the ITS Training Room)
December 7, 2016	LBP Training: Workforce and Reporting (2:00pm in the ITS Training Room)
December 8, 2016	LBP Training: Workforce and Reporting (2:00pm in the ITS Training Room)
January 2017	
January 2, 2017 4:00 PM	<b>Regular Finance &amp; Budget Committee Meeting</b> Agenda: Dashboards
January 2017	Departments prepare FY18 budget requests
January 9, 2017	All FY17 year end projections due
January 16, 2017	City Manager Review of FY17 YE Projections
January 27, 2017	Core Expenditure Numbers due
February 2017	
February 6, 2017 4:00 PM	<b>Regular Finance &amp; Budget Committee Meeting</b> Agenda: Review of FY17 Year End Projections, Dashboards , Tentative Audit Report
February 6, 2017	All expansion requests due for City Manager Review (HR, Fleet, Capital, ITS)
February 6, 2017	Changes to the Schedule of Fees Due
February 20, 2017	Department budget meetings with City Manager begin
February 2017	Parks and Recreation budget to Park Board
March 2017	
March 6, 2017 4:00 PM	<b>Regular Finance &amp; Budget Committee Meeting</b> Agenda: FY18 revenue projections, Changes to Schedule of Fees, Report on Records Mgmt Audit
April 2017	
(Rescheduled) April 17, 2017 5:00 PM	<b>Regular Finance &amp; Budget Committee Meeting</b> Agenda: Dashboards
April 24, 2017 5:00 PM	<b>Special Finance &amp; Budget Committee Meeting:</b> Agenda: Presentation of City Manager's proposed FY18 Budget
April 2017	Department budget meetings with City Manager conclude
April 2017	Annual Report to City Council (TBD)
May 2017	
May 1, 2017 5:00 PM	<b>Regular Finance &amp; Budget Committee Meeting</b> Agenda: Continued Discussion of FY18 Budget
May 2, 2017	Notice of public hearing due by noon
May 8, 2017 5:00 PM	<b>Special Finance &amp; Budget Committee Meeting: (If needed)</b> Agenda: Continued review of City Manager's proposed budget
May 15, 2017 5:00 PM	<b>Special Finance &amp; Budget Committee Meeting: (If needed)</b> Agenda: Continued review of City Manager's proposed budget
May 18, 2017 6:15 PM	<b>City Council Meeting: PUBLIC HEARING</b>
June 2017	
June 1, 2017	<b>City Council Meeting: Vote on Ordinance</b>

## CASH MANAGEMENT PROCEDURES

As adopted by Council Policy

The City's idle funds shall be invested in accordance with the Investment Policy adopted by the Mayor and City Council. Supplemental to these general policies and procedures the City's Cash Management Officer shall monitor the cash and investment portfolio to maintain adequate collateral of deposits in excess of FDIC insurance.

A schedule of collateral shall be maintained and monitored to insure that market values are equal to, or greater than 105% of estimated deposits in the overnight money market account. Weekly cash flow projections should be determined and/or calculated by comparing general ledger cash balances (cash board) with expected receipts or funds needed to cover next two payments cycles, security maturities and payments. If cash on hand is projected to exceed short term needs, then an analysis should be made to invest excess in a fixed maturity security. The new investment maturity should attempt to provide continuous monthly maturities up to a maximum of three years.

The interest rate quoted may be tied to another rate to allow for market fluctuations (i.e, the most recent ninety-day (90) treasury bill plus or minus basis points). Any such rate must be subject to independent verification.

To accomplish the above listed duties the following activities should be performed on a daily basis:

- Log on to the Bank On-Line Account Inquiry system and print the account balance for that day.
- Compare the bank balance with the General Ledger Cash Board for reasonableness, i.e. recently issued checks or deposits that may not have cleared.
- Compare the accounts payable open items list for large payments scheduled for the current and subsequent week to arrive at a cash needs amount.
- Project any significant cash receipts due that would correspond with outgoing payments, i.e. sales tax normally wired on the tenth of the month, franchise tax receipts and any grant or tax payments.
- Establish regular vendor payments utilizing ACH process.

## DEBT MANAGEMENT POLICY

As adopted by Council Policy

### DEBT TYPES

The City of Lee's Summit is authorized to issue General Obligation Bonds, Revenue Bonds, and Lease-Purchase Certificates of Participation.

In determining the type of bond to issue, the following factors should be considered:

### 3: Budget Overview

The direct and indirect beneficiaries of the project. A significantly large proportion of citizens should benefit from projects financed from general obligation bonds.

- The time pattern of the stream of benefits generated by the project.
- The revenues that may be raised by alternative types of user charges.
- The cost-effectiveness of user charges.
- The effect of the proposed bond issue on the City's ability to finance future projects of equal or high priority.
- The true interest cost of each type of bond.
- The impact on the City's financial condition and credit ratings.

#### General Obligation Bonds

The city is authorized to issue General Obligation Bonds payable from ad valorem taxes to finance capital improvements and equipment upon a two-thirds majority vote, and on general election dates a four-sevenths majority vote, of the qualified voters. The Missouri constitution permits the City to incur general obligation indebtedness for City purposes not to exceed 10% of the assessed valuation of taxable tangible property; and to incur general obligation indebtedness not exceeding an additional 10% for acquiring rights of way; constructing and improving streets, sanitary sewers, and storm sewers; and purchasing or constructing waterworks plants.

General obligation, property tax-supported bonding should be used to finance only those capital improvements and long term assets, which have been determined to be essential to the maintenance or development of the City.

The City should maintain a General Debt and Interest Fund balance which is at least 50% of the average annual debt service.

#### Revenue Bonds

The City is also authorized to issue Revenue Bonds to finance capital improvements to its combined water and sewerage system, airport and sanitary landfill facilities. These types of Revenue Bonds require a simple majority vote.

Revenue Bonds **do not** carry the full faith and credit of the City in servicing bond indebtedness, and such bonds are not considered in determining the legal debt margin resulting from the 20% limitation described above. However, if any taxes are pledged or dedicated to the payment of revenue bonds (sales taxes, property taxes etc.) the bonds must be voted as general obligation bonds, the debt limit must be observed, and all bonds must be paid off within 20 years.

Revenue supported bonds should be used to limit potential dependence on property taxes for those projects with available revenue sources, whether self-generated or dedicated from other sources.

### 3: Budget Overview

Adequate financial feasibility studies should be performed for each project to provide assurances as to the self-liquidating nature of the project or adequacy of dedicated revenue sources.

#### **63-20 Corporations (Municipal Building Authority)**

Internal Revenue Service Ruling 63-20 allows the City to create not-for-profit corporations. Through these corporations, the City can issue tax-exempt bonds for the lease purchase of equipment and facilities without the voter approval required for the issuance of general obligation bonds--the City's obligation under a one-year annually renewable lease is not an "indebtedness" according to the Missouri Constitution. The City has financed several projects and equipment purchases through the Lee's Summit Municipal Building Authority.

Lease financing is appropriate whenever the introduction of leased equipment and/or a capital improvement results in verifiable operating savings that, properly discounted, outweigh the lease financing costs.

Adequate financial feasibility studies should be performed for all innovative financing proposals such as lease and lease-purchase agreements, tax increment financing, pool participation, and special assessment projects.

Long term borrowing will be confined to construction of capital improvements and acquisition of capital equipment too large to be financed from current revenues.

Proceeds from long-term debt should only be used for construction project costs, acquisition of other fixed assets, bond issue costs, debt service reserve requirements, and refunding of outstanding bond issues and will not be used for current, ongoing operations.

Debt will be extinguished within a period not to exceed the expected useful life of the capital project or equipment.

The City should actively monitor its investment practices to ensure maximum returns on its invested bond funds while complying with Federal arbitrage guidelines.

The Finance Department should continually monitor outstanding debt issues to verify compliance with debt covenants.

The City's financial management policies should be oriented to maintain a balanced relationship between issuing debt and pay as you go financing.

#### **Financial Advisor**

The City shall retain the services of a Financial Advisor to assist the city in identifying capital financing alternatives and planning its debt program. The financial advisor's role in the debt issuance will vary depending on whether bonds are issued through a competitive or negotiated method of sale. The financial advisor should have no affiliation with the underwriting of a

### 3: Budget Overview

particular issue of the city. The financial advisor and or employees of the financial advisor shall not have made political contributions to any candidate for public office in the city for a period of two years preceding their selection as financial advisor.

#### **Method of Bond Sale**

When appropriate, new debt issues will be offered utilizing the **competitive bid** process. In a competitive sale, the financial advisor will assist in determining the structure and timing of the issue, prepare bond documents and rating agency presentations and evaluate the best bid and assist in the closing transaction.

#### **Refunding of Existing Debt**

The city will consider undertaking a refunding when one or more of the following three conditions exist:

1. The present value of all refunding costs, (including interest, call premium, bond counsel, financial underwriter spread/discount and other issuance costs) is less than the present value of the current interest. Net present value savings should approximate a minimum of three percent (3%).
2. The city wishes to restructure debt service.
3. The city wishes to eliminate old bond covenants that may have become restrictive.

#### **Financial Underwriter**

The financial underwriter shall determine which bid for the city's bonds is best by reviewing the pricing of comparable issues, talking to potential investors, identifying other similar issues that are likely to be in the market at the same time, and assessing the level of competition among various underwriting firms utilizing the Negotiated Sale process.

The financial underwriter and or employees of the financial underwriter shall not have made political contributions to any candidate for public office in the city, for a period of two years preceding their selection as financial underwriter.

#### **Federal Arbitrage Compliance**

Arbitrage is the difference between the yield on an issuer's tax exempt bond and the investment income earned on the proceeds. Arbitrage profits are earned when lower-yielding tax-exempt bond proceeds are invested in higher-yielding taxable securities.

Federal arbitrage restrictions imposed by the federal government prohibit an issuer from retaining arbitrage profits when investing bond proceeds at a yield that exceeds the yield on the bonds. The city will calculate or contract with a reputable firm to calculate, any arbitrage liability, and rebate such, to the U.S. Treasury in accordance with federal guidelines.

## **CAPITAL IMPROVEMENT PROJECTS (CIP)**

### **BUDGET ADOPTION AND ADMINISTRATION POLICY**

As referenced by City Charter and Council Adopted Policy

The following procedures will be followed in the preparation, adoption, administration, and control of capital projects.

#### **Preparation and Adoption**

The City's Charter mandates the development and annual review of a capital improvements plan and estimated operating and maintenance costs of the proposed improvements. The plan is formally adopted each year by the Planning Commission as part of the Comprehensive Plan. This approach addresses legal requirements for public hearings on the location, nature and extent of all projects. All costs identified for the first year of the plan are included in the City's Operating Budget, which is adopted by the Mayor and City Council, for the upcoming fiscal year.

#### **Capital Expenditures**

Capital Expenditures are expenditures incurred through the acquisition or enhancement of fixed assets, to the extent the expenditure exceeds \$1,000 and has a useful life or can be expected to extend the life three years or more.

#### **Capital Project Financing**

The City of Lee's Summit is authorized to issue General Obligation Bonds, Revenue Bonds, and Lease-Purchase Certificates of Participation.

In determining the type of bond to issue, the following factors should be considered:

- The direct and indirect beneficiaries of the project. A significantly large proportion of citizens should benefit from projects financed from general obligation bonds.
- The time pattern of the stream of benefits generated by the project.
- The revenues that may be raised by alternative types of user charges.
- The cost-effectiveness of user charges.
- The effect of the proposed bond issue on the City's ability to finance future projects of equal or high priority.
- The true interest cost of each type of bond.
- The impact on the City's financial condition and credit ratings.

### 3: Budget Overview

#### General Obligation Bonds

The city is authorized to issue General Obligation Bonds payable from ad valorem taxes to finance capital improvements and equipment upon a two-thirds majority vote, and on general election dates a four-sevenths majority vote, of the qualified voters. The Missouri constitution permits the City to incur general obligation indebtedness for City purposes not to exceed 10% of the assessed valuation of taxable tangible property; and to incur general obligation indebtedness not exceeding an additional 10% for acquiring rights of way; constructing and improving streets, sanitary sewers, and storm sewers; and purchasing or constructing waterworks plants.

General obligation, property tax-supported bonding should be used to finance only those capital improvements and long term assets, which have been determined to be essential to the maintenance or development of the City.

The City should maintain a General Obligation Debt Service and Interest Fund balance which is at least 50% of the average annual debt service.

#### Revenue Bonds

The City is also authorized to issue Revenue Bonds to finance capital improvements to its combined water and sewerage system, airport and sanitary landfill facilities. These types of Revenue Bonds require a simple majority vote.

Revenue Bonds **do not** carry the full faith and credit of the City in servicing bond indebtedness, and such bonds are not considered in determining the legal debt margin resulting from the 20% limitation described above. However, if any taxes are pledged or dedicated to the payment of revenue bonds (sales taxes, property taxes etc.) the bonds must be voted as general obligation bonds, the debt limit must be observed, and all bonds must be paid off within 20 years.

Revenue supported bonds should be used to limit potential dependence on property taxes for those projects with available revenue sources, whether self-generated or dedicated from other sources.

Adequate financial feasibility studies should be performed for each project to provide assurances as to the self-liquidating nature of the project or adequacy of dedicated revenue sources.

#### 63-20 Corporations (Municipal Building Authority)

Internal Revenue Service Ruling 63-20 allows the City to create not-for-profit corporations. Through these corporations, the City can issue tax-exempt bonds for the lease purchase of equipment and facilities without the voter approval required for the issuance of general obligation bonds--the City's obligation under a one-year annually renewable lease is not an "indebtedness" according to the Missouri Constitution. The City has financed several projects and equipment purchases through the Lee's Summit Municipal Building Authority.

Lease financing is appropriate whenever the introduction of leased equipment and/or a capital improvement results in verifiable operating savings that, properly discounted, outweigh the lease financing costs.

### 3: Budget Overview

Adequate financial feasibility studies should be performed for all innovative financing proposals such as lease and lease-purchase agreements, tax increment financing, pool participation, and special assessment projects.

Long term borrowing will be confined to construction of capital improvements and acquisition of capital equipment too large to be financed from current revenues.

Proceeds from long-term debt should only be used for design and construction project costs, acquisition of other fixed assets, bond issue costs, debt service reserve requirements, and refunding of outstanding bond issues and will not be used for current, ongoing operations.

Debt will be extinguished within a period not to exceed the expected useful life of the capital project or equipment.

The City's financial management policies should be oriented to maintain a balanced relationship between issuing debt and pay as you go financing.

# Revenue Projections

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*Great Outlook*



The City's financial management practices along with a growing local economy have continued to support a stable and manageable financial future. "This reflects the City's rebuilding of reserves that we were able to achieve despite the years following a significant tort settlement during a challenging economic environment. The impact to the citizens of Lee's Summit is reduced borrowing costs ultimately saving tax dollars." ~ Conrad Lamb

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### Revenue Projections

The primary support for general services comes from diverse revenue sources such as property taxes, sales taxes, and utility franchise taxes. Combined, these major revenue sources comprise approximately 68% of all general fund revenues. The balance of revenues is derived from user charges, fines and forfeitures, investment income, intergovernmental revenues and miscellaneous fees and charges.

In previous years, these revenue sources experienced steady growth allowing the City to maintain and in some service areas expand the level of service. Recovery from the recent economic downturn has slowly occurred. In FY19, modest growth was budgeted in property and sales tax revenues but remained flat for franchise taxes.

The following revenue projection pages are prepared for all major revenue sources over \$1 million. They are presented in order of highest to lowest total revenue.

The starting point for all account revenue projections begins with the new construction building permit activity of the past year. From this, assessed valuations are projected for the property tax accounts. The building permit information also provides an estimation of population growth, which is normally factored into the various accounts such as license, permits and fees. Historical account activity is tracked to also provide trend information to provide a comparative basis for projections.

Each revenue page has five sections, which lists the account code, legal authorization, description, basis of revenue projection and the fund collection/distribution.

1. The **Account Code** section lists the specific line item that the receipt will be posted to in the city's general ledger accounting system.
2. The **Legal Authorization** section should list either the state statute or city ordinance, which allows the city to levy and receive this source of funds.
3. The **Description** section provides a brief explanation of the formula (i.e. tax levy times assessed valuation or building permit square footage times rate per foot), or established schedule of fees.
4. The **Basis of Revenue Projection** section describes the logic and/or assumptions used to arrive at the projected amounts and possibly the history or trend analysis of the particular account.

The **Fund Collection/Distribution** section lists the most recent five years of actual receipt activity in the account, plus a projection for the current fiscal year and the upcoming budget year. In the case where a single revenue account is received in more than one fund, all funds are listed by fund category and then totaled.

# General Fund Overview

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## Leadership



Lamb has been recognized on a national and state level as a leader in municipal finance. In 2016, he was appointed to the Study Commission on State Tax Policy by Missouri Senate President Pro Tem Ron Richard, where he worked with legislators and state officials to study Missouri's tax code and make recommendations for improvement.

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## General Fund

The General Fund is the general operating fund of the City. Expenditures from this fund provide the basic city services, such as police and fire protection. It also funds the following departments and the services they provide: Administration, Development Services, Finance, Law, Municipal Court, Planning & Special Projects, and Public Works. The General Fund is categorized as a governmental fund type.

The major revenue sources of this fund are property taxes, retail sales taxes, and utility franchise taxes. The remaining revenues are derived from the various user fees and other sources.

A key element of the budget process is projecting the fund's ending reserve balance. Total expenditures for the upcoming fiscal year are set based on projected revenues for the coming year and to ensure fund reserves will remain at the level set by policy.

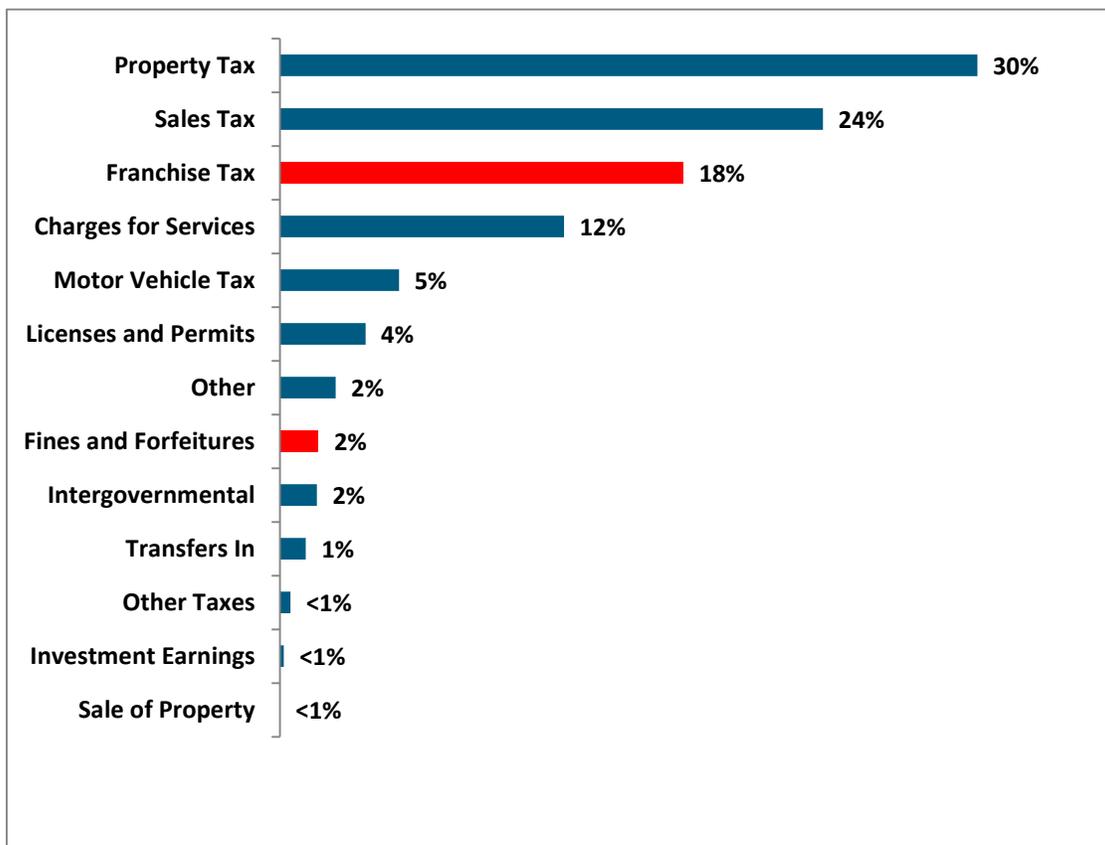
Fund balance reserves represent the unappropriated accumulation of the difference between actual revenues and expenditures. The source and timing of revenues dictates the level of fund balance necessary to avoid cash shortages in normal day to day operations. The City recognizes the need to establish and maintain adequate reserves to avoid any disruption in service level caused by either a downturn in a significant revenue item or one that is only received at a particular time such as property taxes in December. Accordingly, the City Council adopted an ordinance that requires 16.67%, or an amount equal to two months of expenditures.

The City utilizes Generally Accepted Accounting Practice (GAAP) based budgeting for the General Fund. This requires that the modified accrual method of accounting is used to record revenues and expenditures. Revenues are recognized when susceptible to accrual (i.e. when they become measurable and available). "Measurable" means the amount of the transaction can be determined, and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of current period.

Revenues susceptible to accrual are property taxes, franchise taxes and interest revenue. Sales taxes collected and held by the state at year-end on behalf of the City also are recognized as revenue. User charges, fines, licenses, permits and miscellaneous revenues are not susceptible to accrual because generally they are not measurable until received in cash.

## General Fund Revenues by Source

	FY18	FY19	Change from FY18	
	Budget	Requested	\$	%
Property Tax	20,508,192	21,664,477	1,156,285	5.64%
Sales Tax	16,197,424	16,868,252	670,828	4.14%
Franchise Tax	13,037,427	12,530,550	-506,877	-3.89%
Motor Vehicle Tax	3,671,162	3,694,490	23,328	0.64%
Other Taxes	324,597	322,690	-1,907	-0.59%
Fines and Forfeitures	1,405,838	1,199,105	-206,733	-14.71%
Licenses and Permits	2,411,880	2,655,300	243,420	10.09%
Intergovernmental	1,008,067	1,148,065	139,998	13.89%
Charges for Services	7,570,459	8,826,224	1,255,765	16.59%
Investment Earnings	56,845	120,000	63,155	111.10%
Other	1,659,600	1,730,838	71,238	4.29%
Sale of Property	0	0	0	-
Transfers In	1,004,515	804,515	-200,000	-19.91%
<b>Total</b>	<b>68,856,006</b>	<b>71,564,506</b>	<b>2,708,500</b>	<b>3.93%</b>



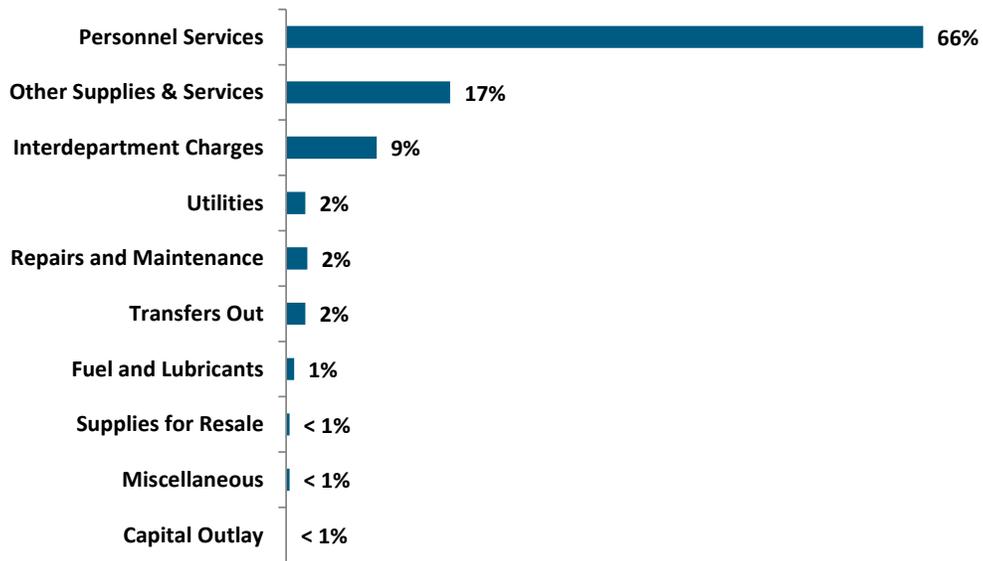
### Summary of Significant Assumptions and Changes for FY18

- Significant increase in Sales Tax forecast for FY18 primarily attributed to the termination of the Chapel Ridge TIF Plan. Approximately \$240,000 will no longer be diverted from the General Fund for Economic Activity Taxes.
- Franchise Tax expected to decrease 3.6% from FY17 Budget.
- FY18 includes an increased ambulance fee (Charges for Service) which is expected to result in approximately \$1.5 million as part of a 50% cost recovery initiative for the EMS program.

### General Fund Expenditures by Type

	FY18	FY19	Change from FY18 Budget	
	Budget	Request	\$	%
Personnel Services	45,806,645	46,924,867	1,118,222	2.44%
Supplies for Resale	245,000	255,500	10,500	4.29%
Other Supplies, Services, and Char	10,181,400	11,915,524	1,734,124	17.03%
Repairs and Maintenance	1,485,895	1,551,709	65,814	4.43%
Utilities	1,734,766	1,749,764	14,998	0.86%
Fuel and Lubricants	556,097	512,803	-43,294	-7.79%
Miscellaneous	236,825	103,950	-132,875	-56.11%
Capital Outlay	54,902	135,000	80,098	145.89%
Interdepartment Charges	6,314,969	6,402,753	87,784	1.39%
Transfers Out	573,961	1,498,198	924,237	161.03%
<b>Total</b>	<b>67,190,460</b>	<b>71,050,068</b>	<b>3,859,608</b>	<b>5.74%</b>

### Expense Categories as a Share of General Fund (%)



### General Fund Reserve Balance Policy

In FY14 the City Council adopted a new fund balance policy. The adequacy of unrestricted fund balance in the general fund should be assessed based upon a government's specific circumstances. The Government Finance Officers Association recommends, at a minimum, that general-purpose governments, regardless of size, incorporate in its financial policies that unrestricted fund balance in their general fund be no less than two average months of regular general fund operating revenues or regular general fund operating expenditures. If fund balance falls below the policy level it should be replenished within the subsequent year, or three years in the case of an extraordinary expenditure.

# Administration

## FY19 Budget Summary

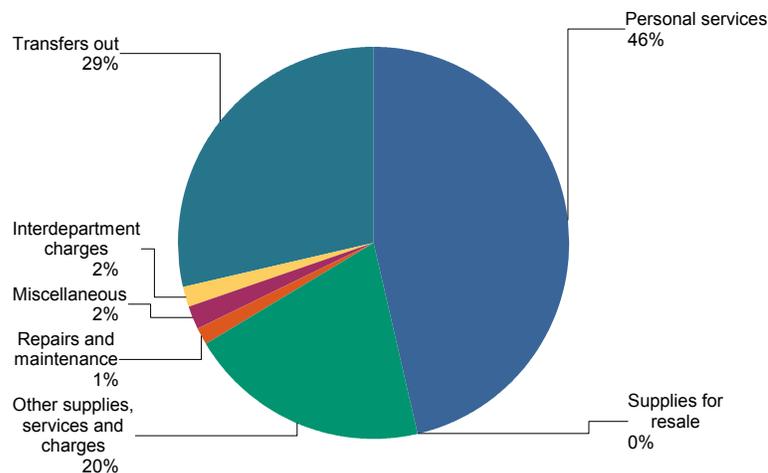
### Expenses by Program and Services

Programs and Services	FY17 Actual	FY18 Budget	FY18 Projected	FY19 Requested	Difference FY18 Budget		Difference FY18 Projected	
					\$	%	\$	%
Department Administration	1,990,576	1,842,029	3,289,618	2,515,995	673,966	37%	(773,623)	(24%)
Policy/Legislative Oper.	780,901	551,709	548,219	518,785	(32,923)	(6%)	(29,434)	(5%)
Community Relations	336,089	563,750	427,942	504,660	(59,090)	(10%)	76,717	18%
Cultural Arts	0	0	0	109,177	109,177	0%	109,177	0%
HR Administration	429,043	566,692	496,682	463,690	(103,002)	(18%)	(32,992)	(7%)
Employee Services	185,394	255,854	269,071	330,363	74,509	29%	61,292	23%
Safety & Risk Management	116,812	113,784	113,584	115,663	1,879	2%	2,079	2%
<b>Department Totals</b>	<b>3,838,814</b>	<b>3,893,818</b>	<b>5,145,116</b>	<b>4,558,333</b>	<b>664,516</b>	<b>17%</b>	<b>(586,783)</b>	<b>(11%)</b>

### Expenses by Type

Expense Category	FY17 Actual	FY18 Budget	FY18 Projected	FY19 Requested	Difference FY18 Budget		Difference FY18 Projected	
					\$	%	\$	%
Personal services	1,707,009	1,983,411	1,869,744	2,109,290	125,879	6%	239,545	13%
Supplies for resale	0	0	0	5,500	5,500	0%	5,500	0%
Other supplies, services and charges	1,105,499	1,018,894	1,026,743	912,376	(106,518)	(10%)	(114,367)	(11%)
Repairs and maintenance	45,951	39,490	40,330	64,939	25,449	64%	24,609	61%
Miscellaneous	2,461	186,400	55,987	86,400	(100,000)	(54%)	30,413	54%
Interdepartment charges	155,486	178,356	192,112	71,342	(107,014)	(60%)	(120,770)	(63%)
Transfers out	822,408	487,267	1,960,200	1,308,487	821,220	169%	(651,713)	(33%)
<b>Department Totals</b>	<b>3,838,814</b>	<b>3,893,818</b>	<b>5,145,116</b>	<b>4,558,333</b>	<b>664,516</b>	<b>17%</b>	<b>(586,783)</b>	<b>(11%)</b>

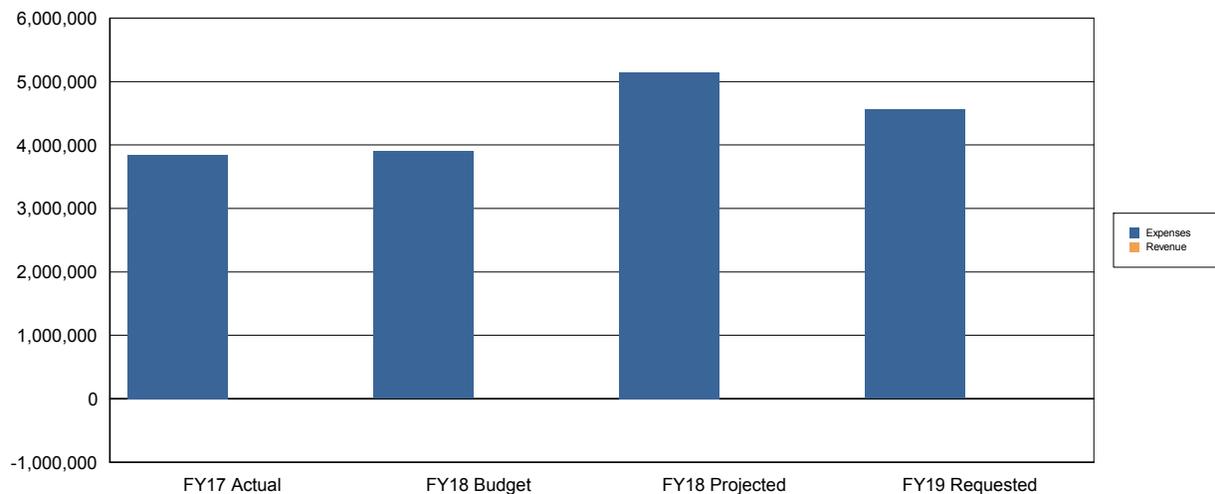
### FY19 Expenses By Type



# Full Time Equivalents (FTE)

Job Titles	FY17 Budget	FY18 Budget	FY19 Requested	Difference FY18
Administrative Support	0.00	0.00	0.03	0.03
Asst. City Mgr., Administrative Services	0.00	0.00	0.76	0.76
Asst. City Mgr., Dev Svcs/Comm	0.34	0.33	0.33	0.00
Asst. City Mgr., Operations	0.76	0.76	0.88	0.12
Audio Visual Evening	0.00	0.00	0.29	0.29
Benefits Specialist	1.00	1.00	1.00	0.00
City Clerk	1.00	1.00	1.00	0.00
City Councilmember	8.00	8.00	8.00	0.00
City Manager	1.00	1.00	1.00	0.00
Classification and Compensation Specialist	0.00	0.00	1.00	1.00
Creative Services Manager	1.00	1.00	1.00	0.00
Creative Services Specialist	0.00	1.00	1.00	0.00
Cultural Arts Manager	0.00	1.00	1.00	0.00
Deputy City Clerk	1.00	1.00	1.00	0.00
Director of Administration	0.88	0.88	0.00	-0.88
Director of Human Resources	1.00	1.00	1.00	0.00
Executive Assistant	1.72	2.00	2.00	0.00
Human Resources Assistant	1.00	1.00	1.00	0.00
Human Resources Generalist	1.00	1.00	0.00	-1.00
Management Analyst - Admin.	1.00	1.00	1.00	0.00
Marketing Specialist	2.00	1.00	1.00	0.00
Mayor	1.00	1.00	1.00	0.00
Media Services Supervisor	1.00	1.00	1.00	0.00
Payroll Support	0.29	0.01	0.00	-0.01
Public Communications Coord.	1.00	1.00	1.00	0.00
Recruitment Specialist	0.00	0.00	1.00	1.00
Risk Management Officer	1.00	1.00	0.00	-1.00
Safety and Wellness Specialist	0.00	0.00	1.00	1.00
Workforce Development Specialist	0.00	0.00	1.00	1.00
<b>Department Totals</b>	<b>26.99</b>	<b>27.98</b>	<b>30.29</b>	<b>2.31</b>

## Total Budget



# Airport

## FY19 Budget Summary

### Revenues

Revenues	FY17 Actual	FY18 Budget	FY18 Projected	FY19 Requested	Difference FY18 Budget		Difference FY18 Projected	
					\$	%	\$	%
Fines and forfeitures	1,821	1,600	1,600	1,500	(100)	(6%)	(100)	(6%)
Intergovernmental	4,008,446	8,474,950	8,474,950	0	(8,474,950)	(100%)	(8,474,950)	(100%)
Charges for services	678,025	798,946	725,583	795,759	(3,187)	0%	70,176	10%
Material and fuel sales	585,124	752,110	780,480	757,249	5,139	1%	(23,231)	(3%)
Investment earnings	9,063	39,000	22,000	9,000	(30,000)	(77%)	(13,000)	(59%)
Other	28,514	42,452	33,252	28,393	(14,059)	(33%)	(4,859)	(15%)
Transfers in	523,735	76,696	377,312	377,312	300,616	392%	0	0%
<b>Department Totals</b>	<b>5,834,729</b>	<b>10,185,754</b>	<b>10,415,178</b>	<b>1,969,213</b>	<b>(8,216,541)</b>	<b>(81%)</b>	<b>(8,445,964)</b>	<b>(81%)</b>

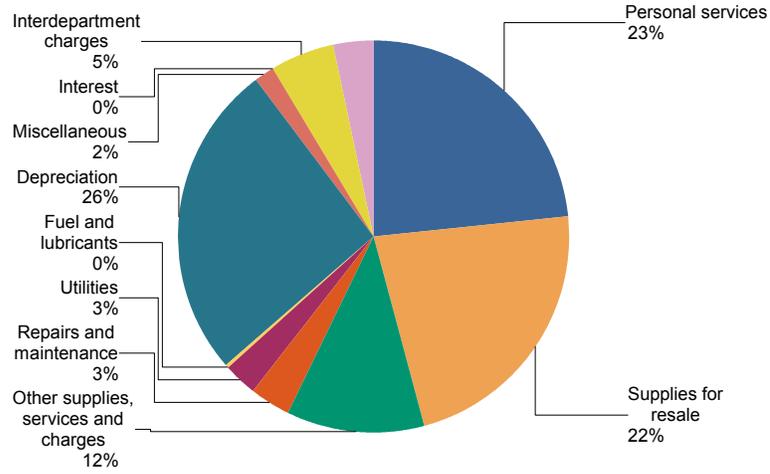
### Expenses by Program and Services

Programs and Services	FY17 Actual	FY18 Budget	FY18 Projected	FY19 Requested	Difference FY18 Budget		Difference FY18 Projected	
					\$	%	\$	%
Department Administration	268,679	281,663	276,740	318,271	36,608	13%	41,531	15%
Debt & Cash Management	(848,846)	9,828,461	9,592,609	657,225	(9,171,236)	(93%)	(8,935,384)	(93%)
Airport Bldg & Grnd Maint	256,868	241,176	280,218	197,213	(43,963)	(18%)	(83,005)	(30%)
Runway & Taxiway Maint	114,460	181,406	165,215	124,122	(57,284)	(32%)	(41,093)	(25%)
Pilot Supplies & Fuel	608,806	883,028	886,059	865,258	(17,769)	(2%)	(20,801)	(2%)
Environment Montrg & Comp	18,309	35,987	33,387	45,352	9,365	26%	11,965	36%
Infrastructure Improvemts	1,517,821	10,705	10,705	16,245	5,540	52%	5,540	52%
<b>Department Totals</b>	<b>1,936,097</b>	<b>11,462,427</b>	<b>11,244,934</b>	<b>2,223,687</b>	<b>(9,238,739)</b>	<b>(81%)</b>	<b>(9,021,247)</b>	<b>(80%)</b>

### Expenses by Type

Expense Category	FY17 Actual	FY18 Budget	FY18 Projected	FY19 Requested	Difference FY18 Budget		Difference FY18 Projected	
					\$	%	\$	%
Personal services	407,579	527,967	484,242	518,159	(9,808)	(2%)	33,917	7%
Supplies for resale	398,707	453,735	499,140	498,084	44,349	10%	(1,056)	0%
Other supplies, services and charges	164,445	250,890	256,889	255,855	4,965	2%	(1,034)	0%
Repairs and maintenance	137,584	57,495	92,925	77,458	19,963	35%	(15,467)	(17%)
Utilities	57,083	46,050	46,190	55,850	9,800	21%	9,660	21%
Fuel and lubricants	7,986	7,025	8,035	8,270	1,245	18%	235	3%
Depreciation	574,903	593,113	593,113	578,829	(14,284)	(2%)	(14,284)	(2%)
Miscellaneous	31,473	45,150	36,350	38,000	(7,150)	(16%)	1,650	5%
Interest	2,636	237,652	1,800	1,700	(235,952)	(99%)	(100)	(6%)
Capital outlay	1,503,081	172,810	155,710	0	(172,810)	(100%)	(155,710)	(100%)
Construction	(1,503,081)	0	0	0	0	0%	0	0%
Interdepartment charges	77,004	72,843	72,843	114,786	41,943	58%	41,943	58%
Transfers out	76,696	8,997,696	8,997,696	76,696	(8,921,000)	(99%)	(8,921,000)	(99%)
<b>Department Totals</b>	<b>1,936,097</b>	<b>11,462,427</b>	<b>11,244,934</b>	<b>2,223,687</b>	<b>(9,238,739)</b>	<b>(81%)</b>	<b>(9,021,247)</b>	<b>(80%)</b>

## FY19 Expenses By Type



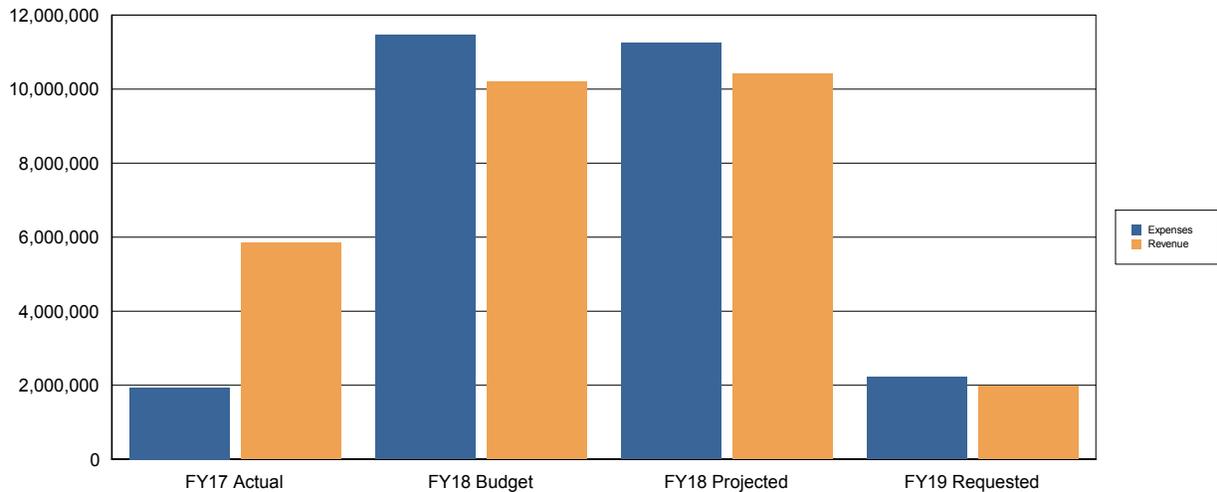
## Net Income

FY17 Actual	FY18 Budget	FY18 Projected	FY19 Requested	Difference FY18 Budget		Difference FY18 Projected	
				\$	%	\$	%
3,898,631	(1,276,673)	(829,756)	(254,474)	1,022,199	0%	575,282	0%

## Full Time Equivalents (FTE)

Job Titles	FY17 Budget	FY18 Budget	FY19 Requested	Difference FY18
Airport Attendant	1.26	1.26	1.26	0.00
Airport Intern	0.20	0.20	0.20	0.00
Airport Manager	1.00	1.00	1.00	0.00
Assistant Airport Manager	1.00	1.00	1.00	0.00
Facilities Maintenance Worker	2.00	2.00	2.00	0.00
Line Attendant	2.00	3.70	2.00	-1.70
Service Attendant	0.00	0.00	1.00	1.00
<b>Department Totals</b>	<b>7.46</b>	<b>9.16</b>	<b>8.46</b>	<b>-0.70</b>

## Total Budget



# Central Building Services

## FY19 Budget Summary

### Revenues

Revenues	FY17 Actual	FY18 Budget	FY18 Projected	FY19 Requested	Difference FY18 Budget		Difference FY18 Projected	
					\$	%	\$	%
Investment earnings	4,891	0	0	0	0%	0	0%	
Other	6,732	25,000	25,000	25,000	0	0%	0	0%
Interdepartment revenues	1,268,970	1,588,443	1,588,443	1,275,483	(312,960)	(20%)	(312,960)	(20%)
<b>Department Totals</b>	<b>1,280,593</b>	<b>1,613,443</b>	<b>1,613,443</b>	<b>1,300,483</b>	<b>(312,960)</b>	<b>(19%)</b>	<b>(312,960)</b>	<b>(19%)</b>

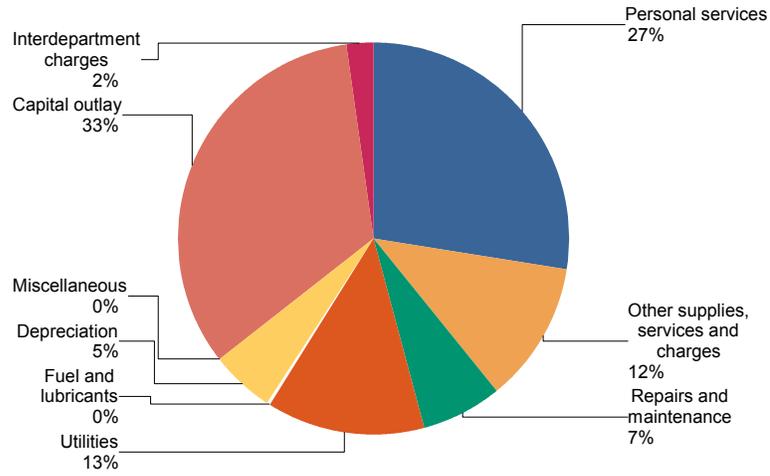
### Expenses by Program and Services

Programs and Services	FY17 Actual	FY18 Budget	FY18 Projected	FY19 Requested	Difference FY18 Budget		Difference FY18 Projected	
					\$	%	\$	%
Facility Services	420,682	465,623	468,823	594,573	128,950	28%	125,750	27%
Custodial Services	339,557	352,247	352,247	279,694	(72,553)	(21%)	(72,553)	(21%)
Project Management	95,868	107,944	107,944	11,800	(96,144)	(89%)	(96,144)	(89%)
Utilities/General Servcs	271,482	443,449	443,449	405,253	(38,196)	(9%)	(38,196)	(9%)
BERP program	68,411	368,000	368,000	641,000	273,000	74%	273,000	74%
Capital Project Activity	34,848	0	0	0	0	0%	0	0%
<b>Department Totals</b>	<b>1,230,848</b>	<b>1,737,262</b>	<b>1,740,462</b>	<b>1,932,320</b>	<b>195,058</b>	<b>11%</b>	<b>191,858</b>	<b>11%</b>

### Expenses by Type

Expense Category	FY17 Actual	FY18 Budget	FY18 Projected	FY19 Requested	Difference FY18 Budget		Difference FY18 Projected	
					\$	%	\$	%
Personal services	664,804	631,498	634,698	531,280	(100,218)	(16%)	(103,418)	(16%)
Other supplies, services and charges	26,535	167,744	167,744	223,416	55,672	33%	55,672	33%
Repairs and maintenance	128,509	140,000	140,000	131,500	(8,500)	(6%)	(8,500)	(6%)
Utilities	236,463	281,849	281,849	252,000	(29,849)	(11%)	(29,849)	(11%)
Fuel and lubricants	1,894	0	0	2,500	2,500	0%	2,500	0%
Depreciation	107,839	101,424	101,424	103,077	1,653	2%	1,653	2%
Miscellaneous	0	3,000	3,000	3,000	0	0%	0	0%
Capital outlay	103,259	368,000	368,000	641,000	273,000	74%	273,000	74%
Construction	(103,259)	0	0	0	0	0%	0	0%
Interdepartment charges	64,804	43,748	43,748	44,547	799	2%	799	2%
<b>Department Totals</b>	<b>1,230,848</b>	<b>1,737,262</b>	<b>1,740,462</b>	<b>1,932,320</b>	<b>195,058</b>	<b>11%</b>	<b>191,858</b>	<b>11%</b>

## FY19 Expenses By Type



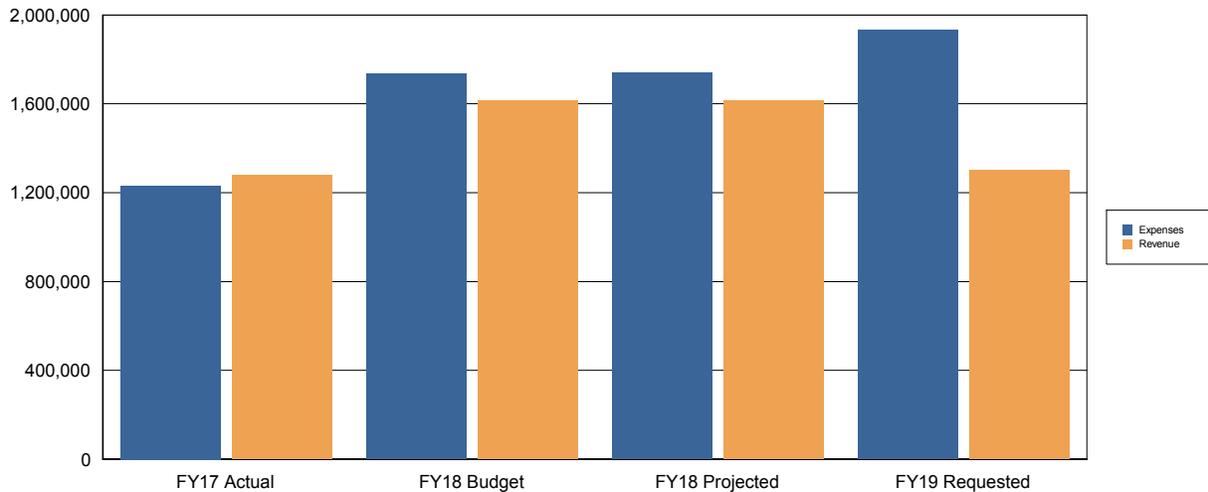
## Net Income

FY17 Actual	FY18 Budget	FY18 Projected	FY19 Requested	Difference FY18 Budget		Difference FY18 Projected	
				\$	%	\$	%
49,745	(123,819)	(127,019)	(631,837)	(508,018)	0%	(504,818)	0%

## Full Time Equivalents (FTE)

Job Titles	FY17 Budget	FY18 Budget	FY19 Requested	Difference FY18
Asst. City Mgr., Administrative Services	0.00	0.00	0.12	0.12
Asst. City Mgr., Operations	0.12	0.12	0.00	-0.12
Central Building Services Supv	1.00	1.00	1.00	0.00
City Architect	1.00	1.00	0.00	-1.00
Custodian	7.00	4.00	3.00	-1.00
Facilities Maintenance Worker	1.50	2.50	3.00	0.50
Facilities Manager	0.00	0.00	1.00	1.00
<b>Department Totals</b>	<b>10.62</b>	<b>8.62</b>	<b>8.12</b>	<b>-0.50</b>

## Total Budget



# Central Vehicle Maintenance

## FY19 Budget Summary

### Revenues

Revenues	FY17 Actual	FY18 Budget	FY18 Projected	FY19 Requested	Difference FY18 Budget		Difference FY18 Projected	
					\$	%	\$	%
Charges for services	10	0	0	0	0	0%	0	0%
Investment earnings	5,010	10,000	10,000	0	(10,000)	(100%)	(10,000)	(100%)
Other	2,847	1,640	3,000	0	(1,640)	(100%)	(3,000)	(100%)
Sale of property	265,364	670,027	1,170,795	356,168	(313,859)	(47%)	(814,627)	(70%)
Interdepartment revenues	2,419,642	1,658,950	1,658,950	1,938,997	280,047	17%	280,047	17%
Transfers in	250,000	0	0	250,000	250,000	0%	250,000	0%
<b>Department Totals</b>	<b>2,942,873</b>	<b>2,340,617</b>	<b>2,842,745</b>	<b>2,545,165</b>	<b>204,548</b>	<b>9%</b>	<b>(297,580)</b>	<b>(10%)</b>

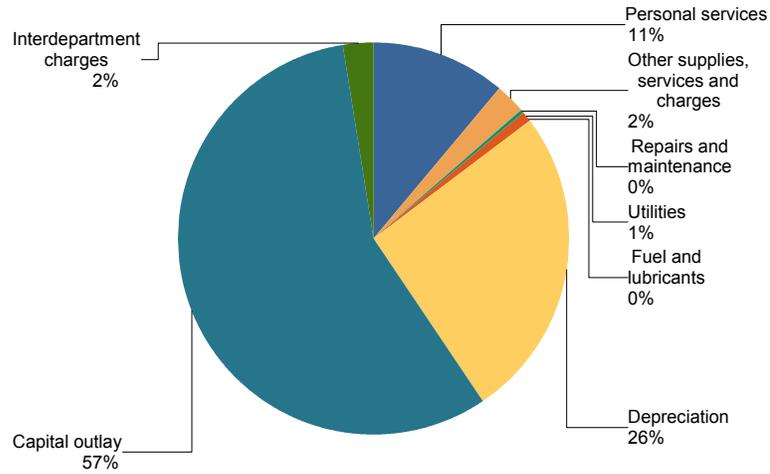
### Expenses by Program and Services

Programs and Services	FY17 Actual	FY18 Budget	FY18 Projected	FY19 Requested	Difference FY18 Budget		Difference FY18 Projected	
					\$	%	\$	%
Department Administration	1,067,932	972,232	971,987	1,005,490	33,258	3%	33,503	3%
Expansion	0	0	120,523	1,395,176	1,395,176	0%	1,274,653	1,058%
Vehicle/Equip Replacement	1,260,220	4,191,329	3,684,448	3,491,741	(699,588)	(17%)	(192,707)	(5%)
<b>Department Totals</b>	<b>2,328,152</b>	<b>5,163,561</b>	<b>4,776,958</b>	<b>5,892,407</b>	<b>728,846</b>	<b>14%</b>	<b>1,115,449</b>	<b>23%</b>

### Expenses by Type

Expense Category	FY17 Actual	FY18 Budget	FY18 Projected	FY19 Requested	Difference FY18 Budget		Difference FY18 Projected	
					\$	%	\$	%
Personal services	698,315	645,028	647,928	659,813	14,785	2%	11,885	2%
Other supplies, services and charges	125,286	134,629	131,268	135,362	733	1%	4,093	3%
Repairs and maintenance	23,274	33,712	37,054	27,639	(6,073)	(18%)	(9,415)	(25%)
Utilities	55,679	38,000	35,475	37,500	(500)	(1%)	2,025	6%
Fuel and lubricants	1,213	2,550	2,610	2,184	(366)	(14%)	(426)	(16%)
Depreciation	1,900,161	1,446,207	1,446,207	1,520,741	74,534	5%	74,534	5%
Capital outlay	2,655,425	2,734,327	2,347,969	3,362,615	628,288	23%	1,014,646	43%
Construction	(3,247,104)	0	0	0	0	0%	0	0%
Interdepartment charges	115,901	129,108	128,446	146,553	17,445	14%	18,107	14%
<b>Department Totals</b>	<b>2,328,152</b>	<b>5,163,561</b>	<b>4,776,958</b>	<b>5,892,407</b>	<b>728,846</b>	<b>14%</b>	<b>1,115,449</b>	<b>23%</b>

## FY19 Expenses By Type



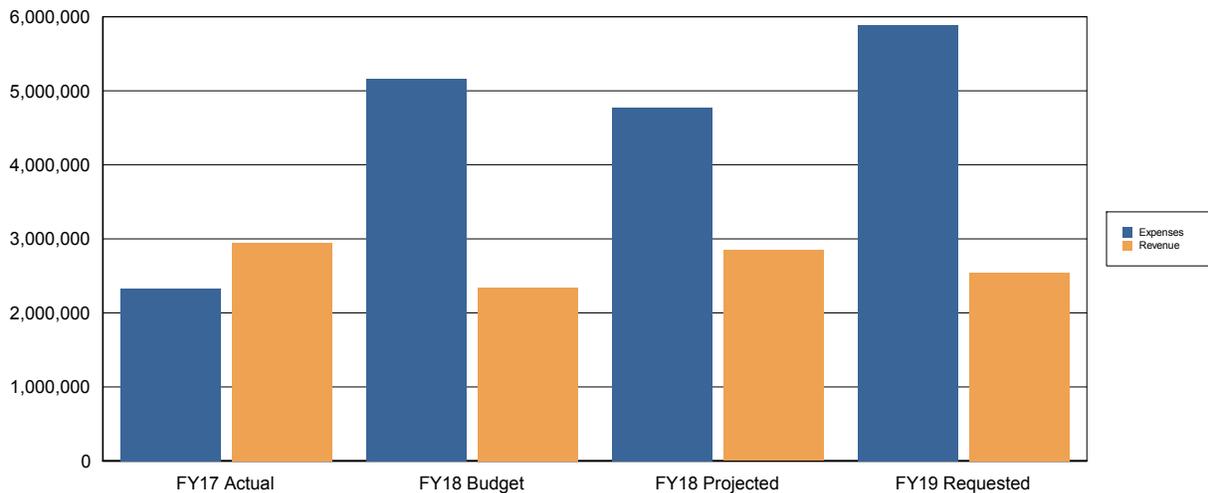
## Net Income

FY17 Actual	FY18 Budget	FY18 Projected	FY19 Requested	Difference FY18 Budget		Difference FY18 Projected	
				\$	%	\$	%
614,722	(2,822,944)	(1,934,213)	(3,347,242)	(524,298)	0%	(1,413,029)	0%

## Full Time Equivalents (FTE)

Job Titles	FY17 Budget	FY18 Budget	FY19 Requested	Difference FY18
Administrative Assistant	1.00	1.00	1.00	0.00
Asst. City Mgr., Operations	0.12	0.12	0.12	0.00
Fleet Manager	1.00	1.00	1.00	0.00
Maintenance Shop Supervisor	1.00	1.00	1.00	0.00
Mechanic	6.00	6.00	6.00	0.00
<b>Department Totals</b>	<b>9.12</b>	<b>9.12</b>	<b>9.12</b>	<b>0.00</b>

## Total Budget



# Development Services FY19 Budget Summary

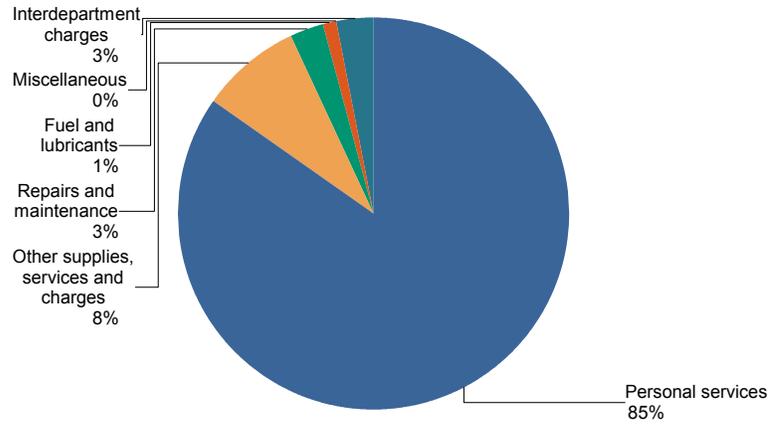
## Expenses by Program and Services

Programs and Services	FY17 Actual	FY18 Budget	FY18 Projected	FY19 Requested	Difference FY18 Budget		Difference FY18 Projected	
					\$	%	\$	%
Department Administration	64,039	0	0	0	0	0%	0	0%
Support To Development	9,446	0	0	0	0	0%	0	0%
Neighborhood Services	0	0	0	0	0	0%	0	0%
Customer Service	58,377	0	0	0	0	0%	0	0%
Support to Development	308,961	0	0	0	0	0%	0	0%
Building Inspections	362,779	428,672	402,861	441,518	12,846	3%	38,657	10%
Engineering Inspections	506,409	472,676	462,538	474,887	2,211	0%	12,349	3%
Neighborhood Services	253,664	266,850	267,027	304,577	37,727	14%	37,550	14%
Development Engineering	296,715	421,385	410,431	412,741	(8,645)	(2%)	2,309	1%
Current Planning	212,926	287,665	284,493	292,025	4,360	2%	7,532	3%
Codes Administration	347,737	381,021	378,733	384,933	3,912	1%	6,200	2%
Department Administration	572,456	996,282	1,081,207	802,812	(193,469)	(19%)	(278,394)	(26%)
Project Management	0	272,361	272,522	280,415	8,054	3%	7,893	3%
Licensing	0	70,145	70,245	72,345	2,201	3%	2,101	3%
<b>Department Totals</b>	<b>2,993,507</b>	<b>3,597,057</b>	<b>3,630,056</b>	<b>3,466,253</b>	<b>(130,804)</b>	<b>(4%)</b>	<b>(163,803)</b>	<b>(5%)</b>

## Expenses by Type

Expense Category	FY17 Actual	FY18 Budget	FY18 Projected	FY19 Requested	Difference FY18 Budget		Difference FY18 Projected	
					\$	%	\$	%
Personal services	2,442,668	2,851,223	2,881,946	2,936,670	85,447	3%	54,724	2%
Other supplies, services and charges	218,286	278,574	280,707	291,209	12,635	5%	10,502	4%
Repairs and maintenance	83,379	84,660	84,804	95,118	10,458	12%	10,314	12%
Fuel and lubricants	19,470	35,080	35,080	33,000	(2,080)	(6%)	(2,080)	(6%)
Miscellaneous	1,037	6,500	6,500	6,500	0	0%	0	0%
Capital outlay	19,319	0	0	0	0	0%	0	0%
Interdepartment charges	209,349	341,020	341,020	103,757	(237,263)	(70%)	(237,263)	(70%)
<b>Department Totals</b>	<b>2,993,507</b>	<b>3,597,057</b>	<b>3,630,056</b>	<b>3,466,253</b>	<b>(130,804)</b>	<b>(4%)</b>	<b>(163,803)</b>	<b>(5%)</b>

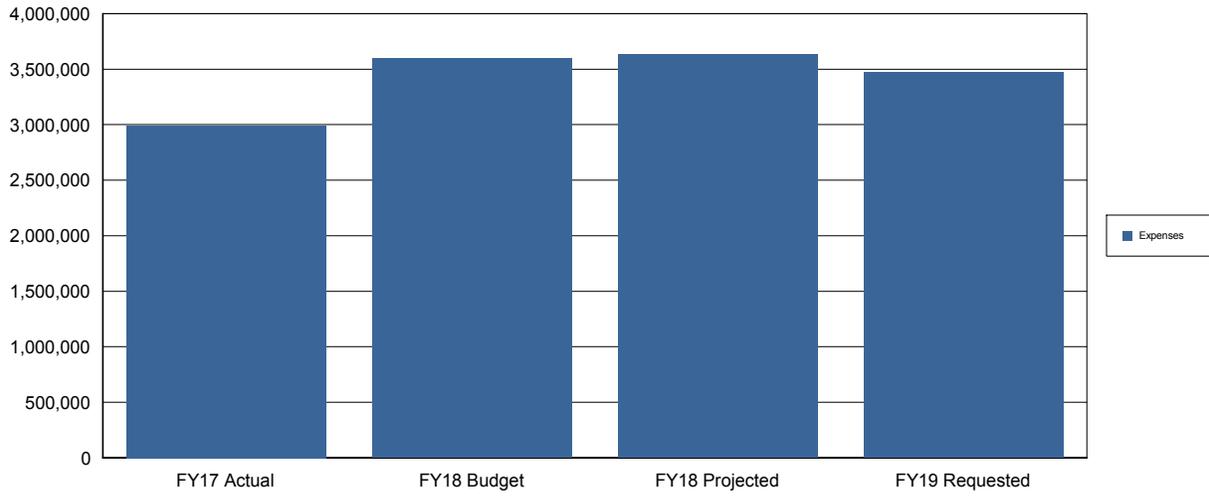
## FY19 Expenses By Type



## Full Time Equivalents (FTE)

Job Titles	FY17 Budget	FY18 Budget	FY19 Requested	Difference FY18
Administrative Support	0.20	0.01	0.00	-0.01
Asst. City Mgr., Dev Svcs/Comm	0.66	0.67	0.67	0.00
Asst. Dir. of Field Services	0.00	1.00	1.00	0.00
Asst. Dir. of Plan Services	1.00	1.00	1.00	0.00
Asst. Director of Codes Admin.	1.00	0.00	0.00	0.00
Business Service Rep - Dev Ctr	1.00	1.00	1.00	0.00
Codes Administration Manager	0.00	1.00	1.00	0.00
Community Standards Officer	1.00	1.00	1.00	0.00
Current Planning Manager	0.00	1.00	1.00	0.00
Development Engineering Mgr.	1.00	1.00	1.00	0.00
Development Technician	1.00	1.00	1.00	0.00
Director of Development Center	1.00	0.00	0.00	0.00
Director of Development Svcs.	0.00	1.00	1.00	0.00
Field Building Inspector	3.00	4.00	4.00	0.00
Field Engineering Inspector	5.00	6.00	6.00	0.00
Field Services Manager	1.00	0.00	0.00	0.00
Management Analyst	1.00	1.00	1.00	0.00
Neighborhood Services Officer	3.00	3.00	3.00	0.00
Permit Technician	2.00	2.00	2.00	0.00
Planner	2.00	2.00	2.00	0.00
Planning Division Manager	1.00	0.00	0.00	0.00
Plans Examiner	1.00	1.00	1.00	0.00
Project Manager - Dev. Ctr.	3.00	3.00	3.00	0.00
Secretary	2.00	2.00	2.00	0.00
Senior Staff Engineer	1.00	2.00	2.00	0.00
Sr. Field Building Inspector	1.00	1.00	1.00	0.00
<b>Department Totals</b>	<b>33.86</b>	<b>36.68</b>	<b>36.67</b>	<b>-0.01</b>

# Total Budget



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# Finance

## FY19 Budget Summary

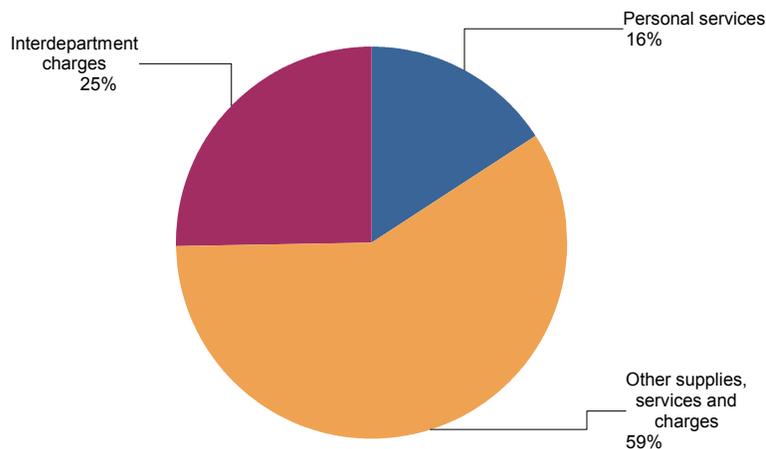
### Expenses by Program and Services

Programs and Services	FY17 Actual	FY18 Budget	FY18 Projected	FY19 Requested	Difference FY18 Budget		Difference FY18 Projected	
					\$	%	\$	%
Department Administration	2,714,588	2,752,479	2,804,558	2,905,159	152,680	6%	100,601	4%
Accounting & Payroll Services	900,059	753,383	743,383	761,712	8,330	1%	18,330	2%
Debt & Cash Management	2,305,553	2,517,827	2,557,923	2,710,552	192,725	8%	152,629	6%
Support To Development	123,321	147,498	147,498	120,877	(26,621)	(18%)	(26,621)	(18%)
Procurement & Contract Svcs.	378,374	394,019	389,899	336,258	(57,761)	(15%)	(53,641)	(14%)
Municipal Billing	2,014,380	2,017,049	2,881,710	3,796,700	1,779,651	88%	914,989	32%
<b>Department Totals</b>	<b>8,436,275</b>	<b>8,582,255</b>	<b>9,524,972</b>	<b>10,631,258</b>	<b>2,049,004</b>	<b>24%</b>	<b>1,106,286</b>	<b>12%</b>

### Expenses by Type

Expense Category	FY17 Actual	FY18 Budget	FY18 Projected	FY19 Requested	Difference FY18 Budget		Difference FY18 Projected	
					\$	%	\$	%
Personal services	1,600,251	1,657,752	1,710,831	1,673,448	15,696	1%	(37,383)	(2%)
Other supplies, services and charges	4,191,607	4,275,541	5,165,179	6,255,870	1,980,329	46%	1,090,691	21%
Miscellaneous	1,590	0	0	0	0	0%	0	0%
Capital outlay	30,785	0	0	0	0	0%	0	0%
Interdepartment charges	2,612,042	2,648,962	2,648,962	2,701,940	52,978	2%	52,978	2%
<b>Department Totals</b>	<b>8,436,275</b>	<b>8,582,255</b>	<b>9,524,972</b>	<b>10,631,258</b>	<b>2,049,004</b>	<b>24%</b>	<b>1,106,286</b>	<b>12%</b>

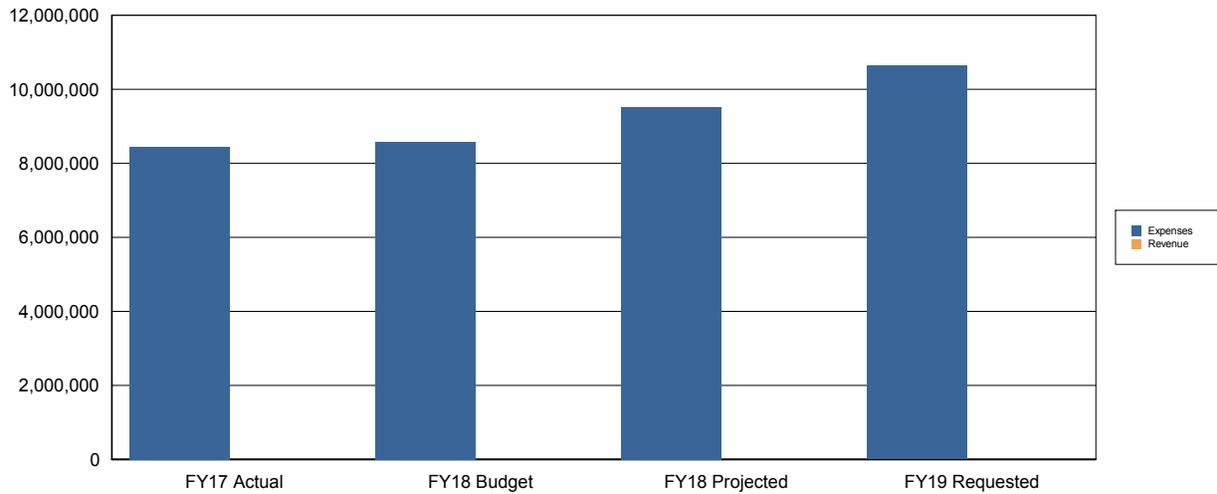
### FY19 Expenses By Type



## Full Time Equivalents (FTE)

Job Titles	FY17 Budget	FY18 Budget	FY19 Requested	Difference FY18
Account Technician	1.00	1.00	1.00	0.00
Accountant	2.00	2.00	2.00	0.00
Accounting Clerk	3.00	3.00	3.00	0.00
Accounts Payable Supervisor	1.00	1.00	1.00	0.00
Administrative Secretary	1.00	1.00	1.00	0.00
Assistant Finance Director - Cash & Debt	0.00	0.00	0.50	0.50
Assistant Finance Director - Controller	0.00	0.00	1.00	1.00
Cash Management Officer	1.00	1.00	1.00	0.00
Cash Receipts Clerk	2.00	0.00	0.00	0.00
Controller	1.00	1.00	0.00	-1.00
Deputy Director of Finance	1.00	1.00	0.50	-0.50
EMS Billing Specialist	1.00	1.00	1.00	0.00
Finance Director	1.00	1.00	1.00	0.00
Financial Analyst	1.00	1.00	1.00	0.00
Payroll Specialist	1.00	1.00	1.00	0.00
Procurement & Contract Svc Mgr	1.00	1.00	1.00	0.00
Procurement Officer I	1.00	1.00	1.00	0.00
Procurement Officer II	1.00	1.00	1.00	0.00
Senior Procurement Officer	1.00	1.00	1.00	0.00
Treasury Cashier	1.00	3.00	3.00	0.00
<b>Department Totals</b>	<b>22.00</b>	<b>22.00</b>	<b>22.00</b>	<b>0.00</b>

### Total Budget



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# Fire

## FY19 Budget Summary

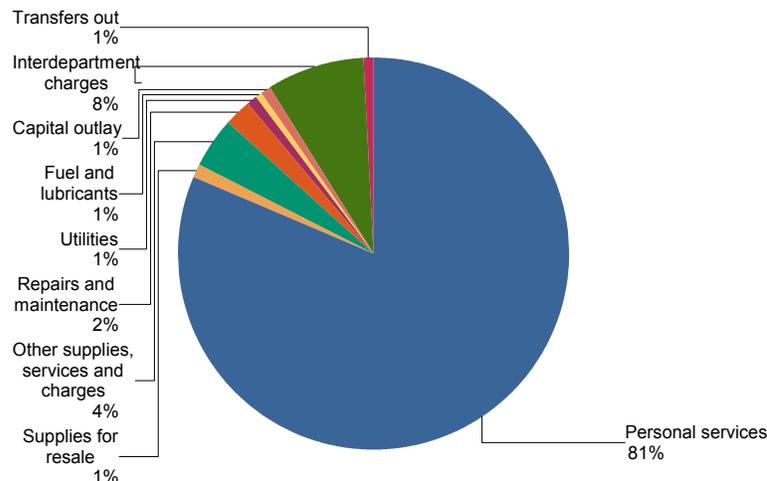
### Expenses by Program and Services

Programs and Services	FY17 Actual	FY18 Budget	FY18 Projected	FY19 Requested	Difference FY18 Budget		Difference FY18 Projected	
					\$	%	\$	%
Department Administration	1,330,417	1,315,228	1,576,201	1,620,237	305,009	23%	44,037	3%
Support Services	1,148,192	1,152,436	1,155,436	1,241,721	89,285	8%	86,285	7%
Emergency Services	14,862,356	14,975,438	14,992,863	14,431,448	(543,990)	(4%)	(561,415)	(4%)
Fire Prevention	13,986	75,580	75,580	43,000	(32,580)	(43%)	(32,580)	(43%)
Training	288,879	239,600	236,600	250,053	10,453	4%	13,453	6%
Communications Center/Dispatch	0	0	0	917,510	917,510	0%	917,510	0%
<b>Department Totals</b>	<b>17,643,830</b>	<b>17,758,282</b>	<b>18,036,680</b>	<b>18,503,970</b>	<b>745,688</b>	<b>4%</b>	<b>467,290</b>	<b>3%</b>

### Expenses by Type

Expense Category	FY17 Actual	FY18 Budget	FY18 Projected	FY19 Requested	Difference FY18 Budget		Difference FY18 Projected	
					\$	%	\$	%
Personal services	14,335,425	14,789,058	15,077,456	15,038,173	249,115	2%	(39,283)	0%
Supplies for resale	241,122	245,000	245,000	250,000	5,000	2%	5,000	2%
Other supplies, services and charges	665,056	708,811	701,811	756,780	47,969	7%	54,969	8%
Repairs and maintenance	470,705	378,681	378,681	403,139	24,458	6%	24,458	6%
Utilities	121,194	135,500	135,500	136,000	500	0%	500	0%
Fuel and lubricants	105,219	145,000	145,000	145,000	0	0%	0	0%
Miscellaneous	8,411	33,300	30,300	0	(33,300)	(100%)	(30,300)	(100%)
Capital outlay	649,090	0	0	135,000	135,000	0%	135,000	0%
Interdepartment charges	1,000,297	1,265,029	1,265,029	1,478,957	213,928	17%	213,928	17%
Transfers out	47,311	57,903	57,903	160,920	103,017	178%	103,017	178%
<b>Department Totals</b>	<b>17,643,830</b>	<b>17,758,282</b>	<b>18,036,680</b>	<b>18,503,970</b>	<b>745,688</b>	<b>4%</b>	<b>467,290</b>	<b>3%</b>

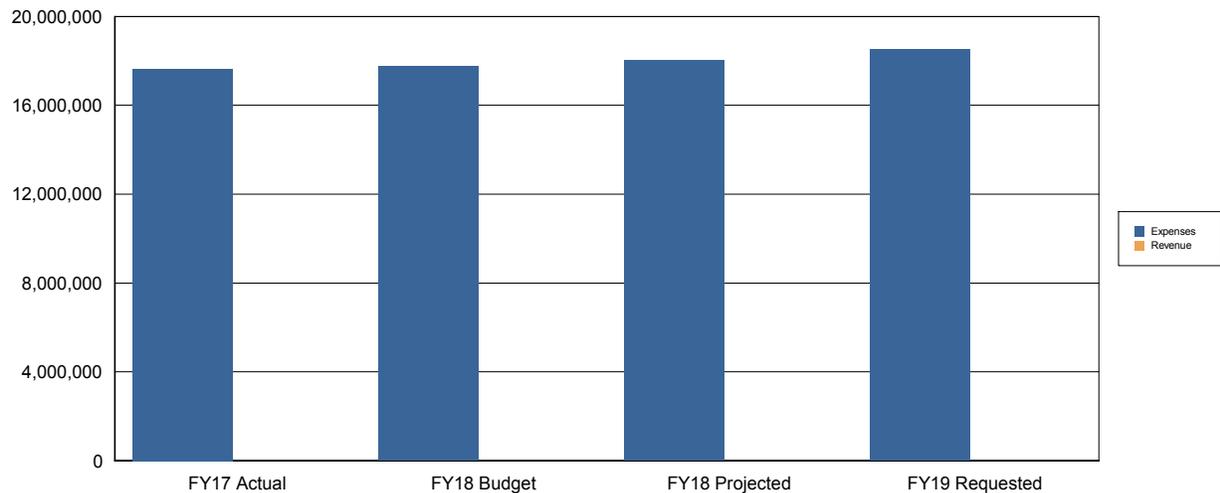
**FY19 Expenses By Type**



## Full Time Equivalents (FTE)

Job Titles	FY17 Budget	FY18 Budget	FY19 Requested	Difference FY18
Assistant Fire Chief I	3.00	2.00	2.00	0.00
Assistant Fire Chief II	3.00	0.00	0.00	0.00
Asst. Fire Chief I Paramedic	0.00	1.00	1.00	0.00
Asst. Fire Chief II Paramedic	0.00	3.00	3.00	0.00
Battalion Chief	5.00	1.00	1.00	0.00
Battalion Chief Paramedic	0.00	4.00	4.00	0.00
Communications Specialist-Fire	8.00	9.00	10.00	1.00
Communications Supvr-Fire	1.00	1.00	0.00	-1.00
Fire Captain I	7.00	2.00	3.00	1.00
Fire Captain I Paramedic	0.00	6.00	6.00	0.00
Fire Captain II	15.00	7.00	7.00	0.00
Fire Captain II Paramedic	0.00	7.00	8.00	1.00
Fire Chief	1.00	1.00	1.00	0.00
Fire Engineer	10.00	1.00	2.00	1.00
Fire Engineer Paramedic	0.00	6.00	12.00	6.00
Fire Specialist	70.00	42.00	38.00	-4.00
Fire Specialist Paramedic	0.00	29.00	26.00	-3.00
Firefighter	24.00	6.00	15.00	9.00
Firefighter Paramedic	0.00	21.00	10.00	-11.00
Lead Comm Specialist-Fire	4.00	3.00	3.00	0.00
Management Analyst - Fire	1.00	1.00	1.00	0.00
Office Coordinator	1.00	1.00	1.00	0.00
<b>Department Totals</b>	<b>153.00</b>	<b>154.00</b>	<b>154.00</b>	<b>0.00</b>

### Total Budget



# ITS

## FY19 Budget Summary

### Revenues

Revenues	FY17 Actual	FY18 Budget	FY18 Projected	FY19 Requested	Difference FY18 Budget		Difference FY18 Projected	
					\$	%	\$	%
Charges for services	271	0	0	0	0%	0	0%	
Investment earnings	11,186	0	0	0	0	0%	0	
Other	3,856	0	0	0	0	0%	0	
Interdepartment revenues	3,712,964	3,475,145	3,475,145	3,548,846	73,701	2%	73,701	
Transfers in	249,391	305,465	305,465	940,464	634,999	208%	634,999	
<b>Department Totals</b>	<b>3,977,667</b>	<b>3,780,610</b>	<b>3,780,610</b>	<b>4,489,310</b>	<b>708,700</b>	<b>19%</b>	<b>708,700</b>	

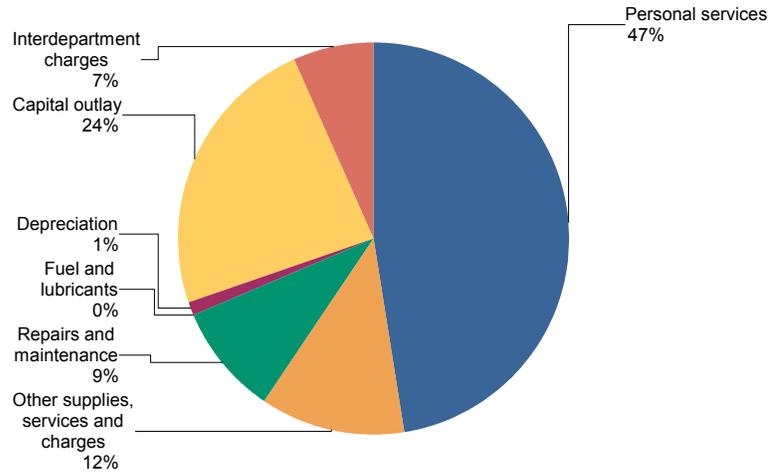
### Expenses by Program and Services

Programs and Services	FY17 Actual	FY18 Budget	FY18 Projected	FY19 Requested	Difference FY18 Budget		Difference FY18 Projected	
					\$	%	\$	%
Information Servs-MIS	3,164,260	3,205,379	3,230,973	3,237,042	31,663	1%	6,069	
Equipment & Software Replacmnt	914,088	570,584	570,584	642,191	71,607	13%	71,607	
Capital Project Activity	342,509	306,465	306,465	940,464	633,999	207%	633,999	
<b>Department Totals</b>	<b>4,420,857</b>	<b>4,082,428</b>	<b>4,108,022</b>	<b>4,819,697</b>	<b>737,269</b>	<b>18%</b>	<b>711,675</b>	

### Expenses by Type

Expense Category	FY17 Actual	FY18 Budget	FY18 Projected	FY19 Requested	Difference FY18 Budget		Difference FY18 Projected	
					\$	%	\$	%
Personal services	2,137,871	2,231,306	2,197,522	2,322,678	91,372	4%	125,156	
Other supplies, services and charges	1,214,541	608,471	655,387	597,935	(10,536)	(2%)	(57,452)	
Repairs and maintenance	461,652	443,989	456,750	443,810	(179)	0%	(12,940)	
Fuel and lubricants	175	800	500	750	(50)	(6%)	250	
Depreciation	86,860	57,107	57,107	57,107	0	0%	0	
Capital outlay	32,192	429,848	429,848	1,160,603	730,755	170%	730,755	
Construction	154,552	(67,108)	(67,108)	(84,160)	(17,052)	0%	(17,052)	
Interdepartment charges	333,014	351,974	351,974	320,974	(31,000)	(9%)	(31,000)	
Transfers out	0	26,041	26,041	0	(26,041)	(100%)	(26,041)	
<b>Department Totals</b>	<b>4,420,857</b>	<b>4,082,428</b>	<b>4,108,022</b>	<b>4,819,697</b>	<b>737,269</b>	<b>18%</b>	<b>711,675</b>	

## FY19 Expenses By Type



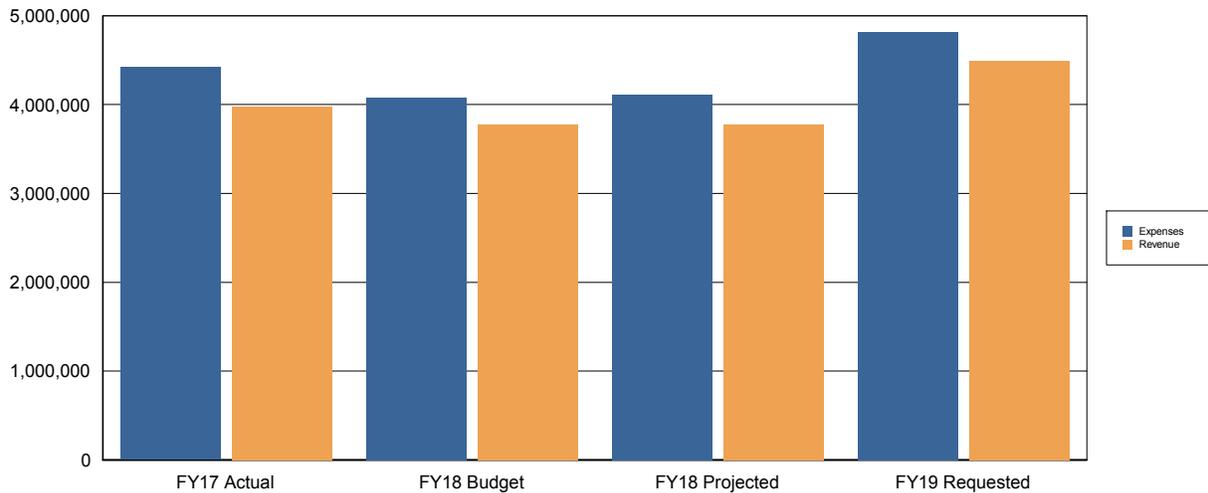
## Net Income

FY17 Actual	FY18 Budget	FY18 Projected	FY19 Requested	Difference FY18 Budget		Difference FY18 Projected	
				\$	%	\$	%
(443,189)	(301,818)	(327,412)	(330,387)	(28,569)	0%	(2,975)	0%

# Full Time Equivalents (FTE)

Job Titles	FY17 Budget	FY18 Budget	FY19 Requested	Difference FY18
Administrative Assistant	1.00	1.00	1.00	0.00
Applications Administrator	5.00	5.00	5.00	0.00
Applications Analyst	1.00	1.00	1.00	0.00
Asst Director, App Mgmt Svcs	1.00	1.00	1.00	0.00
Asst. City Mgr., Administrative Services	0.00	0.00	0.12	0.12
Audio Visual Evening	0.14	0.14	0.14	0.00
Audio Visual Sys Support PTT	0.06	0.00	0.00	0.00
Chief Technology Officer	1.00	1.00	1.00	0.00
Communications Systems Admin.	1.00	1.00	1.00	0.00
Database Administrator	1.00	1.00	1.00	0.00
Director of Administration	0.12	0.12	0.00	-0.12
GIS Coordinator	1.00	1.00	1.00	0.00
GIS Technician	1.00	1.35	1.15	-0.20
IT Operations Supervisor	1.00	1.00	1.00	0.00
ITS Help Desk Support Spec.	1.00	1.00	2.00	1.00
ITS Project Manager	1.00	1.00	1.00	0.00
ITS Support PTT	1.44	1.44	0.72	-0.72
ITS Support Services Supvr.	1.00	1.00	1.00	0.00
Manager, Entprs. Tech. Svcs.	1.00	1.00	1.00	0.00
Network Administrator	1.00	1.00	1.00	0.00
Senior GIS Technician	1.00	1.00	1.00	0.00
System Support Analyst	1.00	1.00	1.00	0.00
System Support Specialist	1.00	1.00	1.00	0.00
Systems Analyst	1.00	1.00	1.00	0.00
Technical Services Specialist	1.00	1.00	1.00	0.00
Web Administrator	1.00	1.00	1.00	0.00
Web Specialist	1.00	1.00	1.00	0.00
<b>Department Totals</b>	<b>27.76</b>	<b>28.05</b>	<b>28.13</b>	<b>0.08</b>

## Total Budget



# Law

## FY19 Budget Summary

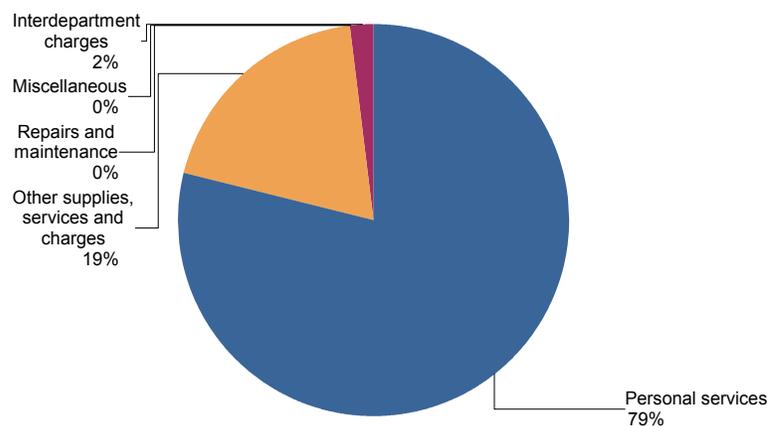
### Expenses by Program and Services

Programs and Services	FY17 Actual	FY18 Budget	FY18 Projected	FY19 Requested	Difference FY18 Budget		Difference FY18 Projected	
					\$	%	\$	%
Department Administration	324,847	479,836	473,395	494,620	14,784	3%	21,226	4%
Safety & Risk Management	155,464	185,638	158,222	144,712	(40,927)	(22%)	(13,510)	(9%)
Code Enforcement/Prosecut	408,340	387,164	375,152	383,746	(3,417)	(1%)	8,594	2%
Support To Development	65,270	113,159	125,684	127,791	14,632	13%	2,107	2%
Legal Compliance	289,696	232,474	199,611	261,797	29,323	13%	62,186	31%
<b>Department Totals</b>	<b>1,243,616</b>	<b>1,398,271</b>	<b>1,332,064</b>	<b>1,412,666</b>	<b>14,395</b>	<b>1%</b>	<b>80,602</b>	<b>6%</b>

### Expenses by Type

Expense Category	FY17 Actual	FY18 Budget	FY18 Projected	FY19 Requested	Difference FY18 Budget		Difference FY18 Projected	
					\$	%	\$	%
Personal services	1,016,752	1,026,929	964,284	1,112,933	86,004	8%	148,649	15%
Other supplies, services and charges	161,958	289,565	286,004	271,968	(17,597)	(6%)	(14,036)	(5%)
Repairs and maintenance	765	1,364	1,364	1,513	149	11%	149	11%
Miscellaneous	0	500	500	500	0	0%	0	0%
Interdepartment charges	64,141	79,912	79,912	25,752	(54,160)	(68%)	(54,160)	(68%)
<b>Department Totals</b>	<b>1,243,616</b>	<b>1,398,271</b>	<b>1,332,064</b>	<b>1,412,666</b>	<b>14,395</b>	<b>1%</b>	<b>80,602</b>	<b>6%</b>

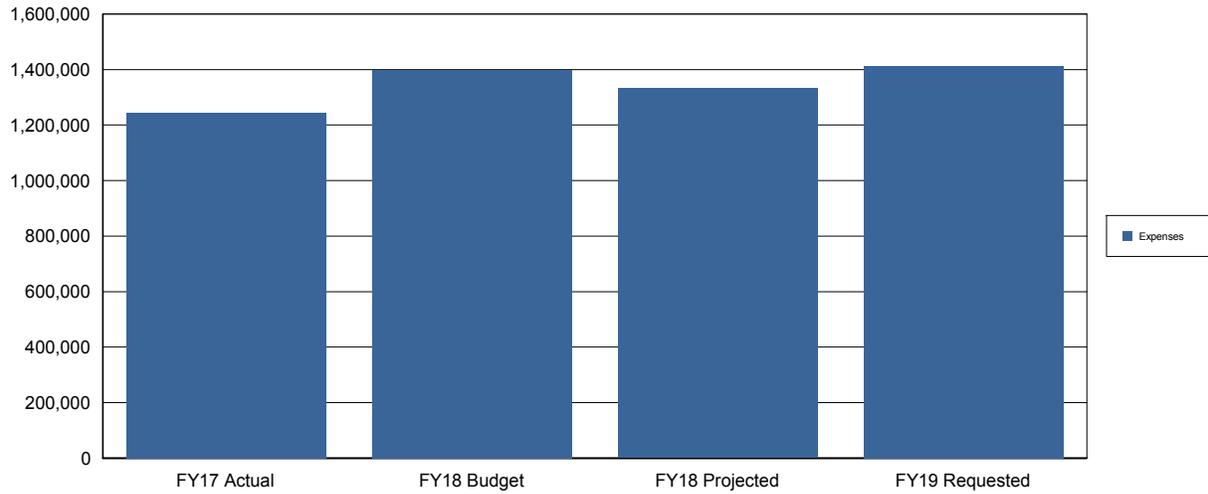
### FY19 Expenses By Type



## Full Time Equivalents (FTE)

Job Titles	FY17 Budget	FY18 Budget	FY19 Requested	Difference FY18
Asst. Prosecuting Attorney PTR	0.75	0.76	0.75	-0.01
Chief Counsel of Infr. & Plng.	0.00	0.50	1.00	0.50
Chief Counsel of Mgmt & Ops	1.00	1.00	1.00	0.00
Chief Counsel of Public Safety	1.00	1.00	1.00	0.00
Chief of Litigation	1.00	0.50	0.50	0.00
Chief Prosecuting Attorney	1.00	1.00	1.00	0.00
City Attorney	1.00	1.00	1.00	0.00
Contract Compliance Coord/Para	1.00	1.00	1.00	0.00
Executive Assistant PTR	0.80	0.75	0.75	0.00
Legal Assistant	1.00	1.00	1.00	0.00
Office Manager/Paralegal	1.00	1.00	1.00	0.00
Staff Attorney	1.00	1.00	0.50	-0.50
<b>Department Totals</b>	<b>10.55</b>	<b>10.51</b>	<b>10.50</b>	<b>-0.01</b>

## Total Budget



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# Municipal Court FY19 Budget Summary

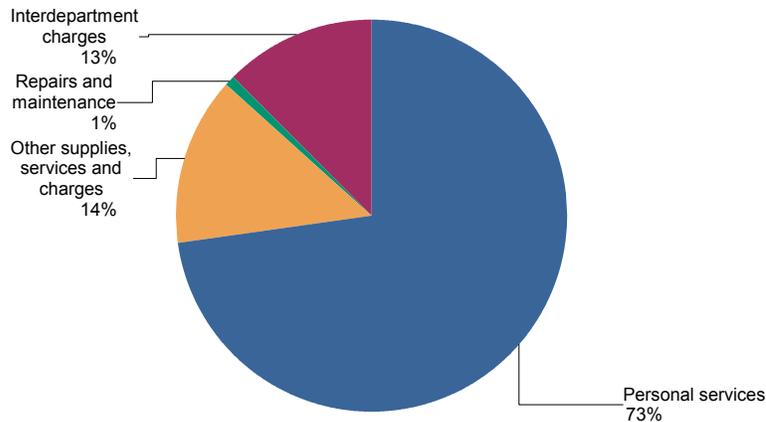
## Expenses by Program and Services

Programs and Services	FY17 Actual	FY18 Budget	FY18 Projected	FY19 Requested	Difference FY18 Budget		Difference FY18 Projected	
					\$	%	\$	%
Department Administration	150,691	144,288	145,818	226,760	82,472	57%	80,942	56%
Operations Division	377,480	519,612	437,001	541,356	21,743	4%	104,355	24%
Probation	136,727	127,106	125,291	132,996	5,890	5%	7,705	6%
Court Security Operations	88,896	86,197	87,427	89,747	3,550	4%	2,320	3%
<b>Department Totals</b>	<b>753,794</b>	<b>877,203</b>	<b>795,537</b>	<b>990,859</b>	<b>113,656</b>	<b>13%</b>	<b>195,322</b>	<b>25%</b>

## Expenses by Type

Expense Category	FY17 Actual	FY18 Budget	FY18 Projected	FY19 Requested	Difference FY18 Budget		Difference FY18 Projected	
					\$	%	\$	%
Personal services	604,295	721,647	637,990	721,375	(272)	0%	83,385	13%
Other supplies, services and charges	121,681	123,276	124,017	136,593	13,317	11%	12,576	10%
Repairs and maintenance	3,790	8,150	9,400	8,650	500	6%	(750)	(8%)
Miscellaneous	345	0	0	0	0	0%	0	0%
Interdepartment charges	23,684	24,130	24,130	124,241	100,111	415%	100,111	415%
<b>Department Totals</b>	<b>753,794</b>	<b>877,203</b>	<b>795,537</b>	<b>990,859</b>	<b>113,656</b>	<b>13%</b>	<b>195,322</b>	<b>25%</b>

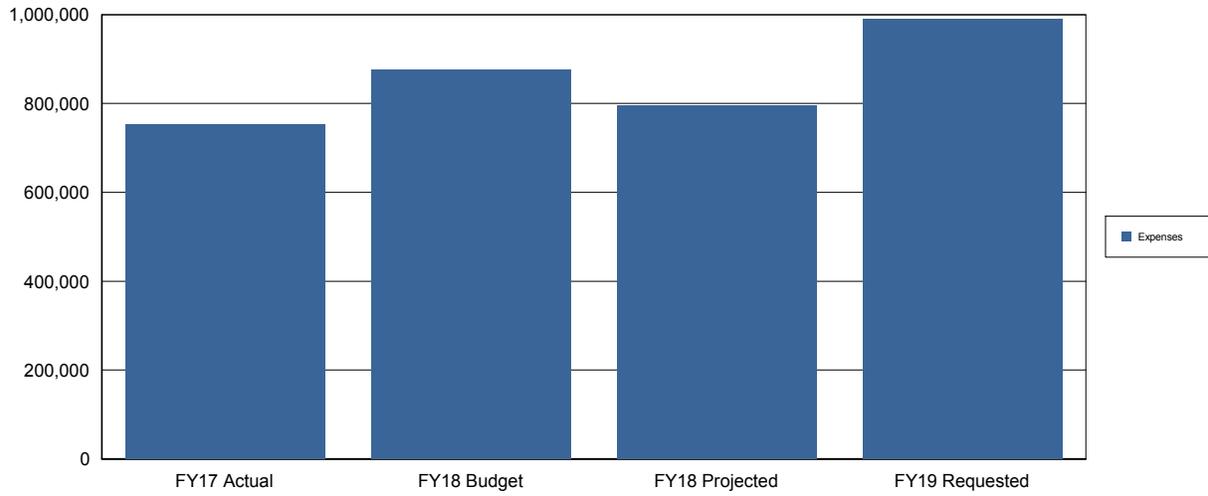
## FY19 Expenses By Type



## Full Time Equivalents (FTE)

Job Titles	FY17 Budget	FY18 Budget	FY19 Requested	Difference FY18
Accounting Technician	1.00	1.00	1.00	0.00
Bond Clerk	1.00	1.00	1.00	0.00
Court Administrator	1.00	1.00	1.00	0.00
Court Bailiff	0.48	0.00	0.00	0.00
Court Security Officer	1.00	1.00	1.00	0.00
Deputy Court Clerk	2.43	2.43	2.81	0.38
Municipal Judge	1.15	1.15	1.15	0.00
Probation/Compliance Officer	2.00	2.00	2.00	0.00
Records Management Clerk	0.80	0.80	1.00	0.20
Warrant Clerk	1.00	1.00	1.00	0.00
<b>Department Totals</b>	<b>11.87</b>	<b>11.38</b>	<b>11.96</b>	<b>0.58</b>

## Total Budget



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# Planning and Special Projects

## FY19 Budget Summary

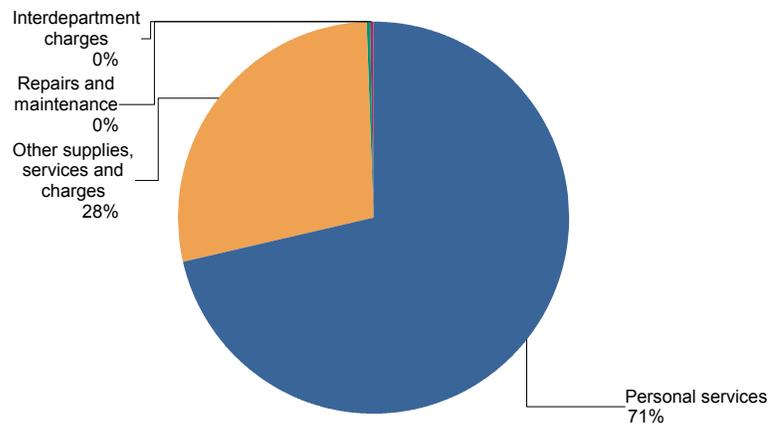
### Expenses by Program and Services

Programs and Services	FY17 Actual	FY18 Budget	FY18 Projected	FY19 Requested	Difference FY18 Budget		Difference FY18 Projected	
					\$	%	\$	%
Department Administration	250,206	188,240	194,040	186,967	(1,273)	(1%)	(7,073)	(4%)
Grant Administration	131,438	147,109	147,109	151,609	4,500	3%	4,500	3%
Long Range Planning	109,929	298,900	223,900	352,248	53,348	18%	128,348	57%
Neighborhood Services	(5,561)	0	0	0	0	0%	0	0%
<b>Department Totals</b>	<b>486,012</b>	<b>634,248</b>	<b>565,048</b>	<b>690,824</b>	<b>56,576</b>	<b>9%</b>	<b>125,776</b>	<b>22%</b>

### Expenses by Type

Expense Category	FY17 Actual	FY18 Budget	FY18 Projected	FY19 Requested	Difference FY18 Budget		Difference FY18 Projected	
					\$	%	\$	%
Personal services	405,315	434,053	439,853	493,124	59,071	14%	53,271	12%
Other supplies, services and charges	39,527	195,464	120,464	193,914	(1,550)	(1%)	73,450	61%
Repairs and maintenance	1,663	2,166	2,166	1,289	(877)	(40%)	(877)	(40%)
Fuel and lubricants	242	0	0	0	0	0%	0	0%
Interdepartment charges	39,264	2,565	2,565	2,497	(68)	(3%)	(68)	(3%)
<b>Department Totals</b>	<b>486,012</b>	<b>634,248</b>	<b>565,048</b>	<b>690,824</b>	<b>56,576</b>	<b>9%</b>	<b>125,776</b>	<b>22%</b>

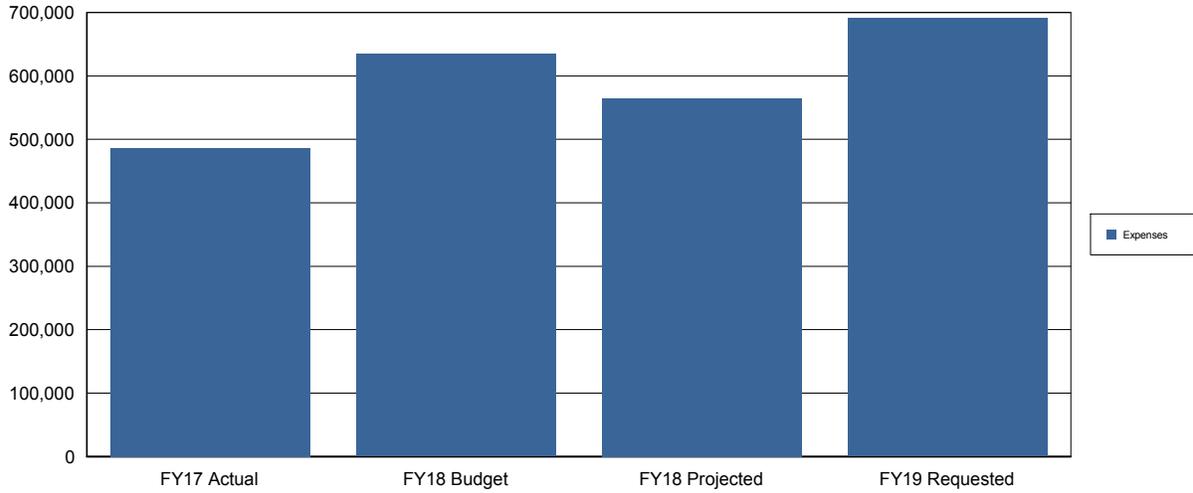
### FY19 Expenses By Type



## Full Time Equivalents (FTE)

Job Titles	FY17 Budget	FY18 Budget	FY19 Requested	Difference FY18
Asst Director of Planning Svcs	1.00	1.00	1.00	0.00
Director of Planning & NHS	1.00	1.00	1.00	0.00
Planner	0.00	1.00	1.00	0.00
Planning Intern	0.01	0.00	0.00	0.00
Senior Planner	2.00	1.00	1.00	0.00
<b>Department Totals</b>	<b>4.01</b>	<b>4.00</b>	<b>4.00</b>	<b>0.00</b>

### Total Budget



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# Police

## FY19 Budget Summary

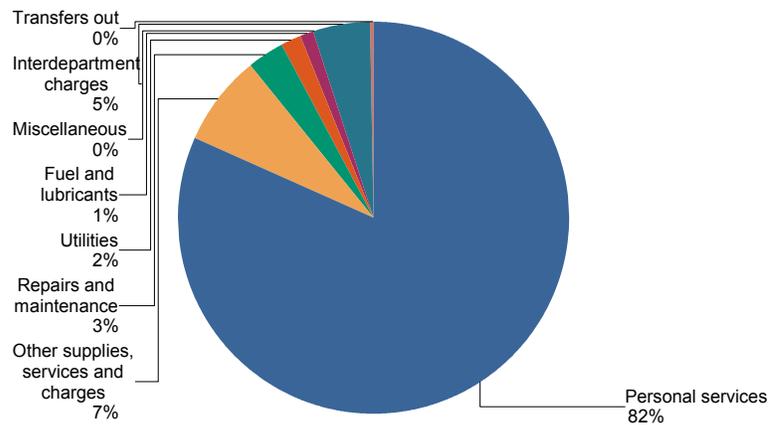
### Expenses by Program and Services

Programs and Services	FY17 Actual	FY18 Budget	FY18 Projected	FY19 Requested	Difference FY18 Budget		Difference FY18 Projected	
					\$	%	\$	%
Department Administration	4,369,478	4,349,641	4,755,270	4,418,320	68,679	2%	(336,950)	(7%)
Support Services	2,584,359	2,803,831	2,789,553	2,930,301	126,470	5%	140,748	5%
Special Operations	(19,741)	0	0	0	0	0%	0	0%
Operations Division	8,125,555	8,052,986	7,752,351	8,379,156	326,170	4%	626,805	8%
Criminal Investigate Div	4,047,895	3,849,301	3,704,857	3,907,186	57,885	2%	202,329	5%
Animal Control	818,144	866,001	867,501	943,012	77,012	9%	75,512	9%
<b>Department Totals</b>	<b>19,925,690</b>	<b>19,921,760</b>	<b>19,869,531</b>	<b>20,577,975</b>	<b>656,215</b>	<b>3%</b>	<b>708,444</b>	<b>4%</b>

### Expenses by Type

Expense Category	FY17 Actual	FY18 Budget	FY18 Projected	FY19 Requested	Difference FY18 Budget		Difference FY18 Projected	
					\$	%	\$	%
Personal services	16,622,848	16,284,646	16,295,901	16,805,816	521,170	3%	509,914	3%
Other supplies, services and charges	1,281,995	1,569,437	1,511,110	1,517,321	(52,117)	(3%)	6,210	0%
Repairs and maintenance	649,119	618,512	633,522	649,293	30,781	5%	15,771	2%
Utilities	320,605	349,702	329,535	349,702	0	0%	20,167	6%
Fuel and lubricants	190,251	239,013	239,013	239,013	0	0%	0	0%
Miscellaneous	27,290	6,500	6,500	7,500	1,000	15%	1,000	15%
Interdepartment charges	788,596	825,159	825,159	980,540	155,381	19%	155,381	19%
Transfers out	44,986	28,791	28,791	28,791	0	0%	0	0%
<b>Department Totals</b>	<b>19,925,690</b>	<b>19,921,760</b>	<b>19,869,531</b>	<b>20,577,975</b>	<b>656,215</b>	<b>3%</b>	<b>708,444</b>	<b>4%</b>

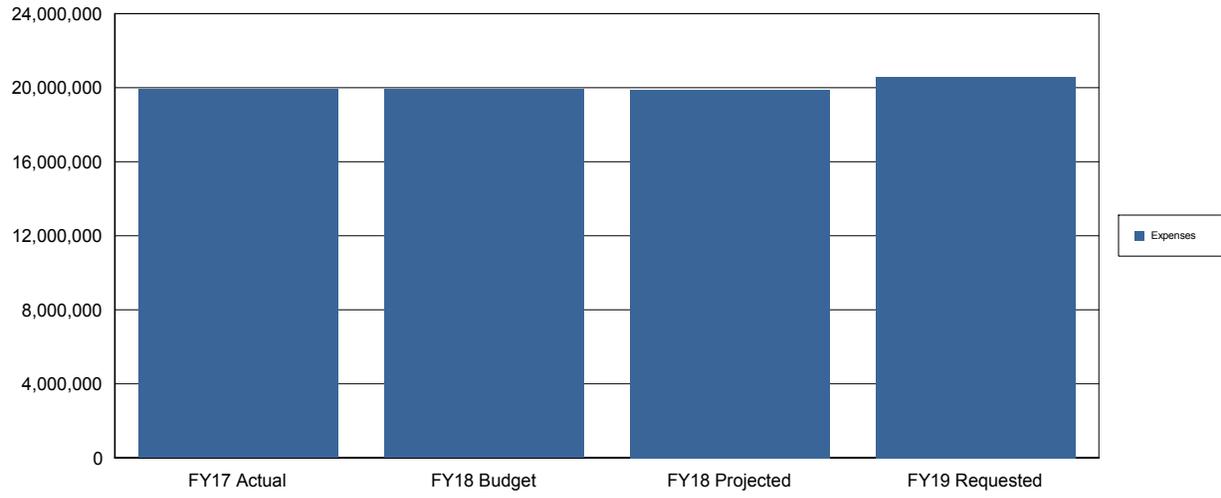
### FY19 Expenses By Type



## Full Time Equivalents (FTE)

Job Titles	FY17 Budget	FY18 Budget	FY19 Requested	Difference FY18
Administrative Secretary	1.00	1.00	1.00	0.00
Animal Control Field Supvr.	1.00	1.00	1.00	0.00
Animal Control Manager	1.00	1.00	1.00	0.00
Animal Control Officer	5.00	5.00	5.00	0.00
Communications Specialist-Pol	14.00	14.00	14.00	0.00
Communications Supvr-Police	1.00	1.00	1.00	0.00
Crime Scene Technician	1.00	0.00	0.00	0.00
Detention Officer	7.50	9.00	9.00	0.00
Evidence & Property Tech.	1.00	1.00	1.00	0.00
Facilities Maintenance Worker	1.00	1.00	1.00	0.00
Lead Comm Specialist-Police	4.00	4.00	4.00	0.00
Lead Detention Officer	3.00	3.00	3.00	0.00
Master Police Officer	69.00	0.00	0.00	0.00
Master Police Officer I	0.00	36.00	36.00	0.00
Master Police Officer II	0.00	31.00	35.00	4.00
Mgr, Accreditation/Info Mgmt	1.00	1.00	1.00	0.00
Parking Control Officer	1.00	1.00	1.00	0.00
Police Captain	6.00	6.00	6.00	0.00
Police Chief	1.00	1.00	1.00	0.00
Police Major I	1.00	1.00	1.00	0.00
Police Major II	3.00	3.00	3.00	0.00
Police Officer I	14.00	21.00	23.00	2.00
Police Officer II	29.00	27.00	24.00	-3.00
Police Records Clerk	3.50	3.50	3.50	0.00
Police Sergeant	19.00	0.00	0.00	0.00
Police Sergeant I	0.00	8.00	6.00	-2.00
Police Sergeant II	0.00	11.00	12.00	1.00
Police Services Officer	3.00	3.00	3.00	0.00
Police Systems Manager	1.00	1.00	0.00	-1.00
Purchasing and Supply Officer	1.00	1.00	1.00	0.00
Secretary	3.50	3.50	3.50	0.00
Shelter Attendant	4.50	4.50	4.50	0.00
Technical Services Specialist	1.00	1.00	1.00	0.00
<b>Department Totals</b>	<b>202.00</b>	<b>205.50</b>	<b>206.50</b>	<b>1.00</b>

# Total Budget



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# Public Works Engineering

## FY19 Budget Summary

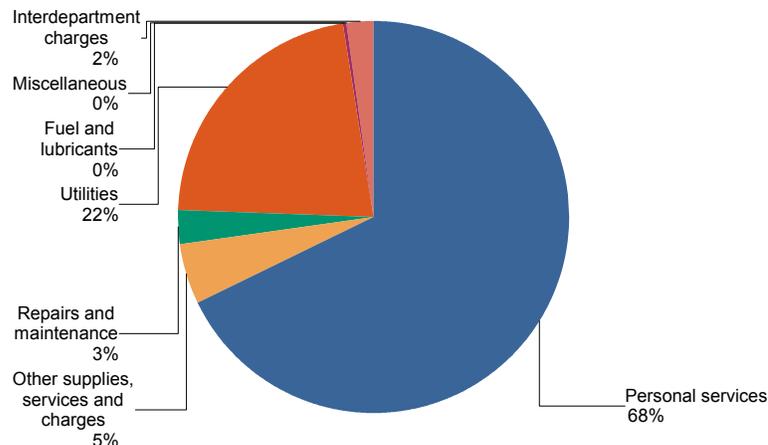
### Expenses by Program and Services

Programs and Services	FY17 Actual	FY18 Budget	FY18 Projected	FY19 Requested	Difference FY18 Budget		Difference FY18 Projected	
					\$	%	\$	%
Department Administration	1,477,927	1,535,630	1,489,460	1,433,870	(101,760)	(7%)	(55,590)	(4%)
Stormwater Management	0	152,213	96,386	92,102	(60,112)	(39%)	(4,285)	(4%)
Support To Development	126,522	146,025	130,931	90,987	(55,038)	(38%)	(39,944)	(31%)
Support to Water Eng & Const	93,217	47,984	43,134	37,564	(10,420)	(22%)	(5,571)	(13%)
Customer Service	344,844	298,979	260,903	319,015	20,036	7%	58,112	22%
Support to Solid Waste Mgmt	31,090	19,188	19,188	17,510	(1,678)	(9%)	(1,678)	(9%)
Traffic Engineering	1,839,244	1,994,548	1,982,266	1,927,943	(66,605)	(3%)	(54,323)	(3%)
Infrastructure Improvemts	1,494,260	1,359,879	1,314,243	1,526,343	166,463	12%	212,100	16%
Support to Airport	44,894	36,756	36,882	28,941	(7,815)	(21%)	(7,941)	(22%)
<b>Department Totals</b>	<b>5,451,999</b>	<b>5,591,202</b>	<b>5,373,393</b>	<b>5,474,274</b>	<b>(116,928)</b>	<b>(2%)</b>	<b>100,881</b>	<b>2%</b>

### Expenses by Type

Expense Category	FY17 Actual	FY18 Budget	FY18 Projected	FY19 Requested	Difference FY18 Budget		Difference FY18 Projected	
					\$	%	\$	%
Personal services	3,806,055	3,691,420	3,540,064	3,713,052	21,632	1%	172,988	5%
Other supplies, services and charges	246,457	305,876	301,338	270,121	(35,755)	(12%)	(31,217)	(10%)
Repairs and maintenance	49,134	161,314	159,914	157,623	(3,691)	(2%)	(2,291)	(1%)
Utilities	1,179,249	1,192,600	1,192,600	1,192,600	0	0%	0	0%
Fuel and lubricants	16,952	25,115	19,538	19,538	(5,577)	(22%)	0	0%
Miscellaneous	3,856	1,650	1,614	1,350	(300)	(18%)	(264)	(16%)
Capital outlay	0	54,902	0	0	(54,902)	(100%)	0	0%
Interdepartment charges	150,295	158,325	158,325	119,990	(38,335)	(24%)	(38,335)	(24%)
<b>Department Totals</b>	<b>5,451,999</b>	<b>5,591,202</b>	<b>5,373,393</b>	<b>5,474,274</b>	<b>(116,928)</b>	<b>(2%)</b>	<b>100,881</b>	<b>2%</b>

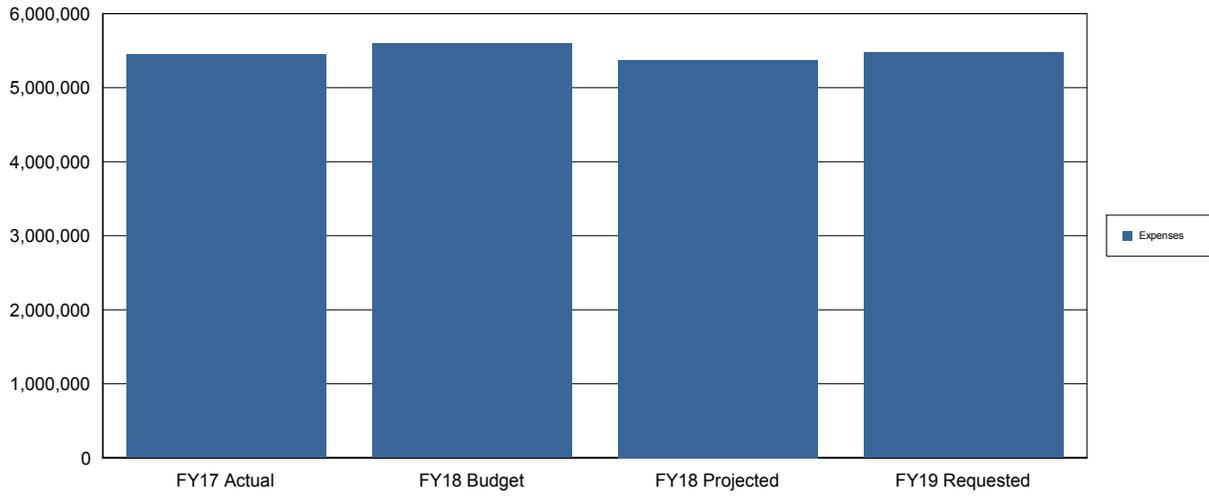
### FY19 Expenses By Type



## Full Time Equivalents (FTE)

Job Titles	FY17 Budget	FY18 Budget	FY19 Requested	Difference FY18
Administrative Assistant	1.00	1.00	1.00	0.00
CIP Resident Inspector	5.00	7.00	7.00	0.00
City Traffic Engineer	1.00	1.00	1.00	0.00
Clerk-Typist	1.00	1.00	1.00	0.00
Construction Inspector	2.10	0.00	0.00	0.00
Construction Manager	1.00	1.00	1.00	0.00
Construction Project Manager	3.00	3.00	3.00	0.00
Deputy Dir. of P.Wks./Admin.	1.00	1.00	1.00	0.00
Deputy Dir. of P.Wks./City Eng	1.00	1.00	1.00	0.00
Director of Public Works	1.00	1.00	1.00	0.00
Engineering Technician	3.00	2.00	2.00	0.00
Environmental Specialist	1.00	1.00	1.00	0.00
Field Engineering Inspector	1.00	1.00	0.00	-1.00
Lead Engineering Technician	1.00	1.00	1.00	0.00
Lead Traffic Operations Tech	0.00	0.00	1.00	1.00
Project Manager	1.00	1.00	1.00	0.00
Public Works Admin. Manager	0.00	1.00	1.00	0.00
Public Works Inspector	0.00	0.00	2.00	2.00
Public Works Intern	0.00	0.25	0.25	0.00
Public Works Mgmt. Analyst	1.00	0.00	0.00	0.00
Right-of-Way Agent	1.00	1.00	1.00	0.00
Senior Engineering Technician	1.00	2.00	1.00	-1.00
Senior Signal & Lighting Tech.	1.00	1.00	0.00	-1.00
Senior Staff Engineer	4.00	3.00	3.00	0.00
Senior Traffic Operations Tech	0.00	0.00	1.00	1.00
Service Representative I	1.00	1.00	1.00	0.00
Signal & Lighting Technician	1.00	1.00	0.00	-1.00
Signs & Markings Technician	3.00	3.00	0.00	-3.00
Staff Engineer	2.00	4.00	4.00	0.00
Streets Operations Supervisor	1.00	1.00	0.00	-1.00
Supervisory Engineer	1.00	1.00	1.00	0.00
Traffic Operations Technician	0.00	0.00	4.00	4.00
<b>Department Totals</b>	<b>41.10</b>	<b>42.25</b>	<b>42.25</b>	<b>0.00</b>

# Total Budget



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# Public Works Operations

## FY19 Budget Summary

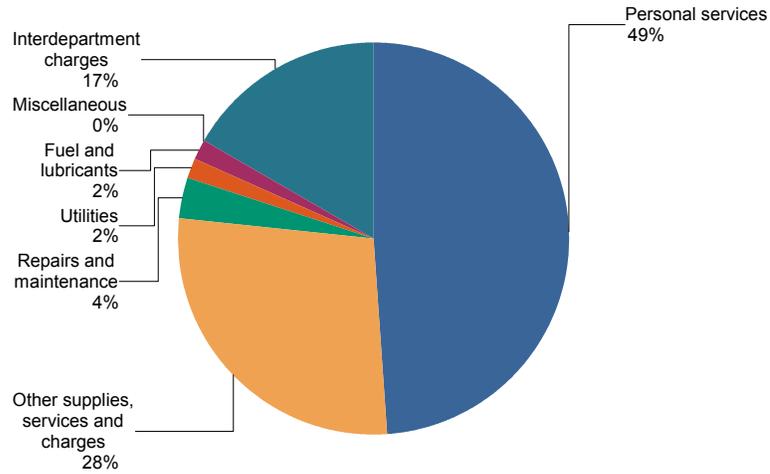
### Expenses by Program and Services

Programs and Services	FY17 Actual	FY18 Budget	FY18 Projected	FY19 Requested	Difference FY18 Budget		Difference FY18 Projected	
					\$	%	\$	%
Department Administration	1,318,698	1,373,547	1,438,068	1,473,100	99,554	7%	35,032	2%
Stormwater Control	506,774	466,556	551,689	448,280	(18,275)	(4%)	(103,409)	(19%)
Street Management	819,623	889,735	795,304	799,488	(90,247)	(10%)	4,184	1%
Pot Hole Patching	107,161	148,692	138,764	177,562	28,871	19%	38,798	28%
Snow Removal	614,391	740,833	700,898	510,272	(230,562)	(31%)	(190,626)	(27%)
Street Sweeping	87,552	108,909	117,551	102,677	(6,233)	(6%)	(14,874)	(13%)
Traffic Control	77,314	84,008	131,670	115,536	31,528	38%	(16,134)	(12%)
Right of Way Maintenance	998,931	930,068	881,885	961,471	31,403	3%	79,586	9%
Sidewalk maintenance	153,095	124,568	137,919	116,949	(7,620)	(6%)	(20,970)	(15%)
Bridge Maintenance	56,516	67,451	47,980	38,319	(29,132)	(43%)	(9,660)	(20%)
Infrastructure Improvemts	0	1,995	1,995	0	(1,995)	(100%)	(1,995)	(100%)
<b>Department Totals</b>	<b>4,740,056</b>	<b>4,936,363</b>	<b>4,943,723</b>	<b>4,743,655</b>	<b>(192,708)</b>	<b>(4%)</b>	<b>(200,068)</b>	<b>(4%)</b>

### Expenses by Type

Expense Category	FY17 Actual	FY18 Budget	FY18 Projected	FY19 Requested	Difference FY18 Budget		Difference FY18 Projected	
					\$	%	\$	%
Personal services	2,346,982	2,366,504	2,318,647	2,320,987	(45,517)	(2%)	2,339	0%
Other supplies, services and charges	1,330,988	1,415,961	1,470,925	1,309,372	(106,590)	(8%)	(161,553)	(11%)
Repairs and maintenance	160,069	191,558	188,776	170,145	(21,413)	(11%)	(18,631)	(10%)
Utilities	63,767	56,964	59,999	71,462	14,498	25%	11,463	19%
Fuel and lubricants	74,327	111,889	111,889	76,252	(35,637)	(32%)	(35,637)	(32%)
Miscellaneous	6,604	1,975	1,975	1,700	(275)	(14%)	(275)	(14%)
Interdepartment charges	757,319	791,511	791,511	793,737	2,226	0%	2,226	0%
<b>Department Totals</b>	<b>4,740,056</b>	<b>4,936,363</b>	<b>4,943,723</b>	<b>4,743,655</b>	<b>(192,708)</b>	<b>(4%)</b>	<b>(200,068)</b>	<b>(4%)</b>

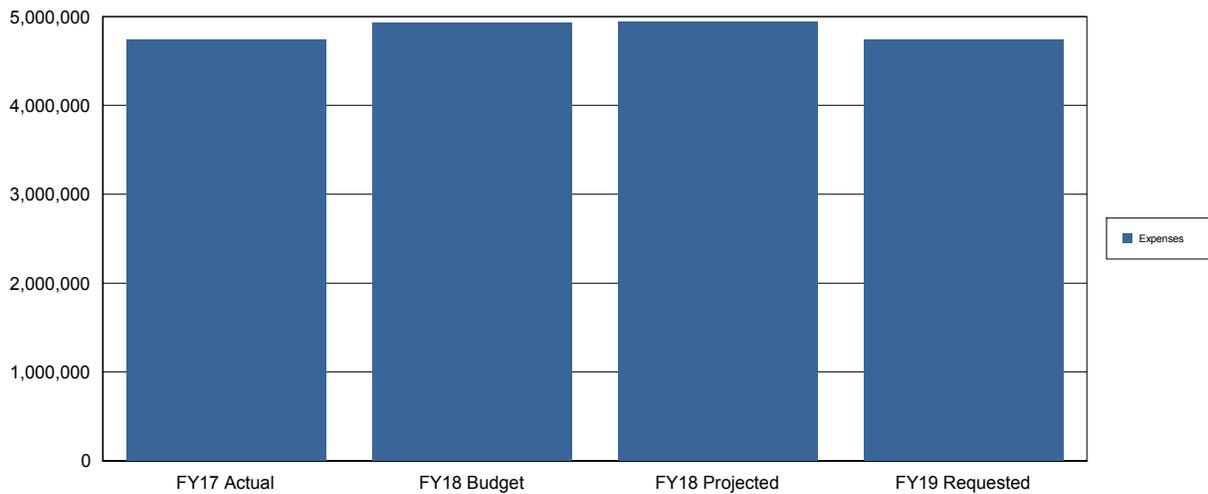
## FY19 Expenses By Type



## Full Time Equivalents (FTE)

Job Titles	FY17 Budget	FY18 Budget	FY19 Requested	Difference FY18
Administrative Assistant	0.00	1.00	1.00	0.00
Administrative Coordinator	1.00	0.00	0.00	0.00
Asst. Director of P. Wks. Oper	1.00	1.00	1.00	0.00
Clerk-Typist	1.20	0.80	0.80	0.00
Equipment Operator	14.00	14.00	14.00	0.00
Maintenance Worker	12.00	12.00	12.00	0.00
Public Works Operations Mgr.	1.00	1.00	1.00	0.00
Service Attendant	1.00	1.00	1.00	0.00
Streets Operations Supervisor	3.00	3.00	3.00	0.00
<b>Department Totals</b>	<b>34.20</b>	<b>33.80</b>	<b>33.80</b>	<b>0.00</b>

## Total Budget



# Solid Waste

## FY19 Budget Summary

### Revenues

Revenues	FY17 Actual	FY18 Budget	FY18 Projected	FY19 Requested	Difference FY18 Budget		Difference FY18 Projected	
					\$	%	\$	%
Fines and forfeitures	38,534	10,000	15,000	0	(10,000)	(100%)	(15,000)	(100%)
Charges for services	(48)	0	0	0	0	0%	0	0%
Investment earnings	20,125	1,430	47,494	23,518	22,088	1,545%	(23,976)	(50%)
Other	678,278	577,000	616,799	77,000	(500,000)	(87%)	(539,799)	(88%)
Transfers in	0	0	62,555	31,121	31,121	0%	(31,434)	(50%)
<b>Department Totals</b>	<b>736,889</b>	<b>588,430</b>	<b>741,848</b>	<b>131,639</b>	<b>(456,791)</b>	<b>(78%)</b>	<b>(610,209)</b>	<b>(82%)</b>

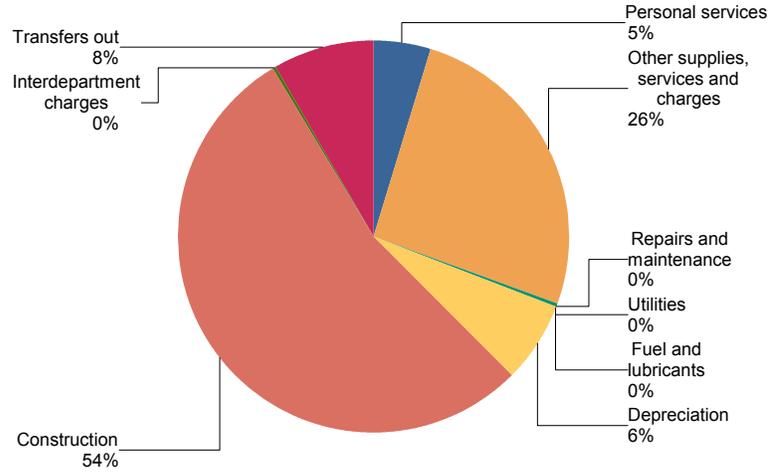
### Expenses by Program and Services

Programs and Services	FY17 Actual	FY18 Budget	FY18 Projected	FY19 Requested	Difference FY18 Budget		Difference FY18 Projected	
					\$	%	\$	%
Department Administration	217,517	129,934	162,893	140,814	10,880	8%	(22,079)	(14%)
Debt & Cash Management	241,519	397,462	397,462	517,572	120,110	30%	120,110	30%
Customer Service	(3,542)	0	0	0	0	0%	0	0%
Solid Waste Management	(31,690)	0	0	0	0	0%	0	0%
Yard Waste	(8,800)	0	0	0	0	0%	0	0%
Recycling	(4,780)	0	11,512	24,881	24,881	0%	13,369	116%
Household Hazardous Waste	(3,725)	0	0	0	0	0%	0	0%
Environment Montrg & Comp	(261,338)	440,000	529,073	491,485	51,485	12%	(37,588)	(7%)
Capital Projects	0	1,143,775	1,143,775	1,377,000	233,225	20%	233,225	20%
<b>Department Totals</b>	<b>145,161</b>	<b>2,111,171</b>	<b>2,244,715</b>	<b>2,551,752</b>	<b>440,581</b>	<b>21%</b>	<b>307,037</b>	<b>14%</b>

### Expenses by Type

Expense Category	FY17 Actual	FY18 Budget	FY18 Projected	FY19 Requested	Difference FY18 Budget		Difference FY18 Projected	
					\$	%	\$	%
Personal services	77,523	101,112	109,763	118,362	17,250	17%	8,599	8%
Other supplies, services and charges	(346,708)	418,641	603,064	663,922	245,281	59%	60,858	10%
Repairs and maintenance	503	10,800	4,670	7,300	(3,500)	(32%)	2,630	56%
Utilities	0	0	180	240	240	0%	60	33%
Fuel and lubricants	792	612	560	406	(206)	(34%)	(154)	(28%)
Depreciation	185,698	174,462	174,462	164,554	(9,908)	(6%)	(9,908)	(6%)
Capital outlay	0	0	31,472	0	0	0%	(31,472)	(100%)
Construction	52,354	1,228,775	1,143,775	1,377,000	148,225	12%	233,225	20%
Interdepartment charges	0	1,769	1,769	5,950	4,181	236%	4,181	236%
Transfers out	175,000	175,000	175,000	214,018	39,018	22%	39,018	22%
<b>Department Totals</b>	<b>145,161</b>	<b>2,111,171</b>	<b>2,244,715</b>	<b>2,551,752</b>	<b>440,581</b>	<b>21%</b>	<b>307,037</b>	<b>14%</b>

## FY19 Expenses By Type



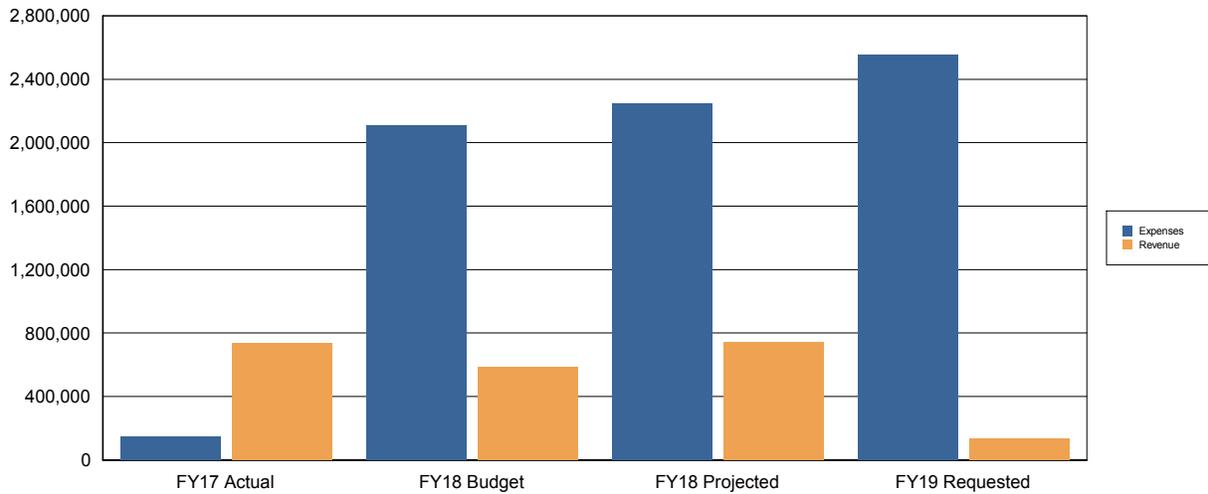
## Net Income

	FY17	FY18	FY18	FY19	Difference		Difference	
	Actual	Budget	Projected	Requested	FY18 Budget		FY18 Projected	
					\$	%	\$	%
	591,727	(1,522,741)	(1,502,867)	(2,420,113)	(897,372)	0%	(917,246)	0%

## Full Time Equivalents (FTE)

Job Titles	FY17	FY18	FY19	Difference
	Budget	Budget	Requested	
Recycling Center Attendant PTR	0.00	0.00	0.60	0.60
Solid Waste Superintendent	1.00	1.00	1.00	0.00
<b>Department Totals</b>	<b>1.00</b>	<b>1.00</b>	<b>1.60</b>	<b>0.60</b>

## Total Budget



# Water

## FY19 Budget Summary

### Revenues

Revenues	FY17 Actual	FY18 Budget	FY18 Projected	FY19 Requested	Difference FY18 Budget		Difference FY18 Projected	
					\$	%	\$	%
Fines and forfeitures	291,691	284,511	305,005	277,271	(7,240)	(3%)	(27,734)	(9%)
Licenses and permits	142,978	80,204	80,204	0	(80,204)	(100%)	(80,204)	(100%)
Intergovernmental	1,636,336	0	0	0	0	0%	0	0%
Charges for services	35,526,590	36,746,952	36,098,855	37,686,896	939,944	3%	1,588,041	4%
Material and fuel sales	281,018	193,500	197,269	215,749	22,249	11%	18,480	9%
Investment earnings	58,284	55,000	103,061	75,000	20,000	36%	(28,061)	(27%)
Other	198,671	48,605	158,591	53,897	5,292	11%	(104,694)	(66%)
Transfers in	546,628	442,067	442,067	655,025	212,958	48%	212,958	48%
<b>Department Totals</b>	<b>38,682,196</b>	<b>37,850,839</b>	<b>37,385,052</b>	<b>38,963,838</b>	<b>1,112,999</b>	<b>3%</b>	<b>1,578,786</b>	<b>4%</b>

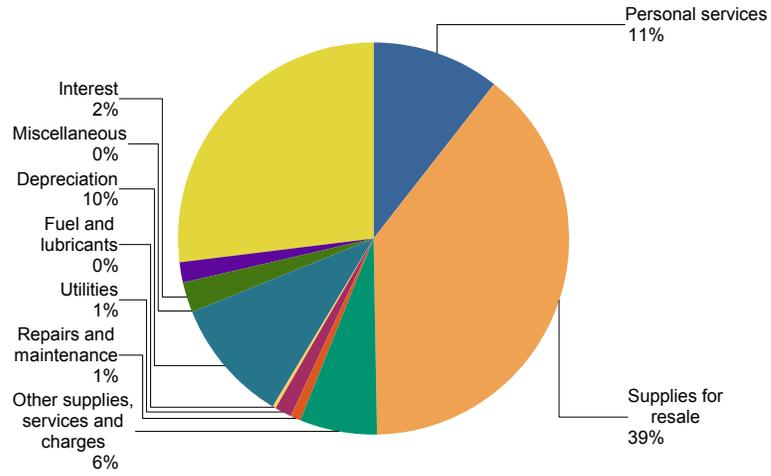
### Expenses by Program and Services

Programs and Services	FY17 Actual	FY18 Budget	FY18 Projected	FY19 Requested	Difference FY18 Budget		Difference FY18 Projected	
					\$	%	\$	%
Operations	5,690,606	5,800,422	5,528,099	5,613,363	(187,060)	(3%)	85,263	2%
Customer Service	32,939,911	35,059,959	34,385,227	37,578,119	2,518,160	7%	3,192,892	9%
<b>Department Totals</b>	<b>38,630,517</b>	<b>40,860,381</b>	<b>39,913,326</b>	<b>43,191,481</b>	<b>2,331,101</b>	<b>6%</b>	<b>3,278,156</b>	<b>8%</b>

### Expenses by Type

Expense Category	FY17 Actual	FY18 Budget	FY18 Projected	FY19 Requested	Difference FY18 Budget		Difference FY18 Projected	
					\$	%	\$	%
Personal services	3,982,428	4,396,083	4,000,193	4,545,459	149,376	3%	545,266	14%
Supplies for resale	16,123,753	16,418,764	16,178,977	16,903,904	485,140	3%	724,927	4%
Other supplies, services and charges	2,738,344	3,073,247	3,081,635	2,740,160	(333,086)	(11%)	(341,475)	(11%)
Repairs and maintenance	610,850	479,573	435,289	439,504	(40,069)	(8%)	4,215	1%
Utilities	561,679	518,551	506,812	592,959	74,408	14%	86,147	17%
Fuel and lubricants	62,743	56,436	52,611	66,977	10,541	19%	14,366	27%
Depreciation	4,277,150	4,330,000	4,053,259	4,490,000	160,000	4%	436,741	11%
Miscellaneous	19,769	18,475	12,475	12,400	(6,075)	(33%)	(75)	(1%)
Interest	87,245	1,016,000	1,016,000	1,027,000	11,000	1%	11,000	1%
Capital outlay	0	0	18,107	0	0	0%	(18,107)	(100%)
Interdepartment charges	684,704	706,079	710,795	684,489	(21,590)	(3%)	(26,306)	(4%)
Transfers out	9,481,851	9,847,174	9,847,174	11,688,629	1,841,455	19%	1,841,455	19%
<b>Department Totals</b>	<b>38,630,517</b>	<b>40,860,381</b>	<b>39,913,326</b>	<b>43,191,481</b>	<b>2,331,101</b>	<b>6%</b>	<b>3,278,156</b>	<b>8%</b>

## FY19 Expenses By Type



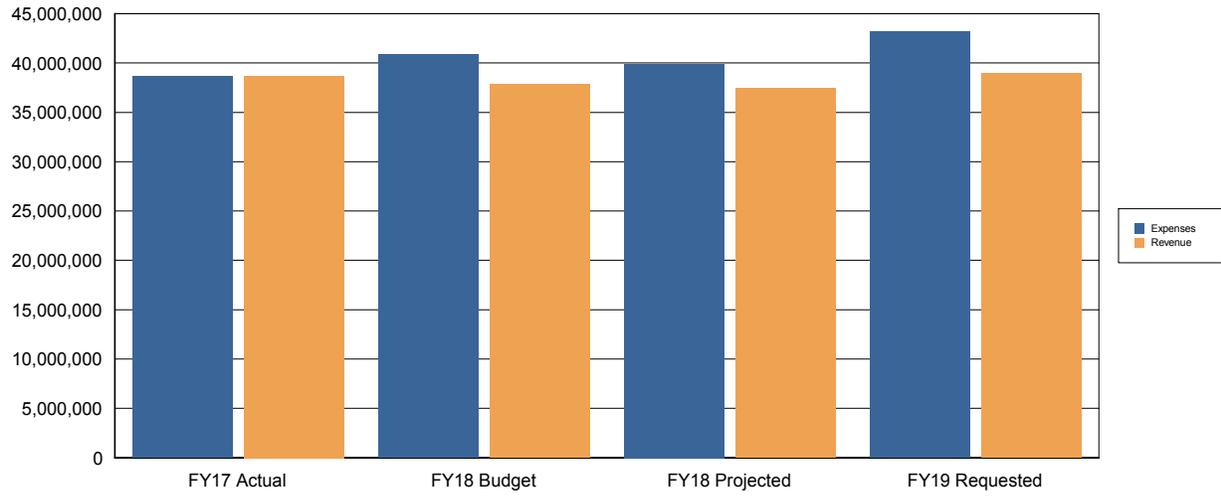
## Net Income

FY17 Actual	FY18 Budget	FY18 Projected	FY19 Requested	Difference FY18 Budget		Difference FY18 Projected	
				\$	%	\$	%
51,679	(3,009,542)	(2,528,274)	(4,227,643)	(1,218,102)	0%	(1,699,369)	0%

## Full Time Equivalents (FTE)

Job Titles	FY17 Budget	FY18 Budget	FY19 Requested	Difference FY18
Account Services Manager	0.00	1.00	1.00	0.00
Administrative Secretary	1.00	1.00	1.00	0.00
Administrative Supervisor	1.00	1.00	1.00	0.00
Asst. Dir. of Engineering Svcs	1.00	1.00	1.00	0.00
Asst. Dir. of Support Service	1.00	1.00	1.00	0.00
Asst. Director of Operations	1.00	1.00	1.00	0.00
Community Relations Specialist	1.00	1.00	1.00	0.00
Control System Supervisor	1.00	1.00	1.00	0.00
Customer Service Rep.	3.00	3.00	3.00	0.00
Customer Service Supervisor	1.00	1.00	1.00	0.00
Director of Water Utilities	1.00	1.00	1.00	0.00
Equipment Operator Sewer	8.00	7.00	7.00	0.00
Equipment Operator Water	6.00	5.00	4.00	-1.00
Equipment Technician	2.00	2.00	2.00	0.00
Facilities Maintenance Worker	1.00	1.00	1.00	0.00
Facilities Manager	1.00	1.00	1.00	0.00
Fire Hydrant Painter	0.50	0.00	0.00	0.00
Instrumentation & Controls Tec	2.00	2.00	2.00	0.00
Maintenance Worker	8.00	8.00	9.00	1.00
Management Analyst - W.U.	0.00	1.00	1.00	0.00
Meter Service Technician	8.00	8.00	8.00	0.00
Metered Services Specialist	1.00	1.00	1.00	0.00
Metered Services Supervisor	1.00	1.00	1.00	0.00
Operations Technician	0.00	2.00	2.00	0.00
Seasonal Laborer	0.00	0.50	0.46	-0.04
Secretary	2.00	2.00	2.00	0.00
Utility Engineer	0.00	1.00	1.00	0.00
Utility System Manager	2.00	2.00	2.00	0.00
Utility System Supervisor	3.00	3.00	3.00	0.00
Utility Technician	1.00	1.00	1.00	0.00
Water Utilities Analyst	1.00	1.00	1.00	0.00
Water Utilities Mgmt Analyst	1.00	0.00	0.00	0.00
<b>Department Totals</b>	<b>60.50</b>	<b>62.50</b>	<b>62.46</b>	<b>-0.04</b>

# Total Budget



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# APPENDIX:

**Accrual Accounting:** A method of accounting that recognizes the financial effect of transactions, events and inters fund activities when they occur, regardless of the timing of related cash flows.

**Amortization:** 1) A reduction of debt by means of periodic payments sufficient to meet current interest and liquidate the debt at maturity. 2) Provision for the extinguishment of a debt by means of a debt service fund. 3) Accounting for expenses or charges as they apply rather than as they are paid.

**Arbitrage:** Arbitrage is the difference (profit) earned from investing low- yielding tax-exempt bond proceeds in higher yielding taxable securities.

**Assessments:** Assessments are charges in the nature of taxes upon property owners to pay the costs of facilities or improvements that benefit the property owned. Payment of the amount assessed (together with interest if not paid upon assessment) is secured by a direct fixed lien on the property. The assessed payments are either used directly to pay the costs of the facilities or improvements or, if paid over time, are used to repay bonds issued to finance such costs. "Special assessment" financing proceeds are used for improvements relating to the property, such as sidewalks, streets, gutters, sewers and water systems.

**Assessed Valuation or [AV]:** The valuation placed on real estate or other property by a government for the purpose of levying taxes.

**Auditing: Pre-Audit:** Posting year-end closing entries, preparing preliminary financial

statements and assembling supporting documents for review by outside auditors.

**Auditing: Post-Audit:** Posting audit adjustments and preparing the annual financial report.

**Audit Report:** The report prepared by an auditor covering the audit or investigation of an entity's financial position for a given period of time. As a general rule, the report should include a) a statement of the scope of the audit; b) explanatory comments concerning exceptions from generally accepted auditing standards; c) opinions; d) explanatory comments concerning verification procedures; e) financial statements and schedules; and f) statistical tables, supplementary comments and recommendations. The auditor's signature follows item c) or d).

**Authority:** A governmental unit or public agency created to perform a single function or a restricted group of related activities. Usually such units are financed from service charges, fees and tolls, but in instances they also have taxing powers. An authority may be completely independent of other governmental units, or in some cases it may be partially dependent upon other governments for its creation, its financing or the exercise of certain powers.

**Balanced Budget:** Annual financial plan in which expenses do not exceed revenues.

**Bond Counsel:** Legal firm hired to advise the Issuer regarding the legal and tax assurance to the bond purchaser that the bond was legally issued and is aspects of the sale. Bond counsel writes the legal opinion for the bond issue. This lawyer, in

theory, represents the ultimate bond purchaser. The Bond opinion provides tax-exempt. Generally responsible for producing the legal documents required for the sale.

**Bond Election or Bond Referendum:** A process whereby the qualified voters of a governmental unit are given the opportunity to approve or disapprove a proposed issue of municipal securities. An election is most commonly required in connection with general obligation bonds. Requirements for voter approval may be imposed by constitution, statute, or local ordinance.

**Bond Fiscal Year:** The 12-month accounting period, established under some bond contracts, used in connection with and issue of municipal securities. Principal and interest payments are scheduled in accordance with the bond fiscal year. The bond fiscal year may not necessarily coincide with the issuing agency's own fiscal year, and may be established in order to take full advantage of the scheduled cash flow of projected pledged revenues. (See also Fiscal Year).

**Bond Proceeds:** The money paid to the issuer by the purchaser or underwriter of a new issue of municipal securities. These monies are used to finance the project or purposed for which the securities were issued and to pay certain costs of issuance as may be provided in the bond contract.

**Budget (Operation):** A plan of financial operation embodying an estimate of proposed expenditures for a given period and the proposed means of financing them. Used without any modifier, the term usually indicates a financial plan for a single fiscal year. The term "budget" is used in tow senses in practice. Sometimes it designates the financial plan presented to the appropriating body for adoption and sometimes the plan finally

approved by that body. It is usually necessary to specify whether the budget under consideration is preliminary and tentative or whether it has been approved by the appropriating body.

**Callable Bond:** A bond which the issuer is permitted or required to redeem before the stated maturity date at a specified price, usually at or above par, by giving notice of redemption in a manner specified in the bond contract.

**Call Date:** The date on which a bond may be redeemed before maturity at the option of the Issuer.

**Call Feature (Redemption Feature):** Enables the Issuer to pay off "redeem" a bond prior to its maturity date. The "call date" is the earliest date the bond may be redeemed "called". Usually a premium is paid for the earliest call dates.

**Capital Assets:** Assets of significant value and having a useful life of several years. Capital Assets are also called Fixed Assets.

**Capital Improvement Program [CIP]:** A plan of proposed capital expenditures and the means of financing them. The capital budget is usually adopted as part of the complete annual budget which includes both operations and capital outlays. The capital budgets should be based on a capital improvement program [CIP].

**Capital Outlays:** Expenditures for the acquisition of capital assets.

**Capital Projects:** Projects that purchase or construct capital assets. Typically a capital project encompasses a purchase of land and/or the construction of a building or facility.

**Cash Basis:** The method of accounting under which revenues are recorded when received and expenditures are recorded when paid.

**Cash-Flow Budget (Cash Budget):** A projection of the cash receipts and disbursements anticipated during given period. Typically, this projection covers a year and is broken down into separate projections for each month, week and/or day during the year.

**Cash-Flow Financing:** A financing in which the proceeds of the issue are used to pay current expenses of the issuer when the issuer's current income is temporarily insufficient for that purpose. Also, sometimes called TRANS, TANS, or RANS (tax and revenue anticipation notes). The issue is customarily scheduled to be repaid when current income exceeds current expenses. The issue typically has a term of one year or less.

**Cash Management:** Tracking and forecasting cash flow, and working with investment personnel to develop an investment plan. Maintaining cash accounts and controlling their disposition. Coordinating and controlling bank accounts.

**Certificate of Deposit or CD:** A negotiable or non-negotiable receipt for moneys deposited in a bank or other financial institution for a specified period at a specified rate of interest.

**Certificate of Participation [COP]:** A certificate showing participation through ownership of a "share" of lease payments or lease-purchase agreement. Usually made between a municipality and an equipment vendor. While these certificates are similar to bonds, they are secured solely by the lease or rental revenues accruing to the municipality/agency issuing the certificates have maturities and are paid in a manner parallel

to the process involved in the execution and administration of bonds.

**Competitive Bid or Competitive Bidding:** A method of submitting proposals to purchase a new issue of bonds by which the bonds are awarded to the underwriting syndicate presenting the best bid according to stipulated criteria set forth in the notice of sale.

**Cost Accounting:** Accounting which assembles and records all costs incurred to carry out a particular activity or to deliver a particular service.

**Costs of Issuance:** The expenses associated with the sale of new issue of municipal securities, including such items as underwriter's spread, printing, legal fees and rating costs.

**Covenant or Bond Covenant:** The issuer's enforceable promise to do or refrain from doing some act. With respect to municipal bonds, covenants are generally stated in the bond contract.

**Debt:** An obligation resulting from the borrowing of money or from the purchase of goods and services. Debt of governmental units include bonds, time warrants, notes, and floating debt.

**Debt Limit:** The maximum amount of debt which an issuer of municipal securities is permitted to uncurl under constitutional, statutory or charter provisions. The limitation is usually a percentage of assessed valuation and may be fixed upon either gross or net debt.

**Debt Ratios:** Comparative statistics showing the relationship between the issuer's outstanding debt and such factors as its tax base, income or population. Such ratios are often used in the

process of determining credit quality of an issue, especially in the case of general obligation bonds.

**Debt Service:** The amount of money necessary to pay interest on an outstanding debt, the serial maturities of principal for serial bonds and the required contributions to an amortization of sinking fund for term bonds.

**Debt Service Fund:** A fund established to account for the payment of interest and principal on all general obligation debt.

**Debt Service Schedule:** A table listing the annual payments necessary to meet debt service requirements over the period of time the bonds are to be outstanding.

**Defeasance:** Termination of the rights and interests of the bondholders and of their lien on the pledged revenues in accordance with the terms of the bond contract for the prior issue of bonds. Defeasance usually occurs in connection with the refunding of an outstanding issue before the final payment, or provision for future payment, of principal and interest on a prior issue.

**Delinquent Taxes:** Taxes remaining unpaid on and after the date on which a penalty for non-payment is attached.

**Depreciation:** 1) Expiration of the service life of capital assets attributable to wear and tear, deterioration, action of the physical elements, inadequacy or obsolescence. 2) That portion of the cost of a capital asset that is charged as an expense during a particular period.

**Direct Debt:** The debt for which the issuing unit has sole responsibility.

**Disbursements:** Recording accounts payable, reviewing invoices and supporting documents, and making payments to vendors.

**Encumbrances:** Obligations in the form of purchase orders, contracts or salary commitments which are chargeable to an appropriation and for which a part of the appropriation is reserved.

**Enterprise Activity:** A revenue-generating project or business which supplies funds necessary to pay debt service or bonds issued to finance the facility. The debts of such projects are self-liquidating when the projects earn sufficient moneys to cover all debt service and other requirements imposed under the bond contract.

**Enterprise Debt:** Debt which is to be retired primarily from the earnings of publicly owned and operated enterprises.

**Enterprise Fund Accounting:** Accounting used for government operations that are financed and operated in a manner similar to business enterprises and for which preparation of an income statement is desirable.

**Expenditures:** Where accounts are kept on the accrual or modified accrual basis of accounting, the cost of goods received or services rendered whether cash payments have been made or not. Where accounts are kept on a cash basis, expenditures are recognized only when the cash payments for the above purposes are made.

**Expense:** Charges incurred (whether paid immediately or unpaid) for operations, maintenance, interest or other charges.

**Feasibility Study:** A report of the financial practicality of a proposed project and financing thereof, which may include estimated revenues

that will be generated and a revenue of the physical operating, economic or engineering aspects of the proposed project.

**Federal National Mortgage Association (FNMA) or Fannie Mae):** One of the two presently existing corporations which formerly comprised the FNMA. As it currently exists, FNMA is a government-sponsored private corporation authorized to purchase and sell mortgages and to otherwise facilitate the orderly operation of a secondary market for home mortgages.

**Financial Advisor or Consultant:** With respect to a new issue of municipal bonds, a consultant who advises the issuer on matters pertinent to the issue, such as structure, timing, marketing, fairness of pricing, terms and bond ratings. Can provide cash management services and can serve as an agent for the issuer during the pricing of bonds during a negotiated sale.

**Fiscal Agent:** An agent (usually and incorporated bank or trust company) designated by a government to act for it in any of several capacities in the sale, administration and payment of bonds and coupons.

**Fiscal Policy:** a government's policy relating to budgeting of expenditures and revenues.

**Fiscal Year:** A 12-month period of time to which the annual budget applies and at the end of which a governmental unit determines its financial position and the results of its operations.

**Fixed Asset Management:** Tagging and preparing asset ledgers for plant, facilities, and equipment; recording changes in asset status; and conducting periodic inventories of assets.

**Full Disclosure:** Providing accurate and complete information material to a bond issue, which a

potential investor would be likely to consider important in deciding whether to invest. Material facts that enable the investor to evaluate the credit quality of an issue.

**Full Faith and Credit:** A pledge of the general taxing power for the payment of debt obligation. Bonds carrying such pledges are usually referred to as general obligation bonds or full faith and credit bonds.

**Full Time Equivalents [FTE]:** Equal to one person based on a 2080 hours a year.

**Fund:** An independent fiscal an accounting entity with a self-balancing set of accounts recording cash and/or other resources together with all related liabilities, obligations, reserves, and equities which are segregated for the purpose of carrying on specific activities or attaining certain objectives.

**Fund Balance:** The excess of the assets of a fund over its liabilities, reserves, and carryover.

**General Fund:** The largest governmental fund, the General Fund accounts for most of the financial resources of the general government. General Fund revenues include property taxes, licenses and permits, local taxes, service charges, and other types of revenue. This fund usually includes most of the basic operating services, such as fire and police protection, finance, planning, codes administration, public works and general administration.

**General Long-term debt:** Long-term debt legally payable from general revenues and backed by the full faith and credit of a governmental unit.

**General Obligation Bonds [GO BONDS]:** Bonds which are secured by the full faith and credit of the issuer. General Obligation bonds issued by

local units of government are secured by a pledge of the issuer's ad valorem taxing power.

**General Property Tax:** The tax usually levied on real and personal property. This tax is typically levied locally.

**Generally Accepted Accounting Principles [GAAP]:** GAAP is a way of reporting. GAAP reporting will enable your government through the use of proper funds, to present more informative

**Goal:** A statement of broad direction, purpose or intent based on the needs of the community. A goal is general and timeless.

**Governmental Accounting Standards Board [GASB]:** A standard-setting body, associated with the Financial Accounting Foundation and comparable to the Financial Accounting Standards Board, which prescribes standard accounting practices for governmental units in maintaining their financial records and releasing financial data to the public.

**Governmental National Mortgage Association [GNMA or Ginnie Mae]:** One of two corporations formerly comprising the FNMA. GNMA is an agency of the Federal Department of Housing and Urban Development empowered to provide special assistance in financing home mortgages and is responsible for management and liquidation of federally owned mortgage portfolios. Its liquidation functions involve the issuance of participation certificates representing beneficial interest in future payments on a pool of mortgages.

**Grant:** A contribution of assets (usually cash) by on governmental unit or other organization to another. Typically, their contributions are made

to local governments from state and federal governments and made for specified purposes.

**Grants Management:** Recording grants-related transactions in keeping with grant regulations, and preparing financial reports for grantor agencies.

**Gross Bonded Debt:** The sum of all General Obligation Debt. Also known as Direct Debt.

**Internal Audit:** Reviewing financial transactions in both the finance department and in operating departments for compliance with local policy and generally accepted accounting principles.

**Internal Control:** A plan of organization for purchasing, accounting, and other financial activities which, among other things, provides for separation of duties, proper authorization from responsible officials in processing of a transaction and the arrangement of records and procedures to facilitate effective control.

**Internal Service Fund:** Funds used to account for the financing of goods or services provided by one department or agency to other departments of a government on a cost-reimbursement basis.

**Investment management:** Determining amounts and types of investments to be made, securing quotes from financial markets, and apportioning interest earned to the proper funds.

**Investment of Proceeds:** The investment of proceeds and other moneys relating to an issue is typically governed by state law and by the Indenture or Bond Resolution.

**Inventory:** Maintaining custody and records of supplies held in stock for future consumption.

**Level Debt Service:** An arrangement of serial maturities in which the amount of principal

maturing increases at approximately the same rate as the amount of interest declines, resulting in substantially equal annual debt service payments over the life of the bonds.

**Levy:** (verb) To impose taxes, special assessments, or service charges for the support of government activities. (noun) The total amount of taxes, special assessments or service charges imposed by a governmental unit.

**Liability:** Debt or other legal obligations arising out of transactions in the past which must be liquidated, renewed or refunded at some future date. Note: This term does not include encumbrances.

**Liquidity:** The ability to convert an investment to cash promptly with minimum risk to principal or accrued interest.

**Long-Term Debt:** Debt with a maturity of more than one year after date of issuance.

**Management Information Systems [MIS]:** Management Information Systems is an internal service department that provides computer and telecommunications needs to the other City Departments.

**Management Information Systems Equipment Replacement Program [MERP]:** The user departments will pay a rental or lease charge that will provide funds for replacement of MIS equipment at a scheduled future date. The rental rate also includes routine maintenance service much like a commercial leasing company.

**Modified Accrual Basis:** The basis of accounting under which expenditures other than accrued interest on general long-term debt are recorded at the time liabilities are incurred and revenues are recorded when received in cash and/or

available revenues which should be accrued to reflect properly the taxes levied and revenue earned.

**Moody's Investors Service:** An independent service subsidiary of Dun & Bradstreet Corp., based in New York City, which provides ratings for municipal bonds and other financial information to investors.

**Municipal Securities Rule Making Board:** An independent, self-regulatory organization established by Congress in 1975 having general rule making authority over municipal securities market participants (generally, brokers and dealers).

**Negotiated Sale:** The sale of a new issue of municipal securities by an issuer through an exclusive agreement with an underwriter or underwriting syndicate selected by the issuer.

**Net Direct Debt:** With respect to any given Issuer the amount of all outstanding debt of such Issuer (Direct Debt), less the sum of any amounts accumulated in sinking funds for such debt and the amount of such debt that is self-supporting.

**New Issue:** An issue of securities which is purchased from the issuer and offered to investors, usually on a "when issued" basis, for the first times.

**Non-Callable Bond:** A bond that cannot be redeemed at the issuer's option before its stated maturity date.

**Object of Expenditure:** Expenditure classifications based upon the types or categories of goods and services purchased.

**Objective:** Something to be accomplished in a specific, well defined, and measurable terms, and that is achievable within a specific time frame.

**Outstanding:** In general as used with respect to the principal of an issue, remaining unpaid.

**Pay-As-You-Go Basis:** A term used to describe the financial policy of a governmental unit which finances all of its capital outlay from current revenues rather than by borrowing.

**Paying Agent:** The entity responsible for transmitting payments of interest and principal from an issuer of municipal securities to the security holders. The paying agent is usually a bank and generally provides reconciliation of the securities and coupons paid and similar services.

**Payment Date:** The date on which interest, or principal and interest, is payable.

**Payroll:** Generating employee paychecks, deducting and transmitting taxes and other payments, administering insurance and other benefits, and generating required reports.

**Pension Administration:** Managing contributions to pension accounts, maintaining records of individual employees' account balance, making investments on behalf of pension funds, and disbursing retirement income.

**Per Capita Debt:** The amount of an issuing municipality's debt outstanding divided by the population residing in the municipality.

**Pledged Revenues:** The monies obligated for the payment of debt service and other deposits required by bond contract.

**Policy Analysis and Research:** Evaluation of policy options and recommending policies on revenue generation, financial administration, and financial aspects of operating policies and activities.

**Premium Call:** A redemption provision which permits the issuer to call securities at a price above par.

**Principal (in relation to bond issuance):** The face amount or par value of a security payable on the maturity date.

**Proceeds/Original Proceeds/Gross Proceeds:** The amount paid to the issuer by the first purchaser of a new issue. Gross Proceeds refers to all of the moneys relating to an issue which are subject to Arbitrage limitations and Rebate under the internal Revenue Code.

**Public Offering:** The sale of bonds to the general public.

**Purchasing:** Determining source and price of goods and services requisitioned by operating departments; authorizing and monitoring purchases.

**Rating Agencies:** The organizations which provide publicly available ratings of the credit quality of securities issuers.

**Rebate:** To pay the United States government amounts earned from the investment of gross proceeds at a yield in excess of the yield on the issue.

**Redemption:** A transaction in which the issuer returns the principal amount represented by an outstanding security.

**Refunding:** A procedure whereby an issuer refinances an outstanding bond issue by issuing new bonds.

**Refunding Bond:** A bond issued to retire a bond already outstanding.

**Registered Bond:** A bond whose owner is designated on records maintained for this purpose by registrar, the ownership of which

cannot be transferred without the registrar recording the transfer on these records.

**Revenue Bond:** A bond which is payable from a specific source of revenue and issuer with taxing power is not pledged. Revenue Bonds are payable from identified sources of revenue, and do not permit the bondholders to compel taxation or legislative appropriation of funds not pledged for payment of debt service. Generally, no voter approval is required prior to issuance of such obligations.

**Revenue Collections:** Billing, collecting, and posting revenues from user fees, licenses, fines, etc. Receiving and posting revenue from tax bills; collecting overdue bills. Providing technical support and control to operating departments which collect such revenue.

**Revenue Estimate:** A formal estimate of how much revenue will be earned from a specific revenue source for some future period, usually a future fiscal year.

**Revenue Fund:** A fund established by the bond contract of a revenue bond issue into which all gross revenues from the financed project are initially placed and from which the monies for all funds are drawn.

**Risk Management:** Making determination of issuance coverage, administering payments to insurance companies and administrative services providers; determining and financing liability for self-insured risks.

**Serial Bonds:** Bonds of an issue which are payable as to principal in amounts due at successive regular intervals, generally annual or semiannual and generally in the early years of the term of the issue.

**Special Assessment:** A charge imposed against property in a particular locality because that property receives a special benefit by virtue of some public improvement, separate and apart from the general benefit accruing to the public at large. Special Assessments must be apportioned according to the value of the benefit received, rather than the cost of the improvement, and may not exceed the value of such benefit or the cost of the improvement, whichever is less.

**System Development Charge:** A reimbursement fee, an improvement fee or a combination thereof assessed or collected at the time of increased usage of a capital improvement or issuance of a development permit, building permit or connections to the capital improvement. This charge includes that portion of a sewer or water system connection that is greater than the amount necessary to reimburse the unit of local government for its average cost of inspecting and installing connections with water and sewer facilities.

**Tax or Taxes:** Compulsory charges levied by a governmental unit for the purpose of raising revenue. Tax revenues are used to pay for services or improvements provided for the general public benefit.

**Tax Anticipation Notes [TANS]:** Notes issued in anticipation of collection of taxes usually retirable only from tax collections, and frequently only from the proceeds of the tax levy whose collection is anticipated at the time of issuance. A form of short-term financing.

**Tax Base:** The total property and resources available to a governmental entity for taxation.

**Tax Billing:** Determining amounts to be billed to individual taxpayers and distribution of bills to each taxpayer.

**Tax-Exempt Bond:** Another term for a municipal bond. Interest on many municipal bonds is exempt from federal income taxation.

**Tax Rate:** The amount of tax stated in terms of a unit of the tax base.

**Tax Rate Limit:** The maximum rate or millage of tax which a local government may levy.

**Trustee:** A financial institution with trust powers which acts in a fiduciary capacity for the benefit of the bondholders in enforcing the terms of the bond contract.

**Underwriters:** A dealer which purchases a new issue of securities for resale. Traders with contacts with large bond buyers and ability to price the bonds for sale.

**Upgrade:** The rising of a rating by a rating service due to the improved credit quality of the issue or issuer.

**Utility Billing:** Determining amounts of water, sewer, electric bills; sending bills to customers, depositing and posting receipts, collecting overdue amounts.

**Vehicle Equipment Replacement Program [VERP]:** VERP provides funds for replacement of vehicles at a scheduled future date through user departments paying rental or lease charges. The rate also includes routine maintenance service much like a commercial leasing company.

**Working Capital (Designated):** An account within the fund balance of the General Fund in which a certain amount of resources were set aside for purposes of maintaining a positive cash flow, shortfalls in the revenue projections, and emergencies during the fiscal year.

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## ACRONYMS

**AV:** Assessed Valuation

**BERP:** Building Equipment Replacement Program

**CIP:** Capital Improvement Program

**CD:** Certificate of Deposit

**COP:** Certificate of Participation

**F&PC:** Finance and Personnel Committee

**FNMA:** Federal National Mortgage Association (or Fannie Mae)

**FTE:** Full Time Equivalents

**GO Bonds:** General Obligation Bonds  
**GAAP:** Generally Accepted Accounting Principles

**GASB:** Governmental Accounting Standards Board

**GNMA:** Governmental National Mortgage Association (or Ginnie Mae]

**MIS:** Management Information Systems

**MERP:** Management Information Systems Equipment Replacement Program

**TANS:** Tax Anticipation Notes

**VERP:** Vehicle Equipment Replacement