

# *Budget Overview and Fund Summaries*

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## ***Budget Policies***

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# Budgetary Policies and Procedures Introduction

## The Budget Development Process

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

A number of study sessions are held throughout the year with city staff and the City Commissioners to discuss various elements of the budget. A goal setting session is held, giving the Commissioners an opportunity to determine priorities for the budget year. Staff in the various departments can then work toward accomplishment of those goals through their daily operations. The City Commission goals can be found later in this document. Other sessions are held to discuss the multi-year Capital Improvement Plan, to review Debt, and to provide the City Manager and staff with direction for allocation to contractual agencies.

The first opportunity for public comment on the budget is in June. The City Manager then prepares a recommended budget that is reviewed and revised by the Commissioners. A summary is published in the Lawrence Journal World and the recommended budget is available on the City's website. A second opportunity for public comment is held in early August. A final budget is then adopted by the City Commission and filed per state statute with the County Clerk in late August.

## State Statutes Related to the Budget

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

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

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

Capital Improvement Reserve Fund

Equipment Reserve Fund

Outside Agency Grants

Wee Folks Scholarship Fund

Fair Housing Assistance Fund

Community Development Fund

Home Program Fund

Transportation Planning Fund

Water and Wastewater Non-Bonded Construction

Solid Waste Non-Bonded Construction



City of Lawrence

# Budgetary Policies and Procedures Introduction

## Budget Calendar

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

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

In addition to state statutes, an annual budget calendar is developed according to an administrative policy. The 2017 budget process calendar can be found in the background materials.

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

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

## Budget Policies

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

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

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

## Basis of Accounting

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

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

# Budgetary Policies and Procedures Introduction

## Basis of Budgeting

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

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

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

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

- Capital outlay is budgeted as an expenditure in the year purchased.
- Depreciation is not budgeted.
- Encumbrances are treated as expenditures in the year they are encumbered, not when the expense occurs.
- Grants obtained for the construction of assets are considered to be revenues, not capital contributions.
- Gains or losses on the early retirement of debt are considered to increase or decrease the funds available in the year in which they occur and are not capitalized and amortized over the life of the bonds.

Operating expenditures are controlled at the fund level and may not exceed appropriations at that level. Capital project expenditures are controlled at the fund, department and project levels and may not exceed appropriations at any of those levels. Budget transfers within a department may be made with administrative approval provided that the transfer is within the same fund. Increases in total appropriations require City Commission approval by ordinance. Spending in funds which are not subject to the legal annual operating budget requirement is controlled by federal regulations, other statutes, or by the use of internal spending limits established by the City.

## City Commission Goals, Administrative Policies, Department Policies, and Other Plans Used to Develop the Budget

### *City Commission Goals*

During the 2016 budget process, the City Commission identified a set of strategic goals to guide the work of City Staff. The goals of the various departments can be found throughout this budget document. The City Commission identified goals are provided below.

- **Economic Development**
- **Infrastructure**
- **Public Safety**
- **Mental Health**
- **Affordable Housing**
- **Non-Motorized Transportation/Transit**

# Budgetary Policies and Procedures Introduction

## *Other Plans*

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

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

# City of Lawrence

## Investment and Cash Management Policy

### Scope

This policy applies to the cash management and investment activities of the City of Lawrence, Kansas, except for the debt service funds, reserve funds and other financial assets held by various fiscal agents and trustees as provided by the appropriate bond ordinance shall not be subject to this policy but shall be administered according to the requirements of the respective Ordinances. The financial assets of all other funds shall be administered in accordance with the provisions of this policy.

### Authority

Responsibility for the management of the City's investment portfolio is delegated to the Director of Finance by the City Manager. The Director of Finance hereby establishes written procedures and policies for the operation of the cash management and investment program. Such procedures shall include explicit delegation of authority to persons responsible for investment transactions. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Director of Finance who shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials.

### Objectives

The cash investments of the City of Lawrence shall be undertaken in a manner that seeks to maximize investment income while ensuring the preservation of capital in the portfolio. To attain this objective, diversification is required so that potential losses on individual securities do not exceed the income generated from the remainder of the portfolio. The investment portfolio shall be designed to attain at a minimum, a market-average rate of return throughout budgetary and economic cycles, taking into account the City's investment risk constraints and the cash flow characteristics of the portfolio.

### Prudence

The standard of prudence to be used by investment officials shall be the "prudent person", which states, "Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived" and shall be applied in the context of managing the entire portfolio.

Investment officers acting in accordance with written procedures and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

### Legal Authority and Limitations on Investment Instruments

All investments purchased under this policy shall be governed by K.S.A. 12-1675, et. seq. and all revisions thereto, as may be made by the Kansas Legislature. Below is a summary of acceptable investments under the current law:

1. Collateralized Public Deposits (Negotiable Certificates of Deposit) -- Instruments issued by banks or savings & loans that state specified sums have been deposited for specified periods of time and at specified rates of interest. Certificates of deposit are required to be backed by acceptable collateral securities as dictated by Kansas Statutes.



# City of Lawrence

## Investment and Cash Management Policy

2. Repurchases Agreements -- Contractual agreements between the City and commercial banks, trust companies, state or federally chartered savings and loan associations or federally chartered savings banks. The repurchase agreement (repo) issuer receives cash and, in turn, provides securities to the City as collateral for the cash. There exists a contractual agreement for the City to resell the securities back to the issuer on a specific future date, at the original purchase price, plus a negotiated interest payment.
3. U. S. Treasury bills or notes -- These obligations must mature within six months from date of purchase and are guaranteed as to principal by the United States government.
4. Temporary notes of the City of Lawrence.
5. Commercial bank savings accounts.

Other types of investments may be added to this list as changes to the statutes governing such investments are revised.

### **Contracts with Financial Institutions**

The City of Lawrence may invest funds with depositories having offices located in the City of Lawrence as provided by K.S.A. 9-1401. All depositories of the City of Lawrence shall execute a contract bi-annually with the City of Lawrence which shall designate the requirements of serving as a depository for the City, including collateralization of City funds invested at such depository and the related safekeeping requirements of the pledged securities. The City shall have a separate contract with the "operating bank" which will execute a contract once every three years in accordance with the practice of bidding banking services every three years.

1. Safekeeping of Securities -- Collateral for certificates of deposits and repurchase agreements will be registered in the City's name. The Finance Director will hold all safekeeping receipts of pledged securities used as collateral for certificates of deposits and repurchase agreements. A third party institution will hold pledged securities in trust on behalf of the City's financial institution.

Safekeeping receipts of pledged securities may be "Faxed" to the City in order to accommodate timely and legal investment transactions. The financial institution will mail the original safekeeping receipt of pledged securities on the day the facsimile is sent.

2. Collateralization -- The City requires full collateralization of all City investments other than obligations of the United States Government as stated in the State statute. The City will not allow the use of FDIC coverage as part of the calculation of full collateralization. Peak period agreements permitted under K.S.A. 9-1403 as amended, will not be accepted by the City and are not included as part of the depository contracts with the financial institutions.

The City will accept as collateral for certificates of deposit securities as listed in K.S.A. 9-1403. Collateral underlying repurchase agreements is limited to obligations of the U.S. Government and its agencies.





# City of Lawrence

## Investment and Cash Management Policy

The Finance Director will weekly monitor the adequacy of collateralization. The City requires monthly reports with market values of pledged securities from all financial institutions with which the City has certificates of deposits or repurchase agreements.

### **Investment Liquidity**

The City's demand for cash shall be projected using reliable cash forecasting techniques. To ensure liquidity, the appropriate maturity date and investment option available will be chosen.

1. Repurchase agreements -- The maximum maturity for repurchase agreements shall be 91 days. Repurchase agreements will normally be used when Certificates of Deposits for less than 91 days are not used, or when the rates offered on the repurchase agreements are greater than those offered on 91 day CDs.
2. General City Funds -- The maximum maturity for City investments shall be one year. The Investment Review Committee will monitor the maturity level and recommend changes as appropriate.
3. Bond & Interest Fund -- No investment shall have a maturity exceeding the next principal and /or interest payment date unless the obligation is fully funded.

### **Investment Return Objectives**

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

### **Bidding Procedures**

Investment bids will be taken by the Director of Finance or person designated by the Director of Finance at times when investments of idle funds would be in the best interest of the City or as required by federal regulations regarding arbitrage rebate on bond proceeds. Such bids requests will be made orally and confirmed in writing with the investment instrument and related collateral being forwarded to the City no later than 24 hours after bids are taken.

### **Investment Limitation Per Institution**

In order to protect the City from the failure of any one financial institution, the City shall not invest more than 30% of idle funds with any one institution. The 30% limitation does not apply to U.S. Treasury obligations held in safekeeping by an institution on behalf of the City. These obligations are backed by the U.S. Government and do not require collateral as described in section 6.0(2). The 30% limitation shall be determined prior to the bids. If an institution goes over the 30% limitation after the bids have been awarded, no further bids will be accepted from the financial institution until sufficient maturities have occurred to reduce their share of the portfolio to under 30%.

### **Investment Review Committee**

The City Manager shall appoint an Investment Review Committee. The Committee shall consist of one person from the City Manager's Office, one person from the Finance Department not directly involved with the day to day investing of public funds, and the City Clerk. This Committee shall meet at least quarterly to review the investment reports from the Finance Department and to review earnings of idle funds. The Committee shall make a report to the City Manager within fourteen days after each meeting. Any irresponsible or illegal acts shall be reported immediately and confidentially to the City Manager.



# City of Lawrence

## Investment and Cash Management Policy

### **Daily Cash Management Practices and Policies**

It is the policy of the City of Lawrence Finance Department that all departments collecting cash receipts, whether in cash or other forms of payment, must turn in such receipts to the Finance Department on a daily basis together with records required to verify the accuracy of such collections. No receipts will be held overnight at any location for any reason. All receipts shall be deposited daily by the Department of Finance. Investment of any idle funds will be made in accordance with section 5.0 of this policy. Any violation of this section of this policy by any employee of the City may result in disciplinary action.

### **Separate Provisions of Policy and Conflicts with Kansas Laws**

The above policies shall remain in full force and effect until revoked by the City Commission. If, after adoption of this policy, there is any conflict of this policy with Kansas laws and/or statutes current law shall dictate.

# City of Lawrence

## Governmental Accounting Policy

### Policy

The City of Lawrence has established a uniform system of accounting maintained to reflect compliance with the applicable laws of the State of Kansas. Financial statements are presented after applying memorandum adjustments, where applicable, to record accrued revenue, inventories, property and equipment and related depreciation resulting in financial statements presented on a modified accrual or accrual basis of accounting, as appropriate.

Accounting and Reporting Capabilities:

A governmental system, such as the City of Lawrence, is charged with the duties of reporting and fully disclosing its financial position and financial results of operation in conformity with generally accepted accounting principles. Further, such an entity must demonstrate compliance with finance-related legal and contractual provisions within the system's financial activities.

### Fund Accounting System

The City of Lawrence is organized and operates on a fund basis. In governmental accounting, a fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restriction, or limitations.

The following types of funds comprise the financial activities of the City:

#### 1. Governmental Funds

A. General Fund - to account for all unrestricted resources except those required to be accounted for in another fund.

B. Special Revenue Funds - to account for the proceeds of specific revenue sources (other than special assessments or major capital projects) that are restricted by law or administrative action to expenditure for specified purposes.

C. Capital Project Funds - to account for financial resources segregated for the acquisition of major capital facilities (other than those financed by Enterprise Funds).

D. Debt Service Funds - to account for the accumulation of resources for and the payment of, interest and principal and related costs, on general long-term debt, and the financing of special assessments which are general obligations of the City.



# City of Lawrence

## Governmental Accounting Policy

### 2. Proprietary Funds

A. Enterprise Funds - to account for operations that are financed and operated in a manner similar to private business enterprises where the stated intent is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges or where periodic determination of revenues earned, expenses incurred, and/or net income is deemed appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

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

### **Basis of Accounting**

All governmental and fiduciary funds are reported on the modified accrual basis of accounting. Revenues are recognized in the accounting period in which they become susceptible to accrual, that is when they become both measurable and available to finance expenditures of the fiscal period. Expenditures are recognized when the related liability is current (the encumbrance method of accounting). Interest on unmatured general long-term debt is recognized when due.

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

### **General Long-Term Account Group**

This account, which is not a fund, provides a place to record long-term debt of the City. Long-term debt for proprietary funds are recorded in those funds and not in the general long-term debt account group.

### **General Fixed Assets Account Group**

This account group is not a fund. It is an account where all fixed assets of the City except those belonging to the proprietary funds are recorded. Proprietary fund fixed assets are recorded in those funds.

# City of Lawrence

## Mid-Year Funding Request Policy

### **Policy**

To establish policy and guidelines for the consideration of funding requests from outside agencies during the year after the completion of the annual budget process.

### **Guidelines:**

Once the budget process is completed for each fiscal year, non-budgeted funding requests shall be handled as follows. Outside agencies requesting funding from the City of Lawrence (that falls outside the schedule established for the annual budget process) shall describe in their application for funding how the project, program, etc. accomplishes the following:

Fills an existing gap in City services.

Meets a City Commission or community goal.

Provides for a need in the community that is otherwise unmet.

Helps leverage outside funds.

### **Assessment Methods:**

In considering funding requests outside the annual budget process, the City Commission will utilize the following guidelines in the decision-making process:

Is the request a high enough priority to justify the allocation of contingency funds?

What are the long-range implications (annual request? related costs? etc.)

# City of Lawrence

## Debt Management Policy

### Purpose

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

### Policy:

It is the objective of the policies that (1) the City obtain financing only when desirable, (2) the process for identifying the timing and amount of debt financing be as efficient as possible and (3) the most favorable interest rate and other related costs be obtained.

Debt financing, to include general obligation bonds, special assessment bonds, revenue bonds, temporary notes, lease/purchase agreements, and other City obligations permitted to be issued or incurred under Kansas law, shall only be used to purchase capital assets that will not be acquired from current resources. The useful life of the asset or project shall exceed the payout schedule of any debt the City assumes. This allows for a closer match between those who benefit from the asset and those that pay for it.

To enhance creditworthiness and prudent financial management, the City is committed to systematic capital planning, intergovernmental cooperation and coordination, and long-term financial planning. Evidence of this commitment to capital planning will be demonstrated through adoption and periodic adjustment of the City's Capital Improvement Plan and the annual adoption of a multi-year Capital Improvement Budget.

### Procedure

#### 1. RESPONSIBILITY FOR DEBT MANAGEMENT

The primary responsibility for making debt-financing recommendations rests with the Director of Finance. In developing such recommendations, the Finance Director shall be assisted by other City staff. The responsibilities of City staff shall be to:

- Consider the need for debt financing and assess progress on the current Capital Improvement Budget and any other program/improvement deemed necessary by the City Manager;
- Test adherence to this policy statement and to review applicable debt ratios listed in the Debt Issuance Guidelines,
- Review changes in federal and state legislation that affect the City's ability to issue debt and report such findings to the City Manager as appropriate;
- Review annually the provisions of ordinances authorizing issuance of general obligation bonds of the City;
- Review the opportunities for refinancing current debt; and,
- Recommend services by a financial advisor, bond trustees, bond counsel, paying agents and other debt financing service providers when appropriate.

In developing financing recommendations, the City staff shall consider:

- Options for interim financing including short term and inter-fund borrowing, taking into consideration federal and state reimbursements;
- Effects of proposed actions on the tax rate and user charges;
- Trends in bond markets structures;
- Trends in interest rates; and,
- Other factors as deemed appropriate.



# City of Lawrence

## Debt Management Policy

### **2. USE OF DEBT FINANCING**

Debt financing will not be considered appropriate for any recurring purpose such as current operating and maintenance expenditures. The City will use debt financing only for one-time capital improvement projects and unusual equipment purchases under the following circumstances:

- The project is included in the City's capital improvement budget and is in conformance with the City's general plan;
- The project is the result of growth-related activities within the community that require unanticipated and unplanned infrastructure or capital improvements by the City;
- The project's useful life, or the projected service life of the equipment, will be equal to or exceed the term of the financing;
- There are revenues sufficient to service the debt, whether from future property taxes, user fees, or other specified and reserved resources, debt supported by user fees, special assessments or special charges shall be preferred,
- The debt shall be primarily used to finance capital projects with a relatively long life, typically ten years or longer.
- The equipment is an item that is purchased infrequently, has an expected useful life of at least five years, and costs in excess of \$100,000.

### **3. STRUCTURE AND TERM OF DEBT FINANCING**

Debt will be structured to match projected cash flows, minimize the impact on future property tax levies, and maintain a relatively rapid payment of principal. As a benchmark, the City shall strive to repay at least 50% of the initial principal amount within ten years.

#### *General Obligation Bonds*

The City shall use an objective analytical approach to determine whether it desires to issue new general obligation bonds. Generally, this process will compare ratios of key economic data. The goal will be for the City to maintain or enhance its existing credit rating.

These ratios shall include, at a minimum, debt per capita, debt as a percent of statutory debt limit, debt as a percent of appraised valuation, debt service payments as a percent of governmental expenditures, and the level of overlapping net debt of all local taxing jurisdictions. A set of ratios shall be adopted and itemized in the City's Debt Issuance Guidelines.

The decision on whether or not to issue new general obligation bonds shall, in part, be based on (a) costs and benefits, (b) the current conditions of the municipal bond market, and (c) the City's ability to issue new general obligation bonds as determined by the aforementioned benchmarks.

#### *Revenue Bonds*

For the City to issue new revenue bonds, projected annual revenues as defined by the ordinance authorizing such issuance, shall be a minimum of 125% of the issue's average annual revenue bond service or at a higher amount if required by the bond indentures. If necessary, annual adjustments to the City's rate structures will be considered in order to maintain the required coverage factor. Revenue bonds will be the preferred financing option for enterprise funds.



# City of Lawrence

## Debt Management Policy

### *Special Assessment Bonds*

The City shall maintain a watchful attitude over the issuance of special assessment bonds for benefit district improvements. The City's share of any benefit district project may not exceed more than 95% of any proposed costs related to a benefit district. The developer shall be required to deposit 25% of the costs allocated to the benefit district prior to authorization. In most cases, the debt will have a maximum term of ten years, however, a longer term may be allowed provided it does not exceed the life of the improvements included in the benefit district. The benefit district will be assigned costs such as administration, engineering, financing and legal associated with the formation of the district and issuance of any debt.

### *Debt Issuance With Intergovernmental Agencies*

The City will typically not use of its debt capacity for projects by entities or other special purpose units of government that have the ability to issue tax exempt debt. The City's issuance of debt will be made only (1) after the prior commitment of the full assets and resources of the authority to debt service; (2) if project revenues, or development authority revenues pledged to debt service, are at least 115% of debt service; (3) if debt service reserves provided by the authority's own resources are equal to at least six months debt service; and, (4) if all other viable means financing have been examined. The City will also enter into arrangements with other governmental entities where a portion of the project costs will be reimbursed by the other government. An agreement as to how the project costs will be allocated and reimbursements made must be approved by the governing bodies.

### *Structure of Debt Obligations*

The City normally shall issue bonds with an average life of 10 years or less for general obligation and special assessment bonds and 10-20 years for revenue bonds. The typical structure of general obligation bonds will result in even principal and interest payments over the term of the debt. There shall be no "balloon" bond repayment schedules, which consist of low annual payments and one large payment of the balance due at the end of the term. There shall always be at least interest paid in the first fiscal year after a bond sale. In cases where related revenues may not occur for several years, it may be desirable to capitalize the interest by increasing the size of the issue and deferring the principal payments so that only interest is paid on the debt for the first few years.

### *Call Provisions*

Call provisions for bond issues will be evaluated based upon current market conditions. All bonds shall be callable only at par.

### *Variable Rate Long-Term Obligations*

The City may choose to issue bonds that pay a rate of interest that varies according to pre-determined formula or results from a periodic remarketing of the securities, consistent with state law and covenants of pre-existing bonds, and depending on market conditions.

## **4. DEBT ADMINISTRATION AND FINANCING**

### *Capital Improvement Budget*

A Capital Improvement Budget shall be prepared and submitted to the City Commission annually. The budget shall provide a list of projects and the means of financing. The budget should cover a five-year period of time. The projects included in the budget should be part of the City's Capital Improvement Plan. Projects must be in either the Capital Improvement Budget or Plan to be authorized.





# City of Lawrence

## Debt Management Policy

### *Bond Funds*

Generally, payment of general obligation bonds and special assessment bonds shall be from the City's Bond & Interest Fund. However, in situations where General Obligation bonds are to be paid from user fees or sales taxes, bond payments should be made from the fund that receives the revenue. The minimum fund balance in the Bond & Interest Fund will be maintained at a level equal to or greater than 50% of the total principal and interest payable from that Fund for the upcoming year.

### *Reserve Funds*

Adequate operating reserves are important to insure the functions of the City during economic downturns. The City shall budget a contingency reserve in the General Fund of no less than \$150,000. The City will maintain working capital in an enterprise fund sufficient to finance 120 days of operations, if the fund supports debt payments. In addition, all reserves specified by bond indentures must be maintained. The Equipment Reserve Fund will be funded sufficiently to ensure that adequate funds are available to purchase replacement equipment on a timely basis.

### *Finance Department*

It shall be the responsibility of the Finance Department to prepare the Preliminary and final Official Statements. The City Clerk is responsible for collecting and maintaining all supporting documentation such as minutes of the City Commission meetings and relevant resolutions and ordinances. In the case of general obligation bonds, an estimate of the mill levy required to pay off the debt should be provided to the City Commission. The department will also be responsible following applicable secondary disclosure requirements.

### *Investments*

The bond proceeds will be invested in accordance with the City's investment policy. Adherence to the guidelines on arbitrage shall be followed, which at times, may require that the investment yield be restricted. In most cases, the investment will be selected to maximize interest with the assumption that the City will meet the IRS spend down requirement that allows for an exemption from arbitrage calculations.

### *Bond Council*

The City will utilize external bond counsel for all debt issues. All debt issued by the City will include a written opinion by Bond Counsel affirming that the City is authorized to issue the debt, stating that the City has met all Federal and State constitutional and statutory requirements necessary for issuance, and determining the debt's federal income tax status. The City's Bond Counsel will be selected on a competitive basis.

### *Underwriter's Council*

City payments for Underwriters Council will be authorized for negotiated sales by the Department of Finance on a case-by-case basis depending on the nature and complexity of the transaction and the needs expressed by the underwriters.



# City of Lawrence

## Debt Management Policy

### *Financial Advisor*

The City may utilize an external financial advisor. The utilization of the financial advisor for debt issuance will be at the discretion of the Director of Finance on a case-by-case basis. For each City bond sale, the financial advisor will provide the City with information on structure, pricing and underwriting fees for comparable sales by other issuers. The Financial Advisor will be selected on a competitive basis for a period not to exceed five years.

### *Temporary Notes*

Use of short-term borrowing, such as temporary notes, will be undertaken until the final cost of the project is known or can be accurately projected. In some cases, projects might be funded with internal funds that will be reimbursed with bond funds at a future date.

### *Credit Enhancements*

Credit enhancement (letters of credit, bond insurance, etc.) may be used if the costs of such enhancements will reduce the debt service payments on the bonds or if such an enhancement is necessary to market the bonds.

### *Competitive Sale of Debt*

The City, as a matter of policy, shall seek to issue its temporary notes, general and revenue bond obligations through a competitive sale. In such instances where the City, through a competitive bidding for its bonds, deems the bids received as unsatisfactory or does not receive bids, it may, at the election of the City Commission, enter into negotiation for sale of the bonds. In cases where the circumstances of the bond issuance are complex or out of the ordinary, a negotiated sale may be recommended if allowed by State statute.

## **5. REFUNDING OF DEBT**

Periodic reviews of all outstanding debt will be undertaken to determine refunding opportunities. Refunding will be considered (within federal tax law constraints) if and when there is a net economic benefit from the refunding or the refunding is needed in order to modernize covenants essential to operations and management or to restructure the payment of existing debt.

City staff and the financial advisor shall monitor the municipal bond market for opportunities to obtain interest savings by refunding outstanding debt. As a general rule, the present value savings of a particular refunding will exceed 3%.

Refunding issues that produce a net present value savings of less than 3% percent will be considered on a case-by-case basis. Refunding issues with negative savings will not be considered unless there is a compelling public policy objective.

# City of Lawrence

## Debt Management Policy

### **6. CONDUIT FINANCINGS**

The City may sponsor conduit financings in the form of Industrial Revenue Bonds for those activities (i.e., economic development, housing, health facilities, etc.) that have a general public purpose and are consistent with the City's overall service and policy objectives as determined by the City Commission.

All conduit financings must insulate the City completely from any credit risk or exposure and must first be approved by the City Manager before being submitted to the City Commission for consideration. The City should review the selection of the underwriter and bond counsel, require compliance with disclosure and arbitrage requirements, and establish minimum credit ratings acceptable for the conduit debt. Credit enhancement, such as insurance, may be required for certain issues.

### **7. ARBITRAGE LIABILITY MANAGEMENT**

Federal arbitrage legislation is intended to discourage entities from issuing tax-exempt obligations unnecessarily. In compliance with the spirit of this legislation, the City will not issue obligations except for identifiable projects with good prospects of timely initiation. Temporary notes and subsequent general obligation bonds will be issued timely so that debt proceeds will be spent quickly.

Because of the complexity of arbitrage rebate regulations and the severity of non-compliance penalties, the City will engage outside consultants to calculate potential arbitrage liability.

### **8. CREDIT RATINGS**

#### *Rating Agency Relationship*

The Director of Finance shall be responsible for maintaining relationships with the rating agencies that assign ratings to the City's debt. This effort shall include providing periodic updates on the City's general financial condition along with coordinating meetings and presentations in conjunction with a new debt issuance.

#### *Use of Rating Agencies*

The City will obtain a rating from Moody's Investors Service. The Finance Director will recommend whether or not an additional rating shall be requested on a particular financing and which of the major rating agencies shall be asked to provide such a rating.

#### *Rating Agency Presentations*

Full disclosure of operations and open lines of communication shall be made to rating agencies used by the City. The Finance Director, with assistance of City staff, shall prepare the necessary materials and presentation to the rating agencies.

# City of Lawrence

## Debt Management Policy

### *Financial Disclosure*

The City is committed to full and complete financial disclosure, and to cooperating fully with rating agencies, institutional and individual investors, City departments and agencies, other levels of government, and the general public to share clear, comprehensible, and accurate financial information. The City is committed to meeting secondary disclosure requirements on a timely and comprehensive basis.

### **9. STANDARDS**

Official statements accompanying debt issues, Comprehensive Annual Financial Reports, and continuous disclosure statements will meet (at a minimum), the standards articulated by the Government Accounting Standards Board (GASB), the National Federation of Municipal Analysts, and Generally Accepted Accounting Principles (GAAP). The Finance Director shall be responsible for ongoing disclosure to established national information repositories and for maintaining compliance with disclosure standards promulgated by state and national regulatory bodies.

### **Debt Management Policy Appendix**

#### **Terminology**

**Arbitrage.** Arbitrage refers to the rebate amount due to the Internal Revenue Service where funds received from the issuance of tax-exempt debt have been invested and excess interest earnings have occurred.

**General Obligation Bonds.** Bonds backed by the full faith and credit of the City. The taxing power may be an unlimited ad valorem tax or a limited tax, usually on real estate and personal property. A special tax rate levied for the Bond & Interest Fund annually to pay for general obligation LTO service. Because it is secured by an unlimited tax levy, this structure has strong marketability and lower interest costs.

**Revenue Bonds.** Bonds secured by revenues generated by the facility from dedicated user fees. Planning for such issues generally are more complex because future costs and revenues directly affect each other. Credit enhancements (e.g., insurance or letter of credit) may be needed because of the limited source of LTO service payments that may be available in outlying years.

**Special Assessment Bonds.** Bonds issued to develop facilities and basic infrastructure for the benefit of properties within the assessment district. Assessments are levied on properties benefited by the project. The issuer's recourse for nonpayment is foreclosure and the remaining LTO becomes the City's direct obligation.

**Temporary Notes.** Notes are issued to provide temporary financing, to be repaid by long-term financing. This type of bridge financing has a maximum maturity of four years under Kansas law.



# City of Lawrence

## Debt Issuance Guidelines

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

- Ratio of Net Direct Debt Outstanding to Appraised Valuation will not exceed 1.5%
- Ratio of General Obligation bonds and Temporary Notes Outstanding to the Statutory Debt Limit will not exceed 60%.
- Ratio of Governmental funds Debt Service payments as percentage of total Governmental Funds expenditures will not exceed 15%.
- Amount of Net Direct Debt Outstanding per population will not exceed \$1,500.
- Amount of Overlapping Net Direct Debt Outstanding to Appraised Valuation will to exceed 3.5%.
- Bond and Interest mill levy should not exceed 10 mills.

The City will review and consider the following before any debt is issued:

- Adherence to the Capital Improvement Budget
- Adherence to the Capital Improvement Plan
- Impact on the mill levy
- Potential impact on other revenue sources such as increased property taxes and sales taxes

# City of Lawrence

## General Fund Balance Policy

### Purpose

The purpose of establishing a policy on the unrestricted balance in the General Fund is to provide a guideline for budgeting decisions and to ensure that adequate reserves are established to fund operations by providing sufficient working capital, protection against uncollected taxes, shortfalls from municipal revenue sources, and cutbacks in distributions from the state or federal government. The General Fund is the primary operating fund of the City for its non-utility related operations. In addition, the City of Lawrence desires to maintain its current debt rating. Rating agencies are concerned about a government's creditworthiness and the level of unreserved General Fund balance is part of their evaluation.

There is no formula for determining an appropriate fund balance. Items to consider include the timing of revenue collections, the local and national economic environment, the volatility of the major revenue sources, and the degree of protection desired to mitigate current and future financial risks. The City of Lawrence obtains a substantial portion of its revenue from sales taxes and franchise fees. Sales tax collections are derived from local retail sales. In Lawrence, these collections are very dependent upon both the local and national economies. The collection of franchise fees, particularly those based upon sales of electricity and natural gas, vary widely depending upon local weather conditions. As a result, the desired level of unreserved General Fund balance is higher than the minimum level designated by the Government Finance Officers Association recommended practice on the Appropriate Level of Unreserved Balance in the General Fund.

### Policy

The City should budget for current year General Fund revenues to be sufficient to finance current year expenditures.

Due to the volatility of some of the major revenue sources, a minimum unreserved General Fund balance of 15% of actual expenditures is recommended.

To avoid a balance in excess of the level deemed sufficient for prudent fiscal management, a maximum unreserved General Fund balance of 30% of actual expenditures is recommended.

The unreserved General Fund balance does not include reservations of fund balance for the payment of encumbrances nor designations for purposes that are allowed under generally accepted accounting principles.

If the General Fund balance falls outside of the above parameters, budgeted revenues will be either greater or less than budgeted expenditures in subsequent years to bring the General Fund balance into compliance with this policy.

## ***Budget Overview***

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# Overview of all Budgeted Funds

## Property Tax Supported Funds

### General Operating Fund

Budgeted property taxes comprise 27% of General Fund resources in 2017. The estimated assessed valuation of \$928,929,602, used to calculate the 2017 budget, represents a 4.0% increase over the estimated assessed valuation of \$894,944,702 used to calculate the 2016 budget. Due to late payments and protests of property tax values, the budget assumes that only 97.3% of property tax revenues will be received. The budget does include a 0.553 increase in the mill levy, in addition, assessed valuation growth will result in an increase in property tax revenue for 2016. The budget includes additional resources for employee compensation and benefits, the library, and to address affordable housing, one of the Commission priorities for 2017. Sales tax revenue, which comprises 40% of General Fund resources, is anticipated to increase 1.6% over projected collections for 2016. In total, General Fund revenues are expected to increase \$2,667,108 or 3.8%, over the 2016 estimated budget. Expenditures budgeted for 2017 represent an increase of 4.2%, or \$2,926,112 over the 2016 estimated budget.

### Public Library Fund

Expenditures of \$4,033,737 in the 2017 budget represent a 7.57% increase in expenditures for Lawrence Public Library operations. In preparation and support of operations at the expanded Library facility, the Library Fund mill levy increased by 0.203 mills in 2012, 0.049 mills in 2014, and 0.282 mills in 2017. The Library's increased 2017 budgeted expenditures includes additional funding for salaries and benefits and enhanced digital collections.

### Bond and Interest Fund

The Bond and Interest Fund mill levy remains flat at 8.50 mills for 2017 meaning revenues will increase proportionately with an increase in assessed valuation. Budgeted expenditures in 2017 are \$12,195,000 (11.3%) more than 2016 estimated expenditures. Budgeted expenditures fluctuate year-to-year due to the timing of debt issuances and payments of principal and interest.

## Special Revenue Funds

### Airport Improvement Fund

The airport improvement fund accounts for grant proceeds and operations of the airport. Revenues are collected through the fixed based operator and farming income. The expenditures for 2017 are \$81,000 a significant increase over 2016 expenditures. Budgeted expenditures fluctuate year-to-year depending on grants.

### Transient Guest Tax

The City collects a 6.0% transient guest tax on the gross receipts derived from or paid by guests for sleeping accommodations within the city. The expenditures for 2017 are \$2,157,562 which is a 35% increase over the estimated 2016 expenditures. Much of this increase is attributed to debt service payments and various Capital Improvement Plan projects scheduled for 2017.



# Overview of all Budgeted Funds

## **Public Transportation Fund**

The Public Transportation Fund is supported by a 0.20% local sales tax. The Fund is also supported by the transfer of \$880,000 from sales tax proceeds from the 0.05% sales tax, which supports transit service expansion. All proceeds from sales tax are deposited in the City's General Operating Fund then transferred into other funds. The 2017 adopted budget anticipates 1.6% growth in sales tax collections over the 2016 estimated budget. Additionally, a 4% (\$16,000) increase in fare box revenue is budgeted in 2017. Budgeted expenditures will increase 45.5% in 2017 compared to 2016 estimated expenditures. Operational cost increases explain a portion of the increase. However, the primary force driving the increase is the Capital Outlay expenditure category will be used to purchase additional vehicles and improve amenities. The 2017 budget also includes \$120,000 for support of the K-10 Connector Route which is operated by Johnson County Transit.

## **Recreation Fund**

In order to minimize the increase to the total City mill levy rate in 2012, the property tax mill levy for the Recreation Fund was eliminated. This revenue was replaced with proceeds from the county-wide sales tax. The 2014 budget included an increase in the amount of sales tax proceeds transferred to the fund to support operations at the new Sports Pavilion Lawrence which opened in September 2014. Sales tax transfers will increase 0.6%, or \$13,898 in 2017 compared to 2016 estimated expenditures. Total revenues are anticipated to increase 4.6% in 2017. An increase of 4.7% in expenditures is budgeted for 2017.

## **Special Alcohol Fund**

A slight increase in liquor tax collections, which are collected and distributed by the State, is expected in 2017 compared to 2016 estimates. Expenditures in the Fund are budgeted slightly lower than in 2016 estimates.

## **Special Gas Tax Fund**

More fuel efficient cars, less driving, and the tax rate per gallon (\$0.24/gallon gasoline, \$0.26/gallon diesel) remaining the same since 2003 has resulted in flat revenue for the Special Gas Tax fund in recent years. Revenue projections for this source are based on the Kansas League of Municipalities' projections, and are expected to increase slightly in 2017. Expenditures for the City's street maintenance efforts from this Fund are expected to increase 12% compared to the 2016 estimated expenditures.

## **Special Recreation Fund**

This Fund is used primarily for operation and maintenance of the City's recreational facilities. A slight increase in liquor tax collections, which are collected and distributed by the State, is anticipated for 2017. Operational costs, including contractual services and capital outlay, are budgeted to increase in 2017.

## **TDD/TIF/NRA Funds**

This fund is used to account for proceeds from the following tax development districts: Free State TDD, Oread TDD-TIF, 9 New Hampshire South TDD-TIF, 9 New Hampshire North TDD-TIF, 901 New Hampshire, 720 LLC NRA, 1040 Vermont LLC NRA, 810-812 Pennsylvania NRA, and HERE NRA.

# Overview of all Budgeted Funds

## **City Parks Memorial Fund**

The City Parks Memorial Fund is used to account for donations received from the public to fund special requests for landscaping and flower gardens. Budgeted revenues are \$3,080 with no budgeted expenditures, requests are assessed during the budgeted year.

## **Farmland Remediation Fund**

This fund is used to account for escrow funds received and remediation costs for the former Farmland Industries property. Expenditures are slightly down from the 2016 estimate.

## **Cemetery Perpetual Care Fund**

The Cemetery Perpetual Care Fund is used to account for some of the maintenance of the City Cemetery. The expenditures fluctuate year-to-year based on need. There are \$5,000 of budget expenditures in 2017. The only revenue source for this fund is interest, the start of the fund came from a transfer when the private company that maintained the Cemetery went out-of-business.

## **Cemetery Mausoleum Fund**

The Cemetery Mausoleum Fund is dedicated to the care and maintenance of the Oak Hill Cemetery Mausoleum. There are no budgeted revenues or expenditures for 2017.

## **Housing Trust Fund**

The Housing Trust Fund is used to support the acquisition, construction, and rehabilitation of affordable housing. Revenues have increased \$122,846 over 2016 estimates and revenues have increased \$19,931 over 2016 estimates.

## **Law Enforcement Trust Fund**

The Law Enforcement Trust Fund is used to account for proceeds from the sale of assets forfeited in a legal proceeding. Receipts in the fund are used to defray the cost of complex investigations, purchase technical equipment or provide matching funds for federal grants. Revenues are down \$19,988 from the 2016 budget estimates and the expenditures are down \$10,000 from the 2016 budget estimates.

# Overview of all Budgeted Funds

## Enterprise Funds

### Water and Wastewater Fund

Traditionally, the revenues for the Fund increase in direct proportion to the amount of growth in the city as well as through the incremental rate increases dictated by the City Commission's approval of recommendations from the rate study. In 2013, the City Commission adopted new Master Plans for the Water and Wastewater Utilities and the 2013 - 2017 Capital Improvement Program. The 2017 revenues for both water and wastewater 9.6% higher than 2016 estimates. Budgeted expenditures include increased operating and maintenance costs as well as several capital projects.

### Solid Waste Fund

The solid waste fund is used to account for the operation of the City's refuse collection service. Revenues are expected to increase 1.6% from 2016 estimates. Expenditures are expected to decrease 2.7% from 2016 estimates. The decrease in expenditures is mainly seen in the commodities and transfers category.

### Public Parking Fund

Revenue in the Public Parking Fund is expected to increase in 2017 by \$118,000 over 2016 estimates. In mid-2016 there was an increase of \$2 for parking meter fines. Expenditures are expected to increase 333,062 from 2016 estimates. The Fund will continue to provide for staff from three separate departments involved in public parking operations: Police, Municipal Court and Public Works Facilities Maintenance.

### Storm Water Fund

The Storm Water Fund is used to account for the storm water fees and expenses for repair and maintenance of the storm water system. Revenues are expected to increase by 3.1% over the 2016 estimate. Expenditures are expected to increase 32.5% over 2016 estimates. This is primarily due to a variety of Capital Improvement Plan projects scheduled for 2017.

### Public Golf Course Fund

As a weather-dependent entity, this fund sees fluctuations depending on the availability of good weather for golfers. A small increase in green fees was implemented in 2015. An increase in revenues of 21% is expected in 2017. Expenditures are also expected to increase 18.3% with a majority of that increase coming from personal services and Capital Improvement Plan projects scheduled for 2017.

## Complete Fund Summary

### All Funds

The following summarizes all the revenues and expenditures from the City's budgeted operating, capital improvement, and economic development funds.

Revenues	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Property Taxes	\$ 30,753,639	\$ 31,522,166	\$ 31,581,127	\$ 33,309,281
Special Assessments	2,411,557	1,749,884	1,861,000	1,157,000
Franchise Fees	7,127,746	7,956,496	7,966,000	8,192,000
Sales & Use Taxes	36,558,022	44,250,348	39,021,789	38,852,207
Intergovernmental	16,730,052	16,355,451	11,973,430	13,125,188
Licenses and Permits	1,574,127	1,377,972	1,302,000	1,484,100
Fines, Forfeitures and Penalties	3,572,857	3,577,897	3,631,980	3,822,980
Charges for Services	56,014,978	58,125,027	64,026,945	69,017,662
Interest	315,519	417,140	437,390	442,236
Miscellaneous	3,332,218	1,413,639	5,789,500	1,614,267
Operating Transfers	15,306,990	12,364,031	10,506,052	8,169,649
<b>Total</b>	<b>\$ 173,697,706</b>	<b>\$ 179,110,051</b>	<b>\$ 178,097,213</b>	<b>\$ 179,186,570</b>

Expenditures	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Personal Services	\$ 70,610,774	\$ 73,236,065	\$ 72,925,015	\$ 76,693,515
Contractual Services	35,042,387	37,234,321	38,672,867	41,268,891
Commodities	10,282,029	11,825,746	11,927,093	12,192,198
Capital Outlay	13,275,308	11,559,375	13,086,069	22,240,800
Debt Service	22,572,463	26,472,921	25,772,921	29,428,739
Transfers	21,901,929	46,960,549	19,818,928	8,543,819
Contingency	\$ -	\$ 13,563,375	\$ 156,500	\$ 1,122,741
<b>Total</b>	<b>\$ 173,684,889</b>	<b>\$ 220,852,351</b>	<b>\$ 182,359,393</b>	<b>\$ 191,490,703</b>

## Summary of Revenues by Fund and Category

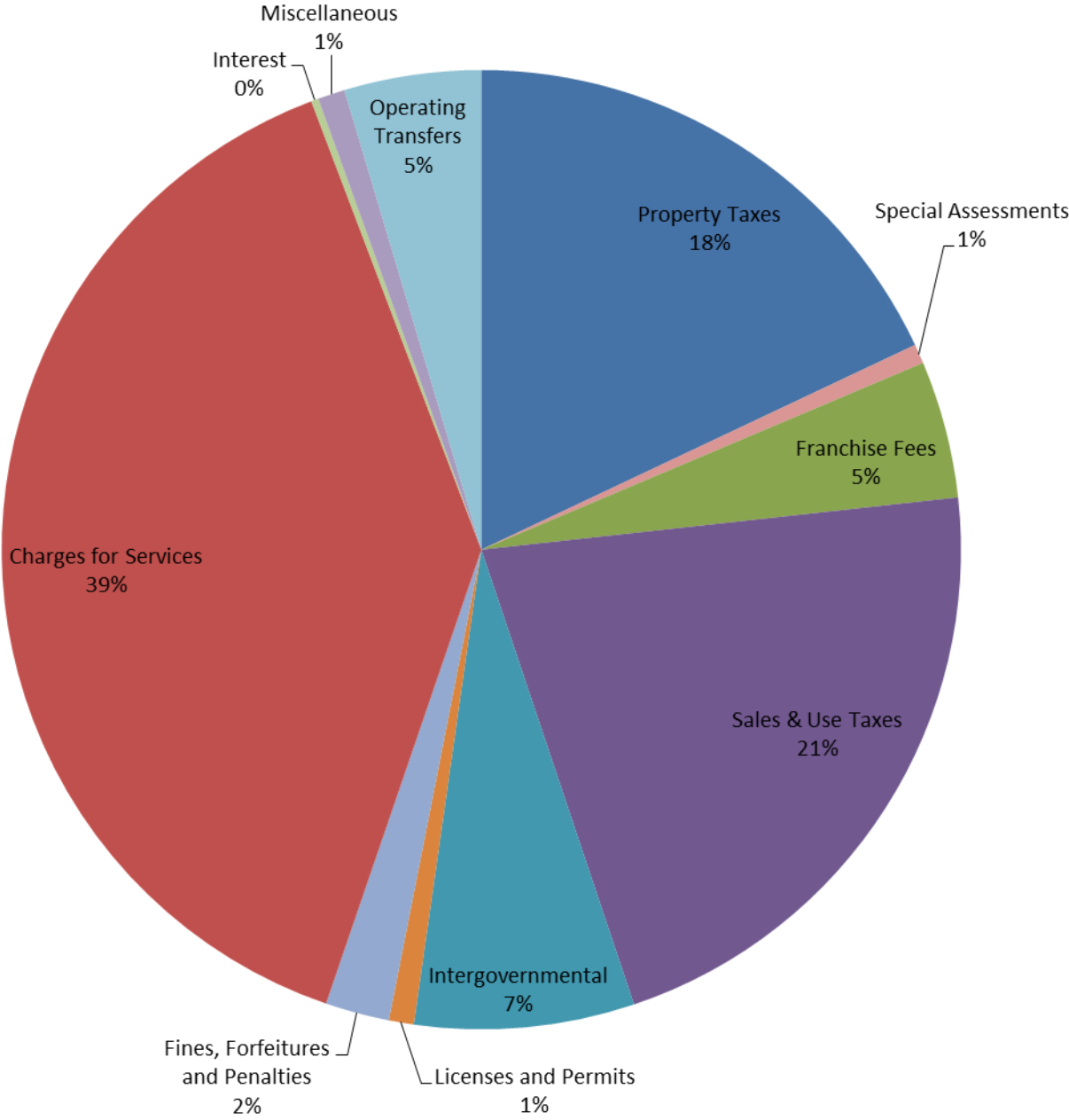
Summary of Revenues by Fund and Category								
	Property Taxes	Sales & Use Taxes	Other Taxes*	Charges for Service & Fees*	Intergov.	Operating Transfers	Other Revenue*	Total Revenue
<b>Property Tax Supported Funds</b>								
General Fund	\$19,746,198	\$28,544,000	\$ 8,192,000	\$ 7,379,162	\$ 1,287,502	\$ 3,656,751	\$ 3,420,650	\$ 72,226,263
Library Fund	3,978,042	-	-	-	-	-	500	\$ 3,978,542
Bond & Interest	8,367,051	-	1,157,000	-	-	-	167,000	\$ 9,691,051
<b>Special Revenue Funds</b>								
Airport Improvement Fund	-	-	-	-	-	-	25,672	25,672
Capital Improvement Reserve	-	5,277,368	-	-	-	200,000	17,097	5,494,465
Equipment Reserve Fund	-	-	-	-	-	180,000	101,176	281,176
Guest Tax Fund	-	-	-	-	1,840,000	-	3,500	1,843,500
Transit Fund	-	4,398,000	-	426,000	-	-	24,000	4,848,000
Recreation	-	-	-	2,713,500	-	2,332,898	588,945	5,635,343
Special Alcohol Fund	-	-	-	-	749,000	-	400	749,400
Special Gas Tax Fund	-	-	-	-	2,747,000	-	3,000	2,750,000
Special Recreation Fund	-	-	-	-	749,000	-	700	749,700
City Parks Memorial Fund	-	-	-	-	-	-	3,080	3,080
Farmland Remediation	-	-	-	-	-	-	18,700	18,700
Cemetery Perp Care Fund	-	-	-	-	-	-	158	158
Cemetery Mausoleum Fund	-	-	-	-	-	-	-	-
Housing Trust Fund	-	-	-	-	-	300,000	154	300,154
Outside Agency Grants	-	-	-	-	4,020,000	-	-	4,020,000
Wee Folks Scholarship	-	-	-	-	-	-	30,482	30,482
Fair Housing Grant	-	-	-	-	-	-	569	569
Community Development Grants	-	-	-	-	940,677	-	-	940,677
Home Program Fund	-	-	-	-	531,909	-	-	531,909
Transportation Planning	-	-	-	-	260,100	-	-	260,100
Law Enforcement Trust Fund	-	-	-	-	-	-	45,070	45,070

## Summary of Revenues by Fund and Category

Summary of Revenues by Fund and Category								
	Property Taxes	Sales & Use Taxes	Other Taxes*	Charges for Service & Fees*	Intergov.	Operating Transfers	Other Revenue*	Total Revenue
<b>Enterprise Funds</b>								
Water & Sewer Fund	-	-	-	42,488,000	-	-	446,000	42,934,000
Water & Sewer Non-bonded Construction	-	-	-	-	-	1,500,000	-	1,500,000
Solid Waste Fund	-	-	-	12,637,100	-	-	247,000	12,884,100
Solid Waste Construction	-	-	-	-	-	-	-	-
Public Parking System	-	-	-	794,000	-	-	703,000	1,497,000
Storm Water Utility	-	-	-	3,128,000	-	-	8,000	3,136,000
Golf Course	-	-	-	936,000	-	-	24,630	960,630
<b>TIF/ TDD Funds</b>								
Free State TDD	-	160,340	-	-	-	-	-	160,340
Oread TDD	292,562	279,719	-	-	-	-	-	572,281
9 NH South TDD	338,000	192,780	-	-	-	-	-	530,780
9 NH North TDD-TIF	370,000	-	-	-	-	-	-	370,000
901 NH	28,085	-	-	-	-	-	-	28,085
720 LLC NRA	14,162	-	-	-	-	-	-	14,162
1040 Vermont LLC NRA	28,536	-	-	-	-	-	-	28,536
810-812 Penn NRA	26,645	-	-	-	-	-	-	26,645
HERE NRA	120,000	-	-	-	-	-	-	120,000
<b>Total</b>	<b>\$33,309,281</b>	<b>\$38,852,207</b>	<b>\$ 9,349,000</b>	<b>\$ 70,501,762</b>	<b>\$ 13,125,188</b>	<b>\$ 8,169,649</b>	<b>\$ 5,879,483</b>	<b>\$ 179,186,570</b>
* Explanation of Categories								
Other Taxes: Special Assessments and Franchise Fees								
Charges: Charges for Services and Licenses and Permits								
Other Revenue: Fines Forfeitures and Penalties, Interest, Miscellaneous								

# 2017 Budgeted Revenues

The following chart depicts the 2017 budgeted resources by classification. The proportion of revenue by classifications were consistent with the 2016 budget.



# Summary of Expenditures by Fund and Category

Summary of Expenditures by Fund and Category								
	Personal Services	Contractual Services	Commodities	Capital Outlay	Debt Service	Transfers	Contingency	Total Expenditures
<b>Property Tax Supported Funds</b>								
General Fund	\$ 48,905,287	\$ 12,901,368	\$ 4,986,669	\$ 2,215,000	\$ -	\$ 2,747,898	\$ 470,041	\$ 72,226,263
Library Fund	-	4,033,737	-	-	-	-	-	4,033,737
Bond & Interest	-	-	-	-	12,195,000	-	-	12,195,000
<b>Special Revenue Funds</b>								
Airport Improvement Fund	-	-	-	81,000	-	-	-	81,000
Capital Improvement Reserve	-	-	-	8,500,000	-	-	-	8,500,000
Equipment Reserve Fund	-	-	-	199,500	-	-	-	199,500
Guest Tax Fund	349,221	1,358,300	30,000	175,000	245,041	-	-	2,157,562
Transit Fund	90,345	3,185,594	893,268	1,651,000	-	-	-	5,820,207
Recreation	4,224,410	788,050	384,370	40,000	-	-	240,000	5,676,830
Special Alcohol Fund	-	750,000	-	-	-	-	-	750,000
Special Gas Tax Fund	1,892,600	17,100	491,980	500,000	-	-	100,000	3,001,680
Special Recreation Fund	54,030	401,100	75,000	239,000	-	-	-	769,130
City Parks Memorial Fund	-	-	-	-	-	-	-	-
Farmland Remediation	93,600	138,200	16,000	250,000	-	-	-	497,800
Cemetery Perp Care Fund	-	-	5,000	-	-	-	-	5,000
Cemetery Mausoleum Fund	-	-	-	-	-	-	-	-
Housing Trust Fund	-	300,000	-	-	-	-	-	300,000
Outside Agency Grants	473,175	3,357,379	4,700	180,000	-	-	-	4,015,254
Wee Folks Scholarship	-	50,000	-	-	-	-	-	50,000
Fair Housing Grant	11,800	-	-	-	-	-	-	11,800
Community Development Grants	202,900	714,177	-	-	-	-	-	917,077
Home Program Fund	49,400	483,509	-	-	-	-	-	532,909
Transportation Planning	135,000	127,900	-	-	-	-	-	262,900
Law Enforcement Trust Fund	-	40,000	40,000	-	-	-	-	80,000

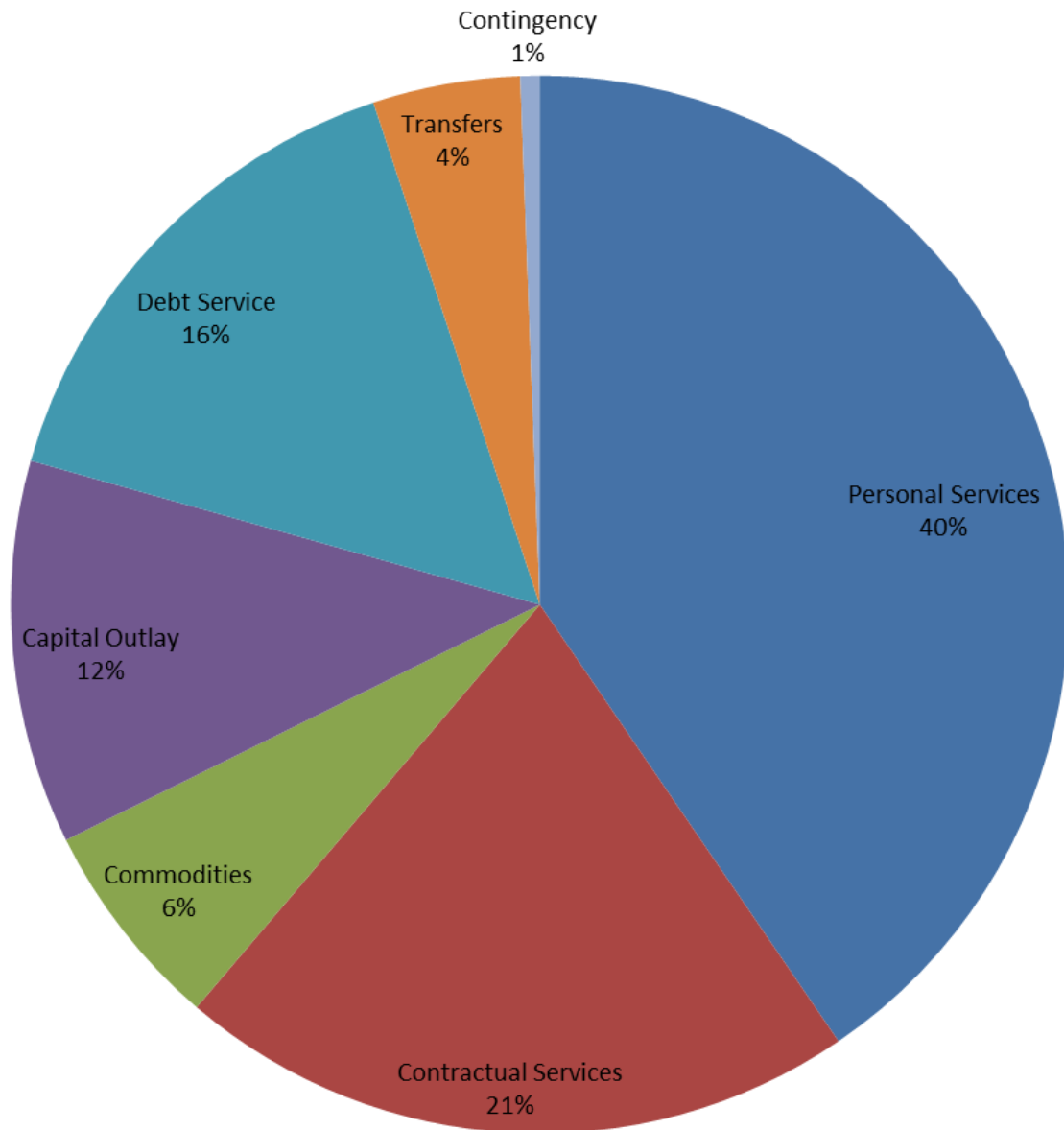


# Summary of Expenditures by Fund and Category

Summary of Expenditures by Fund and Category								
	Personal Services	Contractual Services	Commodities	Capital Outlay	Debt Service	Transfers	Contingency	Total Expenditures
<b>Enterprise Funds</b>								
Water & Sewer Fund	11,662,792	6,483,603	3,735,831	743,300	15,971,074	4,934,896	87,500	43,618,996
Water & Sewer Non-bonded Construction	-	-	-	2,500,000	-	-	-	2,500,000
Solid Waste Fund	6,261,746	3,659,009	925,020	823,000	337,150	411,025	-	12,416,950
Solid Waste Construction	-	-	-	2,700,000	-	-	-	2,700,000
Public Parking System	933,171	270,836	89,770	114,000	150,000	-	25,200	1,582,977
Storm Water Utility	823,303	198,750	338,590	1,250,000	530,474	450,000	200,000	3,791,117
Golf Course	530,735	159,450	176,000	80,000	-	-	-	946,185
<b>TIF / TDD Funds</b>								
Free State TDD	-	160,340	-	-	-	-	-	160,340
Oread TDD	-	572,281	-	-	-	-	-	572,281
9 NH South TDD	-	530,780	-	-	-	-	-	530,780
9 NH North TDD-TIF	-	370,000	-	-	-	-	-	370,000
901 NH	-	28,085	-	-	-	-	-	28,085
720 LLC NRA	-	14,162	-	-	-	-	-	14,162
1040 Vermont LLC NRA	-	28,536	-	-	-	-	-	28,536
810-812 Penn NRA	-	26,645	-	-	-	-	-	26,645
HERE NRA	-	120,000	-	-	-	-	-	120,000
<b>Total</b>	<b>\$ 76,693,515</b>	<b>\$41,268,891</b>	<b>\$ 12,192,198</b>	<b>\$ 22,240,800</b>	<b>\$ 29,428,739</b>	<b>\$ 8,543,819</b>	<b>\$ 1,122,741</b>	<b>\$ 191,490,703</b>

## 2017 Budgeted Expenditures

The following chart depicts the 2017 budgeted expenditures by category. Personal Services continues to be the City's largest expenditure.



# Fund Expenditure Summary

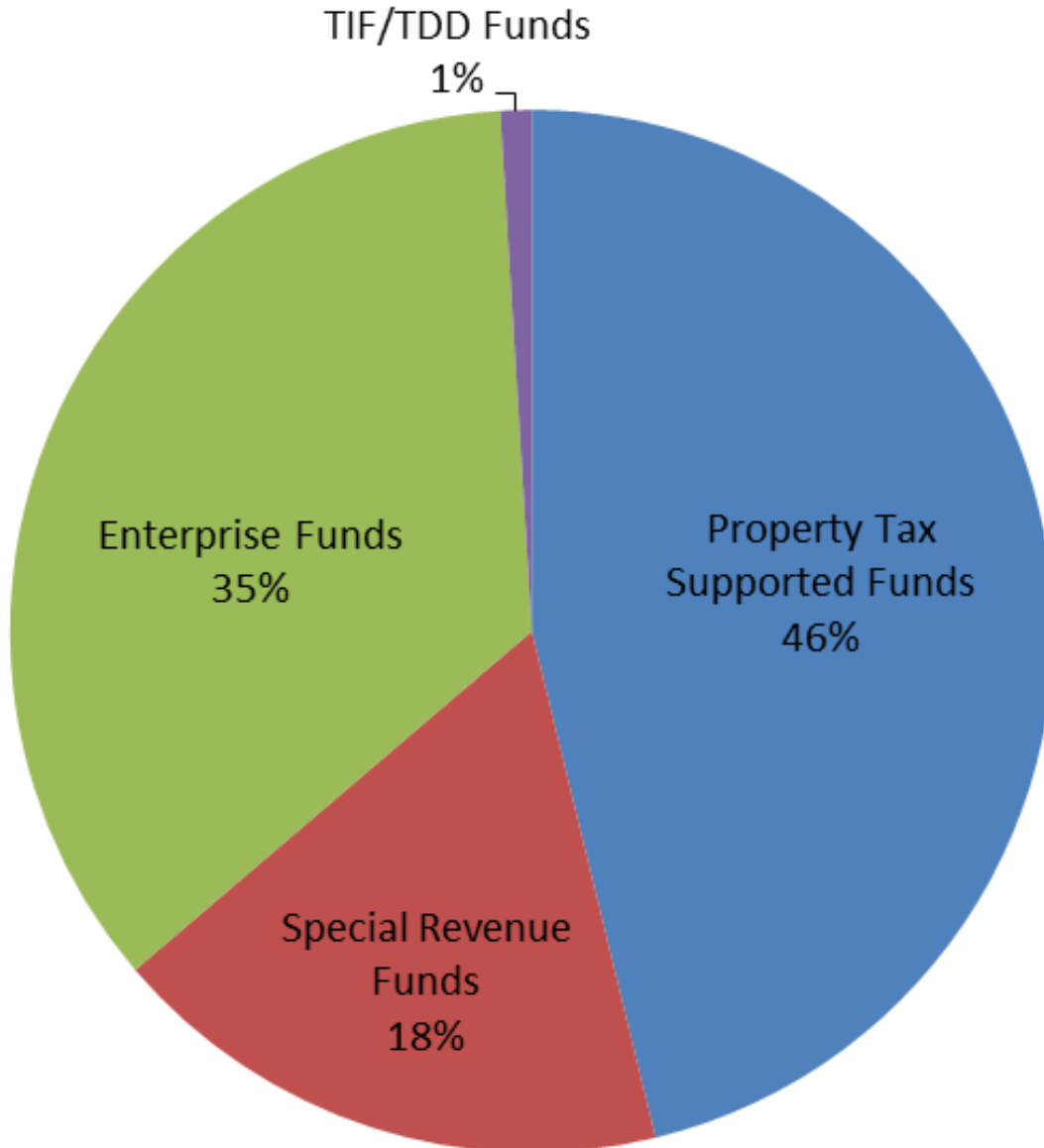
## 2015-2017

Fund #	Fund Description	2015 Mill Levy*	Actual 2015 Expenditures	2016 Mill Levy	Budget 2016 Expenditures	2017 Mill Levy	Budget 2017 Expenditures
<b>Property Tax Levy Funds</b>							
001	General Operating	19.219	\$ 76,376,468	19.219	\$ 69,075,078	19.475	\$ 72,226,263
209	Library	3.755	3,550,000	3.755	3,750,000	4.039	4,033,737
	<i>Sub Total Property Tax Levy Funds</i>	22.974	<b>\$ 79,926,468</b>	22.974	<b>\$ 72,825,078</b>	23.514	<b>\$ 76,260,000</b>
<b>Supplemental Tax Levy Funds</b>							
301	Bond and Interest	8.500	\$ 10,865,034	8.500	\$ 10,959,248	8.504	\$ 12,195,000
	<i>Sub Total Supplemental Tax Levy Funds</i>	8.500	<b>\$ 10,865,034</b>	8.500	<b>\$ 10,959,248</b>	8.504	<b>\$ 12,195,000</b>
<b>Non-Property Tax Levy Funds</b>							
201	Airport Improvement Fund		\$ 138,633		\$ 24,000		\$ 81,000
202	Capital Improvement Reserve		9,351,105		10,969,897		8,500,000
205	Equipment Reserve Fund		847,923		5,101,007		199,500
206	Guest Tax Fund		949,159		1,597,501		2,157,562
210	Transit Fund		2,780,971		3,999,000		5,820,207
211	Recreation		5,093,827		5,420,055		5,676,830
213	Special Alcohol Fund		710,623		751,100		750,000
214	Special Gas Tax Fund		2,447,748		2,682,430		3,001,680
216	Special Recreation Fund		665,973		730,500		769,130
	<b>All TDD/TIF/NRA Funds</b>		704,835		2,161,229		1,850,829
601	City Parks Memorial Fund		8,019		99,000		-
604	Farmland Remediation		1,341,422		539,493		497,800
605	Cemetery Perp Care Fund		3,254		70,000		5,000
606	Cemetery Mausoleum Fund		-		-		-
607	Housing Trust Fund		-		280,069		300,000
611	Outside Agency Grants		4,245,816		3,578,394		4,015,254
612	Wee Folks Scholarship		29,531		30,000		50,000
621	Fair Housing Grant		12,695		11,408		11,800
631	Community Development Grants		826,687		800,000		917,077
633	Home Program Fund		385,147		300,000		532,909
641	Transportation Planning Fund		209,259		148,385		262,900
652	Law Enforcement Trust Fund		106,813		90,000		80,000
501	Water & Sewer Fund		34,696,428		39,884,000		43,618,996
552	Water & Sewer Non-Bonded Construction		-		1,500,000		2,500,000
502	Solid Waste Fund		12,607,639		12,755,963		12,416,950
562	Solid Waste Construction		-		141,250		2,700,000
503	Public Parking System Fund		1,274,144		1,249,915		1,582,977
505	Storm Water Utility Fund		2,689,548		2,860,491		3,791,117
506	Golf Course Fund		766,188		799,980		946,185
	<i>Sub Total Non-Property Tax Levy Funds</i>		<b>\$ 82,893,387</b>		<b>\$ 98,575,067</b>		<b>\$ 103,035,703</b>
	<b>GRAND TOTAL</b>	<b>31.47</b>	<b>\$ 173,684,888</b>	<b>31.47</b>	<b>\$ 182,359,393</b>	<b>32.018</b>	<b>\$ 191,490,703</b>
	<b>City Taxes per \$1000 Assessed Valuation</b>	<b>\$ 31.474</b>		<b>\$ 31.474</b>		<b>\$ 32.018</b>	



## Budgeted Expenditures by Fund Type

The following chart depicts the 2017 budgeted expenditures by fund type. Property Tax supported funds include the general fund, library fund, and debt service fund. Special Revenue funds include, but is not limited to, recreation fund, guest tax fund, and the capital improvement reserve fund. Enterprise funds are fee supported funds such as Water & Sewer and Solid Waste funds. Finally the TIF/TDD Funds include the nine TIF/TDD/NRA districts that are currently being utilized in the City of Lawrence.



## Multiyear Overview of Expenditures by Department

Multiyear Overview of Expenditures by Department					
Department	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted	Percent Change 16 Rev / 17 Bud
<b>City Commission</b>	<b>842,363</b>	<b>960,142</b>	<b>1,164,169</b>	<b>1,235,000</b>	<b>6.08%</b>
City Commission	72,160	71,590	72,000	122,700	70.42%
City Auditor	59,580	60,850	61,000	62,300	2.13%
Special Alcohol Programming	710,623	827,702	751,100	750,000	-0.15%
Affordable Housing Program	-	-	280,069	300,000	7.12%
<b>Office of the City Manager</b>	<b>8,916,569</b>	<b>13,792,018</b>	<b>9,957,394</b>	<b>12,003,191</b>	<b>20.55%</b>
City Manager's Office	702,628	718,184	718,000	827,074	15.19%
City Clerk's Office	248,220	273,002	273,000	255,350	-6.47%
Public Information Office	262,505	216,340	216,000	232,290	7.54%
Human Resources	515,358	512,495	512,000	567,927	10.92%
Public Transit	6,601,044	11,411,167	7,577,394	9,415,461	24.26%
Risk Management	586,814	660,830	661,000	705,089	6.67%
<b>Planning &amp; Development Services</b>	<b>3,797,873</b>	<b>3,047,045</b>	<b>3,897,385</b>	<b>4,624,607</b>	<b>18.66%</b>
Planning	1,302,658	1,336,925	1,337,385	1,531,792	14.54%
Building Safety & Plan Review	638,484	694,200	693,910	851,650	22.73%
Code Enforcement	644,897	766,090	766,090	791,179	3.27%
Community Development	1,211,834	249,830	1,100,000	1,449,986	31.82%
<b>Finance</b>	<b>37,999,781</b>	<b>51,589,393</b>	<b>30,461,682</b>	<b>23,404,002</b>	<b>-23.17%</b>
Financial Administration	310,468	315,331	315,000	328,611	4.32%
Utility Billing & Collections	2,197,915	2,274,707	2,274,707	1,949,772	-14.28%
General Overhead	4,587,462	5,686,498	4,320,498	4,331,892	0.26%
Transfers	19,334,067	27,089,549	10,431,000	2,747,898	-73.66%
Bond & Interest	10,865,034	14,739,035	10,959,248	12,195,000	11.28%
Economic Development Funds Administration	704,835	1,484,273	2,161,229	1,850,829	-14.36%
<b>Information Technology</b>	<b>932,584</b>	<b>1,006,840</b>	<b>1,006,840</b>	<b>1,114,915</b>	<b>10.73%</b>
Information Technology	932,584	1,006,840	1,006,840	1,114,915	10.73%

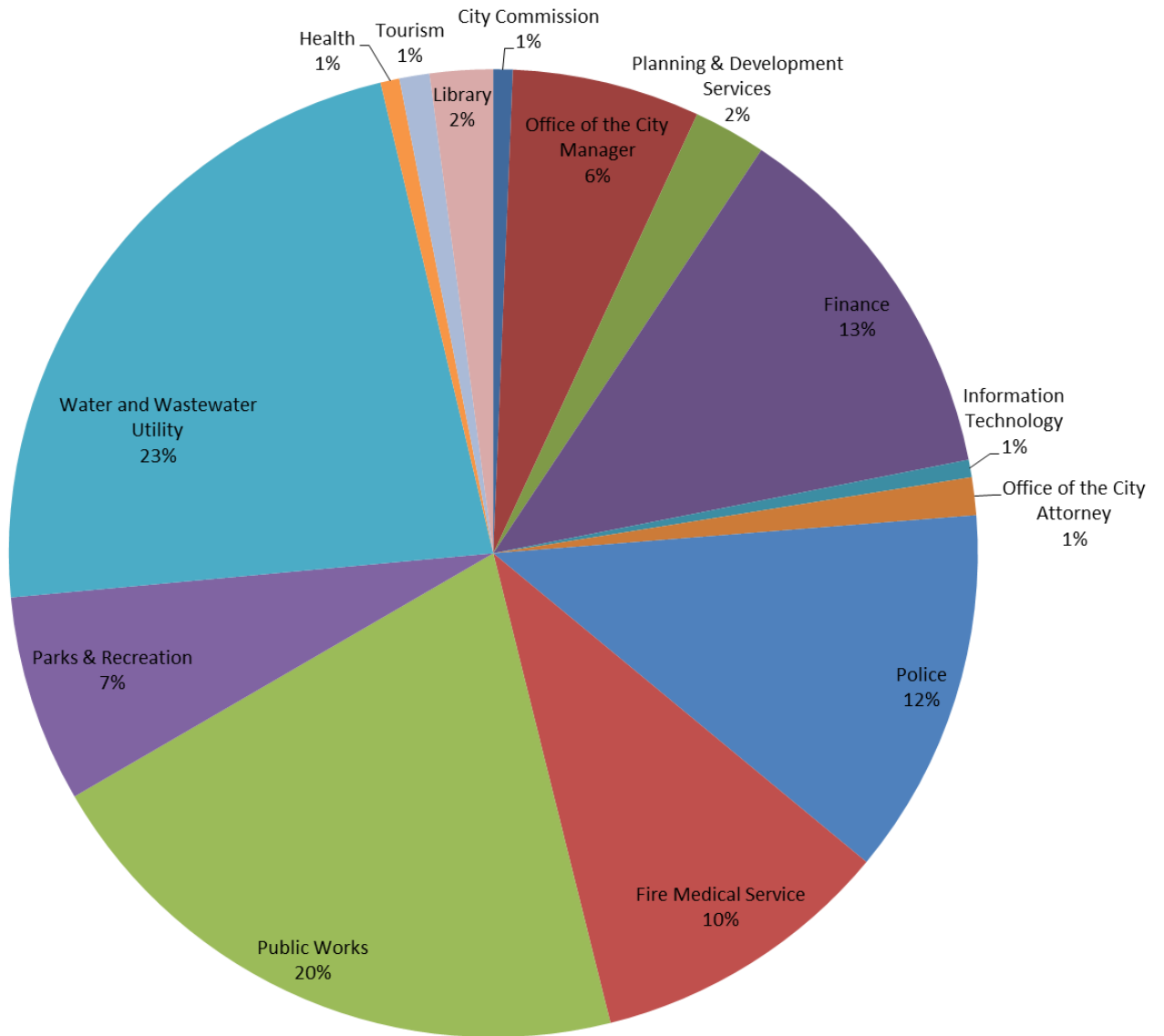
## Multiyear Overview of Expenditures by Department Continued

Multiyear Overview of Expenditures by Department					
Department	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted	Percent Change 16 Rev / 17 Bud
<b>Office of the City Attorney</b>	<b>2,365,774</b>	<b>2,291,717</b>	<b>2,294,835</b>	<b>2,414,890</b>	<b>5.23%</b>
City Attorney's Office	806,018	883,016	886,134	1,229,146	38.71%
Human Relations	23,122	21,138	21,138	21,530	1.85%
Municipal Court	1,536,634	1,387,563	1,387,563	1,164,214	-16.10%
<b>Police</b>	<b>18,669,595</b>	<b>19,492,120</b>	<b>19,564,071</b>	<b>23,481,235</b>	<b>20.02%</b>
Police Administration	1,151,142	1,001,495	1,073,446	1,324,000	23.34%
Community Service	1,227,556	1,426,661	1,426,661	2,561,063	79.51%
Investigations	3,397,140	3,524,279	3,524,279	3,928,065	11.46%
Patrol	10,426,525	10,836,265	10,836,265	12,375,250	14.20%
Technical Services	2,467,233	2,703,420	2,703,420	3,292,857	21.80%
<b>Fire Medical Service</b>	<b>16,079,226</b>	<b>16,574,678</b>	<b>16,074,678</b>	<b>19,347,803</b>	<b>20.36%</b>
Emergency Medical Service	566,992	500,000	310,000	13,919,466	4390.15%
Fire Service	-	-	-	5,328,337	-
Combined Costs	15,512,234	16,074,678	15,764,678	100,000	-99.37%
<b>Public Works</b>	<b>35,607,243</b>	<b>36,493,664</b>	<b>33,274,028</b>	<b>39,270,135</b>	<b>18.02%</b>
Public Works Engineering	977,555	1,079,775	1,079,775	1,127,803	4.45%
Sales Tax Construction	6,286,141	6,485,551	6,485,551	8,000,000	23.35%
Property Maintenance	755,460	791,405	719,454	753,788	4.77%
Arts Center Maintenance	133,546	152,525	152,525	152,525	0.00%
Airport Maintenance	272,695	191,404	291,404	240,770	-17.38%
Public Works Public Parking	208,206	239,955	214,755	515,503	140.04%
Street Maintenance	8,558,616	6,617,952	6,183,679	6,979,070	12.86%
Traffic	758,140	765,988	765,988	817,150	6.68%
Fiber Backbone	-	-	-	166,979	-
Street Lights	767,132	885,460	885,460	886,000	0.06%
Solid Waste Operations	12,665,652	14,480,622	12,755,963	12,416,950	-2.66%
Solid Waste Nonbonded Construction	9,607	-	141,250	2,700,000	1811.50%
Stormwater Mgmt.	4,030,970	4,604,787	3,399,984	4,288,917	26.15%
Levee Maintenance	183,524	198,240	198,240	224,680	13.34%
<b>Parks &amp; Recreation</b>	<b>10,093,858</b>	<b>11,874,521</b>	<b>11,074,945</b>	<b>13,255,474</b>	<b>19.69%</b>
Parks	3,527,607	3,925,380	4,094,410	5,798,329	41.62%
Recreation	5,800,063	6,827,361	6,180,555	6,510,960	5.35%
Golf Course	766,188	1,121,780	799,980	946,185	18.28%

## Multiyear Overview of Expenditures by Department Continued

Multiyear Overview of Expenditures by Department					
Department	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted	Percent Change 16 Rev / 17 Bud
<b>Water and Wastewater Utility</b>	<b>32,498,513</b>	<b>56,613,536</b>	<b>39,109,293</b>	<b>44,169,225</b>	<b>12.94%</b>
Utilities Administration	4,165,417	4,343,852	4,344,978	4,255,476	-2.06%
Utilities Engineering	992,394	1,050,385	1,050,385	1,020,518	-2.84%
Clinton Water Plant	2,457,824	2,858,412	2,858,412	2,847,492	-0.38%
Kaw Water Plant	2,223,141	2,964,758	2,964,758	2,897,213	-2.28%
Kansas River Wastewater Treatment Plant	3,763,517	4,238,718	4,238,718	4,293,572	1.29%
Wakarusa River Wastewater Treatment Plant	-	-	-	762,000	-
Sanitary Sewer System	2,964,109	3,005,756	3,005,756	3,266,445	8.67%
Water Quality	768,008	854,799	854,799	986,353	15.39%
Water Distribution System	3,003,239	3,187,685	3,187,685	3,869,082	21.38%
Debt Service	10,638,100	13,603,802	13,603,802	15,971,074	17.40%
Non-Bonded Construction	-	-	1,500,000	2,500,000	66.67%
Transfer to Non-Bonded Construction	1,522,765	20,505,369	1,500,000	1,500,000	0.00%
<b>Health</b>	<b>1,203,642</b>	<b>1,043,678</b>	<b>1,043,678</b>	<b>1,210,999</b>	<b>16.03%</b>
Health	1,203,642	1,043,678	1,043,678	1,210,999	16.03%
<b>Tourism</b>	<b>949,159</b>	<b>2,323,000</b>	<b>1,362,887</b>	<b>1,925,491</b>	<b>41.28%</b>
Tourism	949,159	2,323,000	1,362,887	1,925,491	41.28%
<b>Library</b>	<b>3,550,000</b>	<b>3,750,000</b>	<b>3,750,000</b>	<b>4,033,737</b>	<b>7.57%</b>
Library	3,550,000	3,750,000	3,750,000	4,033,737	7.57%
<b>Total</b>	<b>173,506,179</b>	<b>220,852,351</b>	<b>174,035,885</b>	<b>191,490,703</b>	<b>10.03%</b>

# All Expenditures by Department





## Significant Changes in Fund Balance

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

### Major Funds

The City has the 5 following major funds:

**General Operating Fund** — No significant change in fund balance.

**Bond & Interest** - There was a 24% decrease in fund balance budgeted for 2017. This is primarily due to planned Capital Improvement Plan (CIP) projects scheduled in 2017.

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

**Solid Waste** – There was a 14% increase in fund balance budgeted for 2017. This is primarily due to a rate increases in preparation for several capital expenditures.

**Storm Water Utility Fund** – There was a 23% decrease in fund balance budgeted for 2017. This is primarily due to planned Capital Improvement Plan (CIP) projects scheduled in 2017.

### Non-Major Funds

The City has the 35 following non-major funds:

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

**All Non-Major Funds** – In aggregate, there was a 28% decrease in fund balance for 2017. This is primarily attributed to three non-major funds: Capital Improvement Reserve Fund, Water & Sewer Non-Bonded Construction and Solid Waste Construction. These funds are used to accumulate cash to help pay for large capital projects scheduled for construction through the City's CIP.

Note: For more information regarding specific CIP projects, see the CIP section.

## Projection of Financial Condition

Fund	1/1/2016 Balance	2016 Revenue	2016 Expenditure	12/31/2016 Balance	Percent of Fund Balance
General Fund	\$ 12,718,338	\$ 69,334,082	\$ 69,075,078	\$ 15,683,117	22.7%
Airport Improvement Fund	84,145	35,472	24,000	95,617	398.4%
Capital Improvement Reserve Fund	7,879,344	6,609,526	10,969,897	3,518,973	32.1%
Equipment Reserve Fund	5,511,898	208,131	5,101,007	619,022	12.1%
Guest Tax Fund	1,020,565	1,922,100	1,597,501	1,345,164	84.2%
Library Fund	205,592	3,599,603	3,750,000	55,195	1.5%
Transit Fund	5,029,422	10,156,183	3,999,000	11,186,605	279.7%
Recreation Fund	781,160	5,389,445	5,420,055	750,550	13.8%
Special Alcohol Fund	144,772	742,400	751,100	136,072	18.1%
Special Gas Tax Fund	1,143,982	2,724,000	2,682,430	1,185,552	44.2%
Special Recreation Fund	228,222	742,600	730,500	240,322	32.9%
Free State TDD	-	157,196	157,196	-	0.0%
Oread TDD	148,020	1,048,459	1,196,479	-	0.0%
9 New Hampshire South TDD	18,794	514,000	532,794	-	0.0%
9 New Hampshire North TDD-TIF	-	180,000	180,000	-	0.0%
901 New Hampshire	-	28,085	28,085	-	0.0%
720 LLC NRA	-	13,617	13,617	-	0.0%
1040 Vermont LLC NRA	-	27,438	27,438	-	0.0%
810-812 Penn. NRA	-	25,620	25,620	-	0.0%
HERE NRA	-	-	-	-	
City Parks Memorial Fund	92,042	27,380	99,000	20,422	20.6%
Farmland Remediation Fund	5,567,375	32,707	539,493	5,060,589	938.0%
Cemetery Perpetual Care Fund	87,584	268	70,000	17,852	25.5%
Cemetery Mausoleum Fund	4,234	13	-	4,247	
Housing Trust Fund	102,761	177,308	280,069	0	0.0%
Outside Agency Grants	3,924	3,578,394	3,578,394	3,924	0.1%
Wee Folks Scholarship	160,572	30,476	30,000	161,048	536.8%
Fair Housing Grant	181,335	26,563	11,408	196,490	1722.4%
Community Development Grant	353,498	670,000	800,000	223,498	27.9%
Home Program Fund	51,053	432,000	300,000	183,053	61.0%
Transportation Planning Fund	(7,596)	175,000	148,385	19,019	12.8%
Law Enforcement Trust Fund	88,927	65,058	90,000	63,985	71.1%
Bond & Interest Fund	10,901,622	10,381,000	10,959,248	10,323,374	94.2%
Water & Sewer Fund	22,316,994	39,161,000	39,884,000	21,593,994	54.1%
Water & Sewer Non-Bonded Construction	4,192,579	1,500,000	1,500,000	4,192,579	279.5%
Solid Waste Fund	3,455,366	12,675,000	12,755,963	3,374,403	26.5%
Solid Waste Construction	2,350,000	495,389	141,250	2,704,139	1914.4%
Public Parking System Fund	285,475	1,379,000	1,249,915	414,560	33.2%
Storm Water Utility Fund	2,720,552	3,041,000	2,860,491	2,901,061	101.4%
Golf Course Fund	208,342	791,700	799,980	200,062	25.0%



City of Lawrence

## Projection of Financial Condition

Fund	1/1/2017 Balance	2017 Revenue	2017 Expenditure	12/31/2017 Balance	Percent of Fund Balance
General Fund	\$ 15,683,117	\$ 72,226,263	\$ 72,226,263	\$ 15,683,117	21.7%
Airport Improvement Fund	95,617	25,672	81,000	40,289	49.7%
Capital Improvement Reserve Fund	3,518,973	5,494,465	8,500,000	513,438	6.0%
Equipment Reserve Fund	619,022	281,176	199,500	700,698	351.2%
Guest Tax Fund	1,345,164	1,843,500	2,157,562	1,031,102	47.8%
Library Fund	55,195	3,978,542	4,033,737	0	0.0%
Transit Fund	11,186,605	4,848,000	5,820,207	10,214,398	175.5%
Recreation Fund	750,550	5,635,343	5,676,830	709,063	12.5%
Special Alcohol Fund	136,072	749,400	750,000	135,472	18.1%
Special Gas Tax Fund	1,185,552	2,750,000	3,001,680	933,872	31.1%
Special Recreation Fund	240,322	749,700	769,130	220,892	28.7%
Free State TDD	-	160,340	160,340	-	0.0%
Oread TDD	-	572,281	572,281	-	0.0%
9 New Hampshire South TDD	-	530,780	530,780	-	0.0%
9 New Hampshire North TDD-TIF	-	370,000	370,000	-	0.0%
901 New Hampshire	-	28,085	28,085	-	0.0%
720 LLC NRA	-	14,162	14,162	-	0.0%
1040 Vermont LLC NRA	-	28,536	28,536	-	0.0%
810-812 Penn. NRA	-	26,645	26,645	-	0.0%
HERE NRA	-	120,000	120,000	-	0.0%
City Parks Memorial Fund	20,422	3,080	-	23,502	
Farmland Remediation Fund	5,060,589	18,700	497,800	4,581,489	920.3%
Cemetery Perpetual Care Fund	17,852	158	5,000	13,010	260.2%
Cemetery Mausoleum Fund	4,247	-	-	4,247	
Housing Trust Fund	0	300,154	300,000	154	0.1%
Outside Agency Grants	3,924	4,020,000	4,015,254	8,670	0.2%
Wee Folks Scholarship	161,048	30,482	50,000	141,530	283.1%
Fair Housing Grant	196,490	569	11,800	185,259	1570.0%
Community Development Grant	223,498	940,677	917,077	247,098	26.9%
Home Program Fund	183,053	531,909	532,909	182,053	34.2%
Transportation Planning Fund	19,019	260,100	262,900	16,219	6.2%
Law Enforcement Trust Fund	63,985	45,070	80,000	29,055	36.3%
Bond & Interest Fund	10,323,374	9,691,051	12,195,000	7,819,425	64.1%
Water & Sewer Fund	21,593,994	42,934,000	43,618,996	20,908,998	47.9%
Water & Sewer Non-Bonded Construction	4,192,579	1,500,000	2,500,000	3,192,579	127.7%
Solid Waste Fund	3,374,403	12,884,100	12,416,950	3,841,553	30.9%
Solid Waste Construction	2,704,139	-	2,700,000	4,139	0.2%
Public Parking System Fund	414,560	1,497,000	1,582,977	328,583	20.8%
Storm Water Utility Fund	2,901,061	3,136,000	3,791,117	2,245,944	59.2%
Golf Course Fund	200,062	960,630	946,185	214,507	22.7%



City of Lawrence

## Personnel Summary

The following chart outlines the authorized positions or full-time equivalents (FTE) that have been adopted in the 2017 budget in comparison with 2016 estimates and 2015 actuals.

\*Note: The Public Works FTE count does NOT include the 17.0 FTE central maintenance garage positions.

Department	2015 Actual	2016 Estimated	2017 Adopted	Changes in FTEs from 2016
City Commission	5.00	5.00	5.00	0.00
City Auditor	1.00	1.00	1.00	0.00
Office of the City Manager	22.00	23.50	21.50	-2.00
Planning and Development Services	37.00	37.00	35.50	-1.50
Finance	31.76	30.76	19.76	-11.00
Information Technology	10.00	11.00	11.00	0.00
Office of the City Attorney	21.80	21.80	21.80	0.00
Police	185.00	185.00	186.00	1.00
Fire Medical	143.00	143.00	150.00	7.00
Health Department/ Health Building Maintenance	1.00	1.00	1.00	0.00
Public Works	172.50	172.50	173.00	0.50
Parks and Recreation	83.30	83.30	82.30	-1.00
Utilities	108.00	110.00	125.00	15.00
<b>Total</b>	<b>821.36</b>	<b>824.86</b>	<b>832.86</b>	<b>8.00</b>

### 2017 Adopted Budget Personnel Changes Include:

**Office of the City Manager:** Reduction of 1.0 Communication Specialist position and the reduction of 1.0 Administrative Support position in the City Clerks Office.

**Planning and Development Services:** Reduction of 1.0 Small Business Facilitator and the reduction of 0.5 Administrative Support position.

**Finance:** Reduction of 1.0 Assistant Finance Director position. Reallocation of 10 FTE positions to Utilities.

**Police:** Increase of 1.0 Police Sergeant position to create a Mental Health Squad.

**Fire Medical:** Reduction of 1.0 Administrative Support position and the increase of 8.0 Emergency Medical Service station in Eudora, these positions will be funded by Douglas County. This results in a net increase of 7.0 positions.

**Public Works:** Reduction of 1.0 Project Engineer position, reduction of .5 Solid Waste Specialist position, and the increase of 2.0 positions for a culvert inspection crew. This results in a net increase of 0.5 positions.

**Parks & Recreation:** Reduction 1.0 Director of Parks & Recreation position.

**Utilities:** Increase of 1.0 Water Quality & Programmatic Support position, increase of 4.0 positions to staff the Wakarusa River Wastewater Treatment Plant and reallocation of 10 FTE positions from Finance. This results in a net increase of 15.0 positions.



## ***Governmental Funds***

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# Fund Summary

## General Fund

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

Revenues	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Property Taxes	\$ 18,464,948	\$ 18,849,096	\$ 18,849,000	\$ 19,746,198
Franchise Fees	7,127,746	7,956,496	7,966,000	8,192,000
<b>Sales &amp; Use Taxes</b>				
City-wide	25,563,595	26,642,962	17,152,348	17,495,000
County-wide	10,510,321	10,983,559	10,930,734	11,049,000
<i>Sales &amp; Use Taxes Subtotal</i>	<i>36,073,917</i>	<i>37,626,521</i>	<i>28,083,082</i>	<i>28,544,000</i>
Intergovernmental	5,666,456	5,757,143	909,000	1,287,502
Licenses and Permits	1,511,839	1,294,819	1,200,000	1,382,100
Fines, Forfeitures and Penalties	2,895,570	2,986,807	2,950,000	3,029,000
Charges for Services	498,954	351,900	5,370,000	5,997,062
Interest	46,544	100,642	88,000	93,000
Miscellaneous	214,092	272,000	262,000	298,650
Operating Transfers	3,656,194	3,656,751	3,657,000	3,656,751
<b>Total</b>	<b>\$ 76,156,260</b>	<b>\$ 78,852,175</b>	<b>\$ 69,334,082</b>	<b>\$ 72,226,263</b>

Expenditures	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Personal Services	\$ 44,843,981	\$ 45,969,349	\$ 45,965,129	\$ 48,905,287
Contractual Services	12,061,967	12,180,219	12,173,972	12,901,368
Commodities	4,327,738	4,633,422	4,629,905	4,986,669
Capital Outlay	559,540	791,800	805,072	2,215,000
Debt Service	-	-	-	-
Transfers	14,583,242	22,159,259	5,501,000	2,747,898
Contingency	-	1,366,000	-	470,041
Refunds	-	-	-	-
<b>Total</b>	<b>\$ 76,376,468</b>	<b>\$ 87,100,049</b>	<b>\$ 69,075,078</b>	<b>\$ 72,226,263</b>

	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Revenue / Expenditures	\$ (220,208)	\$ (8,247,874)	\$ 259,004	\$ -
Beginning Fund Balance	12,938,546	12,327,713	12,718,338	15,683,117
Close out fund		-	2,705,775	
Ending Fund Balance	\$ 12,718,338	\$ 4,079,839	\$ 15,683,117	\$ 15,683,117



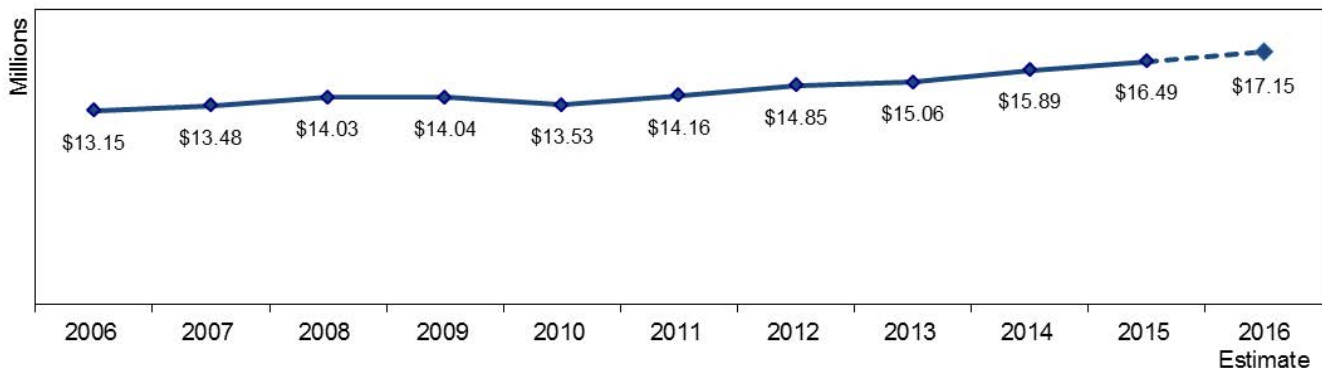
City of Lawrence

## General Fund Major Revenue Sources Descriptions, Assumptions, and Trends

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

### Sales Tax

The City of Lawrence General Fund will receive 40% of total resources in 2017 from five different sales taxes. A city retailer’s sales tax of 0.5% was instituted July 1, 1971, followed by an additional 0.5% that went into effect October 1, 1990. Consistent growth has been recorded in the city retailer’s sales tax collections since 1991 although a downward trend was recorded between 2009 and 2010. The following graph depicts the trend in this revenue source since 2006. Revenue from the 1.0% city retailers sales tax is budgeted at \$17,152,348 for 2017.

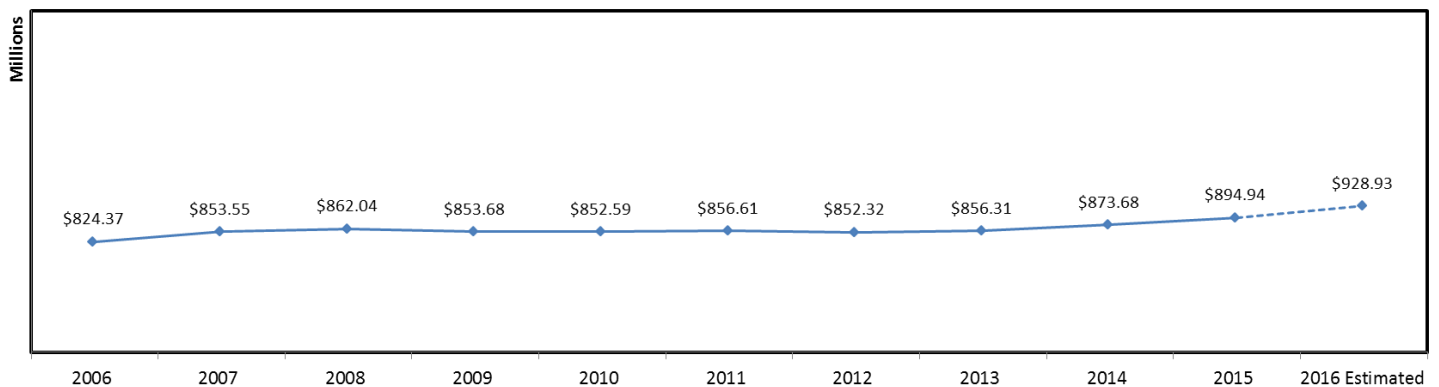


The county-wide sales tax of one percent was approved in a November 1994 election and took effect in 1995. The 2017 budget anticipates \$11,049,000 from the City’s share of the county-wide sales tax, which represents a 2.0% increase over projections for 2016 collections.

# General Fund Major Revenue Sources Descriptions, Assumptions, and Trends

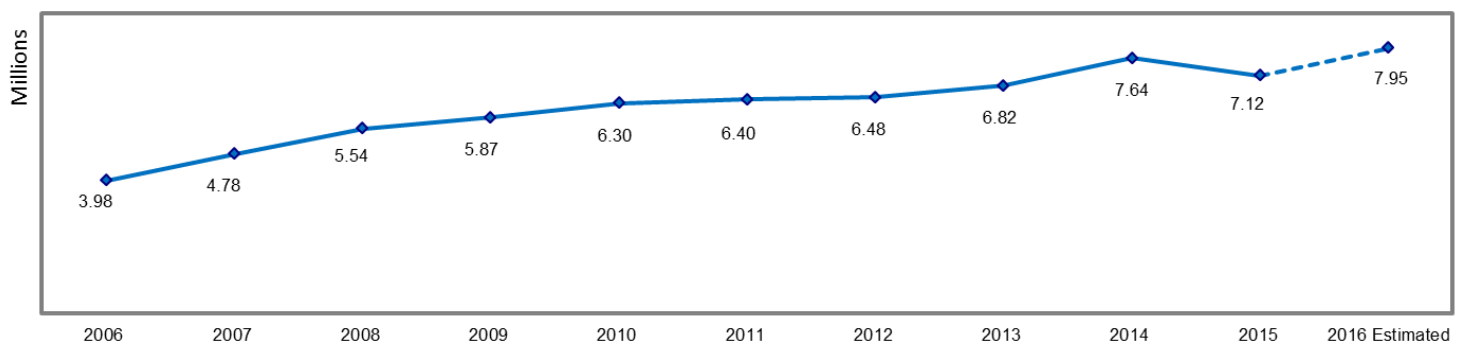
## Property Tax

Budgeted property taxes comprise 25% of General Fund resources in 2017. The estimated assessed valuation of \$928,929,602, used to calculate the 2017 budget represents a 3.8% increase over the estimated assessed valuation of \$894,944,702 used to calculate the 2016 budget. A single property tax mill is anticipated to generate approximately \$928,930 in 2017 compared to \$894,945 in 2016. Due to late payments and protests of property tax values, the budget assumes that only 97.3% of property tax revenues will be received. A mill levy increase of .533 mills is estimated to generate \$495,000 in additional property tax revenue in 2017. The mill levy will provide additional resources for salaries and wages, the library, and to maintain the City's longevity program.



## Franchise Fees

These fees, which the City charges to allow utilities to provide services within the city and to locate within the public right-of-way, are expected to total 11% of General Fund resources in 2017. Franchise agreements with investor owned utilities are presently at a 5% level for electricity, cable, and telecommunications. Natural gas franchise fees are currently calculated based on the volume of consumption, which is different than the market-based calculation for the electric utility franchise fee. An increase of 2% is anticipated over 2016 revenue projections for this category.

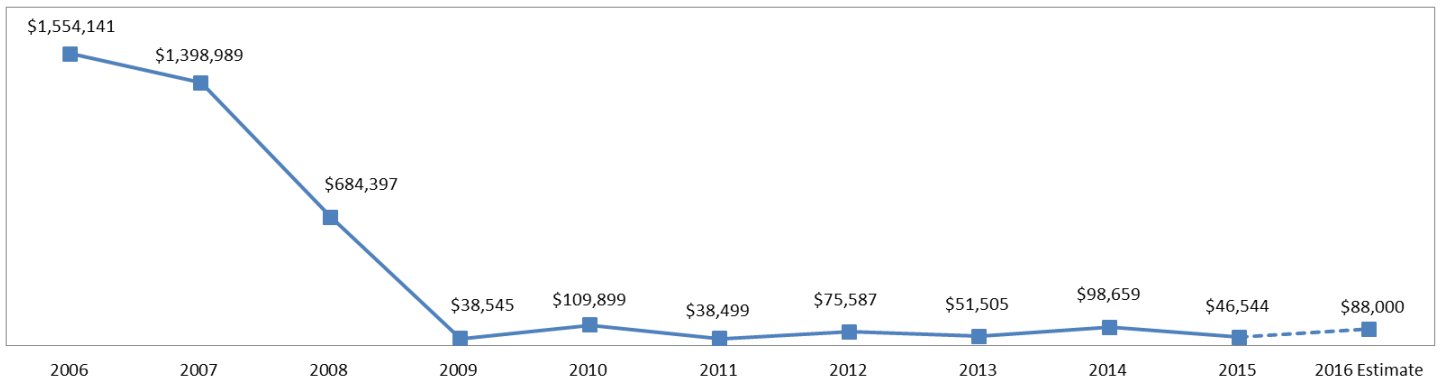




# General Fund Major Revenue Sources Descriptions, Assumptions, and Trends

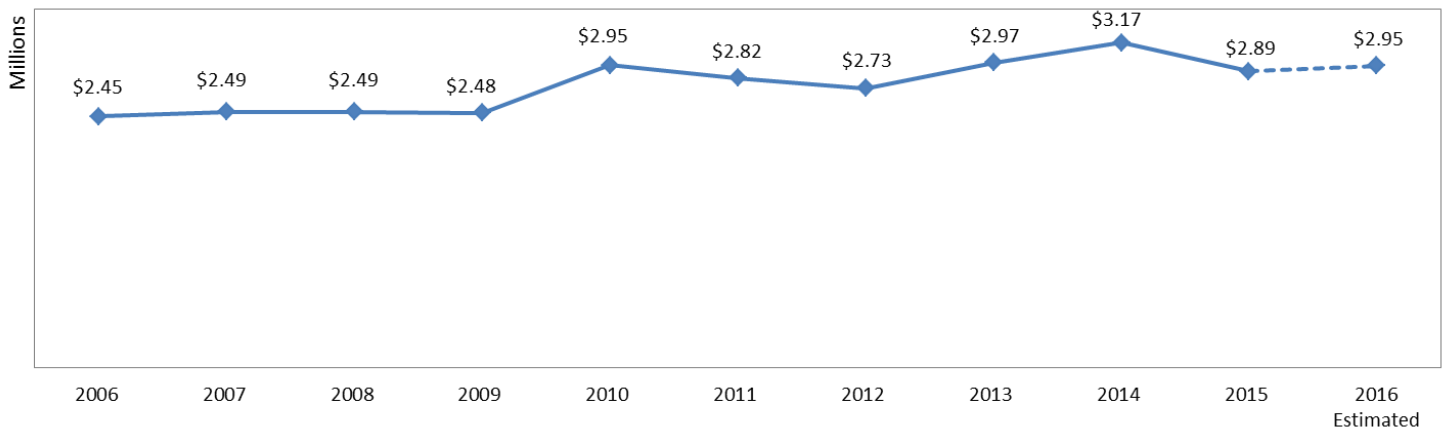
## General Fund Interest on Investments

Interest earned on investments of City funds continues to be impacted by the economic environment. Interest rates have fallen, and so has revenue generated from the City's investments. The graph shows the relative volatility of this revenue source and illustrates the up and down trend for the past 10 years. Earnings in 2015 totaled \$46,544. A 3% increase in this revenue source is budgeted for 2017 compared to the 2016 budget.



## Fines and Forfeits

Traffic fines and municipal court fees comprise 4% of 2017 budgeted General Fund resources. In 2016, the City Commission increased the fine for parking tickets from \$3.00 to \$5.00. The 2017 budget reflects an anticipated 3% increase in this category compared to the 2016 budget.



## ***Governmental Funds—Special Revenue***

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**City of Lawrence**

## Fund Summary

### Airport Improvement Fund

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

Revenues	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Charges for services	\$ 552	\$ -	\$ 10,500	\$ -
Interest	155	-	300	-
Miscellaneous	13,700	14,500	24,672	25,672
<b>Total</b>	<b>\$ 14,407</b>	<b>\$ 14,500</b>	<b>\$ 35,472</b>	<b>\$ 25,672</b>

Expenditures	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Personal Services	\$ -	\$ -	\$ -	\$ -
Contractual Services	2,445	-	-	-
Commodities	136,188	-	-	-
Capital Outlay	-	24,000	24,000	81,000
Debt Service	-	-	-	-
Transfers	-	-	-	-
Contingency	-	-	-	-
<b>Total</b>	<b>\$ 138,633</b>	<b>\$ 24,000</b>	<b>\$ 24,000</b>	<b>\$ 81,000</b>

	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Revenue / Expenditures	\$ (124,226)	\$ (9,500)	\$ 11,472	\$ (55,328)
Beginning Fund Balance	208,371	-	84,145	95,617
Audit Adjustment	-	-	-	-
Ending Fund Balance	\$ 84,145	\$ (9,500)	\$ 95,617	\$ 40,289

Revenue Trends: The budgeted revenues derive from the fixed base operators, hanger rents and grant proceeds. This is a small fund that fluctuates year-to-year.

Expenditure Trends: The budgeted expenditures are for a wildlife fence at the airport which is partially funded through the FAA.

## Fund Summary

### Capital Improvement Reserve Fund

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

Revenues	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
City-wide Sales & Use Taxes	\$ -	\$ 6,019,017	\$ 6,019,017	\$ 5,277,368
Intergovernmental	76,298	208,036	208,036	-
Interest	10,229	27,620	27,620	17,097
Miscellaneous	1,505,588	154,853	154,853	-
Operating Transfers	5,104,043	200,000	200,000	200,000
<b>Total</b>	<b>\$ 6,696,158</b>	<b>\$ 6,609,526</b>	<b>\$ 6,609,526</b>	<b>\$ 5,494,465</b>

Expenditures	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Personal Services	\$ -	\$ -	\$ -	\$ -
Contractual Services	365,984	-	-	-
Commodities	-	-	-	-
Capital Outlay	8,985,121	6,986,551	7,038,393	8,500,000
Debt Service	-	-	-	-
Transfers	-	-	3,931,504	-
Contingency	-	-	-	-
<b>Total</b>	<b>\$ 9,351,105</b>	<b>\$ 6,986,551</b>	<b>\$ 10,969,897</b>	<b>\$ 8,500,000</b>

	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Revenue / Expenditures	\$ (2,654,947)	\$ (377,025)	\$ (4,360,371)	\$ (3,005,535)
Beginning Fund Balance	10,534,291	-	7,879,344	3,518,973
Audit Adjustment	-	-	-	-
Ending Fund Balance	\$ 7,879,344	\$ (377,025)	\$ 3,518,973	\$ 513,438

Revenue Trends: Budgeted revenues have decreased in comparison to 2015 actuals and the 2016 estimated budget.

Expenditure Trends: Budgeted expenditures vary year-to-year based on the capital improvements that are scheduled.

## Fund Summary

### Equipment Reserve Fund

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

Revenues	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Fines, forfeitures and Penalties	\$ 91,980	\$ 91,980	\$ 91,980	\$ 91,980
Interest	6,096	16,151	16,151	9,196
Miscellaneous	6,000	-	-	-
Operating Transfers	1,000,000	100,000	100,000	180,000
<b>Total</b>	<b>\$ 1,104,076</b>	<b>\$ 208,131</b>	<b>\$ 208,131</b>	<b>\$ 281,176</b>

Expenditures	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Personal Services	\$ -	\$ -	\$ -	\$ -
Contractual Services	-	-	-	-
Commodities	97,308	-	-	-
Capital Outlay	750,614	1,000,000	760,845	199,500
Debt Service	-	-	-	-
Transfers	-	-	4,340,162	-
Contingency	-	-	-	-
<b>Total</b>	<b>\$ 847,923</b>	<b>\$ 1,000,000</b>	<b>\$ 5,101,007</b>	<b>\$ 199,500</b>

	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Revenue / Expenditures	\$ 256,153	\$ (791,869)	\$ (4,892,876)	\$ 81,676
Beginning Fund Balance	5,255,745	-	5,511,898	619,022
Audit Adjustment	-	-	-	-
Ending Fund Balance	\$ 5,511,898	\$ (791,869)	\$ 619,022	\$ 700,698

Revenue Trends: The revenues collected from fines, forfeitures, penalties, and interest have remained constant from 2015-2014. The transfers however has significantly decreased in the past two years.

Expenditure Trends: Equipment needs continue, however with decreased revenues, there has also been a decrease in budgeted expenditures.



City of Lawrence

## Fund Summary

### Guest Tax Fund

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

Revenues	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Intergovernmental	\$ 1,609,899	\$ 1,649,260	\$ 1,771,000	\$ 1,840,000
Interest	648	-	2,100	3,500
Operating Transfers	-	700,115	149,000	-
<b>Total</b>	<b>1,610,547</b>	<b>2,349,375</b>	<b>1,922,100</b>	<b>1,843,500</b>

Expenditures	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Personal Services	\$ -	\$ 300,014	\$ 300,014	\$ 349,221
Contractual Services	911,228	1,246,800	1,118,027	1,358,300
Commodities	-	30,300	29,460	30,000
Capital Outlay	37,931	-	-	175,000
Debt Service	-	150,000	150,000	245,041
Transfers	-	-	-	-
Contingency	-	830,500	-	-
<b>Total</b>	<b>\$ 949,159</b>	<b>\$ 2,557,614</b>	<b>\$ 1,597,501</b>	<b>\$ 2,157,562</b>

	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Revenue / Expenditures	\$ 661,388	\$ (208,239)	\$ 324,599	\$ (314,062)
Beginning Fund Balance	359,177	336,200	1,020,565	1,345,164
Audit Adjustment	-	-	-	-
Ending Fund Balance	\$ 1,020,565	\$ 127,961	\$ 1,345,164	\$ 1,031,102

Revenue Trends: Revenues have remained fairly consistent although the 2017 request is slightly lower than 2016 estimates.

Expenditure Trends: Expenditures have increase in 2017 mainly due to Capital Improvement Plan projects that are being paid for

## Fund Summary

### Library Fund

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

Revenues	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Property Taxes	\$ 3,586,223	\$ 3,614,057	\$ 3,599,057	\$ 3,978,042
Interest	512	-	546	500
Operating Transfers	-	-	-	-
<b>Total</b>	<b>\$ 3,586,735</b>	<b>\$ 3,614,057</b>	<b>\$ 3,599,603</b>	<b>\$ 3,978,542</b>

Expenditures	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Personal Services	\$ -	\$ -	\$ -	\$ -
Contractual Services	3,550,000	3,750,000	3,750,000	4,033,737
Commodities	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service	-	-	-	-
Transfers	-	-	-	-
Contingency	-	-	-	-
<b>Total</b>	<b>\$ 3,550,000</b>	<b>\$ 3,750,000</b>	<b>\$ 3,750,000</b>	<b>\$ 4,033,737</b>

	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Revenue / Expenditures	\$ 36,735	\$ (135,943)	\$ (150,397)	\$ (55,195)
Beginning Fund Balance	168,857	216,237	205,592	55,195
Audit Adjustment	-	-	-	-
Ending Fund Balance	\$ 205,592	\$ 80,294	\$ 55,195	\$ 0

Revenue Trends: Revenues are expected to increase in 2017. This is mainly attributed to an increase in the mill levy for the library fund for 2017.

Expenditure Trends: Expenditures are also expected to increase. These increase will go towards increasing wages and salaries as well as increasing the digital collections of the library.



City of Lawrence

## Fund Summary

### Transportation Fund

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

Revenues	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
City-wide Sales & Use Taxes	\$ -	\$ -	\$ 4,299,260	\$ 4,398,000
Charges for Services	406,241	404,289	410,000	426,000
Interest	4,492	-	12,000	24,000
Miscellaneous	8,749	-	3,449,260	-
Operating Transfers	3,316,596	3,887,802	1,985,663	-
<b>Total</b>	<b>\$ 3,736,078</b>	<b>\$ 4,292,091</b>	<b>\$ 10,156,183</b>	<b>\$ 4,848,000</b>

Expenditures	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Personal Services	\$ 82,024	\$ 104,537	\$ 104,537	\$ 90,345
Contractual Services	2,071,475	3,284,015	2,784,732	3,185,594
Commodities	627,472	1,109,721	1,109,731	893,268
Capital Outlay	-	-	-	1,651,000
Debt Service	-	-	-	-
Transfers	-	-	-	-
Contingency	-	3,334,500	-	-
<b>Total</b>	<b>\$ 2,780,971</b>	<b>\$ 7,832,773</b>	<b>\$ 3,999,000</b>	<b>\$ 5,820,207</b>

	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Revenue / Expenditures	\$ 955,106	\$ (3,540,682)	\$ 6,157,183	\$ (972,207)
Beginning Fund Balance	4,074,316	3,932,276	5,029,422	11,186,605
Audit Adjustment	-	-	-	-
Ending Fund Balance	\$ 5,029,422	\$ 391,594	\$ 11,186,605	\$ 10,214,398

Revenue Trends: The operations portion of revenues are expected to remain consistent. The Miscellaneous and Operating Transfers are significantly lower in 2017 due to the 2016 miscellaneous category accounting for closing out capital reserve funds into this operational fund in anticipation of future transportation hub expenditures.

Expenditure Trends: The operating expenditures are expected to remain consistent. Capital Outlay is increasing due to the beginning phases of constructing the transportation hub.



## Fund Summary

### Recreation Fund

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

Revenues	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Property Taxes	\$ 205	\$ -	\$ -	\$ -
Charges for Services	2,411,491	2,720,445	2,722,345	2,713,500
Interest	876	-	2,500	2,000
Licenses and Permits	-	-	-	-
Miscellaneous	338,880	316,400	345,600	586,945
Operating Transfers	2,230,157	2,319,363	2,319,000	2,332,898
<b>Total</b>	<b>\$ 4,981,404</b>	<b>\$ 5,356,208</b>	<b>\$ 5,389,445</b>	<b>\$ 5,635,343</b>

Expenditures	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Personal Services	\$ 3,986,360	\$ 4,201,601	\$ 4,201,601	\$ 4,224,410
Contractual Services	703,667	777,006	777,673	788,050
Commodities	378,050	370,539	390,781	384,370
Capital Outlay	25,750	50,000	50,000	40,000
Debt Service	-	-	-	-
Transfers	-	-	-	-
Contingency	-	487,700	-	240,000
<b>Total</b>	<b>\$ 5,093,827</b>	<b>\$ 5,886,846</b>	<b>\$ 5,420,055</b>	<b>\$ 5,676,830</b>

	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Revenue / Expenditures	\$ (112,423)	\$ (530,638)	\$ (30,610)	\$ (41,487)
Beginning Fund Balance	893,583	825,200	781,160	750,550
Audit Adjustment	-	-	-	-
Ending Fund Balance	\$ 781,160	\$ 294,562	\$ 750,550	\$ 709,063

Revenue Trends: Revenues for the Recreation Fund are expected to slightly increase in comparison to the 2016 estimates. The operating transfer represents a portion of the county sales tax initially placed in the General Fund.

Expenditure Trends: Expenditures are also expected to increase slightly in comparison to the 2016 estimates.

## Fund Summary

### Special Alcohol Fund

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

Revenues	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Intergovernmental	\$ 720,387	\$ 707,809	\$ 742,000	\$ 749,000
Interest	88	-	400	400
<b>Total</b>	<b>\$ 720,475</b>	<b>\$ 707,809</b>	<b>\$ 742,400</b>	<b>\$ 749,400</b>

Expenditures	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Personal Services	\$ 294,212	\$ -	\$ -	\$ -
Contractual Services	414,472	750,617	751,000	750,000
Commodities	1,939	-	100	-
Capital Outlay	-	-	-	-
Debt Service	-	-	-	-
Transfers	-	-	-	-
Contingency	-	77,085	-	-
<b>Total</b>	<b>\$ 710,623</b>	<b>\$ 827,702</b>	<b>\$ 751,100</b>	<b>\$ 750,000</b>

	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Revenue / Expenditures	\$ 9,852	\$ (119,893)	\$ (8,700)	\$ (600)
Beginning Fund Balance	134,920	108,732	144,772	136,072
Audit Adjustment	-	-	-	-
Ending Fund Balance	\$ 144,772	\$ (11,161)	\$ 136,072	\$ 135,472

Revenue Trends: Revenues are expected to remain consistent with 2016 estimates.

Expenditure Trends: Expenditures are expected to remain consistent with 2016 estimates.

## Fund Summary

### Special Gas Tax Fund

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

Revenues	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Intergovernmental	\$ 2,653,942	\$ 2,540,000	\$ 2,720,000	\$ 2,747,000
Interest	1,153	-	3,000	3,000
Miscellaneous	14,527	-	1,000	-
<b>Total</b>	<b>\$ 2,669,622</b>	<b>\$ 2,540,000</b>	<b>\$ 2,724,000</b>	<b>\$ 2,750,000</b>

Expenditures	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Personal Services	\$ 1,827,422	\$ 1,907,150	\$ 1,907,150	\$ 1,892,600
Contractual Services	1,196	15,500	15,500	17,100
Commodities	315,561	389,780	389,780	491,980
Capital Outlay	303,569	370,000	370,000	500,000
Debt Service	-	-	-	-
Transfers	-	-	-	-
Contingency	-	592,000	-	100,000
<b>Total</b>	<b>\$ 2,447,748</b>	<b>\$ 3,274,430</b>	<b>\$ 2,682,430</b>	<b>\$ 3,001,680</b>

	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Revenue / Expenditures	\$ 221,874	\$ (734,430)	\$ 41,570	\$ (251,680)
Beginning Fund Balance	922,108	898,263	1,143,982	1,185,552
Audit Adjustment		-	-	-
Ending Fund Balance	\$ 1,143,982	\$ 163,833	\$ 1,185,552	\$ 933,872

Revenue Trends: Revenues are expected to remain consistent with 2016 estimates.

Expenditure Trends: Expenditures are expected to increase slightly due to additional Capital Outlay costs in 2017.

## Fund Summary

### Special Recreation Fund

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

Revenues	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Intergovernmental	\$ 720,387	\$ 707,809	\$ 742,000	\$ 749,000
Interest	238	-	600	700
<b>Total</b>	<b>\$ 720,625</b>	<b>\$ 707,809</b>	<b>\$ 742,600</b>	<b>\$ 749,700</b>

Expenditures	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Personal Services	\$ 25,285	\$ 54,715	\$ 54,715	\$ 54,030
Contractual Services	267,354	360,300	360,300	401,100
Commodities	100,261	74,000	84,000	75,000
Capital Outlay	273,073	241,000	231,485	239,000
Debt Service	-	-	-	-
Transfers	-	-	-	-
Contingency	-	190,500	-	-
<b>Total</b>	<b>\$ 665,973</b>	<b>\$ 920,515</b>	<b>\$ 730,500</b>	<b>\$ 769,130</b>

	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Revenue / Expenditures	\$ 54,652	\$ (212,706)	\$ 12,100	\$ (19,430)
Beginning Fund Balance	173,570	258,719	228,222	240,322
Audit Adjustment	-	-	-	-
Ending Fund Balance	\$ 228,222	\$ 46,013	\$ 240,322	\$ 220,892

Revenue Trends: Revenues are expected to remain consistent with 2016 estimates.

Expenditure Trends: Expenditures are expected to increase due mainly to increased Contractual Services needs in 2017.

## Fund Summary

### Free State Transportation Development District (TDD)

This fund is used to account for proceeds from the Free State TDD.

Revenues	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Taxes	\$ 145,337	\$ 151,150	\$ 157,196	\$ 160,340
Interest	-	-	-	-
<b>Total</b>	<b>\$ 145,337</b>	<b>\$ 151,150</b>	<b>\$ 157,196</b>	<b>\$ 160,340</b>

Expenditures	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Personal Services	\$ -	\$ -	\$ -	\$ -
Contractual Services	145,337	151,150	157,196	160,340
Commodities	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service	-	-	-	-
Transfers	-	-	-	-
Contingency	-	-	-	-
<b>Total</b>	<b>\$ 145,337</b>	<b>\$ 151,150</b>	<b>\$ 157,196</b>	<b>\$ 160,340</b>

	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Revenue / Expenditures	\$ -	\$ -	\$ -	\$ -
Beginning Fund Balance	-	-	-	-
Audit Adjustment	-	-	-	-
Ending Fund Balance	\$ -	\$ -	\$ -	\$ -

Revenue Trends: Revenues are expected to remain consistent with 2016 estimates.

Expenditure Trends: Expenditures are expected to remain consistent with 2016 estimates.



## Fund Summary

### Oread Transportation Development District (TDD) — Tax Increment Financing (TIF)

This fund is used to account for proceeds from the Oread TDD-TIF.

Revenues	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Taxes	\$ 534,177	\$ 546,000	\$ 555,544	\$ 572,281
Miscellaneous	-	-	492,915	-
<b>Total</b>	<b>\$ 534,177</b>	<b>\$ 546,000</b>	<b>\$ 1,048,459</b>	<b>\$ 572,281</b>

Expenditures	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Personal Services	\$ -	\$ -	\$ -	\$ -
Contractual Services	386,157	546,000	1,196,479	572,281
Commodities	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service	-	-	-	-
Transfers	-	-	-	-
Contingency	-	-	-	-
<b>Total</b>	<b>\$ 386,157</b>	<b>\$ 546,000</b>	<b>\$ 1,196,479</b>	<b>\$ 572,281</b>

	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Revenue / Expenditures	\$ 148,020	\$ -	\$ (148,020)	\$ -
Beginning Fund Balance	-	-	148,020	-
Audit Adjustment	-	-	-	-
Ending Fund Balance	\$ 148,020	\$ -	\$ -	\$ -

Revenue Trends: The taxes received are expected to remain the same in 2017. The overall revenues are decreasing from 2016 estimates due to a reimbursement payment from the Developer in 2016.

Expenditure Trends: Expenditures are expected to decrease in 2017 compared to 2016 estimates.

## Fund Summary

### 9 New Hampshire South Transportation Development District — Tax Increment Financing

This fund is used to account for proceeds from the 9 New Hampshire South TDD-TIF.

Revenues	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Taxes	\$ 98,960	\$ 512,980	\$ 514,000	\$ 530,780
Interest	-	-	-	-
<b>Total</b>	<b>\$ 98,960</b>	<b>\$ 512,980</b>	<b>\$ 514,000</b>	<b>\$ 530,780</b>

Expenditures	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Personal Services	\$ -	\$ -	\$ -	\$ -
Contractual Services	80,166	512,980	532,794	530,780
Commodities	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service	-	-	-	-
Transfers	-	-	-	-
Contingency	-	-	-	-
<b>Total</b>	<b>\$ 80,166</b>	<b>\$ 512,980</b>	<b>\$ 532,794</b>	<b>\$ 530,780</b>

	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Revenue / Expenditures	\$ 18,794	\$ -	\$ (18,794)	\$ -
Beginning Fund Balance	-	-	18,794	-
Audit Adjustment	-	-	-	-
Ending Fund Balance	\$ 18,794	\$ -	\$ -	\$ -

Revenue Trends: Revenues are expected to remain consistent with 2016 estimates.

Expenditure Trends: Expenditures are expected to remain consistent with 2016 estimates.



## Fund Summary

### 9 New Hampshire North Transportation Development District — Tax Increment Financing

This fund is used to account for proceeds from the 9 New Hampshire North TDD-TIF.

Revenues	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Taxes	\$ -	\$ 180,000	\$ 180,000	\$ 370,000
Interest	-	-	-	-
<b>Total</b>	<b>\$ -</b>	<b>\$ 180,000</b>	<b>\$ 180,000</b>	<b>\$ 370,000</b>

Expenditures	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Personal Services	\$ -	\$ -	\$ -	\$ -
Contractual Services	-	180,000	180,000	370,000
Commodities	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service	-	-	-	-
Transfers	-	-	-	-
Contingency	-	-	-	-
<b>Total</b>	<b>\$ -</b>	<b>\$ 180,000</b>	<b>\$ 180,000</b>	<b>\$ 370,000</b>

	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Revenue / Expenditures	\$ -	\$ -	\$ -	\$ -
Beginning Fund Balance	-	-	-	-
Audit Adjustment	-	-	-	-
Ending Fund Balance	\$ -	\$ -	\$ -	\$ -

Revenue Trends: Revenues are expected to increase 2017.

Expenditure Trends: Expenditures are expected to increase in 2017.



## Fund Summary

### 901 New Hampshire

This fund is used to account for proceeds from the 901 New Hampshire tax development district.

Revenues	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Taxes	\$ 28,085	\$ 28,085	\$ 28,085	\$ 28,085
Interest	-	-	-	-
<b>Total</b>	<b>\$ 28,085</b>	<b>\$ 28,085</b>	<b>\$ 28,085</b>	<b>\$ 28,085</b>

Expenditures	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Personal Services	\$ -	\$ -	\$ -	\$ -
Contractual Services	28,085	28,085	28,085	28,085
Commodities	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service	-	-	-	-
Transfers	-	-	-	-
Contingency	-	-	-	-
<b>Total</b>	<b>\$ 28,085</b>	<b>\$ 28,085</b>	<b>\$ 28,085</b>	<b>\$ 28,085</b>

	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Revenue / Expenditures	\$ -	\$ -	\$ -	\$ -
Beginning Fund Balance	-	-	-	-
Audit Adjustment	-	-	-	-
Ending Fund Balance	\$ -	\$ -	\$ -	\$ -

Revenue Trends: Revenues are expected to remain consistent with 2016 estimates.

Expenditure Trends: Expenditures are expected to remain consistent with 2016 estimates.



## Fund Summary

### 720 LLC Neighborhood Revitalization Area (NRA)

This fund is used to account for proceeds from the 720 LLC NRA.

Revenues	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Taxes	\$ 12,282	\$ 13,000	\$ 13,617	\$ 14,162
Interest	-	-	-	-
<b>Total</b>	<b>\$ 12,282</b>	<b>\$ 13,000</b>	<b>\$ 13,617</b>	<b>\$ 14,162</b>

Expenditures	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Personal Services	\$ -	\$ -	\$ -	\$ -
Contractual Services	12,282	13,000	13,617	14,162
Commodities	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service	-	-	-	-
Transfers	-	-	-	-
Contingency	-	-	-	-
<b>Total</b>	<b>\$ 12,282</b>	<b>\$ 13,000</b>	<b>\$ 13,617</b>	<b>\$ 14,162</b>

	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Revenue / Expenditures	\$ -	\$ -	\$ -	\$ -
Beginning Fund Balance	-	-	-	-
Audit Adjustment	-	-	-	-
Ending Fund Balance	\$ -	\$ -	\$ -	\$ -

Revenue Trends: Revenues are expected to remain consistent with 2016 estimates.

Expenditure Trends: Expenditures are expected to remain consistent with 2016 estimates.

## Fund Summary

### 1040 Vermont LLC Neighborhood Revitalization Area (NRA)

This fund is used to account for proceeds from the 1040 Vermont LLC NRA.

Revenues	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Taxes	\$ 27,438	\$ 27,438	\$ 27,438	\$ 28,536
Interest	-	-	-	-
<b>Total</b>	<b>\$ 27,438</b>	<b>\$ 27,438</b>	<b>\$ 27,438</b>	<b>\$ 28,536</b>

Expenditures	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Personal Services	\$ -	\$ -	\$ -	\$ -
Contractual Services	27,438	27,438	27,438	28,536
Commodities	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service	-	-	-	-
Transfers	-	-	-	-
Contingency	-	-	-	-
<b>Total</b>	<b>\$ 27,438</b>	<b>\$ 27,438</b>	<b>\$ 27,438</b>	<b>\$ 28,536</b>

	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Revenue / Expenditures	\$ -	\$ -	\$ -	\$ -
Beginning Fund Balance	-	-	-	-
Audit Adjustment	-	-	-	-
Ending Fund Balance	\$ -	\$ -	\$ -	\$ -

Revenue Trends: Revenues are expected to remain consistent with 2016 estimates.

Expenditure Trends: Expenditures are expected to remain consistent with 2016 estimates.

## Fund Summary

### 810-812 Pennsylvania Neighborhood Revitalization Area (NRA)

This fund is used to account for proceeds from the 810-812 Pennsylvania NRA.

Revenues	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Taxes	\$ 25,370	\$ 25,620	\$ 25,620	\$ 26,645
Interest	-	-	-	-
<b>Total</b>	<b>\$ 25,370</b>	<b>\$ 25,620</b>	<b>\$ 25,620</b>	<b>\$ 26,645</b>

Expenditures	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Personal Services	\$ -	\$ -	\$ -	\$ -
Contractual Services	25,370	25,620	25,620	26,645
Commodities	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service	-	-	-	-
Transfers	-	-	-	-
Contingency	-	-	-	-
<b>Total</b>	<b>\$ 25,370</b>	<b>\$ 25,620</b>	<b>\$ 25,620</b>	<b>\$ 26,645</b>

	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Revenue / Expenditures	\$ -	\$ -	\$ -	\$ -
Beginning Fund Balance	-	-	-	-
Audit Adjustment	-	-	-	-
Ending Fund Balance	\$ -	\$ -	\$ -	\$ -

Revenue Trends: Revenues are expected to remain consistent with 2016 estimates.

Expenditure Trends: Expenditures are expected to remain consistent with 2016 estimates.

## Fund Summary

### HERE Neighborhood Revitalization Area (NRA)

This fund is used to account for proceeds from the HERE NRA.

Revenues	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Taxes	\$ -	\$ -	\$ -	\$ 120,000
Interest	-	-	-	-
<b>Total</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 120,000</b>

Expenditures	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Personal Services	\$ -	\$ -	\$ -	\$ -
Contractual Services	-	-	-	120,000
Commodities	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service	-	-	-	-
Transfers	-	-	-	-
Contingency	-	-	-	-
<b>Total</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 120,000</b>

	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Revenue / Expenditures	\$ -	\$ -	\$ -	\$ -
Beginning Fund Balance	-	-	-	-
Audit Adjustment	-	-	-	-
Ending Fund Balance	\$ -	\$ -	\$ -	\$ -

Revenue Trends: The HERE NRA began in 2017, thus no trend data is available.

Expenditure Trends: The HERE NRA began in 2017, thus no trend data is available.

## Fund Summary

### City Parks Memorial Fund

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

Revenues	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Miscellaneous	\$ 24,962	\$ 3,300	\$ 27,300	\$ 3,000
Interest	71	-	80	80
<b>Total</b>	<b>\$ 25,033</b>	<b>\$ 3,300</b>	<b>\$ 27,380</b>	<b>\$ 3,080</b>

Expenditures	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Personal Services	\$ -	\$ -	\$ -	\$ -
Contractual Services	-	-	-	-
Commodities	8,019	-	-	-
Capital Outlay	-	-	99,000	-
Debt Service	-	-	-	-
Transfers	-	-	-	-
Contingency	-	-	-	-
<b>Total</b>	<b>\$ 8,019</b>	<b>\$ -</b>	<b>\$ 99,000</b>	<b>\$ -</b>

	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Revenue / Expenditures	\$ 17,014	\$ 3,300	\$ (71,620)	\$ 3,080
Beginning Fund Balance	75,028	-	92,042	20,422
Audit Adjustment	-	-	-	-
Ending Fund Balance	\$ 92,042	\$ 3,300	\$ 20,422	\$ 23,502

Revenue Trends: The 2017 budgeted revenues are lower than 2016 estimates, however this fund receives donations and thus revenues are not consistent year to year.

Expenditure Trends: There are no budgeted expenditures, however as requests are received throughout 2017 they will be evaluated.

## Fund Summary

### Farmland Remediation Fund

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

Revenues	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Interest	\$ 4,749	\$ 18,000	\$ 18,707	\$ 18,700
Miscellaneous	-	-	14,000	-
<b>Total</b>	<b>\$ 4,749</b>	<b>\$ 18,000</b>	<b>\$ 32,707</b>	<b>\$ 18,700</b>

Expenditures	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Personal Services	\$ 133,191	\$ 135,293	\$ 135,293	\$ 93,600
Contractual Services	1,175,199	138,200	138,200	138,200
Commodities	33,032	16,000	16,000	16,000
Capital Outlay	-	250,000	250,000	250,000
Debt Service	-	-	-	-
Transfers	-	-	-	-
Contingency	-	-	-	-
<b>Total</b>	<b>\$ 1,341,422</b>	<b>\$ 539,493</b>	<b>\$ 539,493</b>	<b>\$ 497,800</b>

	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Revenue / Expenditures	\$ (1,336,673)	\$ (521,493)	\$ (506,786)	\$ (479,100)
Beginning Fund Balance	6,904,048	-	5,567,375	5,060,589
Audit Adjustment	-	-	-	-
Ending Fund Balance	\$ 5,567,375	\$ (521,493)	\$ 5,060,589	\$ 4,581,489

Revenue Trends: Revenues are expected to decrease in 2017 compared to 2016 estimates.

Expenditure Trends: Expenditures are expected to decrease slightly in 2017 compared to 2016 estimates.

## Fund Summary

### Cemetery Perpetual Care Fund

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

Revenues	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Interest	\$ 57	\$ 268	\$ 268	\$ 158
<b>Total</b>	<b>\$ 57</b>	<b>\$ 268</b>	<b>\$ 268</b>	<b>\$ 158</b>

Expenditures	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Personal Services	\$ -	\$ -	\$ -	\$ -
Contractual Services	3,254	-	-	-
Commodities	-	-	70,000	5,000
Capital Outlay	-	-	-	-
Debt Service	-	-	-	-
Transfers	-	-	-	-
Contingency	-	-	-	-
<b>Total</b>	<b>\$ 3,254</b>	<b>\$ -</b>	<b>\$ 70,000</b>	<b>\$ 5,000</b>

	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Revenue / Expenditures	\$ (3,197)	\$ 268	\$ (69,732)	\$ (4,842)
Beginning Fund Balance	90,781	-	87,584	17,852
Audit Adjustment	-	-	-	-
Ending Fund Balance	\$ 87,584	\$ 268	\$ 17,852	\$ 13,010

Revenue Trends: Revenues are expected to decrease in 2017.

Expenditure Trends: Expenditures are expected to decrease in 2017.



## Fund Summary

### Cemetery Mausoleum Fund

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

Revenues	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Interest	\$ 4	\$ -	\$ 13	\$ -
<b>Total</b>	<b>\$ 4</b>	<b>\$ -</b>	<b>\$ 13</b>	<b>\$ -</b>

Expenditures	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Personal Services	\$ -	\$ -	\$ -	\$ -
Contractual Services	-	-	-	-
Commodities	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service	-	-	-	-
Transfers	-	-	-	-
Contingency	-	-	-	-
<b>Total</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Revenue / Expenditures	\$ 4	\$ -	\$ 13	\$ -
Beginning Fund Balance	4,230	-	4,234	4,247
Audit Adjustment	-	-	-	-
Ending Fund Balance	\$ 4,234	\$ -	\$ 4,247	\$ 4,247

Revenue Trends: There are no budgeted revenues in 2017.

Expenditure Trends: There are no budgeted expenditures in 2017.

## Fund Summary

### Housing Trust Fund

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

Revenues	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Interest	\$ 89	\$ -	\$ 308	\$ 154
Miscellaneous	-	-	77,000	-
Operating Transfers	-	-	100,000	300,000
<b>Total</b>	<b>\$ 89</b>	<b>\$ -</b>	<b>\$ 177,308</b>	<b>\$ 300,154</b>

Expenditures	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Personal Services	\$ -	\$ -	\$ -	\$ -
Contractual Services	-	-	280,069	300,000
Commodities	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service	-	-	-	-
Transfers	-	-	-	-
Contingency	-	-	-	-
<b>Total</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 280,069</b>	<b>\$ 300,000</b>

	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Revenue / Expenditures	\$ 89	\$ -	\$ (102,761)	\$ 154
Beginning Fund Balance	102,672	-	102,761	0
Audit Adjustment	-	-	-	-
Ending Fund Balance	\$ 102,761	\$ -	\$ 0	\$ 154

Revenue Trends: Revenues are expected to increase in 2017 due in large part to an increase in operating transfers for affordable housing.

Expenditure Trends: Expenditures are expected to remain consistent in 2017.

## Fund Summary

### Outside Agency Grant Fund

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

Revenues	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Intergovernmental	\$ 4,203,340	\$ 3,578,394	\$ 3,578,394	\$ 4,020,000
<b>Total</b>	<b>\$ 4,203,340</b>	<b>\$ 3,578,394</b>	<b>\$ 3,578,394</b>	<b>\$ 4,020,000</b>

Expenditures	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Personal Services	\$ 398,399	\$ 196,475	\$ 196,475	\$ 473,175
Contractual Services	2,476,142	3,197,179	3,197,179	3,357,379
Commodities	59,259	4,740	4,740	4,700
Capital Outlay	1,312,016	180,000	180,000	180,000
Debt Service	-	-	-	-
Transfers	-	-	-	-
Contingency	-	-	-	-
<b>Total</b>	<b>\$ 4,245,816</b>	<b>\$ 3,578,394</b>	<b>\$ 3,578,394</b>	<b>\$ 4,015,254</b>

	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Revenue / Expenditures	\$ (42,476)	\$ -	\$ -	\$ 4,746
Beginning Fund Balance	46,400	-	3,924	3,924
Audit Adjustment	-	-	-	-
Ending Fund Balance	\$ 3,924	\$ -	\$ 3,924	\$ 8,670

Revenue Trends: Revenues are dependent on grants, which are anticipated to remain similar in 2017 to the 2016 estimates.

Expenditure Trends: Expenditures are also expected to remain similar in 2017 to the 2016 estimates.

## Fund Summary

### Wee Folks Scholarship Fund

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

Revenues	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Interest	\$ 153	\$ -	\$ 476	\$ 482
Miscellaneous	33,265	20,000	30,000	30,000
<b>Total</b>	<b>\$ 33,418</b>	<b>\$ 20,000</b>	<b>\$ 30,476</b>	<b>\$ 30,482</b>

Expenditures	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Personal Services	\$ -	\$ -	\$ -	\$ -
Contractual Services	29,531	20,000	30,000	50,000
Commodities	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service	-	-	-	-
Transfers	-	-	-	-
Contingency	-	-	-	-
<b>Total</b>	<b>\$ 29,531</b>	<b>\$ 20,000</b>	<b>\$ 30,000</b>	<b>\$ 50,000</b>

	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Revenue / Expenditures	\$ 3,887	\$ -	\$ 476	\$ (19,518)
Beginning Fund Balance	156,685	-	160,572	161,048
Audit Adjustment	-	-	-	-
Ending Fund Balance	\$ 160,572	\$ -	\$ 161,048	\$ 141,530

Revenue Trends: Revenues are expected to remain consistent with 2016 estimates.

Expenditure Trends: Expenditures are expected to increase in 2017.

## Fund Summary

### Fair Housing Assistance Fund

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

Revenues	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Intergovernmental	\$ -	\$ -	\$ 26,000	\$ -
Interest	156	-	563	569
<b>Total</b>	<b>\$ 156</b>	<b>\$ -</b>	<b>\$ 26,563</b>	<b>\$ 569</b>

Expenditures	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Personal Services	\$ 11,260	\$ 11,408	\$ 11,408	\$ 11,800
Contractual Services	1,435	-	-	-
Commodities	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service	-	-	-	-
Transfers	-	-	-	-
Contingency	-	-	-	-
<b>Total</b>	<b>\$ 12,695</b>	<b>\$ 11,408</b>	<b>\$ 11,408</b>	<b>\$ 11,800</b>

	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Revenue / Expenditures	\$ (12,540)	\$ (11,408)	\$ 15,155	\$ (11,231)
Beginning Fund Balance	193,875	-	181,335	196,490
Audit Adjustment	-	-	-	-
Ending Fund Balance	\$ 181,335	\$ (11,408)	\$ 196,490	\$ 185,259

Revenue Trends: Revenues are expected to decrease in 2017 compared to 2016 estimates.

Expenditure Trends: Expenditures are expected to remain consistent with 2016 estimates.

## Fund Summary

### Community Development Grant Fund

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

Revenues	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Intergovernmental	\$ 526,115	\$ 600,000	\$ 670,000	\$ 940,677
Miscellaneous	178,954	-	-	-
<b>Total</b>	<b>\$ 705,068</b>	<b>\$ 600,000</b>	<b>\$ 670,000</b>	<b>\$ 940,677</b>

Expenditures	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Personal Services	\$ 283,325	\$ 206,900	\$ -	\$ 202,900
Contractual Services	540,046	-	800,000	714,177
Commodities	3,316	-	-	-
Capital Outlay	-	-	-	-
Debt Service	-	-	-	-
Transfers	-	-	-	-
Contingency	-	-	-	-
<b>Total</b>	<b>\$ 826,687</b>	<b>\$ 206,900</b>	<b>\$ 800,000</b>	<b>\$ 917,077</b>

	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Revenue / Expenditures	\$ (121,619)	\$ 393,100	\$ (130,000)	\$ 23,600
Beginning Fund Balance	475,117	-	353,498	223,498
Audit Adjustment	-	-	-	-
Ending Fund Balance	\$ 353,498	\$ 393,100	\$ 223,498	\$ 247,098

Revenue Trends: Revenues are dependent on grants, which are anticipated to increase in 2017.

Expenditure Trends: Expenditures are also expected to increase in 2017.

## Fund Summary

### Home Program Fund

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

Revenues	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Intergovernmental	\$ 379,387	\$ 432,000	\$ 432,000	\$ 531,909
Miscellaneous	-	-	-	-
<b>Total</b>	<b>\$ 379,387</b>	<b>\$ 432,000</b>	<b>\$ 432,000</b>	<b>\$ 531,909</b>

Expenditures	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Personal Services	\$ 39,734	\$ 42,930	\$ -	\$ 49,400
Contractual Services	345,412	-	300,000	483,509
Commodities	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service	-	-	-	-
Transfers	-	-	-	-
Contingency	-	-	-	-
<b>Total</b>	<b>\$ 385,147</b>	<b>\$ 42,930</b>	<b>\$ 300,000</b>	<b>\$ 532,909</b>

	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Revenue / Expenditures	\$ (5,759)	\$ 389,070	\$ 132,000	\$ (1,000)
Beginning Fund Balance	56,812	-	51,053	183,053
Audit Adjustment	-	-	-	-
Ending Fund Balance	\$ 51,053	\$ 389,070	\$ 183,053	\$ 182,053

Revenue Trends: Revenues are dependent on grants, which are anticipated to increase in 2017.

Expenditure Trends: Expenditures are also expected to increase in 2017.

## Fund Summary

### Transportation Planning Fund

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

Revenues	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Intergovernmental	\$ 173,841	\$ 175,000	\$ 175,000	\$ 260,100
<b>Total</b>	<b>\$ 173,841</b>	<b>\$ 175,000</b>	<b>\$ 175,000</b>	<b>\$ 260,100</b>

Expenditures	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Personal Services	\$ 142,919	\$ 148,385	\$ 148,385	\$ 135,000
Contractual Services	62,163	-	-	127,900
Commodities	4,177	-	-	-
Capital Outlay	-	-	-	-
Debt Service	-	-	-	-
Transfers	-	-	-	-
Contingency	-	-	-	-
<b>Total</b>	<b>\$ 209,259</b>	<b>\$ 148,385</b>	<b>\$ 148,385</b>	<b>\$ 262,900</b>

	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Revenue / Expenditures	\$ (35,418)	\$ 26,615	\$ 26,615	\$ (2,800)
Beginning Fund Balance	27,822	-	(7,596)	19,019
Audit Adjustment	-	-	-	-
Ending Fund Balance	\$ (7,596)	\$ 26,615	\$ 19,019	\$ 16,219

Revenue Trends: Revenues are dependent on grants, which are anticipated to increase in 2017.

Expenditure Trends: Expenditures are also expected to increase in 2017.



## Fund Summary

### Law Enforcement Trust Fund

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

Revenues	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Interest	\$ 61	\$ -	\$ 58	\$ 70
Miscellaneous	42,542	40,000	65,000	45,000
<b>Total</b>	<b>\$ 42,603</b>	<b>\$ 40,000</b>	<b>\$ 65,058</b>	<b>\$ 45,070</b>

Expenditures	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Personal Services	\$ -	\$ -	\$ -	\$ -
Contractual Services	67,852	50,000	50,000	40,000
Commodities	38,961	40,000	40,000	40,000
Capital Outlay	-	-	-	-
Debt Service	-	-	-	-
Transfers	-	-	-	-
Contingency	-	-	-	-
<b>Total</b>	<b>\$ 106,813</b>	<b>\$ 90,000</b>	<b>\$ 90,000</b>	<b>\$ 80,000</b>

	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Revenue / Expenditures	\$ (64,210)	\$ (50,000)	\$ (24,942)	\$ (34,930)
Beginning Fund Balance	153,137	-	88,927	63,985
Audit Adjustment	-	-	-	-
Ending Fund Balance	\$ 88,927	\$ (50,000)	\$ 63,985	\$ 29,055

Revenue Trends: Revenues are from fines and forfeitures, which can fluctuate year to year. Revenues are expected to decrease in 2017 in comparison to 2016 estimates.

Expenditure Trends: Expenditures are expected to decrease slightly in 2017 in comparison to 2016 estimates.

## *Debt Service*

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## Fund Summary

### Bond & Interest Fund

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

Revenues	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Property Taxes	\$ 8,314,719	\$ 8,179,550	\$ 8,252,000	\$ 8,367,051
Special Assessments	2,411,557	1,749,884	1,861,000	1,157,000
Interest	10,095	31,259	33,000	32,000
Miscellaneous	218,770	135,000	235,000	135,000
<b>Total</b>	<b>\$ 10,955,141</b>	<b>\$ 10,095,693</b>	<b>\$ 10,381,000</b>	<b>\$ 9,691,051</b>

Expenditures	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Personal Services	\$ -	\$ -	\$ -	\$ -
Contractual Services	-	-	-	-
Commodities	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service	10,865,034	11,659,248	10,959,248	12,195,000
Transfers	-	-	-	-
Contingency	-	3,079,787	-	-
<b>Total</b>	<b>\$ 10,865,034</b>	<b>\$ 14,739,035</b>	<b>\$ 10,959,248</b>	<b>\$ 12,195,000</b>

	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Revenue / Expenditures	\$ 90,107	\$ (4,643,342)	\$ (578,248)	\$ (2,503,949)
Beginning Fund Balance	10,811,515	5,354,367	10,901,622	10,323,374
Audit Adjustment	-	-	-	-
Ending Fund Balance	\$ 10,901,622	\$ 711,025	\$ 10,323,374	\$ 7,819,425

Revenue Trends: Revenues are expected to decrease in 2017 in comparison to 2016 estimates. This is mainly attributed to a decrease in special assessments.

Expenditure Trends: Expenditures are expected to increase in 2017 in comparison to 2016 estimates.

## Computation of Legal Debt Margin

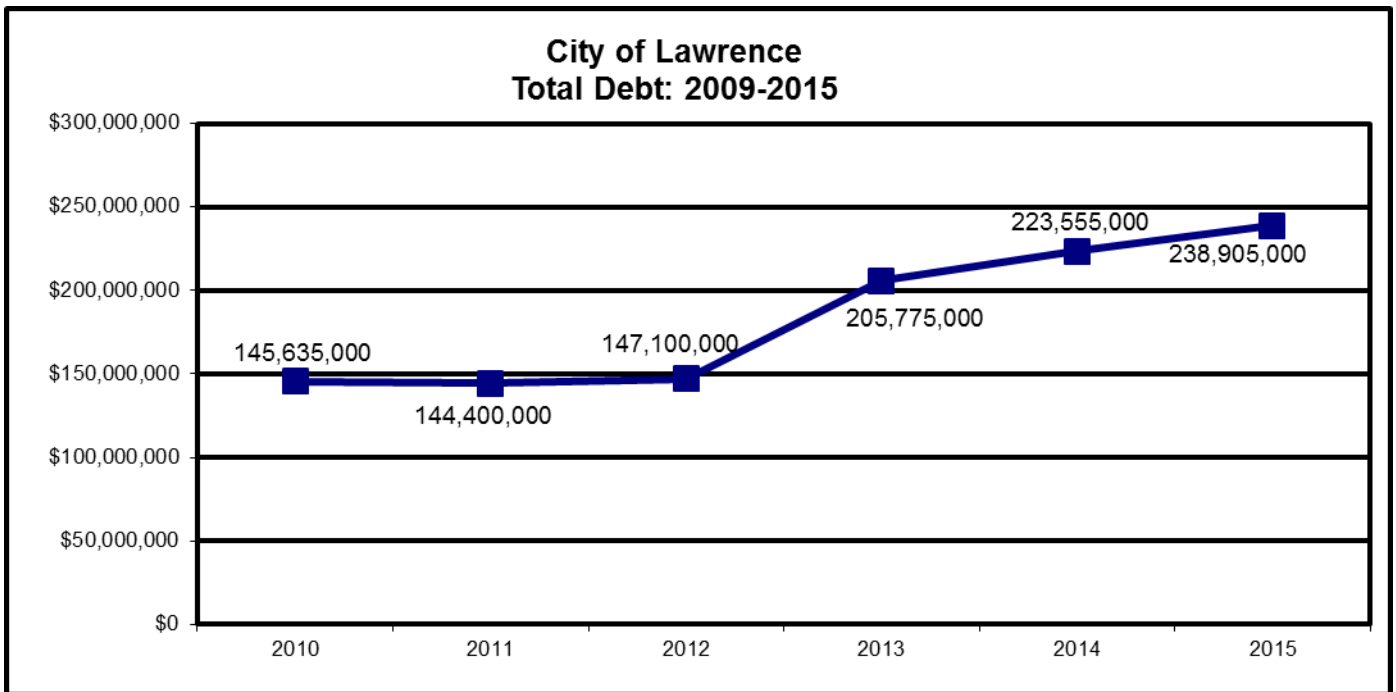
The Bond and Interest Fund is used to account for the resources dedicated to the payment of the principal and interest on the City's general obligation bonds. Revenues come from ad valorem property taxes, special assessments, interest earnings and transfers of surplus funds from capital projects. By December 31, 2016, the City's total general obligation debt was \$91,174,695. The City is limited by State law in the amount of general obligation debt it can incur (for more information regarding debt, please refer to our budget policy section). This limit is set at 30% of the total assessed valuation, including motor vehicle assessments. The legal debt margin as of December 31, 2016 can be computed as follows:

Real & Personal Property Assessed Valuation - July 1, 2016	\$ 913,000,125	
Motor Vehicle Property Valuation - July 1, 2015	<u>82,923,084</u>	
Total Equalized Assessed Tangible Valuation	<u>995,923,209</u>	
Debt Limitation (30% of assessed valuation)		298,776,963
Total Bonded Debt (including notes)	122,120,000	
Less Bonds Paid from Enterprise Funds	<u>(30,945,305)</u>	
Total Debt applicable to limitation		<u>\$ 91,174,695</u>
Legal Debt Margin		<u>\$ 207,602,268</u>

## Statement of Outstanding Indebtedness

The chart and graph below depict all the outstanding debt the City owes as of December 31, 2015.

	Outstanding 01/01/2015	Retired in 2015	Issued in 2015	Outstanding 12/31/2015
General Obligation Bonds	\$ 100,595,000	12,105,000	\$ 9,450,000	97,940,000
Temporary Notes	78,930,000	78,930,000	10,795,000	10,795,000
<i>Subtotal</i>	<i>\$ 179,525,000</i>	<i>\$ 91,035,000</i>	<i>\$ 20,245,000</i>	<i>\$ 108,735,000</i>
Revenue Bonds	\$ 46,390,000	\$ 15,080,000	\$ 98,860,000	\$ 130,170,000
<i>Subtotal</i>	<i>46,390,000</i>	<i>15,080,000</i>	<i>98,860,000</i>	<i>130,170,000</i>
<b>Total Debt</b>	<b>\$ 225,915,000</b>	<b>\$ 106,115,000</b>	<b>\$ 119,105,000</b>	<b>\$ 238,905,000</b>



## Current Debt Issue

The following chart outlines the outstanding debt and when it was issued. This includes general obligation bonds, temporary notes, and revenue bonds.

DESIGNATION	ORIGINAL AMOUNT	OUTSTANDING 1/1/2015	ISSUED AFTER 1/1/2015	RETIRED IN 2015	ESTIMATED OUTSTANDING 12/31/2015
<b>GENERAL OBLIGATION</b>					
Series 2003-D	3,145,000	335,000	-	335,000	-
Series 2004-A	3,520,000	330,000	-	330,000	-
Series 2004-B	10,600,000	2,030,000	-	995,000	1,035,000
Series 2004-C	1,600,000	310,000	-	150,000	160,000
Series 2005-A	11,095,000	3,150,000	-	1,015,000	2,135,000
Series 2006-A	17,130,000	6,475,000	-	1,530,000	4,945,000
Series 2007-A	11,345,000	5,315,000	-	985,000	4,330,000
Series 2008-A	11,890,000	7,265,000	-	1,110,000	6,155,000
Series 2009-A	3,250,000	2,010,000	-	265,000	1,745,000
Series 2010-A	2,975,000	2,975,000	-	110,000	2,865,000
Series 2010-B	8,920,000	6,145,000	-	715,000	5,430,000
Series 2010-C	8,305,000	5,885,000	-	625,000	5,260,000
Series 2011-A	3,895,000	3,000,000	-	305,000	2,695,000
Series 2012-A	7,710,000	6,045,000	-	830,000	5,215,000
Series 2012-B	3,480,000	1,765,000	-	880,000	885,000
Series 2013-A	4,405,000	4,055,000	-	350,000	3,705,000
Series 2014-A	25,065,000	25,065,000	-	895,000	24,170,000
Series 2014-B	18,440,000	18,440,000	-	680,000	17,760,000
Series 2015-A	9,450,000	-	9,450,000	-	9,450,000
<b>Subtotal</b>	<b>\$ 166,220,000</b>	<b>\$ 100,595,000</b>	<b>\$ 9,450,000</b>	<b>\$ 12,105,000</b>	<b>\$ 97,940,000</b>
<b>TEMPORARY NOTES</b>					
Temp Note 2014-I	-	59,900,000	-	59,900,000	-
Temp Note 2014-II	-	5,560,000	-	5,560,000	-
Temp Note 2014-III	-	13,470,000	-	13,470,000	-
Temp Note 2015-I	-	-	10,795,000	-	10,795,000
<b>Subtotal</b>	<b>\$ -</b>	<b>\$ 78,930,000</b>	<b>\$ 10,795,000</b>	<b>\$ 78,930,000</b>	<b>\$ 10,795,000</b>
<b>REVENUE BONDS</b>					
Series 2005	25,910,000	14,460,000	-	14,460,000	-
Series 2007	19,800,000	19,095,000	-	135,000	18,960,000
Series 2008	4,270,000	3,475,000	-	175,000	3,300,000
Series 2009	10,385,000	9,360,000	-	310,000	9,050,000
Series 2015-A	89,900,000	-	89,900,000	-	89,900,000
Series 2015-B	8,960,000	-	8,960,000	-	8,960,000
<b>Subtotal</b>	<b>\$ 159,225,000</b>	<b>\$ 46,390,000</b>	<b>\$ 98,860,000</b>	<b>\$ 15,080,000</b>	<b>\$ 130,170,000</b>



## Current Debt Issue

The following chart outlines the outstanding debt that has scheduled payments in 2016. This includes general obligation bonds, temporary notes, and revenue bonds.

DESIGNATION	2016 DEBT PAYMENT PRINCIPAL & INTEREST						
	Bond & Interest Fund (301)	Guest Tax Fund (206)	Sales Tax Res Fund (212)	Utilities Fund (501)	Solid Waste Fund (502)	Stormwater Fund (505)	Total All Funds
<b>GENERAL OBLIGATION</b>							
Series 2003-D	-	-	-	-	-	-	-
Series 2004-A	-	-	-	-	-	-	-
Series 2004-B	594,105	-	287,450	-	-	192,258	1,073,813
Series 2004-C	166,160	-	-	-	-	-	166,160
Series 2005-A	619,701	-	-	-	-	509,837	1,129,538
Series 2006-A	1,765,424	-	-	-	-	22,376	1,787,800
Series 2007-A	1,216,875	-	-	-	-	-	1,216,875
Series 2008-A	1,311,425	-	60,538	-	-	-	1,371,963
Series 2009-A	324,750	-	-	-	-	-	324,750
Series 2010-A	262,580	-	-	-	-	-	262,580
Series 2010-B	856,769	-	-	-	-	-	856,769
Series 2010-C	-	-	-	765,619	-	-	765,619
Series 2011-A	381,300	-	-	-	-	-	381,300
Series 2012-A	975,013	-	-	-	-	-	975,013
Series 2012-B	-	-	898,275	-	-	-	898,275
Series 2013-A	472,063	-	-	-	-	-	472,063
Series 2014-A	1,231,873	-	205,515	-	335,400	-	1,772,788
Series 2014-B	-	150,000	1,138,288	-	-	-	1,288,288
Series 2015-A	781,213	-	-	-	-	-	781,213
<b>Subtotal</b>	<b>\$ 10,959,251</b>	<b>\$ 150,000</b>	<b>\$ 2,590,066</b>	<b>\$ 765,619</b>	<b>\$ 335,400</b>	<b>\$ 724,471</b>	<b>\$ 15,524,807</b>
<b>TEMPORARY NOTES</b>							
Temp Note 2014-I	-	-	-	-	-	-	-
Temp Note 2014-II	-	-	-	-	-	-	-
Temp Note 2014-III	-	-	-	-	-	-	-
Temp Note 2015-I	-	-	-	-	-	-	-
<b>Subtotal</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>REVENUE BONDS</b>							
Series 2005	-	-	-	-	-	-	-
Series 2007	-	-	-	1,491,900	-	-	1,491,900
Series 2008	-	-	-	316,760	-	-	316,760
Series 2009	-	-	-	824,350	-	-	824,350
Series 2015-A	-	-	-	5,703,000	-	-	5,703,000
Series 2015-B	-	-	-	1,576,280	-	-	1,576,280
<b>Subtotal</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 9,912,290</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 9,912,290</b>

## Current Debt Service Schedule

The following is the debt service for all at-large general obligation debt as well as special assessments. These charts represent each categories respective portion of the overall debt service schedule.

Year	<u>GENERAL OBLIGATION BONDS</u>			<u>SPECIAL ASSESSMENT</u>		
	<u>AT- LARGE</u>			<u>AMORTIZATION SCHEDULE</u>		
	<b>Principal</b>	<b>Interest</b>	<b>Subtotal</b>	<b>Principal</b>	<b>Interest</b>	<b>Subtotal</b>
2016	\$ 10,570,330	\$ 3,186,913	\$ 13,757,243	\$ 1,649,670	\$ 117,890	\$ 1,767,560
2017	9,189,788	2,843,211	12,032,999	970,212	70,607	1,040,819
2018	8,476,030	2,504,395	10,980,425	888,970	49,098	938,068
2019	7,206,645	2,199,798	9,406,443	683,355	30,257	713,612
2020	6,664,799	1,968,942	8,633,741	135,201	17,176	152,377
2021	5,484,800	1,767,090	7,251,890	135,200	15,165	150,365
2022	5,391,572	1,572,264	6,963,836	88,428	13,154	101,582
2023	4,506,571	1,372,330	5,878,901	88,429	11,838	100,267
2024	3,736,571	1,212,307	4,948,878	88,429	10,523	98,952
2025	3,475,000	1,091,655	4,566,655	-	-	-
2026	3,135,000	988,300	4,123,300	-	-	-
2027	3,165,000	893,913	4,058,913	-	-	-
2028	3,290,000	779,263	4,069,263	-	-	-
2029	3,410,000	659,950	4,069,950	-	-	-
2030	3,515,000	546,980	4,061,980	-	-	-
2031	2,855,000	430,530	3,285,530	-	-	-
2032	2,945,000	333,210	3,278,210	-	-	-
2033	3,045,000	225,845	3,270,845	-	-	-
2034	3,150,000	114,870	3,264,870	-	-	-
	<b>\$ 93,212,106</b>	<b>\$ 24,691,763</b>	<b>\$ 117,903,869</b>	<b>\$ 4,727,894</b>	<b>\$ 335,708</b>	<b>\$ 5,063,602</b>



## Current Debt Service Schedule

This chart aggregates all the at-large general obligation bonds and the special assessment bonds to provide a total debt service schedule.

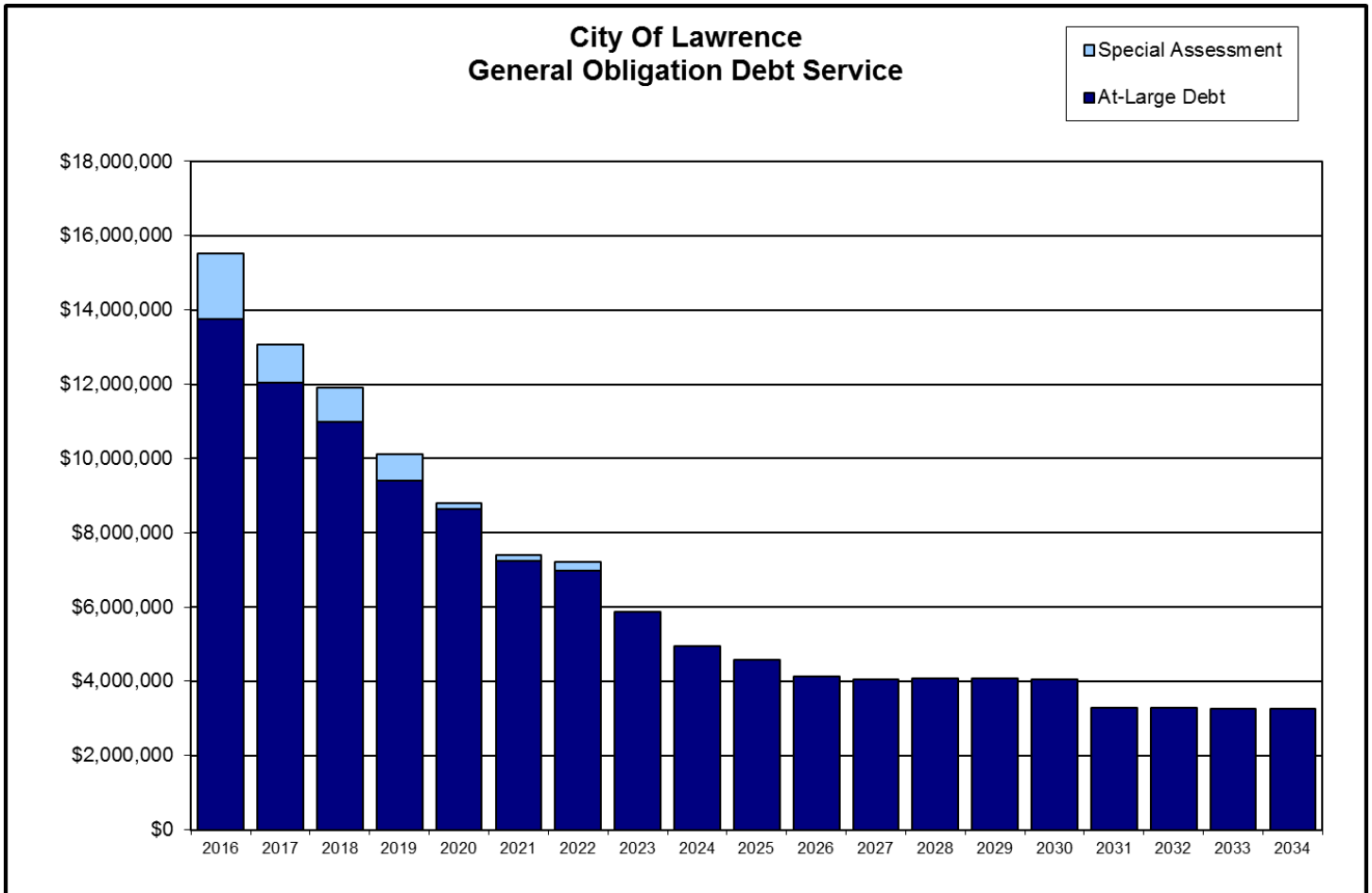
### DEBT SERVICE SCHEDULE FOR GENERAL OBLIGATION BONDS

Year	Principal	Interest	Total
2016	\$ 12,220,000	\$ 3,304,803	\$ 15,524,803
2017	10,160,000	2,913,818	13,073,818
2018	9,365,000	2,553,493	11,918,493
2019	7,890,000	2,230,055	10,120,055
2020	6,800,000	1,986,118	8,786,118
2021	5,620,000	1,782,255	7,402,255
2022	5,480,000	1,585,418	7,065,418
2023	4,595,000	1,384,168	5,979,168
2024	3,825,000	1,222,830	5,047,830
2025	3,475,000	1,091,655	4,566,655
2026	3,135,000	988,300	4,123,300
2027	3,165,000	893,913	4,058,913
2028	3,290,000	779,263	4,069,263
2029	3,410,000	659,950	4,069,950
2030	3,515,000	546,980	4,061,980
2031	2,855,000	430,530	3,285,530
2032	2,945,000	333,210	3,278,210
2033	3,045,000	225,845	3,270,845
2034	3,150,000	114,870	3,264,870
	<b>\$ 97,940,000</b>	<b>\$ 25,027,471</b>	<b>\$ 122,967,471</b>



# General Obligation Debt Service Graph

This graph aggregates all the at-large general obligation bonds (dark blue) and the special assessment bonds (light blue) to provide a total debt service schedule.



## *Enterprise Funds*

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## Fund Summary

### Water & Sewer Fund

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

Revenues	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Charges for Services	\$ 35,608,968	\$ 38,236,152	\$ 38,715,000	\$ 42,488,000
Interest	219,238	216,200	216,000	216,000
Miscellaneous	416,756	230,000	230,000	230,000
Operating Transfers	-	-	-	-
Proceeds/Long Term Debt	-	-	-	-
<b>Total</b>	<b>\$ 36,244,962</b>	<b>\$ 38,682,352</b>	<b>\$ 39,161,000</b>	<b>\$ 42,934,000</b>

Expenditures	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Personal Services	\$ 10,823,561	\$ 11,271,255	\$ 11,271,255	\$ 11,662,792
Contractual Services	5,150,798	5,881,658	5,882,784	6,483,603
Commodities	3,050,849	3,550,739	3,550,739	3,735,831
Capital Outlay	75,459	484,024	484,024	743,300
Debt Service	10,638,100	13,603,802	13,603,802	15,971,074
Transfers	4,957,661	23,940,265	4,934,896	4,934,896
Contingency	-	156,500	156,500	87,500
<b>Total</b>	<b>\$ 34,696,428</b>	<b>\$ 58,888,243</b>	<b>\$ 39,884,000</b>	<b>\$ 43,618,996</b>

	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Revenue / Expenditures	\$ 1,548,534	\$ (20,205,891)	\$ (723,000)	\$ (684,996)
Beginning Fund Balance	20,768,460	23,152,090	22,316,994	21,593,994
Audit Adjustment	-	-	-	-
Ending Fund Balance	\$ 22,316,994	\$ 2,946,199	\$ 21,593,994	\$ 20,908,998

Revenue Trends: Revenues are expected to increase in 2017 due to increased charges for service.

Expenditure Trends: Expenditures are also expected to increase in 2017 due to an increased need for Personal Services, Contractual Services, Capital Outlay, and Debt Service.



## Fund Summary

### Water & Sewer Non-Bonded Construction

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

Revenues	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Operating Transfers	\$ -	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000
<b>Total</b>	<b>\$ -</b>	<b>\$ 1,500,000</b>	<b>\$ 1,500,000</b>	<b>\$ 1,500,000</b>

Expenditures	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Personal Services	\$ -	\$ -	\$ -	\$ -
Contractual Services	-	-	-	-
Commodities	-	-	-	-
Capital Outlay	-	-	1,500,000	2,500,000
Debt Service	-	-	-	-
Transfers	-	-	-	-
Contingency	-	-	-	-
<b>Total</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,500,000</b>	<b>\$ 2,500,000</b>

	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Revenue / Expenditures	\$ -	\$ 1,500,000	\$ -	\$(1,000,000)
Beginning Fund Balance	4,192,579	-	4,192,579	4,192,579
Audit Adjustment	-	-	-	-
Ending Fund Balance	\$ 4,192,579	\$ 1,500,000	\$ 4,192,579	\$ 3,192,579

Revenue Trends: Revenues are expected to remain consistent in 2017.

Expenditure Trends: Expenditures are expected to increase due to additional Capital Improvement Plan (CIP) projects.



## Fund Summary

### Solid Waste Fund

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

Revenues	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Charges for Services	12,647,958	11,806,339	12,290,100	12,637,100
Interest	6,934	3,500	10,000	11,000
Miscellaneous	246,935	222,586	374,900	236,000
Operating Transfers	-	-	-	-
<b>Total</b>	<b>\$ 12,901,827</b>	<b>\$ 12,032,425</b>	<b>\$ 12,675,000</b>	<b>\$ 12,884,100</b>

Expenditures	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Personal Services	\$ 6,023,198	\$ 6,466,639	\$ 6,466,639	\$ 6,261,746
Contractual Services	3,198,515	3,605,318	3,605,318	3,659,009
Commodities	566,835	1,034,240	1,034,240	925,020
Capital Outlay	561,980	653,000	653,000	823,000
Debt Service	346,085	335,400	335,400	337,150
Transfers	1,911,025	411,025	661,366	411,025
Contingency	-	1,975,000	-	-
<b>Total</b>	<b>\$ 12,607,639</b>	<b>\$ 14,480,622</b>	<b>\$ 12,755,963</b>	<b>\$ 12,416,950</b>

	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Revenue / Expenditures	\$ 294,188	\$ (2,448,197)	\$ (80,963)	\$ 467,150
Beginning Fund Balance	3,161,178	3,171,575	3,455,366	3,374,403
Audit Adjustment	-	-	-	-
Ending Fund Balance	\$ 3,455,366	\$ 723,378	\$ 3,374,403	\$ 3,841,553

Revenue Trends: Revenues are expected to remain consistent in 2017.

Expenditure Trends: Expenditures are expected to remain consistent in 2017.

## Fund Summary

### Solid Waste Construction Fund

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

Revenues	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Operating Transfers	\$ -	\$ -	\$ 495,389	\$ -
<b>Total</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 495,389</b>	<b>\$ -</b>

Expenditures	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Personal Services	\$ -	\$ -	\$ -	\$ -
Contractual Services	-	-	-	-
Commodities	-	-	-	-
Capital Outlay	-	-	141,250	2,700,000
Debt Service	-	-	-	-
Transfers	-	-	-	-
Contingency	-	-	-	-
<b>Total</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 141,250</b>	<b>\$ 2,700,000</b>

	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Revenue / Expenditures	\$ -	\$ -	\$ 354,139	\$ (2,700,000)
Beginning Fund Balance	2,350,000	-	2,350,000	2,704,139
Audit Adjustment	-	-	-	-
Ending Fund Balance	\$ 2,350,000	\$ -	\$ 2,704,139	\$ 4,139

Revenue Trends: There are no budgeted revenues in 2017.

Expenditure Trends: Expenditures are expected to increase due to additional CIP projects being scheduled. Previously this was a non-budgeted fund.

## Fund Summary

### Public Parking System Fund

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

Revenues	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Licenses and Permits	\$ 76,744	\$ 97,153	\$ 116,000	\$ 116,000
Charges for Services	678,476	692,516	672,000	678,000
Interest	230	500	1,000	1,000
Fines, Forfeitures and Penalties	585,308	499,110	590,000	702,000
Miscellaneous	221	-	-	-
<b>Total</b>	<b>\$ 1,340,979</b>	<b>\$ 1,289,279</b>	<b>\$ 1,379,000</b>	<b>\$ 1,497,000</b>

Expenditures	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Personal Services	\$ 1,030,242	\$ 915,759	\$ 915,759	\$ 933,171
Contractual Services	181,023	163,036	163,036	270,836
Commodities	62,879	92,120	92,120	89,770
Capital Outlay	-	79,000	79,000	114,000
Debt Service	-	-	-	150,000
Transfers	-	-	-	-
Contingency	-	25,200	-	25,200
<b>Total</b>	<b>\$ 1,274,144</b>	<b>\$ 1,275,115</b>	<b>\$ 1,249,915</b>	<b>\$ 1,582,977</b>

	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Revenue / Expenditures	\$ 66,835	\$ 14,164	\$ 129,085	\$ (85,977)
Beginning Fund Balance	218,640	285,000	285,475	414,560
Audit Adjustment	-	-	-	-
Ending Fund Balance	\$ 285,475	\$ 299,164	\$ 414,560	\$ 328,583

Revenue Trends: Revenues are expected to increase in 2017 due to an increase in parking fines implemented in late 2016.

Expenditure Trends: Expenditures are expected to increase in 2017 mainly due to additional Capital Outlay and Debt Service needs.



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## Fund Summary

### Stormwater Utility Fund

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

Revenues	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Charges for Services	\$ 3,014,086	\$ 3,036,686	\$ 3,037,000	\$ 3,128,000
Interest	2,443	3,000	3,000	8,000
Miscellaneous	14,918	-	1,000	-
<b>Total</b>	<b>\$ 3,031,447</b>	<b>\$ 3,039,686</b>	<b>\$ 3,041,000</b>	<b>\$ 3,136,000</b>

Expenditures	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Personal Services	\$ 710,412	\$ 758,022	\$ 758,022	\$ 823,303
Contractual Services	146,589	184,650	184,650	198,750
Commodities	288,346	323,348	323,348	338,590
Capital Outlay	370,957	420,000	420,000	1,250,000
Debt Service	723,244	724,471	724,471	530,474
Transfers	450,000	450,000	450,000	450,000
Contingency	-	1,204,803	-	200,000
<b>Total</b>	<b>\$ 2,689,548</b>	<b>\$ 4,065,294</b>	<b>\$ 2,860,491</b>	<b>\$ 3,791,117</b>

	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Revenue / Expenditures	\$ 341,900	\$ (1,025,608)	\$ 180,509	\$ (655,117)
Beginning Fund Balance	2,378,652	1,229,028	2,720,552	2,901,061
Audit Adjustment	-	-	-	-
Ending Fund Balance	\$ 2,720,552	\$ 203,420	\$ 2,901,061	\$ 2,245,944

Revenue Trends: Revenues are expected to remain consistent in 2017.

Expenditure Trends: Expenditures are expected to increase in 2017, this increase is mainly due to increased Capital Outlay needs.



## Fund Summary

### Golf Course Fund

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

Revenues	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Charges for Services	\$ 748,253	\$ 876,700	\$ 800,000	\$ 950,000
Interest	208	-	700	630
Miscellaneous	8	5,000	5,000	24,000
Licenses and Permits	(14,455)	(14,000)	(14,000)	(14,000)
<b>Total</b>	<b>\$ 734,014</b>	<b>\$ 867,700</b>	<b>\$ 791,700</b>	<b>\$ 960,630</b>

Expenditures	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Personal Services	\$ 459,400	\$ 545,633	\$ 488,633	\$ 530,735
Contractual Services	128,528	145,550	149,198	159,450
Commodities	158,964	156,797	162,149	176,000
Capital Outlay	19,296	30,000	-	80,000
Debt Service	-	-	-	-
Transfers	-	-	-	-
Contingency	-	243,800	-	-
<b>Total</b>	<b>\$ 766,188</b>	<b>\$ 1,121,780</b>	<b>\$ 799,980</b>	<b>\$ 946,185</b>

	2015 Actual	2016 Adopted	2016 Estimated	2017 Adopted
Revenue / Expenditures	\$ (32,174)	\$ (254,080)	\$ (8,280)	\$ 14,445
Beginning Fund Balance	240,516	310,171	208,342	200,062
Audit Adjustment	-	-	-	-
Ending Fund Balance	\$ 208,342	\$ 56,091	\$ 200,062	\$ 214,507

Revenue Trends: Revenues are expected to increase in 2017 mainly in the Charges for Service category.

Expenditure Trends: Expenditures are also expected to increase in 2017 mainly attributed to Personal Services and Capital Outlay expenses.



*City of Lawrence*