



2021

**Annual Budget Document
City of Lenexa
January 1 - December 31**



Lenexa 
K A N S A S



ACKNOWLEDGEMENT

This document was prepared by a team of city staff members who worked very enthusiastically, with pride and dedication, to provide a meaningful and useful document for the benefit of the citizens, the business community, and the City of Lenexa organization.

The following individuals are recognized for their significant contribution in the *budget* process:

Beccy Yocham, City Manager
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Doug Robinson, Chief Financial Officer
Michael Nolan, Assistant to the City Manager

The following individuals are recognized for their significant contribution in the preparation of this document:

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We would also like to acknowledge the cooperation and efforts put forth by the *Management Team* and their staff members in assisting with the preparation of this document.

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MUNICIPAL COURT JUDGE
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Governing Body Goals



The Governing Body has established six strategic goals that guide the city's activities and allocation of resources.

City Services: *Ensure that city services assist in creating a superior quality of life and a safe atmosphere where people desire to live, work and play.*

The primary challenge in meeting this goal is addressing increased demands for services. The budget continues to provide funding for technology and training to enhance staff productivity.

Fiscal Responsibility: *Provide exceptional value for community-provided resources and strive for long-term financial balance in the city's operational and capital activities.*

The primary challenge in meeting this goal is achieving structural financial balance (revenues equal to or exceeding expenditures and transfers) in the General Fund, Debt Service Fund, and Stormwater Fund (these three funds comprise approximately 80% of the total budget). The long-term financial forecast shows structural balance for all three funds by 2025.

Economic Development: *Promote and stimulate quality development (including retail, corporate headquarters, bioscience, high technology companies and residential) to enhance the city's diverse economic base.*

The city continues to offer various incentives to stimulate economic development projects within the community. Current active programs include the issuance of private activity bonds in conjunction with tax abatements, tax increment financing (TIF) for projects located within existing TIF districts, and community improvement district (CID) financing. CID financing in particular has been successful in attracting new retail development.

Reinvestment: *Promote and support efforts to redevelop retail sites and improve our neighborhoods to continue the city's reputation as a safe and friendly community.*

The city's primary challenge in meeting this goal is balancing new development opportunities with redevelopment needs in the eastern part of the city. The budget continues to support this goal by providing funding for the pavement management program. In addition, CID financing has assisted with redevelopment efforts for aging retail properties such as the Orchard Corners and the Greystone Plaza shopping areas. The City is also receiving additional funding through the Community Development Block Grant (CDBG) program to assist with redevelopment needs in low- to moderate-income areas and to income-qualified residents through our Minor Home Repair Program.

City Center: *Partner in the development of a premier destination point – "City Center" – that serves as a community gathering place integrating a variety of uses (including residential, retail and office uses).*

The development of Lenexa City Center has made significant progress in the past few years. The new civic campus – with the Lenexa Rec Center and City Hall featuring the Lenexa Public Market and Park University – opened July 2017. Johnson County's City Center Library opened in June 2019, and the Shawnee Mission School District Aquatic Center opened in late 2019.

Sense of Community: *Celebrate Lenexa's heritage and history to enhance the sense of community, pride and quality of life for residents.*

To meet this goal, the city continues to fund a number of community festivals in the adopted budget, including the Art Fair, Great Lenexa BBQ Battle, the Spinach Festival, Lenexa Freedom Run and the Chili Challenge. Other programs and amenities, including the Public Market and Farmers Market, also support this goal.



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

City of Lenexa

Kansas

For the Fiscal Year Beginning

January 1, 2020

Christopher P. Morrill

Executive Director

The Government Finance Officers Association of the United States and Canada (G.F.O.A.) presented an award of Distinguished *Budget* Presentation Award to the City of Lenexa, Kansas for its annual *budget* for the *fiscal year* beginning January 1, 2020.

In order to receive this award, a governmental unit must publish a *budget* document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communication device.

The award is valid for a period of one year only. We believe our current *budget* continues to conform to program requirements, and we are submitting it to G.F.O.A. to determine its eligibility for another award.



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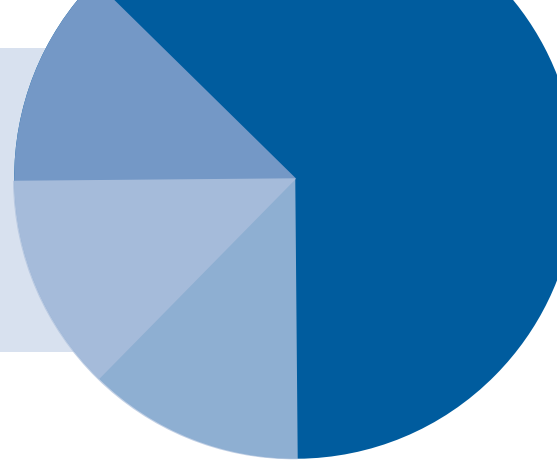
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General Overview

**Annual Budget Document
2021
City of Lenexa
January 1 - December 31**

Budget Message



DATE: October 30, 2020

TO: Members of the Governing Body

FROM: Beccy Yocham, City Manager

INTRODUCTION AND ECONOMIC ENVIRONMENT

I am submitting the final budget for fiscal year 2021 approved at the August 4, 2020 City Council meeting. The budget document communicates the City's plan on how to allocate available resources to provide services to the residents and businesses of Lenexa.

In late February 2020, the Governing Body held its annual retreat and discussed a number of potential strategic initiatives with staff for FY 2020 and beyond. A few weeks later, everything changed due to the COVID-19 pandemic. Staff shifted our focus to keeping employees and customers safe by changing work schedules, working remotely when possible, implementing social distancing requirements and other safeguards, and closing some City facilities to mitigate the spread of COVID-19. We implemented these changes while continuing to support one overall goal: providing outstanding services to our community.

Prior to COVID-19, the City continued to operate in a positive economic environment with excellent financial results for FY2019, increased construction activity for FY 2020, and a low unemployment rate. The good news is the City's estimated assessed valuation increased by 6% for the FY 2021 budget and construction activity remains strong for FY 2020. However, the financial impact of COVID-19 on the City's revenue is still uncertain. As we discussed during the Governing Body's review of the recommended FY 2021 budget, staff is viewing the COVID-19 pandemic as a short-term financial disruption that will impact revenues in FY 2020 and FY 2021. To manage the projected impact on revenues, the City is reducing General Fund transfers, implementing short-term expenditure reductions, and using reserve funds in both FY 2020 and FY 2021. By March 2021, the City will have preliminary real estate assessed valuation for FY 2022, property tax and special assessment collection amounts for the January 2021 distribution, and sales/use tax collection amounts for the 2020 holiday season. This data will help us determine whether further expenditure adjustments are needed for FY 2021 and if a long-term plan to reduce expenditures in FY 2022 and beyond is required.

In order to implement the Governing Body goal of fiscal responsibility, the City has developed a set of budget principles to guide the preparation of the annual budget, CIP, and multi-year financial models. These budget principles are even more important now due to the impact of COVID-19 on our organization and include:

- Funding ongoing operating expenditures with ongoing revenue sources (and only using reserves on a short-term basis to address revenue shortfalls).
- Using one-time revenues for one-time expenditures (capital projects, for example).
- Maintaining sufficient reserve balances to address unforeseen events.
- Using a conservative approach to revenue estimation.
- Preparing equipment replacement and building maintenance schedules (and provide appropriate funding for these schedules).

By adhering to these budget principles, the City has achieved the best possible credit ratings (Aaa and AAA) on existing general obligation bonds.

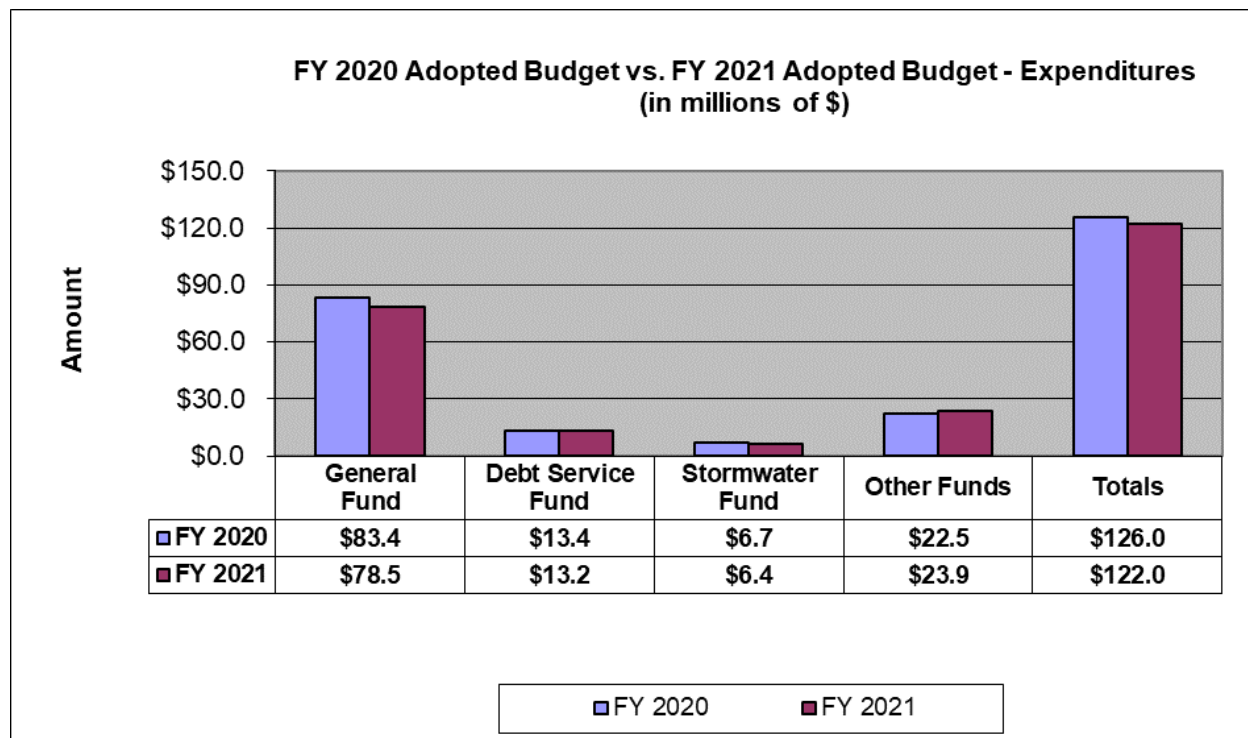
Overall, the adopted budget:

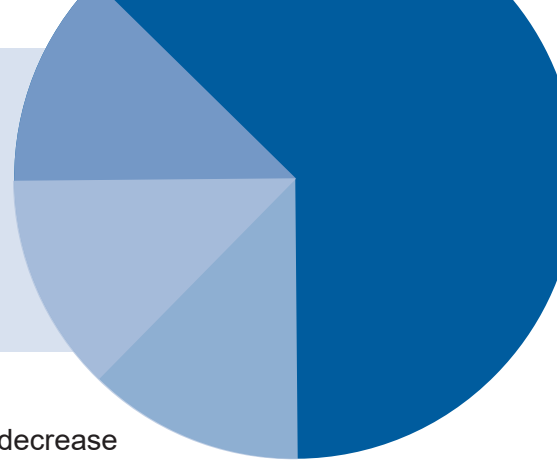
1. Includes a projected property tax mill levy at 29.319 mills (no change from 2020).
2. Maintains appropriate reserve levels in all City funds.
3. Continues the focus on providing quality City services.
4. Continues funding for the pavement management program and parks/civic projects (including the new Rec Center facility) due to the 3/8-cent sales tax adopted by voters in 2008.

The total adopted budget for all funds, including projected reserve amounts, is \$174.1 million (\$122.0 million for expenditures plus \$52.1 million for projected reserve balances). This is a slight decrease compared to the FY 2020 budget of \$174.2 million.

BUDGET SUMMARY

The major funds in the annual operating budget are the General Fund, the Debt Service Fund (which accounts for retirement of most general obligation debt), and the Stormwater Fund (which accounts for stormwater operations and debt service activities). The following chart summarizes budgeted expenditure information for these funds.





Total budgeted expenditures in FY 2021 decrease by \$4 million (3%) compared to the adopted FY 2020 budget. General Fund expenditures decrease by \$4.9 million (primarily due to a reduction of transfers to the Capital Improvement Fund). Budgeted expenditures for other funds increase by \$1.4 million (6%) primarily due to additional tax increment financing (TIF) payments resulting from increased assessed valuation for economic development projects.

The total budget of \$174.1 million is the sum of budgeted expenditures plus projected ending reserve balances in each budgeted fund as of December 31, 2021. The projected ending reserve balances are \$52.1 million for FY 2021.

REVENUE HIGHLIGHTS

The City’s projected property tax rate remains at 29.319 mills and allocates 23.006 mills to the General Fund and 6.313 mills to the Debt Service Fund. In total, the City estimates property tax revenue at \$38.1 million in FY 2021, which is an increase of \$2.2 million (6%) from 2019 due to the City’s increased assessed valuation.

The total estimated assessed valuation increases from \$1.26 billion in 2020 to \$1.34 billion in 2021 (increase of 6%). The estimated delinquency rate for property taxes is 3% in the adopted budget (no change from the 2020 budget).

The following table shows assessed valuation changes by category for the past five years.

Percentage Change in Assessed Valuation

	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>
Real Estate	7.1%	6.4%	8.8%	6.1%	6.5%
Personal	-5.6%	-5.8%	-14.9%	-7.9%	-15.1%
Utilities	2.1%	-0.5%	6.2%	3.0%	7.1%
Total	6.7%	6.0%	8.3%	5.8%	6.3%

The 6% increase in the City’s total assessed valuation for 2021 is the seventh consecutive year of growth greater than 5%.

Property Tax Limit Calculation

The property tax limit calculation adopted by the State Legislature will make it more difficult to maintain structural balance in the General Fund. The calculation (which was effective beginning with the 2018 budget) limits the rate of growth of property tax revenue to the five-year rolling average of the consumer price index (CPI). However, the legislation exempts a few key items from the calculation:

- Bond and interest payments (primarily accounted for in the City’s Debt Service Fund)
- Increased expenditures above the CPI for public safety functions as long as the increased expenditures are not for construction or remodeling of buildings
- Expenditures mandated by federal or state law with such mandates becoming effective on or after July 1, 2015
- New real property improvements



- Property that has changed in use

Sales and Compensating Use Taxes (General Fund)

COVID-19 will have a negative impact on the City's sales and use tax collections in FY 2020 and FY 2021, although the amount of the impact is uncertain. To be conservative, staff is projecting a 16% decline in City and county sales/use tax collections in FY 2020 compared to FY 2019 actual collections. For FY 2021, staff projects City and county sales/use tax collections will remain at the same reduced level as FY 2020. Staff estimates the specific amounts of total collections from City and county sales/use taxes will be \$30.4 million in both FY 2020 and FY 2021, compared to \$36.3 million in FY 2019 (annual decrease of \$5.9 million or 16%). Staff monitors sales and use tax collections monthly and will continue to provide updates to the Governing Body in the quarterly financial report presentations or more often if needed.

Franchise Tax Revenues

Staff estimates franchise tax revenue from electricity consumption will be \$5 million in both FY 2020 and FY 2021, which is an increase of \$0.2 million (4%) compared to FY 2019 actual collections of \$4.8 million. The increase is due to Evergy billing credits (savings from merging with Westar and reduced income taxes due to federal income tax legislation) in FY 2019 that reduced collection amounts.

Staff estimates franchise tax revenue from natural gas consumption will be \$1.1 million in both FY 2020 and FY 2021, which is a decrease of \$0.2 million (14%) compared to FY 2019 actual collections of \$1.3 million. The decrease is due to lower natural gas prices and warmer winter weather in FY 2020.

Motor Vehicle Taxes

Estimated motor vehicle tax revenue is \$3.0 million in FY 2021 compared to \$3.2 million in FY 2020, which is a decrease of \$0.2 million (5%). The projected decrease is due to the impact of the COVID-19 pandemic. The Johnson County Treasurer's office prepares the motor vehicle tax revenue estimates for all governmental jurisdictions in Johnson County, including the City of Lenexa.

Court Fines

Staff estimates court fine revenue will be \$0.9 million in FY 2020 and FY 2021, which is a decrease of \$0.3 million (25%) compared to FY 2019 actual collections of \$1.2 million. The decrease is due to fewer filed charges resulting from reduced social activities to mitigate the spread of COVID-19.

Building Permits

Staff estimates building permit revenue will be \$1.0 million in FY 2020 and \$0.75 million in FY 2021. The decrease of \$0.25 million (25%) is due to a projected decline in building activity due to the financial impact of COVID-19.

Transient Guest Taxes

Staff estimates transient guest tax revenue will be \$0.6 million in FY 2020 and FY 2021, which is a decrease of \$0.8 million (57%) compared to FY 2019 actual collections of \$1.4 million. The decrease is due to reduced business and leisure travel activity as a result of the COVID-19 pandemic.



Special Alcohol Taxes

Staff estimates special alcohol tax revenue will be \$0.23 million in FY 2020 and FY 2021, which is a decrease of \$0.75 million (76%) compared to FY 2019 actual collections of \$0.98 million. The decrease is due to restaurant closures and reduced capacity in bars and restaurants as a result of the COVID-19 pandemic.

User Fees

Staff evaluated all user fees during preparation of the budget and did not submit any proposed fee adjustments to the Governing Body due to COVID-19. Staff will review fees again later this year and submit any potential adjustments to the Governing Body for consideration in December 2020 for FY 2021.

EXPENDITURE HIGHLIGHTS

Total budgeted expenditures (including transfers) in FY 2021 are \$122 million compared to \$126 million in the adopted FY 2020 budget (decrease of \$4 million or 3%). Due to the COVID-19 pandemic, staff implemented some expenditure adjustments for FY 2020 and FY 2021:

- Held approximately 13 full-time equivalent (FTE) positions vacant across all funds in FY 2020 (annual budget amount of \$846,000). However, these positions are still shown as funded in the FY 2021 budget.
- Eliminated most employee travel after the COVID-19 outbreak (estimated savings of \$400,000 in FY 2020). However, travel expenditures are still shown as funded in the FY 2021 budget.
- Delayed major capital purchases where possible.
- Decreased General Fund transfers to the Capital Improvement Fund from \$13.7 million in FY 2020 to \$9.9 million in FY 2021.
- Decreased General Fund transfers to the Equipment Reserve Fund from \$1.7 million in FY 2020 to \$0.85 million in FY 2021.
- Decreased General Fund transfers to the Facilities Maintenance Fund from \$0.5 million in FY 2020 to \$0.25 million in FY 2021.

As mentioned earlier, staff may propose additional expenditure adjustments for the FY 2021 budget to the Governing Body depending on actual revenue collections.

Staffing Levels & Employee Pay Increases

Budgeted full-time equivalent positions (FTEs) are 548.81 for the FY 2021 budget, which is unchanged from the revised budget position count for FY 2020. The adopted budget also includes 2% of pay as funding for potential compensation increases in FY 2021. This amount is a placeholder at this time and may change as staff gains a better understanding of the COVID-19 impact on revenue collections. Staff will make a formal recommendation on compensation increases to the Governing Body during the first or second quarter of FY 2021. In addition, the City has put the compensation study (originally scheduled in FY 2020) on hold at this time.



Capital Improvement Program

The Capital Improvement Program (CIP) for FY 2020 through FY 2024 totals \$202 million (including prior year expenditures). The City has delayed some capital projects in the FY 2020 – 2024 CIP due to COVID-19, including:

- Public Safety Complex (new police station and court facility) - \$60 million CIP budget
- Community Center and Senior Center Improvements - \$7.1 million CIP budget

By March 2021, staff expects to have enough information on revenue collections to determine if these deferred projects can move forward.

RESERVE BALANCES

The projected ending reserve balances as of December 31, 2021 are \$52.1 million and exceed minimum reserve requirements established by City policy for all funds. The FY 2021 adopted budget includes the following projected use of reserve balances:

- General Fund: use \$5.3 million of reserves in FY 2020 and \$1.7 million in FY 2021.
- Debt Service Fund: use \$0.6 million of reserves in FY 2020 (no projected use of reserves in FY 2021).
- Tourism and Convention Fund: use \$0.37 million of reserves in FY 2020 and \$0.35 million of reserves in FY 2021.
- Stormwater Fund: use \$0.13 million of reserves in FY 2020 (no projected use of reserves in FY 2021).
- Rec Center Fund: use \$1.1 million of reserves in FY 2020 and \$0.39 million of reserves in FY 2021.
- Special Alcohol Fund: use \$0.16 million of reserves in FY 2020 and \$0.16 million of reserves in FY 2021.

Even with the projected use of reserve balances listed above, the estimated December 31, 2021 balances are \$3.9 million larger than the estimated amount of \$48.2 million included in the FY 2020 original budget. The increase is due to better than expected financial results in the General Fund, Stormwater Fund, and Rec Center Fund during FY 2019.

FINAL COMMENTS

I am extremely grateful for the hard work and positive spirit of City employees as they continue to provide quality services to the community during these strange and difficult times. Also, I would like to thank the Governing Body for their support during the COVID-19 pandemic and during the preparation of the FY 2021 budget. Please contact me if you have questions or concerns regarding the adopted budget.



Budget Highlights

The 2021 *budget* is the city of Lenexa's fiscal plan for the next year. The total *budget* for all funds, including projected reserve balances, is \$174.1 million – down .1% from the 2020 *budget* of \$174.2 million. The highlights for the 2021 *budget* by *department* are listed in the table below.

<u>Department</u>	<u>Budget Highlights for 2021</u>	<u>Personnel</u>
Governing Body	No Significant changes.	Not applicable.
Executive	Funding for the Assistant to City Manager moved to the Executive Department from Community Development Department.	<i>FTEs</i> increased 1.00 to 6.50 (to fund Asst. to City Manger position).
Public Market	Reallocate \$5,000 in Capital Outlay expenditures to Contractual Services for increased advertising costs.	<i>FTEs</i> remain at 3.50 (funding is for 2 full time employees and 1.50 part time/variable employees).
Municipal Court	Prisoner boarding costs of \$150,000 are now shown in Municipal Court (previously paid out of Police Department budget).	<i>FTEs</i> remain at 6.75.
Information Technology	Funds reallocated between Contractual Services, Commodities, and Capital Outlay accounts (no change in total amount budgeted for non-personnel costs).	<i>FTEs</i> remain at 13.00.
Communications	Addition of Part-time (0.48 FTE) Communications Asst. position covered by reallocating funding from Contractual Services to Personal Services Funding added to <i>Contractual Services</i> for printing, postage, and subscription services due to residential growth and price increases.	<i>FTEs</i> increased 0.48 to 4.48 (to fund Communication Assistant position).
Finance	Funding added to Contractual Services due to increased credit card processing fees (more customers choose this form of payment) and payroll processings fees (ADP fee increase and additional employees on payroll).	<i>FTEs</i> remain at 7.00.
Legal	No significant changes.	<i>FTEs</i> remain at 8.88.
Human Resources	Decrease of contractual services due to the completion of the one-time cost of scanning files to ADP DocCloud in 2020.	<i>FTEs</i> remain at 7.38.

<u>Department</u>	<u>Budget Highlights for 2021</u>	<u>Personnel</u>
Community Development	Personal services decrease due to the Assistant to City Manager (1.00 FTE) position moving to the Executive Department.	<i>FTEs</i> decrease 1.00 to 42.17 (due to Asst. City Manager position moving to Executive).
Police	Prisoner boarding cost of \$150,000 are now shown in Municipal Court (previously paid out of Police Department budget).	<i>FTEs</i> decreased .23 to 150.00.
Fire	Emergency Management consolidated into the Fire Department including 1.00 FTE, Emergency Preparedness Battalion Chief position.	<i>FTEs</i> increase 1.00 FTE to 97.00 (to fund Emergency Preparedness Battalion Chief).
Municipal Services	Increase in <i>Commodities</i> to handle price increases in asphalt, refuse collection/recycling, and parts/supplies for vehicles.	<i>FTEs</i> remain at 50.90
Stormwater	No significant <i>budget</i> changes.	<i>FTEs</i> remain at 21.10.
Parks and Recreation	Overall increase due to the amendment of the 2020 budget to include funding of \$173,000 for Ad Astra Pool, which included 2.3 FTE positions. Ad Astra continues to be funded in the 2021 budget. The 2020 revised budget also included the addition of a .75 FTE Customer Service Representative. (Revised FTE's are 75.40 for FY2020) <i>Contractual services</i> includes one-time funding of \$15,600 for replacement of two chemical controllers at Flat Rock Creek Pool.	<i>FTEs</i> remain at 75.40.
Rec Center	Increase in <i>Personal Services</i> to fund .50 FTE Personal Trainer.	<i>FTEs</i> increase .25 FTE to 54.25 (to fund .50 Personal Trainer and reduction of a .25 Building Services Worker).



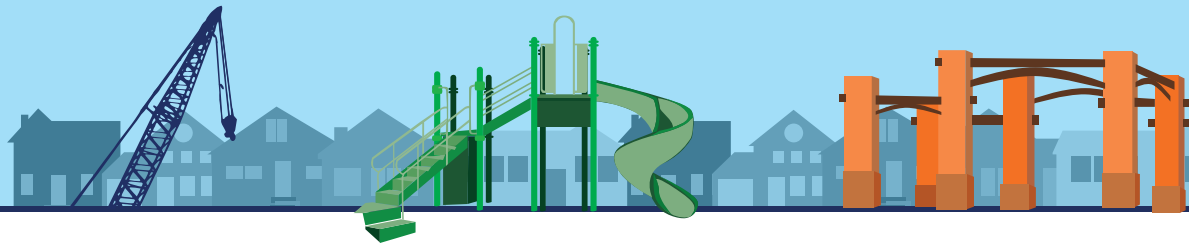
Personnel

A total of 548.81 full-time equivalent (FTE) positions are included in the recommended budget for FY2021. The recommended budget increases the number of authorized positions by 0 FTE positions.

The following table lists the budgeted FTE positions by department for FY 2018 through FY 2021

Department	FY 2018	FY 2019	FY 2020 Budget	FY 2020 Revised	FY 2021 Budget
Executive	5.50	5.50	5.50	6.50	6.50
Public Market	3.50	3.50	3.50	3.50	3.50
Communications	4.00	4.00	4.00	4.48	4.48
Court	6.75	6.75	6.75	6.75	6.75
Finance	7.00	7.00	7.00	7.00	7.00
Human Resources	7.30	7.30	7.38	7.38	7.38
Information Technology	13.00	13.00	13.00	13.00	13.00
Legal	8.88	8.88	8.88	8.88	8.88
Community Development	43.17	43.17	43.17	42.17	42.17
Fire	95.73	96.00	96.00	96.00	97.00
Police	148.23	148.23	150.23	150.00	150.00
Emergency Management	1.00	1.00	1.00	1.00	0.00
Municipal Services (includes Stormwater)	71.00	71.00	72.00	72.00	72.00
Parks and Recreation (includes Rec Center)	124.48	128.14	126.86	130.15	130.15
Totals	539.54	543.47	545.27	548.81	548.81

Revenues and Expenditures



Revenue Highlights

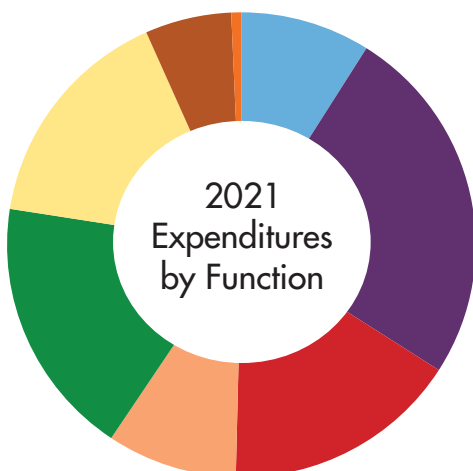
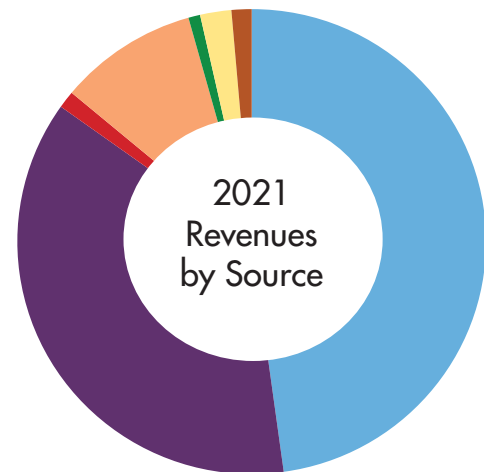
- Estimated mill levy is 29.319 mills, no change from 2020. Of this, 23.006 mills are allocated to the General Fund, and 6.313 mills are allocated to the Debt Service Fund.
- Estimated property tax revenue is \$38.1 million. Of this \$29.9 million is allocated to the General Fund, and \$8.2 million is allocated to the Debt Service Fund for 2021.
- Estimated assessed valuation is \$1.34 billion for 2021 (increase of 6%).
- One mill of property tax generates \$1.3 million in property tax revenue.
- City sales and use tax revenues are projected to decrease by 16% (decrease of \$4.2 million).
- County sales tax revenues are projected to decrease by 16% (decrease of \$1.7 million).

- Sales and use tax estimates are very preliminary and will likely change based on actual sales tax receipts during the remainder of 2020 and 2021. Staff is projecting the decreases due to the economic disruption caused by COVID-19.
- The stormwater service charge user fee is \$109 per equivalent dwelling unit (EDU) in 2021 (no change from 2020).

Expenditure Highlights

- Total estimated expenditures are \$122.0 million.
- Projected full-time equivalent positions (FTEs) are 549 for 2021 – unchanged from the revised amount for 2020.
- The General Fund transfer to the Equipment Reserve fund is \$0.85 million for 2021 (decrease of 0.85 million from 2020).

Revenues by Source		
Property Taxes & Special Assessments	\$58,319,181	48%
Sales Taxes & Other Taxes	\$45,169,122	37%
Licenses & Permits	\$1,465,000	1%
Charges for Services	\$11,701,564	10%
Fines & Forfeitures	\$991,000	1%
Use of Prior Year Balances	\$2,626,959	2%
Other Revenues	\$1,688,221	1%
Total	\$121,961,047	100%



Expenditures by Function		
General Government	\$10,928,133	9%
Public Safety	\$30,609,525	25%
Community Infrastructure	\$19,909,881	16%
Parks & Recreation	\$10,966,927	9%
Economic Development	\$22,071,633	18%
Debt Service	\$19,361,048	16%
Transfers for Capital Projects	\$7,263,900	6%
Other Transfers	\$850,000	1%
Total	\$121,961,047	100%



How to Use This Document

This document is divided into 5 sections. The breakdown is listed below:

General Overview: This section is designed to give the reader a general look at Lenexa and an overview of the total *budget* and is divided into two main sections. The City Overview includes demographic data and tables and the Financial Overview includes summary information on the *budget*. Many parts of this section can be reproduced for the general public and media.

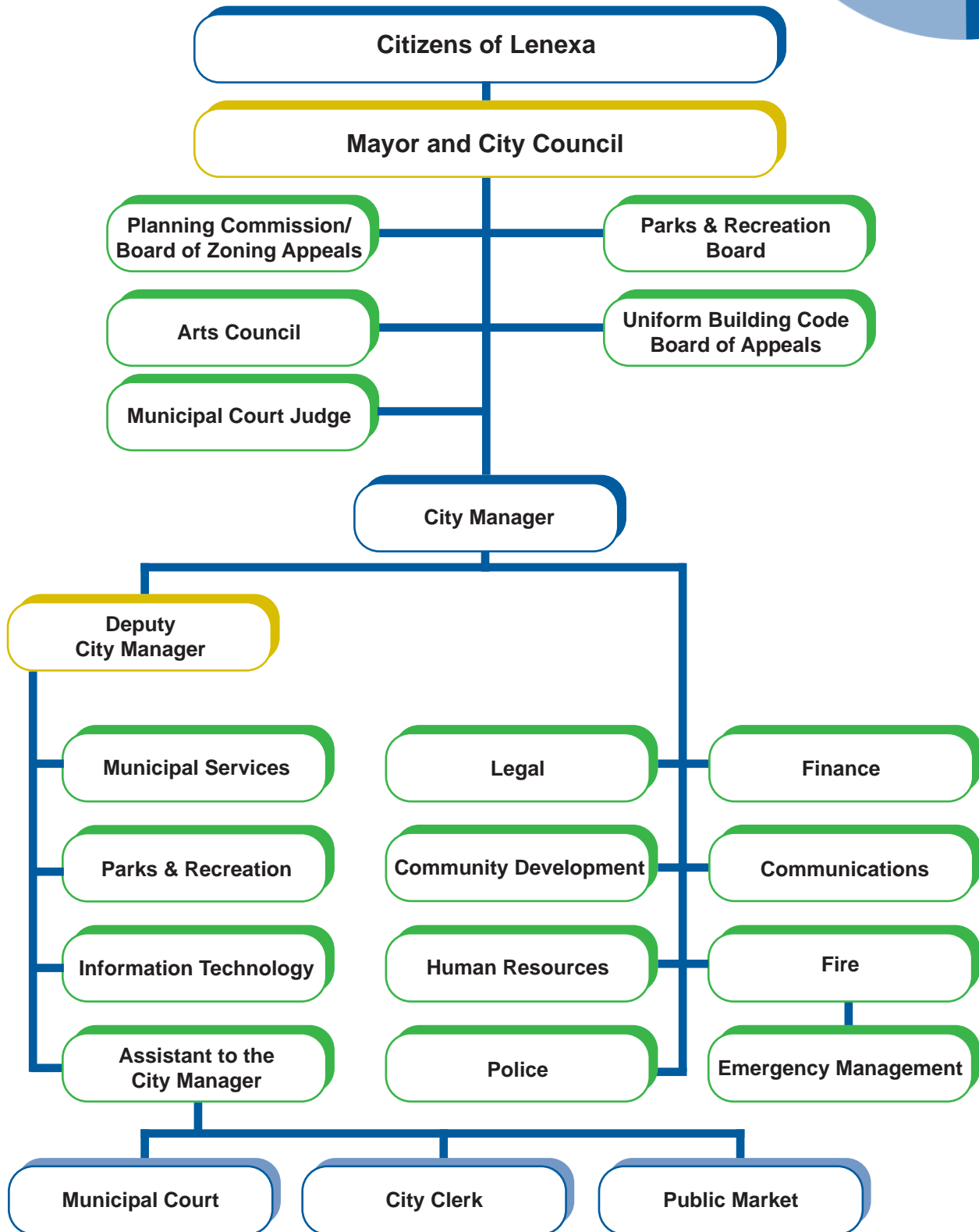
Capital Improvement Program/Debt Management: A general description of the 2020 – 2024 Capital Improvement Program along with the funding sources can be found in this section. The general guidelines the city uses to manage the Debt program, debt ratios and debt schedules are also listed.

Fund Budgets: A description of the funds and *departments* can be found in this section. A summary of all *department* expenditures is listed, along with a mission statement, governing body goals supported, accomplishments, *objectives*, key performance measures, budget highlights and staffing requirements.

Non-Budgeted Funds: This section lists the city's non-*budgeted* funds with a short description of each one. Also included are listings of uses for the money *transfers* into the Capital Improvement Fund.

Appendix: This section contains a glossary of terms and acronyms that are used throughout the document. *Italicized* words can be found in the glossary.

City Overview





Tax Value Illustration

To determine *assessed valuation* multiply the Johnson County appraised value of home by 11.5 percent.
Commercial properties have a 25 percent assessment rate

$$\$332,173 \times .115 = \$38,200$$

$$\text{Assessed valuation} = \$38,200$$

To determine city tax liability multiply *assessed valuation* by *mill levy*.

$$\$38,200 \times .029319^* = \$1,119.98$$

$$\text{City tax liability} = \$1,119.98$$

To determine the monthly *expense* for city services divide tax liability by 12 months.
 $\$1,119.98 / 12 = \93.33

$$\text{Monthly expense for city services} = \$93.33$$

**Estimated Levy at time of publication*

Average Home Value = \$332,173

Value of Your Lenexa Dollar

The following list represents a sample of the city services provided for the \$93.33 per month tax.

- Fire Protection/Prevention/Safety
- Public Parks
- Public Swimming Pools
- Traffic Control
- Community Development
- Municipal Court
- Community Activities
- Legal Counsel/Prosecution
- Community Standards
- Senior Citizen Taxi Service
- Rec Center and Community Center
- Building Inspection
- Public Market
- Police Protection
- Snow Removal
- Governmental Administration
- Animal Control
- Road Maintenance
- Drug Prevention Education
- Sidewalk Repair
- Street Lighting
- New Road Construction
- Senior Citizen Center
- School Crossing Guards
- Community Newsletter
- Farmers Market

For comparison purposes, these items denote common monthly *expenses* for a Lenexa family:

- One 15-gallon tank of unleaded fuel at \$2.00/gallon: \$30.00
- One-month digital TV service with DVR, & high speed internet: \$150.00



City Profile

LENEXA, KANSAS

Year Platted:	1869
Year of Incorporation:	1907
Form of Government:	Mayor/Council
Location:	12 miles Southwest of Downtown Kansas City, Missouri
County:	Johnson County

Population Trends:

<u>Year</u>	<u>Lenexa</u>
1960	2,487
1970	5,242
1980	18,639
1990	34,110
2000	40,230
2010	48,190
2019	55,653

Selected Economic Indicators (Lenexa):

Labor Force – 32,329
 Median Household Income - \$71,344
 Total Housing Units – 24,722

Police Protection:

Number of Stations - 1
 Police Officers/Support Staff –
 150.00 FTEs

Fire Protection:

Number of Stations - 5
 Fire Fighters and Support Staff – 97.00 FTEs
 Number of Vehicles – 36

Bond Rating:

Moody's- Aaa
 Standard & Poor's- AAA

Climate:

Average Summer Temperature - 75°
 Average Winter Temperature - 36°
 Average Annual Precipitation - 38.8"
 Average Annual Snowfall – 17.6"

School Districts:

Shawnee Mission School District #512
 Olathe School District #233
 DeSoto School District #232

Education:

Schools:

Elementary Schools - 14
 Middle Schools - 8
 Senior High Schools – 8
 Private Schools - 3

Serviced by universities:

Johnson County Community College within 1
 mile of the city
 University of Kansas located 30 minutes west in
 Lawrence, Kansas
 KU Satellite campus within 2 miles
 KSU Satellite campus within 7 miles
 Park University located in Civic Center campus

Transportation Advantages:

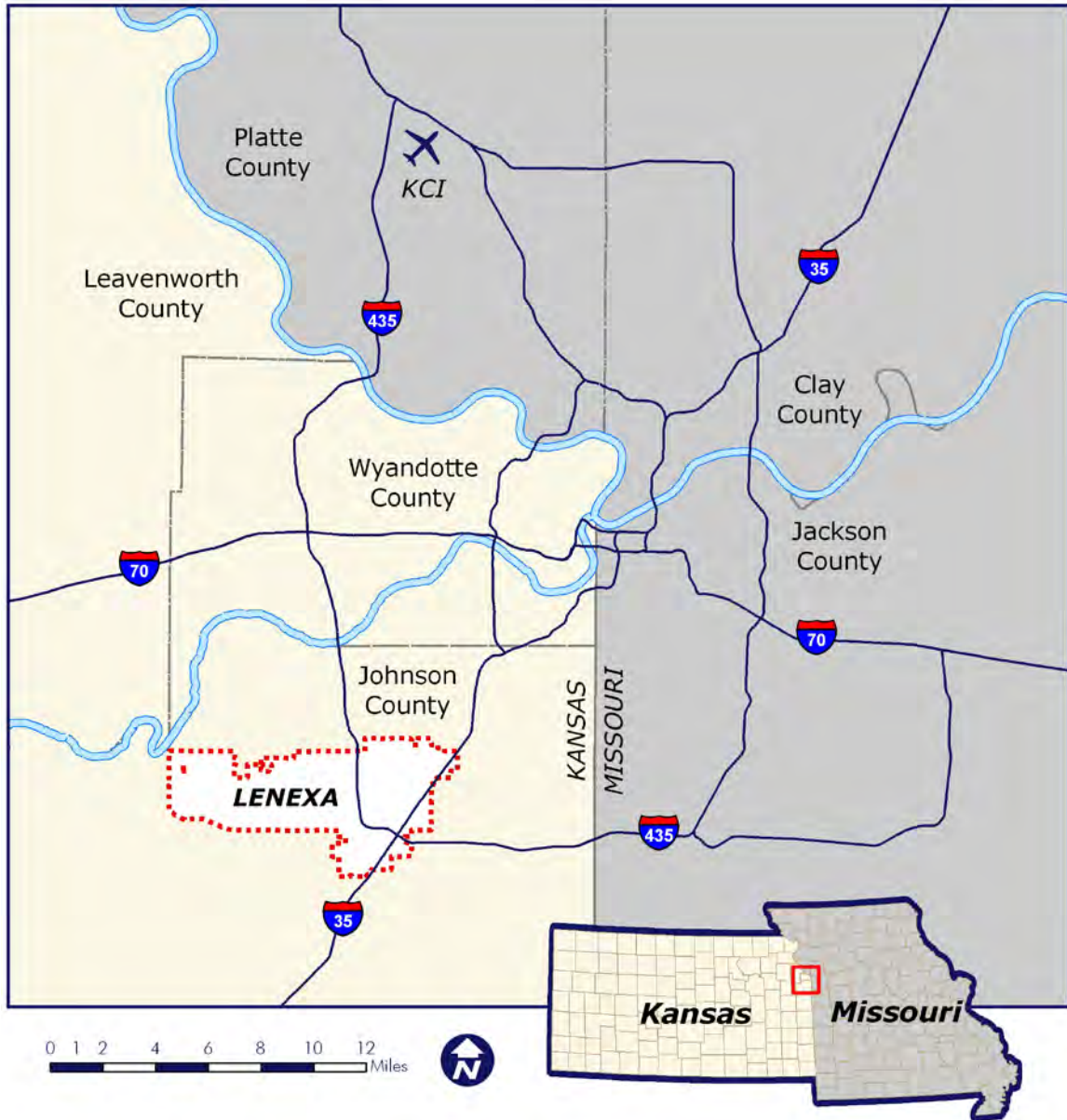
Within 200 miles of Geographic Center
 of the United States
 Six Major Highways:
 Interstate 70 K-10 Highway
 Interstate 35 U.S. 69
 Interstate 435
 K-7 Highway
 Major Railways:
 Burlington Northern
 Atchison/Topeka & Santa Fe
 Kansas City International Airport:
 27 miles North of the city
 Johnson County Industrial Airport:
 8 miles southwest of the city
 Johnson County Transit:
 Provides Bus Service within the
 City/County and to downtown KC

Recreational Facilities:

Parks - 44 (667.4 total acres), 4 lakes
 Undeveloped parks – 5 (228.30 acres)
 Tennis Courts - 8
 Swimming Pools - 4
 Baseball/Softball Fields - 6
 Soccer Fields – 20
 Multipurpose Courts – 5.5
 Shelter Houses - 18
 Sand Volleyball Courts - 4
 Jogging/Walking Trails (miles) – 26.0
 Skateboard Park – 1
 Playground Facilities - 33



Vicinity Map



Geography

The City of Lenexa, Kansas is a middle- to upper-income suburb located in the southwest portion of the Kansas City metropolitan area. The city encompasses 34.45 square miles of land in Johnson County. Approximately 12 miles southwest of downtown Kansas City, Missouri. Lenexa occupies a strategic location within the metropolitan area. Its position at the intersection of several major transportation routes has been a major factor in the Lenexa's past growth and development, particularly for office and industrial development.

Form of Government

The town of Lenexa was platted in August 1869 and became a city of the first class on December 1, 1980. The City operates under a Mayor-Council form of government with the addition of a City Manager. The Mayor is elected on an at-large, nonpartisan basis and serves a four-year term. The eight Council members are elected (nonpartisan) by ward and serve four-year terms of office. An election for Council members is held every odd-numbered year, with one representative from each of the four wards being chosen at each election. The City Manager is appointed by the Mayor and City Council as the chief administrative officer of the City and is charged with the efficient and effective administration of the City.

Major Employers

Lenexa offers an excellent working environment for industrial, office, and retail firms. Hundreds of small- and medium-sized businesses, as well as over 20 *Fortune* 500 companies, are located in the city. The top 10 employers ranked by number of employees is listed below

<u>Name</u>	<u>Number of Employees</u>
Quest Diagnostics/LabOne	1,830
Kiewit Power Engineers	1,300
Alliance Data systems Corp	920
Community America Credit Union	750
JC Penny Logistics Center	700
P1 Group	700
Community Living Opportunities	680
United Parcel Service	650
Gear for Sports	600
Henderson Engineers Inc.	563

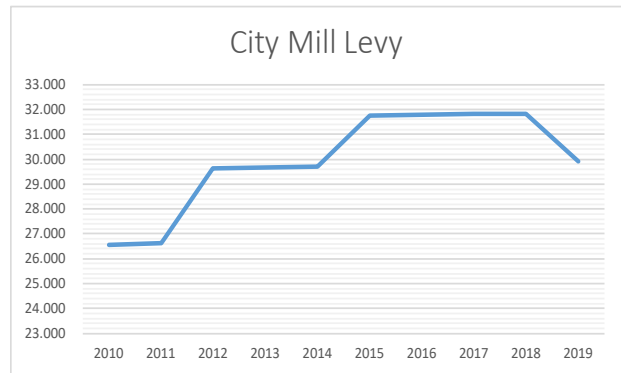
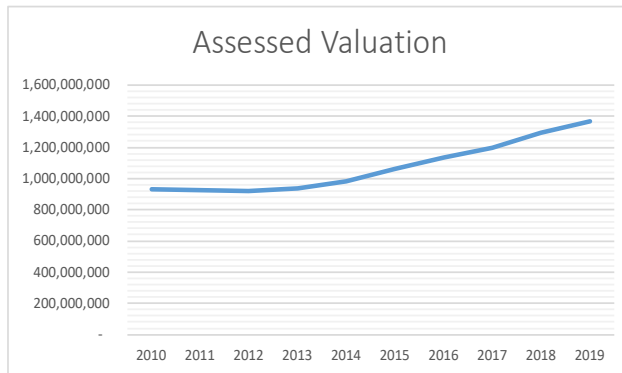
Ten Major Property Taxpayers

<u>Name of owner</u>	<u>Current assessed valuation</u>	<u>% to total assessed values (1)</u>
Southlake Investments SPE LLC	\$ 17,162,156	1.26%
Perg Buildings, LLC	16,930,827	1.24%
LIT Industrial Limited Partnership	11,801,903	0.86%
Meritex Lenexa Executive Park, LLC	10,085,074	0.74%
Kiewit Properties (Kansas) LLC	9,923,546	0.73%
MEPT Kansas Commerce Center, LLC	8,686,277	0.64%
Colfin 2017-11 Industrial Owner, LLC	8,118,588	0.59%
JC Penney Properties, Inc.	6,387,250	0.47%
EGP 11201 Lenexa, LLC	6,176,767	0.45%
BPI SPE, LLC	5,687,550	0.42%

(1) Includes the assessed valuation for motor vehicles.
 Source: Johnson County Clerk's Office, Johnson County Appraisers Office

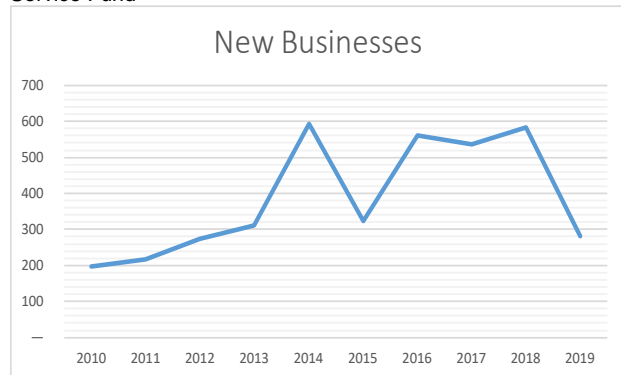
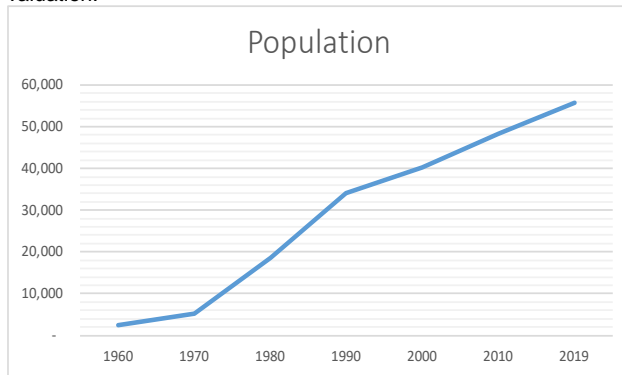
Economic Environment

Review the following charts to get a quick overview of the trends in the economic environment for the City.



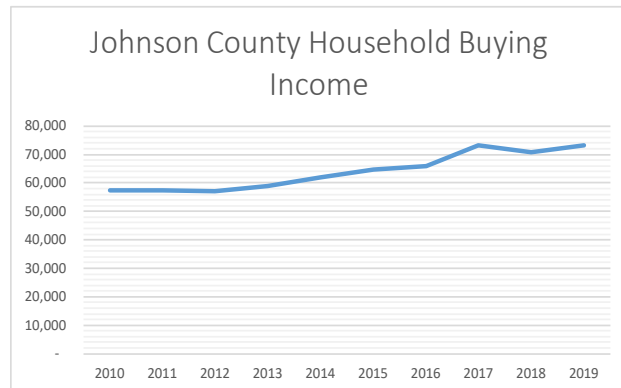
The City's assessed valuation increase from \$1.29 m in 2019 to \$1.36 m in 2020 (a 5.6% increase). This includes motor vehicle valuation.

Estimated Mill Levy for 2021 is 29.319 (no change from 2020). Includes 23.006 for the General Fund & 6.313 for the Debt Service Fund



According to the 2010 Census, the median age is 37.4 years, is with an average of 2.48 persons per household and a population of 48,190.

Competitive firms are attracted to Lenexa's large business parks and its access to interstate highways.



City sales tax rate is 9.35% (City=1.375%; County=1.475%; State=6.5%). The City 1% is general operations and .375% is for parks & streets.

Effective Buying Income is an individual's disposable income, consisting of salary and wages, etc., less all government taxes.

Assessed Value

Assessed Value and Appraised Value of All Taxable Tangible Property

	Assessed Value Real Estate	Ratio of Assessed Value to Appraised Value	Appraised Value	Assessed Value Personal Property	Assessed Value State Assessed Utility	Assessed Value Motor Vehicle	Assessed Total
2010	765,361,859	15%	5,246,771,318	60,483,211	31,351,516	74,559,595	931,756,181
2011	768,176,024	15%	5,236,608,479	53,837,911	28,058,513	74,158,463	924,230,911
2012	771,570,637	15%	5,188,137,146	45,636,264	27,492,147	74,417,660	919,116,708
2013	793,950,131	14%	5,607,023,010	36,743,490	29,661,638	76,704,885	937,060,144
2014	849,596,067	15%	5,585,677,480	27,206,191	27,077,031	79,426,145	983,305,434
2015	924,106,434	15%	6,020,523,550	23,679,751	27,548,961	85,542,570	1,060,877,716
2016	989,935,596	16%	6,112,670,017	22,349,586	28,127,653	93,061,812	1,133,474,647
2017	1,053,541,388	15%	7,037,789,230	21,061,775	27,978,598	96,118,010	1,198,699,771
2018	1,146,089,588	17%	6,920,478,999	17,923,645	29,706,402	99,049,196	1,292,768,831
2019	1,214,325,371	15%	8,095,733,570	16,488,515	30,620,263	103,148,304	1,364,582,453

Tax Levies

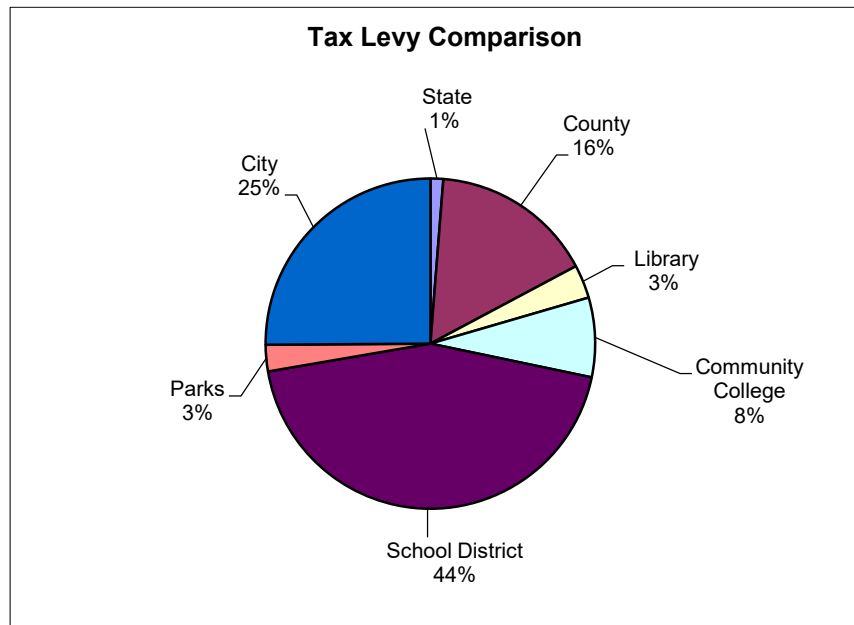
City of Lenexa Tax Rates (Expressed in Mills)

Levy Year	Budget Year	General	Debt Service	Total
2010	2011	17.467	9.159	26.626
2011	2012	20.473	9.162	29.635
2012	2013	20.496	9.172	29.668
2013	2014	21.028	8.685	29.713
2014	2015	23.066	8.699	31.765
2015	2016	21.875	9.932	31.807
2016	2017	23.891	7.937	31.828
2017	2018	23.891	7.941	31.832
2018	2019	23.120	6.789	29.909
2019	2020	23.006	6.313	29.319

**Tax Rates of Jurisdictions Overlapping
With the City (Expressed in Mills)**

Levy Budget		State	County	Library	Community College	School District	Parks	City	Total
Year	Year								
2010	2011	1.5	17.700	3.158	8.799	57.192	2.350	26.626	117.325
2011	2012	1.5	17.700	3.145	8.776	56.135	2.343	29.635	119.234
2012	2013	1.5	17.717	3.149	8.785	55.766	2.344	29.668	118.929
2013	2014	1.5	17.745	3.155	9.551	55.611	2.347	29.713	119.622
2014	2015	1.5	17.764	3.157	9.461	55.911	2.347	31.765	121.905
2015	2016	1.5	19.582	3.912	9.469	54.059	3.101	31.807	123.430
2016	2017	1.5	19.590	3.915	9.473	54.940	3.102	31.828	124.348
2017	2018	1.5	19.318	3.921	9.503	53.663	3.112	31.832	122.849
2018	2019	1.5	19.024	3.901	9.266	52.427	3.088	29.909	119.115
2019	2020	1.5	19.036	3.904	9.121	52.121	3.090	29.319	118.091

Unified School District #512 is used as an example but depending upon resident location, USD #232 or USD #233 would be the applicable taxing jurisdiction.





Financial Overview

Description of Accounts and Funds

The accounts of the city are organized on the basis of funds and groups of accounts, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for by providing a separate set of self-balancing accounts, which is comprised of its assets, liabilities, *fund balance*, revenues and expenditures or *expenses*, as appropriate. The types of funds maintained by the city are as follows:

GENERAL FUND: The *General Fund* is the principal fund of the city. The majority of the current operating expenditures of the city are financed through revenues received by the *General Fund*. The *General Fund* is a *major fund*.

DEBT SERVICE FUND: The *Debt Service Fund* is used to account for the payment of principal and interest on the city's *general obligation bonds*, which are recorded in the general long-term debt account groups. Revenues for this purpose include ad valorem property taxes, special assessment taxes, and investment interest income. The *Debt Service Fund* is a *major fund*.

ENTERPRISE FUND: The Stormwater Fund is used to account for the administration, operations, maintenance, financing and related *debt service* for providing a systematic, economical and environmentally sensitive means for managing the stormwater *functions* for the city. The Rec Center Fund is used to account for the programs and services provided to the community at the Rec Center. *Enterprise funds* are used to account for the operations that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is to provide the goods or services to the general public on a continuing basis primarily through user charges.

SPECIAL REVENUE FUNDS: These funds are used to account for revenues derived from specific taxes, governmental *grants* or other revenue sources which are designated to finance particular *functions* or activities of the city. *Budgeted Special Revenue Funds* include; Special Highway, Tourism and Convention, Special Alcohol, Special Parks & Recreation, Neighborhood Revitalization, Transportation Improvement Plan (Zone 1, 2 & 3), Parks and Recreation Impact Fee (Zone 1, 2 & 3), Street Tree (Zone 1, 2 & 3), Mining TIF, City Center TIF, Ridgeview Mining TIF, Orchard Corners CID, Prairie Creek CID, Quivira 95 CID, Greystone Plaza CID, City Center East CID #1, City Center East CID #2, I-35 & 95th Street TIF, SpringHill Suites CID, Candlewood Suites CID, Holiday Inn Express CID, Sonoma Plaza CID, City Center Area E CID, and Lenexa Point CID.

FIDUCIARY FUNDS: The Pension Trust Fund is used to account for the accumulation of *resources* for pension benefit payments.

A **Fund** is an accounting entity with a self-balancing set of accounts that records financial transactions for a specific government activity or *function*. A fund includes both revenue and expenditure accounts. The *fund balance* of a fund is the excess of a fund's current assets over its current liabilities.

The **Expenditure** account numbers used in the City of Lenexa's *budgeting* and accounting process are broken down by fund, *function*, *department*, *division*, activity, and object.

FUND - FUNCTION - DEPARTMENT - DIVISION - ORGANIZATION – OBJECT

A *function* is a group of related activities aimed at accomplishing a major service. A *department* is a major administrative section of the City of Lenexa, which indicates overall management responsibility for an operation, or group of related operations within a functional area. A *division* is a segment of the *department*, which is assigned a specific operation. An *organization* is a subset of the *division*, which fulfills a specific task of the *division*. The expenditure *object* number designates a specific *expense* account and is consistently applied throughout all *departments*, *divisions*, and *organizations*.

The **Revenue** account numbers used in the City of Lenexa's *budgeting* and accounting process are broken down by *fund*, section and object.

FUND - SECTION – OBJECT

Sections are categories of revenues such as property taxes, non-property taxes, licenses and permits, intergovernmental, charges for service, fines and forfeitures, use of money, miscellaneous, and non-revenue receipts. The revenue *object* number designates a specific revenue account and is consistently applied throughout the *funds*.

FUND AND DEPARTMENT STRUCTURE:

BUDGETED FUNDS

<i>Fund Type</i>	<i>Fund #</i>	<i>Fund Name/Department</i>
General	01	General (Major Fund) Governing Body Executive Communications Municipal Court City Clerk Finance Human Resources Information Technology Legal Community Development Fire Police Municipal Services Parks and Recreation
Debt Service	05	Debt Service (Major Fund)
Special Revenue	25	Special Highway
	26	Special Alcohol
	27	Special Parks & Recreation
	28	Tourism and Convention
	40/41/42	Parks and Recreation Impact Fee Zone 1, 2 & 3
	43/44/45	Street Tree Zone 1, 2 & 3
	46/47/48	Transportation Improvement Plan Zone 1, 2 & 3
	50	Neighborhood Revitalization
	51	City Center TIF District
	53	Mining TIF District
	54	Ridgeview Mining TIF District
	55	South Mining TIF
	56	Orchard Corners CID
	57	Prairie Creek CID
	58	Quivira 95 CID
	59	Greystone Plaza CID
	61	City Center East CID #1
	62	City Center East CID #2
	63	I-35 & 95 th Street TIF
	64	SpringHill Suites CID
	65	Candlewood Suites CID
	66	Holiday Inn Express CID
	67	Sonoma CID
	68	Lenexa City Center Area E
	69	Lenexa Point CID

Enterprise	80	Stormwater
	82	Rec Center

NON-BUDGETED FUNDS

<i>Fund Type</i>	<i>Fund #</i>	<i>Fund Name</i>
Special Revenue	03	Lenexa Foundation
	10	Capital Improvement (Major Fund)
	15	Grants
	20	Law Enforcement Trust
	21	Legal Trust
	73	Facilities Maintenance
	75	Equipment Reserve
Internal Service	85	Health Plan
	86	Risk Management
	87	Workers Compensation
Fiduciary	90	Pension Trust

ACCOUNTING:

All *Governmental Funds* are accounted for using the *modified accrual* basis of accounting. Revenues are recognized when they become measurable and available. In the *General Fund*, sales taxes are considered "measurable" when in the hands of the State Department of Revenue and are recognized as revenue at that time. Other major revenues in the *General Fund* that are determined to be susceptible of accrual include utility franchise taxes, *grants-in-aid* earned, other governmental revenues, and investment income. Major revenues that are determined not to be susceptible of accrual because they are either not available soon enough to pay liabilities of the current period, or are not objectively measurable include; property taxes, licenses, permits, fines and forfeitures in the *General Fund*, and property taxes in the *Debt Service* and *Special Revenue Funds*.

Expenditures are generally recognized under the *modified accrual* basis of accounting when the related *fund* liability is incurred. Exceptions to this rule include:

- Long-term portion of accumulated unpaid vacation and sick pay, which is not accrued.
- Principal and interest on general long-term debt, which is recognized when due.
- Prepaid *expenses*, which are not recorded.

The basis of *budgeting* is *modified accrual* for all budgeted funds, including Enterprise Funds.



Financial Policies

The purpose of this section is to present a summary of the policies that the City of Lenexa follows in managing its financial and budgetary affairs. Most of the policies listed below are not new, but represent long-standing principles and traditions which have guided the city in the past and have allowed the city to maintain its financial stability, even during times of economic recession.

For Lenexa, a *Balanced Budget* is defined as a *budget*, in which projected *resources* (revenues plus use of *fund balance*) equal projected *expenditures*. This definition applies to each *fund* appropriated in the city's *budget*.

RESERVE POLICY:

- The city will maintain prudent reserve amounts in city funds in order to maintain working capital, *fund* capital asset replacement, and *fund* debt retirement. Reserve targets will be based on a number of factors, including: a) cash flow requirements, b) contingencies for revenue volatility, and c) contingencies for *expenditure* volatility and emergencies (such as natural disasters).
- The reserve (unassigned *fund balance*) target for the *General Fund* will range from 30% to 35% of *budgeted* annual *General Fund* revenues.
- The reserve (*fund balance*) target for the *Debt Service Fund* will range from 10% to 20% of the annual principal and interest amounts due on outstanding *bonds* and temporary notes.
- The reserve (*fund balance*) target for the *Stormwater Fund* will range from 10% to 20% of *budgeted* annual *Stormwater Fund* revenues.
- The reserve (*fund balance*) target for the *Rec Center Fund* will range from 10% to 20% of *budgeted* annual *Rec Center Fund* revenues.
- The policy establishes reserve targets for a number of other city funds. These include the *Health Plan Fund*, the *Risk Management Fund*, the *Worker's Compensation Fund*, the *Tourism and Convention Fund*, and the *Special Alcohol Fund*.

The City Council adopted the current reserve policy in December 2018.

INVESTMENT OF IDLE FUNDS:

- It is the policy of the city that, giving due regard to the safety and risk of investment, all available funds shall be invested in conformance with legal and administrative guidelines and, to the maximum extent possible, at the highest rates obtainable at the time of investment.
- The primary *objectives* of investment activities, in order of priority, shall be safety, liquidity, and yield. Safety of principal is the foremost *objective* of the investment program. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. This will be accomplished by structuring the portfolio so that securities mature concurrently with cash needs to meet anticipated demands. The investment portfolio shall be designed with the *objective* of attaining a market rate of return throughout budgetary and economic cycles, taking into account investment risk constraints and liquidity needs.
- No single financial institution should hold demand or time deposits which will constitute more than 10% of the city's portfolio value. No more than 33% of the total portfolio value should be placed with a single issuer other than the United States Treasury. Additional limits are established for specific investment types.
- The city will not directly invest in securities with stated maturities of more than four (4) years from the date of purchase, in accordance with state statute.
- A quarterly investment report will be prepared and submitted to the City Manager and Governing Body. This report will be prepared in a manner which will allow the city to ascertain whether investment activities during the reporting period have conformed to the investment policy.

The City Council adopted the current investment policy in October 2020.

PURCHASING POLICY:

- A commodity or service should be obtained at the lowest cost possible consistent with the quality required to maintain efficient operation of city *departments*.
- When the Governing Body approves a level of *expenditures* for any given *department* that, in itself is not a permit to expend funds, unless the need exists, and the item is within the city *budget*.
- Purchases less than or equal to \$20,000 per occurrence may be approved by the appropriate *Administrative Team* member. Purchases totaling \$20,000.01 to \$75,000 per occurrence require approval by the City Manager, Deputy City Manager, or Chief Financial Officer. All purchases totaling over \$75,000 per occurrence require approval by the Governing Body.
- The city will maintain a control system to ensure adherence to the *budget* and will prepare regular reports comparing *expenditures* to *budgeted* amounts.

The City Manager approved the purchasing policy in December 2017

CAPITAL ASSET POLICY:

- To safeguard the investment in *capital assets*.
- To provide information for preparation of financial statements in accordance with GAAP.
- Land and art assets will be capitalized without regard to cost and will not be depreciated.
- Infrastructure will be capitalized if it has a life expectancy of at least five year and a cost or value exceeding \$300,000.
- Assets other than land and infrastructure will be capitalized if the asset has a useful life of at least two year and a cost of value exceeding \$10,000 for *Governmental Fund* and \$5,000 for *Enterprise funds*.
- Small equipment (defined as non-consumable items with a cost greater than \$1,000 and a cost less than or equal to \$10,000) are not capitalilzed but procdures are established to inventory these items.

The City Manager approved the current capital asset policy in May 2018.

CAPITAL IMPROVEMENT POLICY:

- The city will develop a multi-year plan for *capital improvements*, update it annually and make all *capital improvements* in accordance with this plan.
- Immediate capital replacement needs and smaller *capital projects* are funded on a pay-as-you-go basis through a yearly *budget* transfer. Funding for projects with a projected cost of at least \$300,000 and a useful life of at least five years is provided through the Capital Improvement Program (CIP).
- *Capital improvements* involve the outlay of substantial funds; therefore, numerous techniques will be looked at to enable the city to pay for capital improvements over a longer period of time, including; General Obligation Bonds, Reserves(fund balances), Revenue Bonds, Lease Purchase, Special Districts, Special Assessments, State and Federal Grants and “Cash for Capital Projects”.

The City Manager approved the current capital improvement policy in July 2018.

DEBT POLICY:

- To provide for proper planning of *capital expenditures* and minimize the interest costs incurred on outstanding debt.
- When evaluating the issuance of debt, the city will consider; adherence to the approved Capital Improvement Program; potential for the debt-finance project (s) to create an increase in assessed *valuation* and/or sales tax revenue; the property tax or other revenue required to *fund* the annual *debt service* and any other facor the city believes are pertinent.
- The city will market any debt issues on a competitive basis, unless circumstances related to unusual credit quality, issue size, or market access create a need for a negotiated sale.
- The maximum maturity on *general obligation bonds*, special obligation *bonds* and temporary notes shall not exceed the estimated usefel life of the capital item being financed or 10 to 15 years whichever is less.

- The maximum maturity on Tax Increment Financing *Bonds* shall not exceed the estimated useful life of the project or 20 years whichever is less.
- The maximum maturity on *Community Improvement District Bonds* shall not exceed the estimated useful life of the project or 22 years whichever is less.
- The city will monitor existing debt amount and trends to meet any reasonable standards established by the credit markets.
- The city will monitor all ongoing disclosure requirements and file timely and accurate information with the Municipal Securities Rulemaking Board through its Electronic Municipal Market Access.

The City Council adopted the current debt policy in July 2019.



Budget Procedures

BUDGET ADOPTION

Applicable Kansas statutes require that annual *budgets* be legally adopted for all funds (including proprietary funds) unless exempted by a specific statute. Specific funds exempted from legally adopted *budgets* are all Federal and State Assistance Funds, all *Capital Project Funds*, the Facilities Maintenance *Fund*, the Equipment Reserve *Fund*, the Legal Trust *Fund*, the Law Enforcement Trust *Fund*, the Lenexa Foundation *Fund*, the Capital Improvement *Fund*, the Risk Management *Fund*, the Health Plan *Fund*, the Workers Compensation *Fund*, and the Pension Trust *Fund*.

BUDGET CONTROLS

Control over spending in funds that are not subject to legal *budgets* is maintained by the use of internal spending limits established by management. For *budgeting*, revenues are recognized when they become both measurable and available to finance expenditure of the current period, except for *special assessments* of the *Debt Service Fund*, which are recognized on a *cash basis*. Applicable Kansas statutes require the use of an *encumbrance* system as a management control technique to assist in controlling *expenditures*. *Encumbrances* of the *budgeted Governmental Fund* types, representing purchase orders, contracts, and other commitments, are reported as a charge to the current year *budget*. For *budget* purposes, unencumbered cash balances are determined by deducting liabilities and *encumbrances* from cash and receivables susceptible to accrual. The statutes provide for the following sequence and timetable in adoption of *budgets*: a) preparation of the *budget* for the succeeding calendar year on or before August 1 of each year, b) Notice of Public Hearing published on or before August 5 of each year, c) a minimum of ten day's notice of public hearing published in a local newspaper, on or before August 15 of each year, and d) Certify adoption of final *budget* on or before August 25 of each year.

BUDGET AMENDMENT

The city must first publish a notice of hearing to amend the *budget*. Ten days after publication, a public hearing is held and the Governing Body may amend the *budget* at that time. Kansas statutes permit transferring *budgeted* amounts from one object or purpose to another within the same *fund*; however, such statutes prohibit creating *expenditures* in excess of the total amount of the adopted *budget* of *expenditures* of individual funds. All *appropriations* lapse at the end of the year, except for *capital project* funds, which are carried forward until such time as the project is completed or terminated. Kansas statutes permit original *budgets* to be increased for previously non-budgeted increases in revenue other than ad valorem property taxes.

BUDGET PROCESS

The city must prepare and adopt a *budget* each year. The presentation of this document is the last in a series of steps in that process as outlined in the *budget* calendar on the following page. The *budget* process is summarized in the following paragraphs.

1. Budget Preparation Guidelines – The *budget* preparation guidelines were developed in March 2020 and included the following primary assumptions: a) maintaining or reducing the total *mill* levy for 2021, and b) an increase of 6% in the city's assessed *valuation*.
2. Budget Alternatives – Each *department* was directed to prepare and submit potential *budget* alternatives (additions and reductions) for consideration in the 2021 *budget* process.
3. City Manager Review – The City Manager reviewed the *department budget* alternatives and made preliminary decisions on the *budget* recommendation in May; these decisions were discussed with each *department* head. The City Manager submitted a formal *budget* recommendation to the Governing Body in June.
4. Governing Body Review of Recommended Budget - Staff presented an overview of the 2021 recommended *budget* (along with an update of the city's multi-year financial models) on June 30, 2020. The city held a public hearing on July 21, 2020 and the Governing Body formally adopted the *budget* on August 04, 2020. Upon adoption of the *budget*, staff filed required *budget* forms with Johnson County prior to the August 25, 2020 deadline established by state law.

ROAD TO THE BUDGET 2021

FEBRUARY 2020

Budget calendar distributed

MARCH 2020

- Budget forms/ instructions
- County Appraiser real property valuation update

APRIL 2020

Departments submit operating budget

MAY 2020

- Departments verify position data
- Departments complete performance measures/ other budget information
- City Manager final decisions on budget
- Finalize revenue estimates

JUNE 2020

- Governing Body budget session to review budget
- Final assessed valuation estimates
- Finalize budget publication
- Adopt resolution setting public hearing

JULY 2020

- Publish public hearing notice
- Public hearing on budget

AUGUST 2020

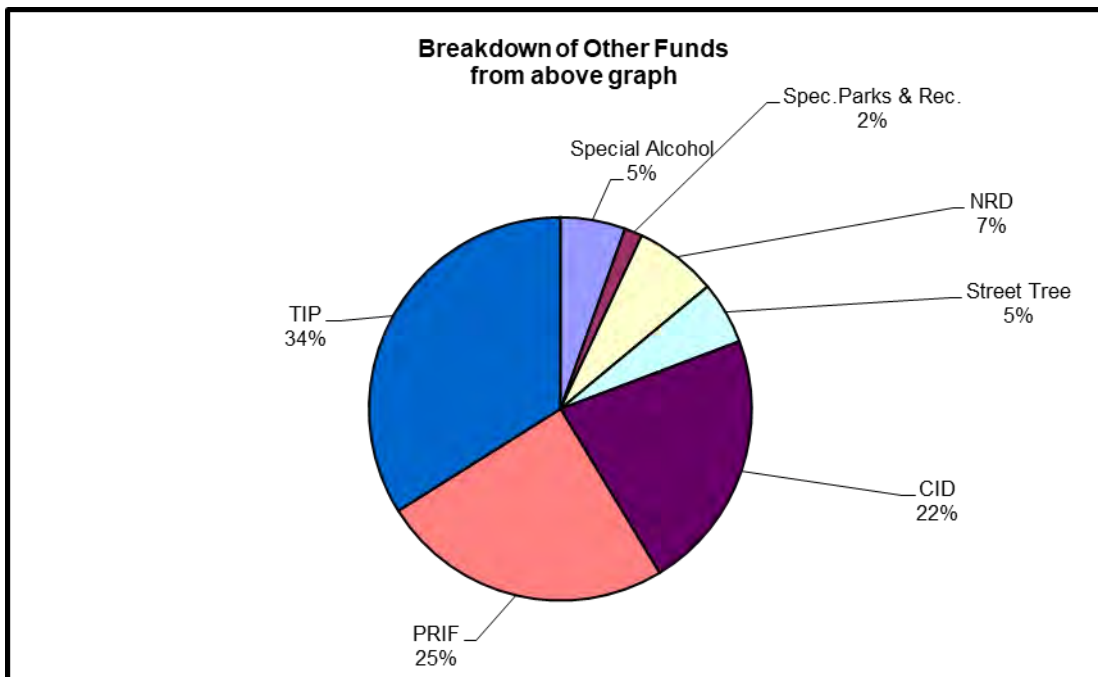
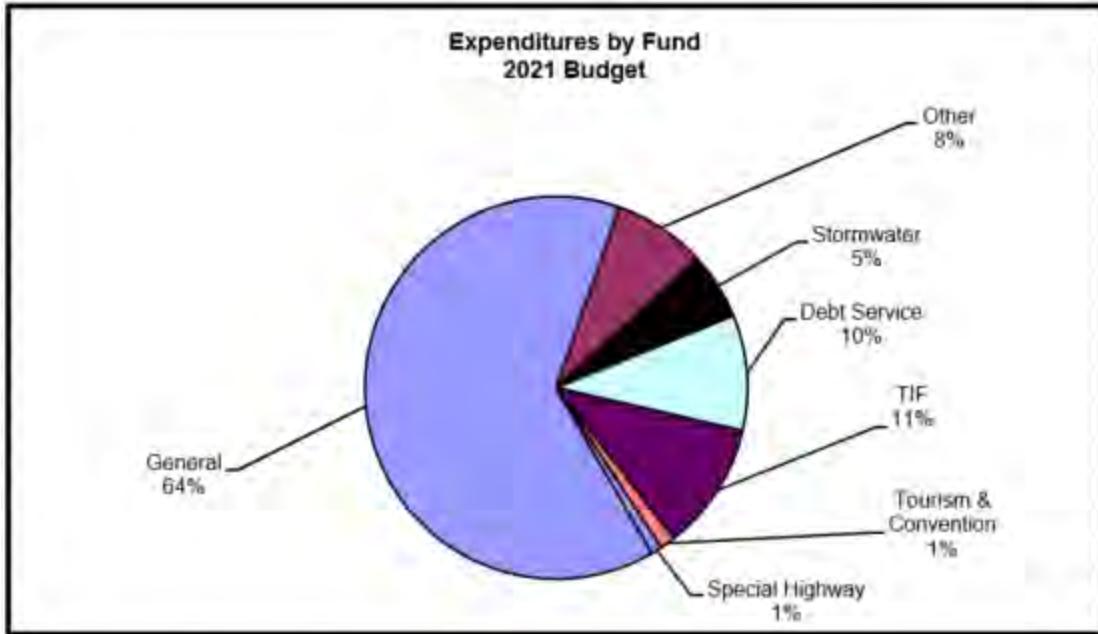
- Governing Body adopts budget
- Submit 2021 Adopted Budget to County & State

OCT./NOV. 2020

- Budget posted on city website
- Budget submitted to GFOA
- Final mill levy from County



Budget Expenditures by Fund Graph



These graphs show each fund's percentage of the total *budget* of the city.



Budget Summary by Year

Listed below are the *resources* and *expenditures* of all *budgeted* funds for the City of Lenexa. This includes *General, Debt Service, Enterprise* and *Special Revenue Funds*. For further detail into the 2021 *budget*, look on the following page for the funding sources and *expenditures* for each *fund* type.

	2018	2019	2020	2021
	<u>Actual</u>	<u>Actual</u>	<u>Revised Budget</u>	<u>Budget</u>
Beginning Fund Balance	\$52,154,473	\$57,004,466	\$62,380,268	\$54,762,704
Revenues				
Property Taxes	\$42,372,161	\$44,298,794	\$54,104,103	\$58,617,403
Non-Property Taxes	53,246,496	52,530,298	44,935,509	44,870,900
Licenses & Permits	2,677,774	2,334,114	1,741,500	1,465,000
Intergovernmental	43,623	16,688	15,000	0
Charges for Services	12,211,503	12,861,296	11,051,125	11,701,564
Fines & Forfeitures	865,735	1,299,840	991,000	991,000
Use of Money	2,044,857	3,401,995	1,218,027	1,263,411
Miscellaneous	692,115	304,057	249,770	270,610
Non-Revenue Receipts	2,225,352	1,380,125	73,200	54,200
Transfers In	1,601,386	4,245,968	100,000	100,000
Total Revenues	\$117,981,002	\$122,673,175	\$114,479,234	\$119,334,088
Total Available Resources	\$170,135,475	\$179,677,641	\$176,859,502	\$174,096,792
Expenditures				
Governing Body	\$355,212	\$272,987	\$252,607	\$259,745
Executive (includes Communications)	2,657,248	2,977,691	3,012,369	3,178,523
Municipal Court	572,630	545,927	755,793	792,288
Non-Departmental	21,131	526,302	732,850	917,491
Information Technology	3,395,023	3,571,512	3,512,088	3,608,490
Finance	1,468,986	1,385,886	1,419,855	1,395,351
Legal	1,472,519	1,597,622	1,783,901	1,720,308
Human Resources	1,104,687	1,199,422	1,264,546	1,266,860
Community Development	4,340,728	4,238,748	4,747,693	4,705,198
Police	14,666,957	15,335,120	16,951,700	17,621,841
Fire	11,300,423	11,747,006	12,035,717	12,036,402
Emergency Management	0	128,651	158,408	158,992
Municipal Services	10,299,719	10,147,050	12,502,579	12,023,936
Parks & Recreation	8,405,674	8,893,705	10,236,145	10,463,927
Economic Development (TIF, CID)	6,012,990	6,684,706	14,239,255	16,922,180
Debt Service	17,274,778	17,506,257	15,667,555	15,481,487
Transfers	29,782,304	30,538,781	22,823,737	19,408,028
Total Expenditures	\$113,131,009	\$117,297,373	\$122,096,798	\$121,961,047
Ending Fund Balance	\$57,004,466	\$62,380,268	\$54,762,704	\$52,135,745

*Total ending *fund balance* plus total *expenditures* for 2021 equals the adopted *budget*.



Budget Summary by Fund

Listed below are the funding sources and *expenditures* for the 2021 *Budget* by *fund* type. In the 2021 *General Fund budget*, \$32.4 million is *budgeted* for reserves. For further information on projection of financial condition please turn to the following pages.

	General Fund	Debt Service Fund	Enterprise Funds	Special Revenue Funds	Total
Beginning Fund Balance	\$34,085,636	\$3,768,170	\$4,674,016	\$12,234,882	\$54,762,704
Revenues					
Property Taxes	\$30,217,355	\$12,483,826	\$298,222	\$15,618,000	\$58,617,403
Non-Property Taxes	40,481,700	691,200	0	3,698,000	44,870,900
Licenses & Permits	1,405,000	0	60,000	0	1,465,000
Intergovernmental	0	0	0	0	0
Charges for Services	2,066,919	0	8,424,645	1,210,000	11,701,564
Fines & Forfeitures	991,000	0	0	0	991,000
Use of Money	400,000	40,000	24,000	0	464,000
Miscellaneous	1,105,221	0	19,000	0	1,124,221
Transfers In	100,000	0	0	0	100,000
Total Revenues	\$76,767,195	\$13,215,026	\$8,825,867	\$20,526,000	\$119,334,088
Total Available Resources	\$110,852,831	\$16,983,196	\$13,499,883	\$32,760,882	\$174,096,792
Expenditures					
Governing Body	\$259,745	\$0	\$0	\$0	\$259,745
Executive *	2,174,235	0	0	1,004,288	3,178,523
Municipal Court	792,288	0	0	0	792,288
Non-departmental	917,491				
Information Technology	3,608,490	0	0	0	3,608,490
Finance	1,395,351	0	0	0	1,395,351
Legal	1,720,308	0	0	0	1,720,308
Human Resources	1,266,860	0	0	0	1,266,860
Community Development	4,705,198	0	0	0	4,705,198
Police	17,386,841	0	0	235,000	17,621,841
Fire	12,195,394	0	0	0	12,195,394
Municipal Services	9,970,382	0	2,053,554	0	12,023,936
Parks & Recreation	7,515,885	0	2,858,042	90,000	10,463,927
Economic Dev. (TIF, CID)	0	0	0	16,922,180	16,922,180
Debt Service	0	12,174,565	3,030,066	276,856	15,481,487
Transfers	14,590,000	1,040,461	1,275,747	2,501,820	19,408,028
Total Expenditures	\$78,498,468	\$13,215,026	\$9,217,409	\$21,030,144	\$121,961,047
Ending Fund Balance	\$32,354,363	\$3,768,170	\$4,282,474	\$11,730,738	\$52,135,745

Total ending *fund balance* plus total *expenditures* for 2021 equals the adopted *budget*.

*Executive *Department* includes Communications and Public Market.



Budgetary Projections by Fund

Total projected *fund balances (reserves)* for all funds for the end of 2020 are \$54.8 million and the *general fund* reserve is \$34.1 million.

FUND	Balance 1/1/2020	2020 Budgeted Revenue	2020 Budgeted Expenditures	Balance 12/31/2020
General	\$39,359,034	\$75,333,875	\$80,607,273	\$34,085,636
Debt Service	\$4,364,862	\$12,767,347	\$13,364,039	\$3,768,170
Special Highway	\$388,135	\$1,460,550	\$1,460,550	\$388,135
Special Alcohol	\$630,700	\$78,000	\$235,000	\$473,700
Special Parks & Recreation	\$72,748	\$78,000	\$78,000	\$72,748
Tourism & Convention	\$2,009,040	\$584,000	\$949,821	\$1,643,219
Parks & Rec. Impact	\$2,059,859	\$425,000	\$425,000	\$2,059,859
Street Tree	\$440,388	\$90,000	\$90,000	\$440,388
TIP	\$2,709,297	\$695,000	\$695,000	\$2,709,297
Neighborhood Revitalization	\$350,292	\$350,000	\$350,000	\$350,292
City Center TIF	\$1,759,907	\$7,367,000	\$7,367,000	\$1,759,907
Mining TIF	\$97,626	\$3,107,000	\$3,107,000	\$97,626
Ridgeview Mining TIF	\$995,682	\$1,123,000	\$1,123,000	\$995,682
Orchard Corners CID	\$142,181	\$650,000	\$650,000	\$142,181
Prairie Creek CID	\$20,410	\$110,000	\$110,000	\$20,410
Quivira 95 CID	\$7,115	\$52,000	\$52,000	\$7,115
Greystone Plaza CID	\$10,594	\$70,000	\$70,000	\$10,594
City Center East #1 CID	\$25,931	\$20,000	\$20,000	\$25,931
City Center East #2 CID	\$241,092	\$90,000	\$90,000	\$241,092
I-35 & 95th Street TIF	\$777,127	\$1,290,000	\$1,290,000	\$777,127
Springhill Suites CID	\$7,092	\$55,000	\$55,000	\$7,092
Candlewood Suites CID	\$2,882	\$24,000	\$24,000	\$2,882
Holiday Inn Express CID	\$3,473	\$30,000	\$30,000	\$3,473
Sonoma Plaza CID	\$0	\$280,000	\$280,000	\$0
City Center Area E CID	\$6,132	\$50,000	\$50,000	\$6,132
Stormwater Management	\$3,640,629	\$6,526,462	\$6,657,878	\$3,509,213
Rec Center	\$2,258,040	\$1,773,000	\$2,866,237	\$1,164,803
Total	\$62,380,268	\$114,479,234	\$122,096,798	\$54,762,704



Budgetary Projections by Fund

Total projected *budgeted fund balances (reserves)* for all funds are \$52.1 million and the *general fund* reserve is \$32.4 million. Explanation for changes in *fund balances* are provided on the following page.

FUND	Est. Balance 1/1/2021	2021		Balance 12/31/2021
		Budgeted Revenue	2021 Budgeted Expenditures	
General	\$34,085,636	\$76,767,195	\$78,498,468	\$32,354,363
Debt Service	\$3,768,170	\$13,215,026	\$13,215,026	\$3,768,170
Special Highway	\$388,135	\$1,210,000	\$1,210,000	\$388,135
Special Alcohol	\$473,700	\$78,000	\$235,000	\$316,700
Special Parks & Recreation	\$72,748	\$78,000	\$78,000	\$72,748
Tourism & Convention	\$1,643,219	\$584,000	\$931,144	\$1,296,075
Parks & Rec. Impact	\$2,059,859	\$425,000	\$425,000	\$2,059,859
Street Tree	\$440,388	\$90,000	\$90,000	\$440,388
TIP	\$2,709,297	\$695,000	\$695,000	\$2,709,297
Neighborhood Revitalization	\$350,292	\$350,000	\$350,000	\$350,292
City Center TIF	\$1,759,907	\$8,689,000	\$8,689,000	\$1,759,907
Mining TIF	\$97,626	\$3,645,000	\$3,645,000	\$97,626
Ridgeview Mining TIF	\$995,682	\$1,292,000	\$1,292,000	\$995,682
Orchard Corners CID	\$142,181	\$700,000	\$700,000	\$142,181
Prairie Creek CID	\$20,410	\$125,000	\$125,000	\$20,410
Quivira 95 CID	\$7,115	\$52,000	\$52,000	\$7,115
Greystone Plaza CID	\$10,594	\$80,000	\$80,000	\$10,594
City Center East #1 CID	\$25,931	\$20,000	\$20,000	\$25,931
City Center East #2 CID	\$241,092	\$110,000	\$110,000	\$241,092
I-35 & 95th Street TIF	\$777,127	\$1,642,000	\$1,642,000	\$777,127
Springhill Suites CID	\$7,092	\$60,000	\$60,000	\$7,092
Candlewood Suites CID	\$2,882	\$30,000	\$30,000	\$2,882
Holiday Inn Express CID	\$3,473	\$35,000	\$35,000	\$3,473
Sonoma Plaza CID	\$0	\$280,000	\$280,000	\$0
City Center Area E CID	\$6,132	\$50,000	\$50,000	\$6,132
Lenexa Point CID	\$0	\$206,000	\$206,000	\$0
Stormwater Management	\$3,509,213	\$6,359,367	\$6,359,367	\$3,509,213
Rec Center	\$1,164,803	\$2,466,500	\$2,858,042	\$773,261
Total	\$54,762,704	\$119,334,088	\$121,961,047	\$52,135,745



Budgetary Projections by Fund

Explanation of Changes in Fund Balances

The following funds have projected changes in *fund balances* for FY 2020 and/or FY 2021: General Fund, Debt Service Fund, Special Alcohol Fund, Tourism and Convention Fund, Stormwater Fund, and Rec Center Fund. These changes are explained below.

General Fund: The *fund balance* of the General Fund is projected to decrease by \$5.3 million in FY 2020 and an additional \$1.7 million in FY 2021 due to the impact of COVID-19 on General Fund revenues.

Debt Service Fund: The *fund balance* of the Debt Service Fund is projected to decrease by \$0.6 million in FY 2020. This decrease occurs in order to reduce the property *tax rate* in the Debt Service Fund for FY 2020. There is no projected change in *fund balance* for FY 2021.

Special Alcohol Fund: The *fund balance* of the Special Alcohol Fund is projected to decrease by \$0.16 million in FY 2020 and an additional \$0.16 million in FY 2021 due to the impact of COVID-19 on alcohol tax revenues.

Tourism and Convention Fund: The *fund balance* of the Tourism and Convention Fund is projected to decrease by \$0.37 million in FY 2020 and an additional \$0.35 million in FY 2021 due to the impact of COVID-19 on transient guest tax revenues.

Stormwater Fund: The *fund balance* of the Stormwater Fund is projected to decrease by \$0.13 million in FY 2020. This decrease occurs in order to maintain a stable stormwater service charge user fee in FY 2020. There is no projected change in *fund balance* for FY 2021.

Rec Center Fund: The *fund balance* of the Rec Center Fund is projected to decrease by \$1.1 million in FY 2020 and an additional \$0.4 million in FY 2021 due to the impact of COVID-19 on Rec Center Fund revenues.

Even with the fund balance decreases described above, all funds are projected to have fund balances which exceed minimum reserve requirements established by policy as of December 31, 2021.



Summary of Revenues and Expenditures by Fund

This table includes all *revenues by fund* for actual *fiscal year* 2018 through *budget year* 2021.

Revenues by Fund	2018	2019	2020	2021
	Actual	Actual	Re-estimate	Budget
General	\$82,955,498	\$83,330,955	\$75,333,875	\$76,767,195
Debt Service	11,851,447	12,511,056	12,767,347	13,215,026
Special Highway	1,452,774	1,514,398	1,460,550	1,210,000
Special Alcohol	304,143	313,490	78,000	78,000
Special Parks & Recreation	304,143	313,490	78,000	78,000
Tourism & Convention	1,430,576	1,385,901	584,000	584,000
Parks & Rec. Impact	280,322	308,926	425,000	425,000
Street Tree	61,111	87,658	90,000	90,000
TIP	968,771	656,374	695,000	695,000
Neighborhood Revitalization	320,374	314,974	350,000	350,000
City Center TIF	4,143,484	4,522,752	7,367,000	8,689,000
Mining TIF	1,617,653	1,922,265	3,107,000	3,645,000
Ridgeview Mining TIF	871,111	977,967	1,123,000	1,292,000
Orchard Corners CID	542,671	641,031	650,000	700,000
Prairie Creek CID	99,295	97,201	110,000	125,000
Quivira 95 CID	39,168	34,827	52,000	52,000
Greystone Plaza CID	61,019	70,118	70,000	80,000
City Center East #1 CID	70,105	(2,634)	20,000	20,000
City Center East #2 CID	83,522	94,585	90,000	110,000
I-35 & 95th Street TIF	605,462	681,255	1,290,000	1,642,000
Springhill Suites CID	43,556	49,739	55,000	60,000
Candlewood Suites CID	17,826	20,897	24,000	30,000
Holiday Inn Express CID	24,286	25,185	30,000	35,000
Sonoma Plaza CID	-	-	280,000	280,000
City Center Area E CID	-	6,132	50,000	50,000
Lenexa Point CID	-	-	-	206,000
Stormwater Management	6,692,960	9,218,138	6,526,462	6,359,367
Rec Center	3,139,725	3,576,495	1,773,000	2,466,500
	\$117,981,002	\$122,673,175	\$114,479,234	\$119,334,088



Summary of Revenues and Expenditures by Fund

This table includes all *expenditures* by *fund* for actual *fiscal year* 2018 through *budget year* 2021. *Expenditures* by *fund* for FY2021 include projected December 31, 2021 *fund balances (reserves)*.

Expenditures by Fund	2018 Actual	2019 Actual	2020 Re-estimate	2021 Budget
General	\$79,464,269	\$80,412,192	\$80,607,273	\$110,852,831
Debt Service	13,181,583	12,652,889	13,364,039	16,983,196
Special Highway	1,448,604	1,491,295	1,460,550	1,598,135
Special Alcohol	232,176	247,233	235,000	551,700
Special Parks & Recreation	280,572	326,562	78,000	150,748
Tourism & Convention	1,114,545	1,181,035	949,821	2,227,219
Parks & Rec. Impact	-	-	425,000	2,484,859
Street Tree	74,742	65,418	90,000	530,388
TIP	305,572	512,906	695,000	3,404,297
Neighborhood Revitalization	206,576	245,820	350,000	700,292
City Center TIF	4,849,777	4,040,993	7,367,000	10,448,907
Mining TIF	1,589,173	1,858,278	3,107,000	3,742,626
Ridgeview Mining TIF	529,942	1,703,586	1,123,000	2,287,682
Orchard Corners CID	489,450	653,367	650,000	842,181
Prairie Creek CID	96,315	94,152	110,000	145,410
Quivira 95 CID	38,704	35,354	52,000	59,115
Greystone Plaza CID	60,703	68,785	70,000	90,594
City Center East #1 CID	50,950	19	20,000	45,931
City Center East #2 CID	27,867	(8,560)	90,000	351,092
I-35 & 95th Street TIF	35,713	769,030	1,290,000	2,419,127
Springhill Suites CID	46,450	49,192	55,000	67,092
Candlewood Suites CID	-	36,982	24,000	32,882
Holiday Inn Express CID	-	48,706	30,000	38,473
Sonoma Plaza CID	-	0	280,000	280,000
City Center Area E CID	-	0	50,000	56,132
Lenexa Point CID	-	0	0	206,000
Stormwater Management	6,925,034	8,507,739	6,657,878	9,868,580
Rec Center	2,082,292	2,304,400	2,866,237	3,631,303
Total	\$113,131,009	\$117,297,373	\$122,096,798	\$174,096,792

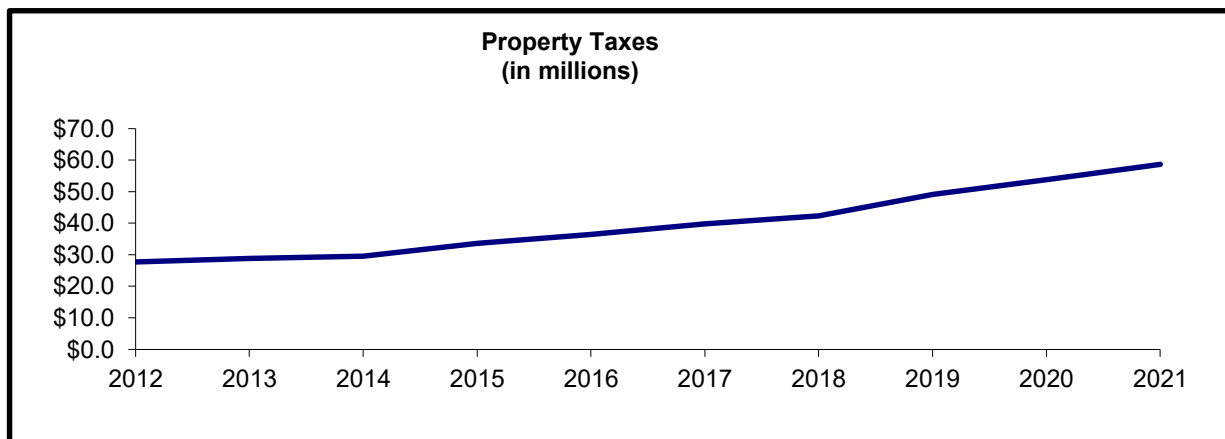


Major Revenue Sources - Trends and Assumptions

Listed below are the major revenue sources and the underlying assumptions and trends for each.

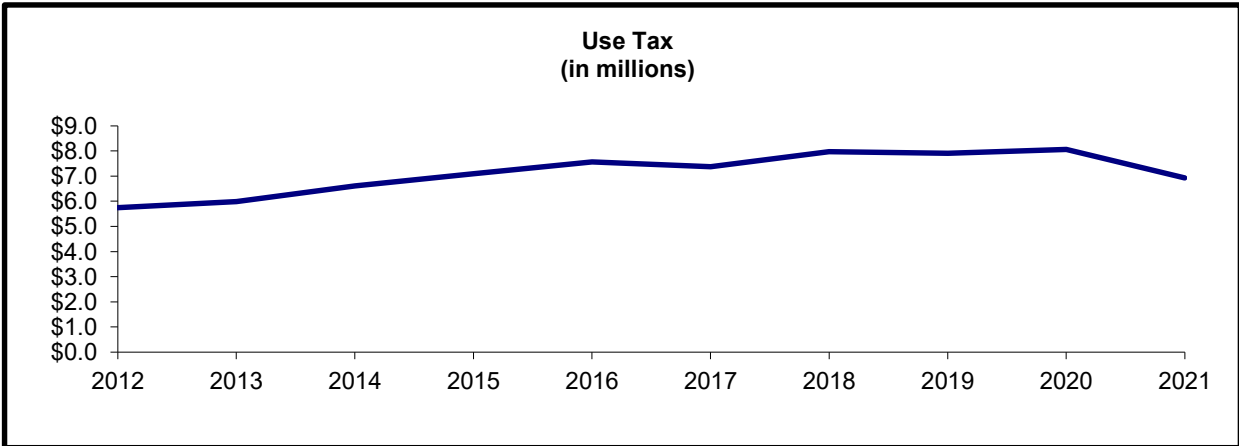
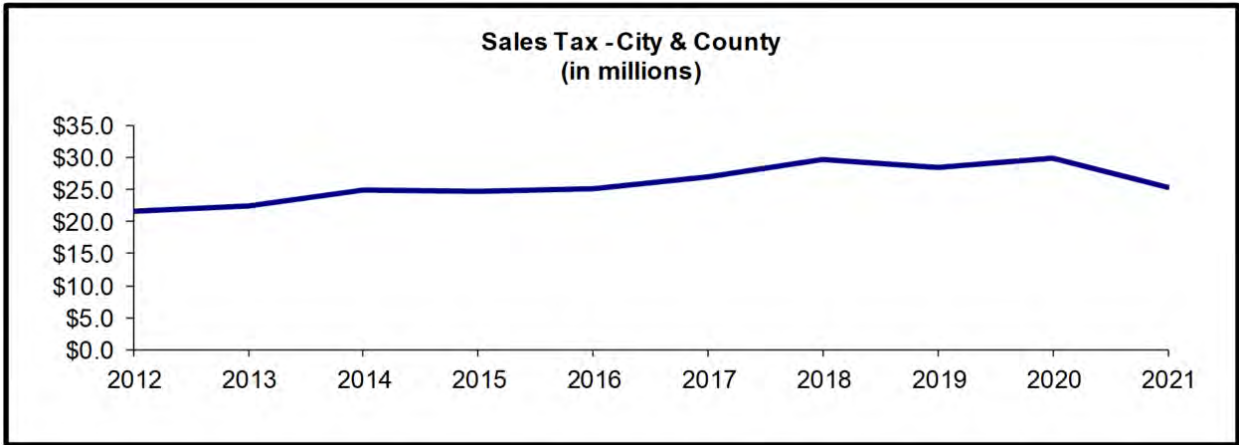
PROPERTY TAXES: This is the largest source of revenue followed by city and county sales tax revenues. Property tax dollars generated to fund the 2021 *budget* are \$38.2 million (assuming a 3.0% delinquency rate) as compared to \$35.9 million for the 2020 *budget*. To generate \$38.2 million in property tax revenue, a *mill* levy of 29.319 mills is required for the 2021 *budget*. This includes 23.006 mills for the *General Fund* and 6.313 mills for the *Debt Service Fund*. This *budget* anticipates that the city's current property tax rate will remain unchanged at 29.319 for the 2021 *budget*. The city's assessed valuation, to which the property tax rate is applied, is estimated to increase from \$1.26 billion in 2020 to \$1.34 billion in 2021. This represents an increase of 6.3%. The estimated delinquency rate for property taxes is 3% in the adopted *budget*.

Property taxes are billed and collected by Johnson County. The County distributes property taxes to the City in January, March, June, September and October.



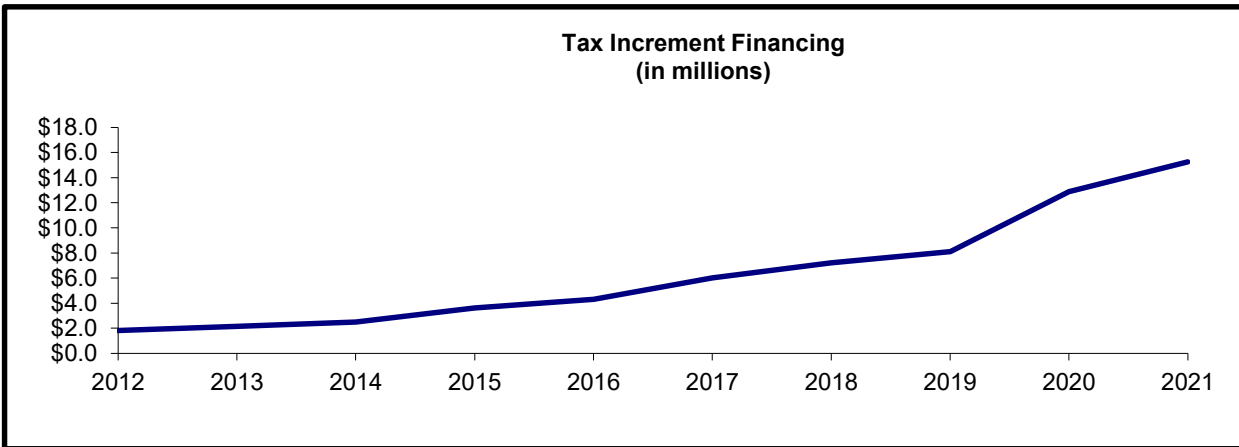
SALES & USE TAX: The city currently imposes a 1.375% sales tax rate, which includes a 1.000% general purpose levy and 0.375% to fund road and park maintenance, park facility upgrades and development. (In certain areas of the City, there is an additional 1% sales tax for *Community Improvement Districts*.) The 0.375% sales tax went into effect on Oct. 1, 2008 and is estimated to generate approximately \$5.7 million in sales tax and use tax revenues for the 2021 *budget*. The City also shares in the distribution of Johnson County sales tax at the rate of 1.475% (an additional .25% became effective 4/1/2017). *General Fund* city sales tax revenue is projected at \$15.5 million for 2021 an decrease of 18.1% compared to the 2020 *budget*. *General Fund* county sales tax revenue is projected at \$8.0 million for 2021, a decrease of 15.3% compared to the 2020 *budget*. Projected sales and use revenues decrease due to the financial impact of COVID-19.

Sales and uses tax are collected by businesses and remitted to the Kansas Department of Revenue. The Department of Revenue distributes the sales and use taxes to the City on a monthly basis.



TAX INCREMENT FINANCING (TIF):

In order to support the Governing Body goals of economic development and reinvestment, the City will consider approval of TIF financing when appropriate. To date, the City has approved multiple TIF project plans in the City Center TIF district and other TIF districts to stimulate development and enhance the City's property tax base. TIF revenues are created in TIF districts when the assessed valuation of property in the district exceeds the base assessed valuation (which is the assessed valuation at the time the TIF district is created by the City). TIF revenue is projected to increase by 18.5% in 2021 compared to the 2020 budget, due mainly to development within the City Center TIF district.



FRANCHISE TAXES:

Electric - Recently, the City was served by two electric providers. However, Kansas City Power & Light (KCPL) and Westar Energy have merged and are rebranding as Evergy. Under the current franchise agreement with these providers, a franchise fee of 5% of gross receipts is paid to the City. The City entered into new franchise agreements with Westar Energy, Inc. in 2017, and KCPL in 2019. As they

continue to transition in to a single company, Evergy, they will continue to pay the same franchise fee of 5%. KCPL billings credits to customers related to the merger, plus weather patterns and the cost of raw materials continue to have the most impact on electric consumption and franchise fees collected. Electric franchise taxes are projected to decrease by 7% in 2021 compared to the 2020 budget.

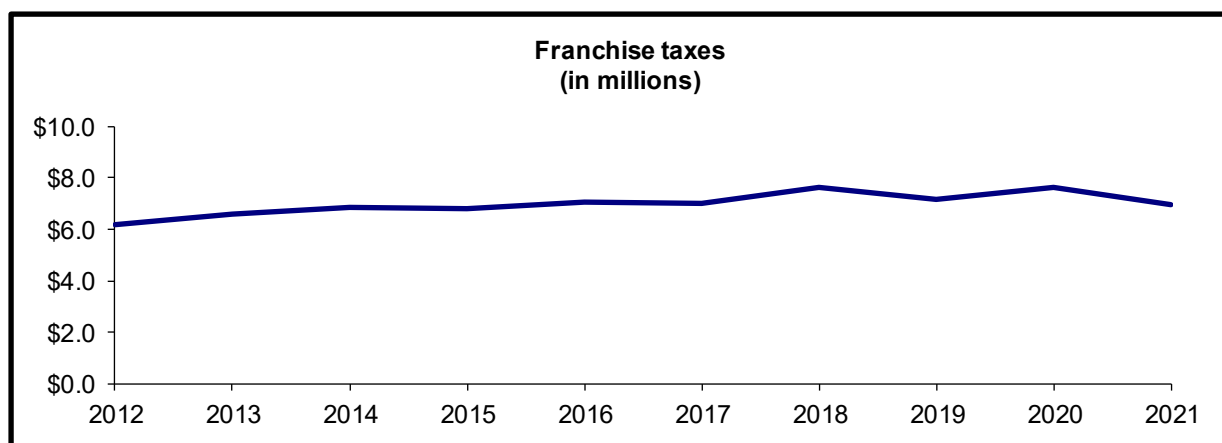
Electric franchise taxes are remitted to the City on a monthly basis.

Gas - The City is served by two natural gas providers. Under their current franchise agreements, a franchise fee of 5% of gross receipts is collected by the provider and remitted to the City. Weather patterns and the wholesale cost of natural gas play a large role in the ultimate consumption of natural gas and total franchise fees collected. The franchise agreement with Atmos Energy was renegotiated and adopted in 2017. The second natural gas franchise with Kansas Gas Service was renegotiated and adopted in May 2011. The City adopted a Volumetric Rate Calculation Form in July 2008 pursuant to which both providers have collected franchise fees on the transport gas sold as a commodity since January 1, 2009. The City annually determines the Volumetric Rate and adopts and amended Volumetric Rate Calculation Form. Gas franchise taxes are projected to decrease 18% for 2021 as compared to the 2020 *budget* based on current collections.

Gas franchise taxes are remitted to the City on a monthly basis.

Communications - Cable Television – Five companies currently provide video service in the City of Lenexa. State law allows cable television and other video service providers to enter into a statewide franchise instead of executing a franchise with each city. In 2008, Time Warner's local franchise expired and they opted to enter into a statewide franchise and have provided the statutorily required local agreement to do so. AT&T also obtained a statewide video franchise and submitted the required local agreement pursuant to state law. Consolidated Communications notified the City that it intended to operate under the statewide franchise after its franchise with Lenexa expired at the end of 2012. Google obtained a statewide video franchise and submitted the required local agreement pursuant to state law in 2015. Comcast obtained a statewide video franchise and submitted the required local agreement pursuant to state law in 2019. Under both local and statewide franchises, the City will collect a 5% gross *revenues* franchise fee.

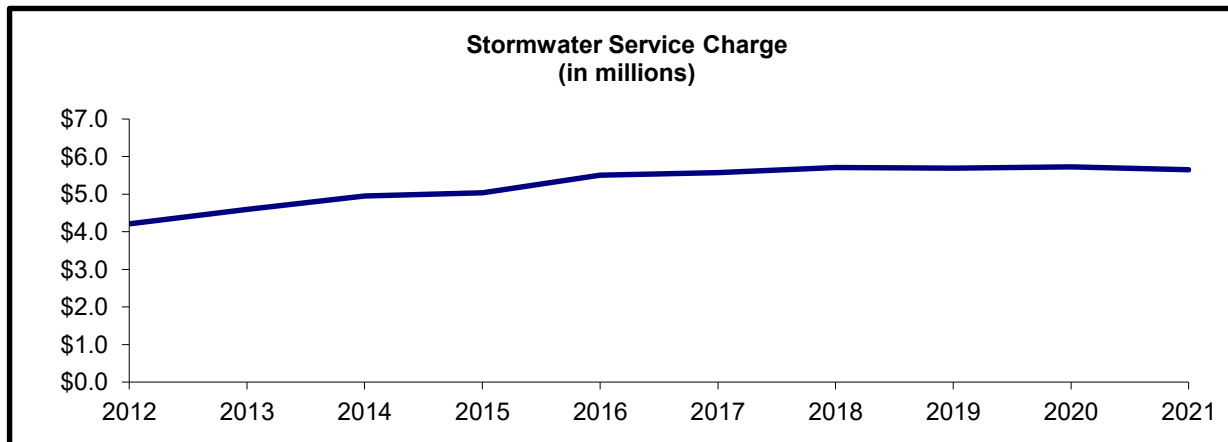
Telecommunications - The City of Lenexa has current franchises with eighteen telecommunications providers. The City renegotiated its franchise with Southwestern Bell Telephone Company and with Consolidated in 2019, which requires both companies to pay a 5% gross *revenues* franchise fee. Additionally, the City has been successful in negotiating and adopting franchises with several telecommunication providers and wireless service providers, and continues to seek franchises with other providers that are providing service in the City without a franchise. While the *revenues* anticipated from these small providers are not significant, it will provide a level playing field for all telecom providers in the community. Telecommunication franchise fees are projected to decrease slightly for 2021 compared to the 2020 *budget* based on historical collections.



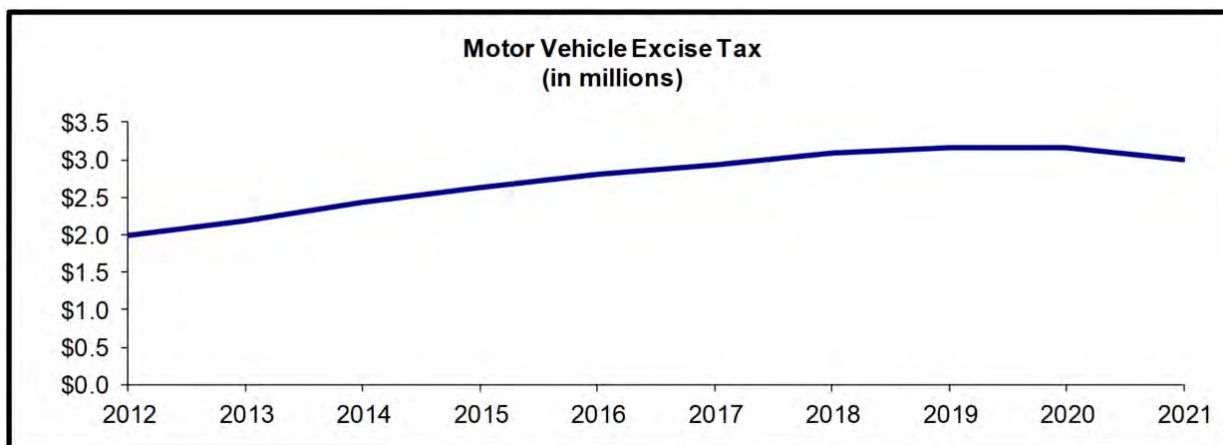
STORMWATER SERVICE CHARGE: In 2000, the city developed a Stormwater Management Plan which called for a proactive approach to stormwater management issues within the city. This approach reduces flooding, improves water quality and builds community assets. To fund this plan the city

established a stormwater management fee which is imposed on each residential and nonresidential developed property. The fee pays for operation and maintenance, costs of *capital improvements*, *debt service* associated with the stormwater management system and other costs included in the operating *budget*. This monthly service charge will remain constant in the 2021 *budget* at \$109 per equivalent dwelling unit (EDU). (Homeowners will pay \$109 annually.) Stormwater service charges are *budgeted* to decrease 1.4% as compared to the original 2020 *budget* due to a review and update of the EDU's.

Stormwater service charges are billed and collected by Johnson County. The County distributes the service charges on the same schedule as property taxes.



MOTOR VEHICLE EXCISE TAXES: This is a tax collected by the County at the time of vehicle registration. The amount of tax is based on a statutory amount set for various classes of vehicles (based on original value and age) and is taxed according to the countywide average *tax rate* for the preceding year. Kansas statutes provides for the distribution of revenue for the vehicle tax among all taxing subdivisions. This *division* is made in proportion to the City's share of the prior year's total levy rate in which the vehicle has its tax origin. Vehicle tax revenue is proportionately allocated to each *fund* based on relative property taxes for the prior year. The County treasurer notifies the City of the estimated amount which it is to receive each year. Motor vehicle excise tax is estimated at \$3.01 million for 2021, which is a decrease of 5%.



REC CENTER MEMBERSHIP FEES: In July of 2017, the City opened a new recreation center. This 100,000 square foot Rec Center facility features fitness equipment, an indoor pool, a jogging walking track that encompasses a full service fitness floor and two gyms for open play. A portion of the 3/8 cent sales tax went toward constructing the facility. The Lenexa Rec Center will cover operational costs through user fees. User fees include memberships, programs and rentals. Membership fees are estimated at \$1.6 million for 2021 (no change from the 2020 budget).

The total major revenue sources described above equal \$101 million in 2021, or 85% of the \$119 million total budgeted revenues.



Multi-Year Financial Forecast

INTRODUCTION

In accordance with the City's *budget* management policy, the Finance *Department* prepares multi-year financial models for the *General Fund*, *Debt Service Fund*, and *Stormwater Fund*. These three funds comprise more than 80% of the City's operating *budget* and allow the Governing Body and staff to:

- Obtain a better understanding of the city's future financial opportunities and challenges.
- Create a common set of assumptions and expectations.
- Place an emphasis on long-term financial planning.

The financial models are dynamic and change constantly as staff analyzes and adjusts assumptions.

The City has also developed a set of budget principles to guide the preparation of the multi-year financial models, annual budget, and Capital Improvement Program (CIP). These budget principles include:

- Funding on-going operating expenditures with on-going revenue sources.
- Using one-time revenues for one-time expenditures (capital projects, for example).
- Maintaining sufficient reserve balances to address unforeseen events.
- Using a conservative approach to revenue estimation to avoid budget shortfalls during the fiscal year.
- Preparing equipment replacement and building maintenance schedules (and providing appropriate funding for these schedules).

By adhering to these budget principles, the City has achieved the best possible credit ratings (Aaa and AAA) on existing general obligation bonds.

GENERAL FUND MODEL

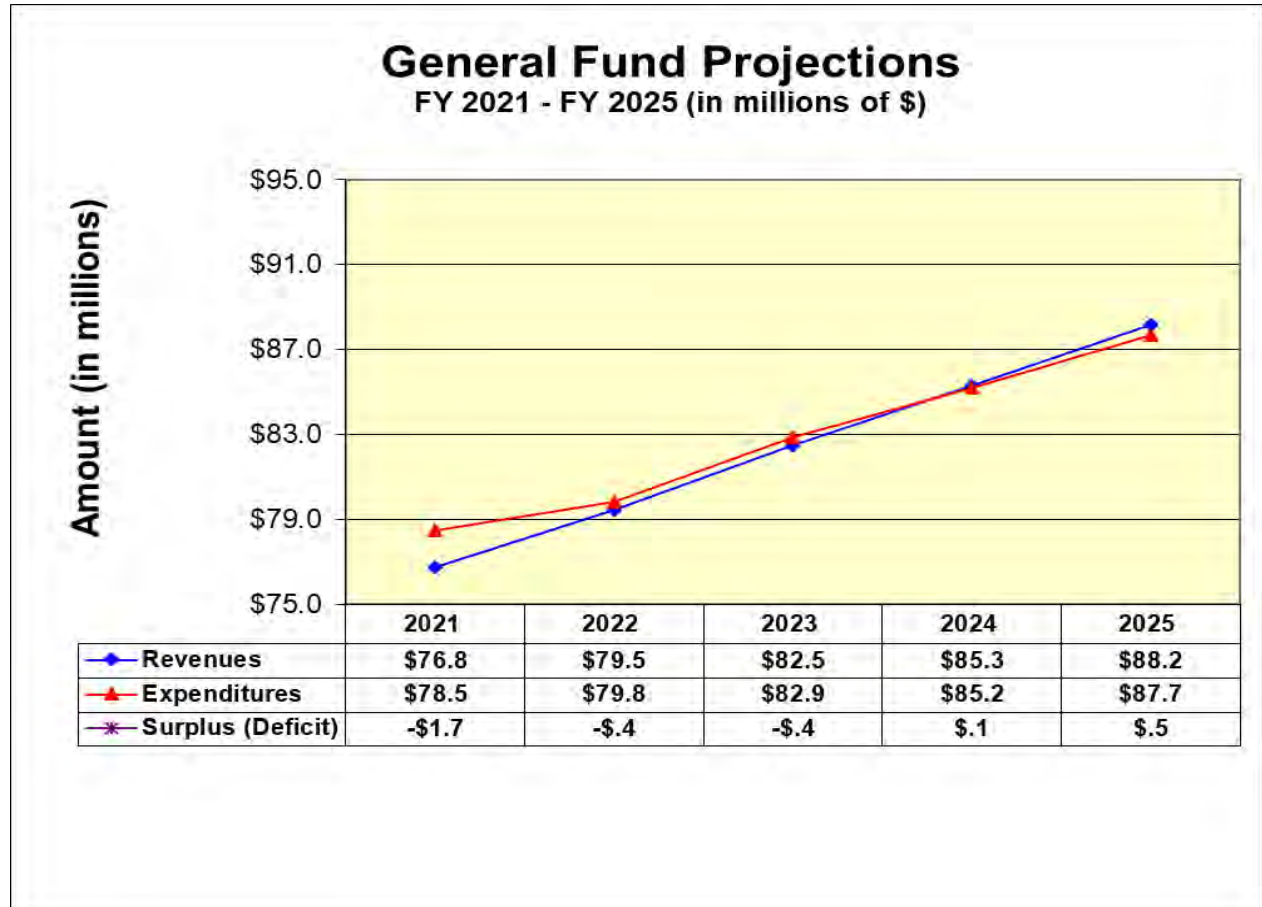
At this point, the financial impact of COVID-19 on City revenues is still uncertain. However, staff has attempted to estimate *General Fund* revenue and expenditures through FY 2025 based on current information. Staff will update these projections periodically as better data becomes available. Staff has summarized the key financial model assumptions in the following table.

Table #1: Financial Model Assumptions – General Fund

	FY2021	FY2022	FY2023	FY2024	FY2025
Assessed Value % annual change	6%	5%	4%	4%	5%
Mill Levy	23.006	23.006	23.006	23.006	23.006
City Sales Tax % annual change	0%	3%	3%	3%	3%
County Sales Tax % annual change	0%	3%	3%	3%	3%
Personnel: % of pay allocated for pay increases	2%	2%	3%	3%	3%
General Fund Transfer to Equipment Reserve Fund (equipment replacement) – in millions	\$0.9	\$0.9	\$1.2	\$1.2	\$1.2
General Fund Transfer to Capital Improvement Fund (pay as you go funding for CIP – funded from general revenue) – in millions	\$2.3	\$2.4	\$2.7	\$2.8	\$3.0

For FY 2021, staff estimates City and County sales tax collections will remain at the same reduced level as the FY 2020 revised estimate (which is 16% lower than FY 2019 actual collections). By FY 2022, staff expects these sales tax collections will begin to grow again.

The following graph summarizes the revenue and expenditure projections for the *General Fund* in FY 2021 to FY 2025.



The *General Fund* financial model reflects the use of General Fund reserves to balance the budget in FY 2021 (\$1.7 million), FY 2022 (\$0.4 million), and FY 2023 (\$0.4 million). Projected revenues slightly exceed projected expenditures beginning in FY 2024.

General Fund Reserve (Fund Balance) Information

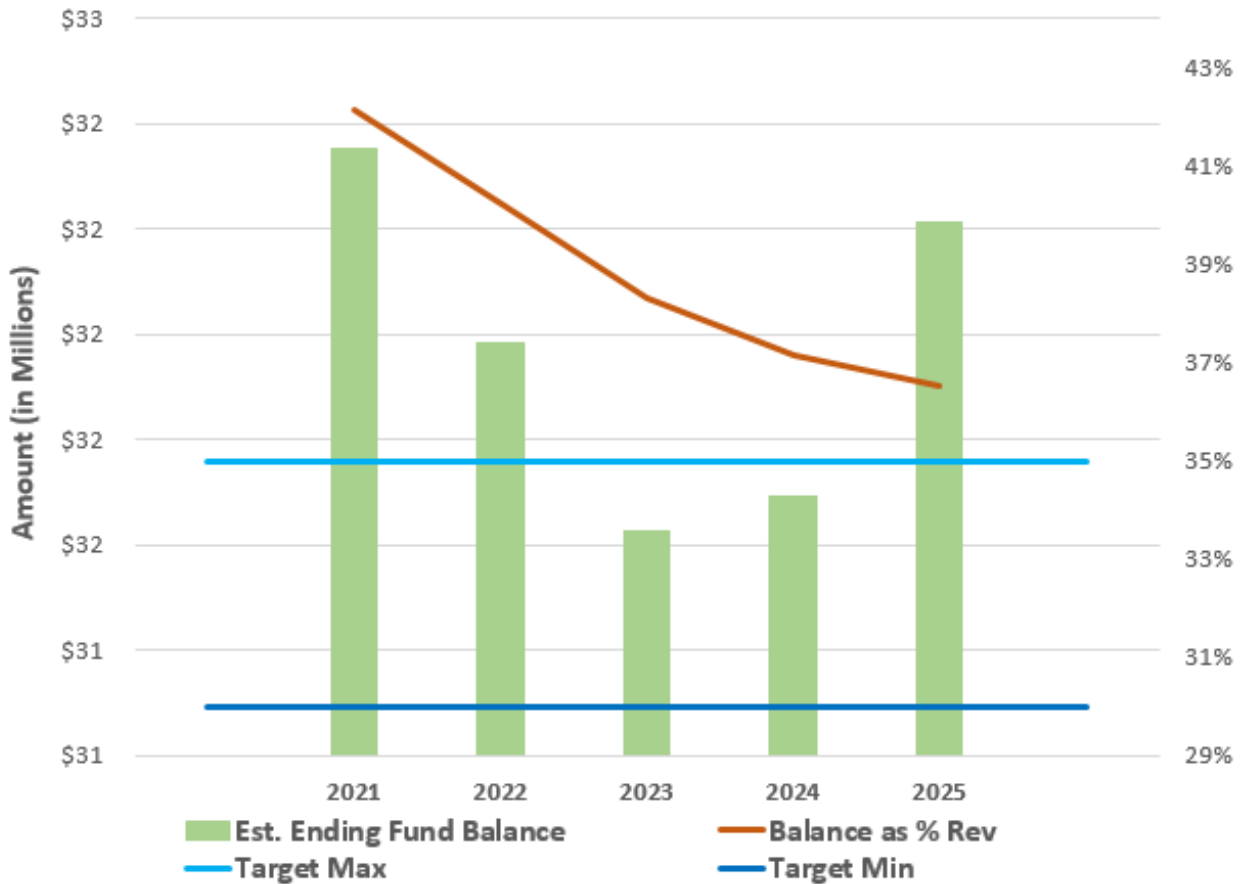
The City adopted a revised policy regarding reserve funds in August 2017. This policy states that the City will “maintain prudent reserve amounts in City funds in order to maintain working capital, fund capital asset replacement, and fund debt retirement.” The policy establishes reserve targets based on a number of factors, including:

- Maintaining *reserves* to meet cash flow requirements.
- Maintaining *reserves* to provide contingencies for unpredictable revenue sources.
- Maintaining *reserves* to provide contingencies for unpredictable *expenditures* and emergencies (such as natural disasters).

The policy establishes reserve targets for a number of City funds, including the *General Fund*. According to the policy, the annual calculation is expected to generate a *General Fund* reserve target that ranges between 30% and 35% of *budgeted annual General Fund revenues*. This target range is generally equivalent to 4 months of *General Fund operating expenditures*.

The following graph shows projections for the *General Fund* reserve balances in FY 2021 through FY 2025.

**General Fund Reserve Projections
FY 2021 - FY 2025**



Based on the current projections, the City will be able to maintain a *fund balance* ranging from 37% to 42% of estimated annual *General Fund revenues* over the forecast period. This level of *fund balance* will allow the City to adjust to any revenue disruptions (including COVID-19) and also enhances the probability of maintaining the current credit ratings assigned by the rating agencies for the city's general obligation debt.

DEBT SERVICE FUND MODEL

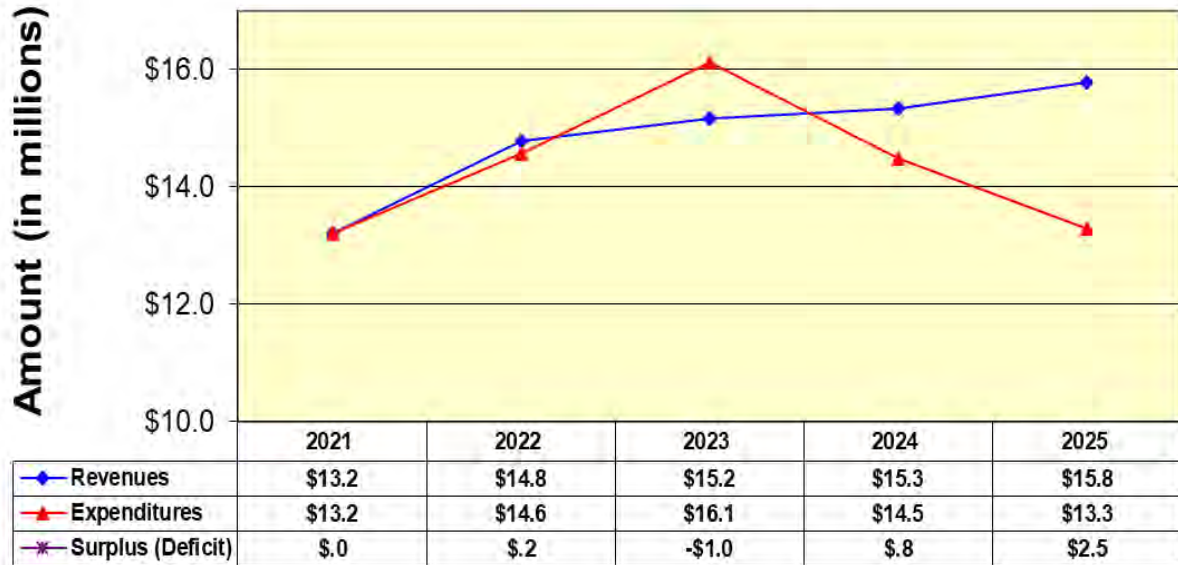
Staff has created *Debt Service Fund* revenue and expenditure projections based on the same assessed *valuation* assumptions as used for the *General Fund*. The projections also assume the *Debt Service Fund mill* levy will be 6.313 mills in FY 2021 through FY 2025.

Debt Service Fund expenditures incorporate financing for *capital projects* funded with *general obligation bonds* (excluding stormwater projects) in the adopted CIP. In general, repayment for new debt is structured on a level payment basis over a period of 10 years or 15 years. However, there are some projects that will be repaid over a period of 20 years (for example, certain special benefit district debt is repaid over 20 years in accordance with existing development agreements).

The following graph summarizes the revenue and expenditure projections for the *Debt Service Fund* in FY 2021 to FY 2025.

Debt Service Fund Projections

FY 2021 - FY 2025 (in millions of \$)



The *Debt Service Fund* financial model reflects a projected deficit of \$1.0 million in FY 2023 assuming the issuance of new debt in FY 2021 and FY 2022 for the Public Safety Complex project. Projected expenditures decline in FY 2024 and FY 2025 due to the retirement of debt issued in previous years.

The reserve target for the *Debt Service Fund* is a range of 10% to 20% of projected *expenditures*. During the five year forecast period, the reserve amount would exceed the 10% minimum reserve requirement (range of 19% to 48% of *debt service expenditures*).

STORMWATER FUND MODEL

Staff has created Stormwater *Fund* revenue and projections assuming the annual Stormwater service charge is \$109 per equivalent dwelling unit (EDU) in FY 2021 through FY 2025 (same service charge as FY 2020).

The expenditure projections for operating costs are generally based on the same assumptions as the *General Fund*, and the stormwater *debt service* projections are based on the *capital projects* included in the adopted CIP. Debt repayment is structured on a level payment basis over a period of 20 years per the original Stormwater *Fund* financial model.

The following graph summarizes the revenue and expenditure projections for the Stormwater *Fund* in FY 2021 to FY 2025.

Stormwater Fund Projections

FY 2021 - FY 2025 (in millions of \$)

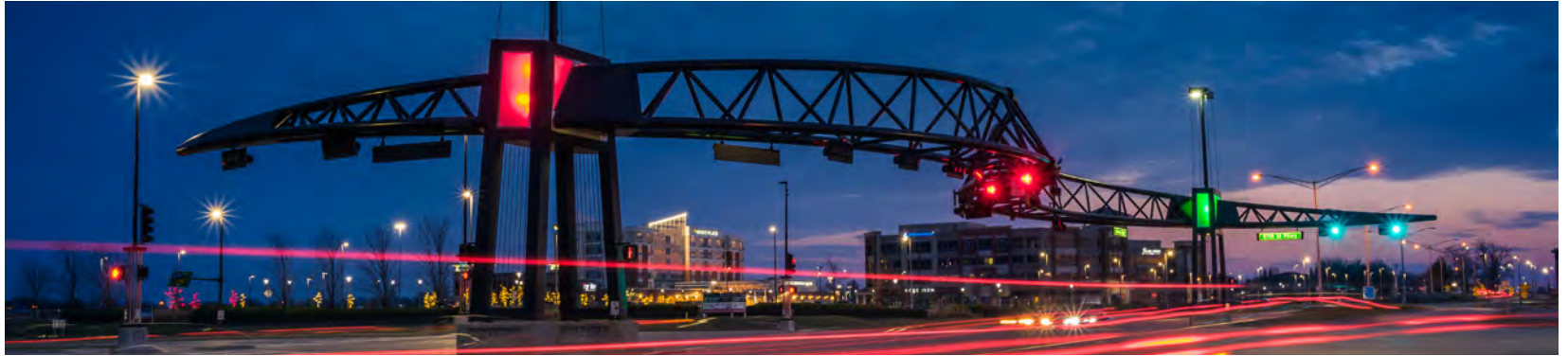


The Stormwater *Fund* financial model reflects slight deficits in FY 2022 through FY 2024 due to the issuance of new debt for future storm drainage projects. Projected expenditures decline in FY 2025 due to the retirement of debt issued in previous years.

The reserve target for the Stormwater *Fund* is a range of 10% to 20% of projected stormwater *revenues*. During the five year forecast period, the reserve amount would equal or exceed the 10% minimum reserve requirement (range of 49% to 55% of stormwater *revenues*).

FINAL COMMENTS

The financial projections include a number of assumptions that continue to change as time passes. The Governing Body can control some of the variables in the projections, while others not controllable and are difficult to forecast. Overall, the projections are a tool to illustrate the impact of policy alternatives and to highlight potential fiscal issues in future years. These tools provide the opportunity to implement adjustments in *revenues* and *expenditures* to avoid potential shortfalls in the later years of the forecast period.



Capital Improvement Program and Debt Management

**Annual Budget Document
2021
City of Lenexa
January 1 - December 31**



Capital Improvement Program

2020-2024 Capital Improvement Program – adopted December 17, 2019

WHAT IS A CAPITAL IMPROVEMENT PROGRAM?

A capital improvement program (CIP) is a plan that is the result of a systematic evaluation of capital projects. The plan serves as a guide for the efficient and effective provision of public facilities, outlining timing and financing schedules of capital projects for a five-year period of time. In the process of formulating the plan, public improvements are prioritized and costs are projected, thereby allowing the city to take maximum advantage of federal, state, and county funds. However, the capital improvement plan is not a document of long-term certainty. Rather, the plan is reviewed yearly, during which time the needs of the city may be re-prioritized and financial status re-evaluated. This allows the city further flexibility in maintaining and promoting an effective level of service for present and future citizens.

WHAT IS A CAPITAL IMPROVEMENT PROJECT?

A capital improvement project is a project that may include the construction of new facilities as additions to the city's assets, renovation of existing structures to significantly extend useful life, and major repair operations of a comprehensive and non-routine nature. To be defined as a capital project, the project must exceed \$300,000 in cost, and have a useful life of at least five years. (Immediate capital replacement needs and smaller capital projects are funded on a pay-as-you-go basis through a yearly budget transfer.) Capital improvements involve the outlay of substantial funds; therefore, numerous techniques are evaluated to enable the city to pay for capital improvements over a longer period of time, including: general obligation bonds, reserves (fund balances), revenue bonds, lease purchase, special districts, special assessments, state and federal grants and cash for capital projects. Common examples of capital improvement projects include the construction of roads and bridges, facilities, and storm drainage improvements. However, the funding of certain other large ticket items, such as fire trucks, is considered to be capital projects as well.

WHAT ARE THE OBJECTIVES OF A CAPITAL IMPROVEMENT PROGRAM?

- 1) To forecast public facilities and improvements that will be needed in the near future.
- 2) To anticipate and project financing needs in order to maximize available federal, state and county funds.
- 3) To promote sound financial planning in order to enhance and protect the bond rating of the City of Lenexa, in accordance with the debt policy.
- 4) To avoid, through sound financial planning, dramatic fluctuations of the tax rate.
- 5) To focus attention on and assist in the implementation of established community initiatives as outlined in the Governing Body goals and the Comprehensive Plan.
- 6) To serve as a guide for local officials in making budgetary decisions.
- 7) To balance the needs of developing west Lenexa with the needs of the already developed eastern portion of Lenexa.

- 8) To promote and enhance the economic development of the City of Lenexa in a timely manner.
- 9) To strike a balance between needed public improvements and the present financial capability of the city to provide for these improvements.
- 10) To provide an opportunity for citizens and interest groups to voice their requests for community improvement projects.

HOW DOES CAPITAL SPENDING IMPACT THE OPERATING BUDGET?

Capital spending impacts the operating budget by increasing revenue and/or increasing or decreasing expenditures. When the city undertakes a capital improvement such as a boulevard, sometimes it is undertaken to attract new businesses or industries to the city. Thus, the businesses will increase the city's property tax base and also potentially increase sales tax revenues. Building permits will also increase due to the construction of the buildings used in the businesses.

The construction of a new boulevard will also increase the expenditure side of the department's operating budget. The Parks and Recreation Department has additional area to maintain. The Community Development Department has additional area to zone. The Police Department has an additional street to patrol. The Municipal Services Department has an additional street to clear of snow and ice. The Fire Department has additional areas for fire protection.

The city strives to increase its revenues through the growth of the city, therefore, decreasing the amount of tax dollars required from its citizens.

HOW IS THE CAPITAL IMPROVEMENT PROGRAM FORMULATED?

Since a capital improvement program is intended to schedule major physical improvements, it is necessary to allow all city departments an opportunity to submit capital improvement requests that are anticipated over a five-year period. Likewise, citizens and public interest groups should be offered the opportunity to voice their requests for community improvement projects.

Once a composite list of capital improvement requests has been created, and the administrative recommendations submitted, the Planning Commission is responsible for reviewing and recommending project priority from a professional planning perspective. The Governing Body is responsible for recommending and prioritizing projects from a budgetary and affordability perspective as well as examining the need and priority of the projects themselves. The scheduling of projects over a five-year period is based on an evaluation of Lenexa's development policies, plans for future growth, and the ability of the city to amortize the debt. It is important to understand that the Governing Body is not committed to a particular expenditure in a particular year. Instead, the capital improvement programming process is repeated each year to allow re-evaluation of previous requests and consider new requests based on changing community needs and conditions.

HOW ARE CAPITAL IMPROVEMENTS FINANCED?

It is important to note the direct correlation between sound capital planning and favorable bond ratings. Credit rating agencies directly correlate greater risk with large debt. A strong assessed valuation in conjunction with low debt ratios facilitates a better bond rating, thereby resulting in more favorable interest rates for long-term borrowing. A sound capital improvement program is critically important to a favorable bond rating, as it demonstrates that the city is able to exercise control over expenditures.

Because most capital improvements involve the outlay of substantial funds, local government may not be able to pay for these facilities through annual appropriations in the annual operating budget. Therefore, numerous techniques have evolved to enable local government to pay for capital improvements over a

longer period of time rather than a single year. Most techniques involve the issuance of bonds in which a government borrows money from investors and pays the principal and interest over a number of years. Long-term debt is issued by the City of Lenexa in accordance with the city's debt policy. Brief definitions of financing techniques are listed below.

Authorities and Special Districts: Special authorities or districts may be formed, pursuant to applicable statutory requirements, to provide public improvements. These districts are usually single purpose, providing only a single service or improvement. The purpose of forming authorities or special districts is often to avoid statutory local government debt limits, which restrict the ability of the municipality to issue long-term debt. A further purpose is to provide improvements, which may overlap jurisdictional boundaries. Projects undertaken by special districts and authorities are generally financed through the issuance of revenue bonds, although in some circumstances special districts may be granted the power to tax.

Current (Pay-as-you-go) Revenue: Pay-as-you-go financing refers to the method whereby improvements are financed from current revenues including general taxes, fees, service charges, special funds, and special assessments.

General Obligation Bonds: Many capital improvement projects are funded by the issuance of general obligation bonds. General obligation bonds are full faith and credit bonds, pledging the general taxing power of the jurisdiction to back the bonds. General obligation bonds can be sold to finance permanent types of improvements such as schools, municipal buildings, parks, and recreation facilities. In some circumstances, voter approval may be required.

Lease/Purchase: Local governments using the lease/purchase method prepare specifications for a needed public works project that is constructed and owned by a private company or authority. The facility is then leased back to the municipality, and the title is conveyed to the municipality at the end of the lease period. The lease period is of such length that the payments retire the principal and interest.

Reserve Funds: In reserve fund financing, funds are pooled in advance to finance an upcoming capital construction or purchase. This pool of funds may be from surplus or earmarked operational revenues, funds in depreciation reserves, or the sale of capital assets.

Revenue Bonds: Revenue bonds are a mechanism used in cases where the project being funded will generate revenue from user fees, such as water or sewer systems. These fees are used to pay for the improvement project. These bonds are not generally subject to statutory debt limitations, as the full faith and credit of the municipal entity do not back these issues. However, some revenue bonds, referred to as "double barreled" revenue bonds, have supplemental guarantees to make the investment more appealing. The interest rate on revenue bonds is generally higher than that for general obligation bonds.

Special Assessments: Community Development projects that more directly benefit certain property owners may be financed in the interest of equity by the use of special assessments. In this method, the directly benefiting property owners are assessed the cost of the improvement based upon applicable formulas and/or policies. Local improvements typically financed by this method include street pavement, sanitary sewers, and water mains.

State and Federal Grants: State and federal grants-in-aid are financing methods that have financed many improvements including street improvements, water and sewer facilities, airports, parks and playgrounds. The costs of these improvements may be paid for entirely by the grant, although in many instances these funds must be leveraged with local funds.



Capital Improvement Program

Sources and Uses of funding by year 2020-2024 Amended CIP

<u>Sources of Funding:</u>	Prior							<u>Totals</u>	<u>% share</u>
	<u>Years</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2024</u>		
General Obligation Bonds	\$428,838	\$0	\$147,946	\$17,122,500	\$30,000,000	\$0	\$0	\$47,699,284	25%
Stormwater Bonds	\$0	\$2,150,000	\$4,672,000	\$1,386,000	\$0	\$0	\$0	\$8,208,000	4%
Special Benefit District Bonds	\$0	\$0	\$0	\$15,430,000	\$0	\$0	\$0	\$15,430,000	8%
General Fund Revenues	\$8,702,051	\$3,614,253	\$8,294,261	\$11,515,000	\$2,968,169	\$3,236,000	\$2,288,198	\$40,617,932	20%
Stormwater Revenues	\$0	\$1,825,000	\$2,132,025	\$1,325,000	\$1,325,000	\$1,325,000	\$1,325,000	\$9,257,025	5%
Excise Tax	\$0	\$400,000	\$1,223,500	\$0	\$0	\$0	\$0	\$1,623,500	1%
TIP Fees	\$470,855	\$200,178	\$1,269,421	\$710,567	\$415,831	\$311,900	\$0	\$3,378,752	2%
PRIF Fees	\$0	\$0	\$0	\$670,000	\$0	\$0	\$0	\$670,000	0%
3/8 cent sales tax	\$948,385	\$2,924,193	\$3,622,744	\$9,826,000	\$2,900,000	\$2,988,000	\$3,377,219	\$26,586,541	13%
County 1/4 cent sales tax	\$220,000	\$0	\$4,255,000	\$10,800,000	\$0	\$0	\$0	\$15,275,000	8%
Parks Revenues	\$0	\$25,000	\$105,000	\$167,000	\$25,000	\$25,000	\$25,000	\$372,000	0%
Other funding	\$0	\$0	\$240,310	\$2,347,000	\$0	\$0	\$0	\$2,587,310	1%
Subtotal:	\$10,770,129	\$11,138,624	\$25,962,207	\$71,299,067	\$37,634,000	\$7,885,900	\$7,015,417	\$171,705,344	85%



Capital Improvement Program

Sources and Uses of funding by year 2020-2024 Amended CIP

<u>External sources of funding:</u>	<u>Prior Years</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2024</u>	<u>Totals</u>	<u>% share</u>
Federal & State Grants	\$2,807,680	\$0	\$5,697,360	\$4,520,000	\$0	\$0	\$0	\$13,025,040	6%
CARS Program	\$0	\$1,805,000	\$3,094,000	\$1,526,000	\$0	\$458,000	\$0	\$6,883,000	3%
SMAC Program	\$0	\$0	\$950,000	\$0	\$0	\$0	\$0	\$950,000	1%
Special Highway fund (gas tax)	\$0	\$1,435,000	\$1,461,000	\$1,461,000	\$1,461,000	\$1,461,000	\$1,461,000	\$8,740,000	4%
Other local funding	\$0	\$50,000	\$732,616	\$0	\$0	\$0	\$0	\$782,616	0%
Total external sources of funding:	\$2,807,680	\$3,290,000	\$11,934,976	\$7,507,000	\$1,461,000	\$1,919,000	\$1,461,000	\$30,380,656	15%
Grand Total Sources of Funding:	\$13,577,809	\$14,428,624	\$37,897,183	\$78,806,067	\$39,095,000	\$9,804,900	\$8,476,417	\$202,086,000	100%



Capital Improvement Program

Sources and Uses of funding by year 2020-2024 Amended CIP

<u>Uses of Funding:</u>	Prior								
	<u>Years</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2024</u>	<u>Totals</u>	<u>% share</u>
Streets & Bridges	\$4,460,687	\$8,304,020	\$31,828,966	\$25,993,773	\$6,905,000	\$6,318,000	\$5,996,554	\$89,807,000	44%
Traffic	\$1,057,677	\$2,515,854	\$1,980,000	\$770,569	\$490,000	\$801,900	\$480,000	\$8,096,000	4%
Stormwater	\$0	\$3,950,000	\$7,368,000	\$2,686,000	\$1,300,000	\$1,300,000	\$1,300,000	\$17,904,000	9%
Facilities	\$34,782	\$2,878,020	\$5,120,599	\$32,696,960	\$30,765,441	\$400,000	\$400,198	\$72,296,000	36%
Parks	\$1,255,070	\$398,746	\$3,876,519	\$812,000	\$0	\$200,000	\$399,665	\$6,942,000	3%
Capital Equipment & Miscellaneous	\$0	\$350,000	\$663,000	\$5,043,000	\$0	\$985,000	\$0	\$7,041,000	3%
Total Uses of Funding:	\$6,808,216	\$18,396,640	\$50,837,084	\$68,002,302	\$39,460,441	\$10,004,900	\$8,576,417	\$202,086,000	100%



Capital Improvement Program

Year Capital Expenditures are Incurred

Project Title	Prior	Budget	2020	2021	2022	2023	2024	Total
	Years	2019						
STREETS/BRIDGES								
Pavement Management Program	0	6,828,446	6,357,000	5,029,000	5,156,000	5,748,000	5,426,554	34,545,000
Bridge Maintenance	0	576,000	1,070,000	460,000	270,000	270,000	270,000	2,916,000
K-10 & Lone Elm Interchange Design and ROW Acquisition	3,346,512	0	4,137,488	0	0	0	0	7,484,000
I-435 & 87th Street Parkway Landscaping	8,800	0	450,200	0	0	0	0	459,000
95th & I-35 Landscaping Phase II	472,766	0	92,234	0	0	0	0	565,000
95th Street & Santa Fe Trail Drive Intersection Improvements	201,001	0	2,390,999	0	0	0	0	2,592,000
99th Street & Clare Road	0	0	931,500	6,833,500	0	0	0	7,765,000
Wayside Horn System	8,683	0	531,317	0	0	0	0	540,000
City Center North Elmridge Street SBD	234,009	0	3,330,991	0	0	0	0	3,565,000
Quivira Road Improvements -75th Street to 87th Street Parkway	188,916	49,875	3,015,209	0	0	0	0	3,254,000
75th Street & Quivira Road Intersection Improvements	0	52,500	385,500	0	0	0	0	438,000
87th Street Parkway Improvements - Renner Boulevard to Maurer Road	0	400,000	440,000	6,260,000	0	0	0	7,100,000
Ridgeview Road Design - Prairie Star Parkway to 87th Street Parkway	0	6,914	118,086	0	0	0	0	125,000
Lenexa Logistics Centre East (116th St & Renner Blvd) SBD	0	315,285	5,794,715	0	0	0	0	6,110,000
79th Street & Renner Boulevard Traffic Signal	0	75,000	481,000	0	0	0	0	556,000
Lenexa Logistics Centre North Phase II SBD	0	0	515,727	5,239,273	0	0	0	5,755,000
95th Street & Loiret Boulevard Intersection Improvements	0	0	0	430,000	1,179,000	0	0	1,609,000
Gleason Road from Prairie Star Parkway to 97th Terrace	0	0	1,487,000	0	0	0	0	1,487,000
Little Mill Creek Trail Crossing 87th Street Parkway	0	0	0	1,442,000	0	0	0	1,442,000
Sidewalk Repair Program	0	0	300,000	300,000	300,000	300,000	300,000	1,500,000
Subtotal	4,460,687	8,304,020	31,828,966	25,993,773	6,905,000	6,318,000	5,996,554	89,807,000
TRAFFIC								
Street Lighting System Replacement	0	380,000	380,000	380,000	380,000	380,000	380,000	2,280,000
LED Streetlight Conversion	875,086	1,724,914	400,000	0	0	0	0	3,000,000
87th Street Parkway Traffic Signals	182,591	410,940	0	280,569	0	311,900	0	1,186,000
Prairie Star Parkway & K-7 Traffic Signal Improvements	0	0	840,000	0	0	0	0	840,000
Complete Streets Implementation	0	0	360,000	110,000	110,000	110,000	100,000	790,000
Subtotal	1,057,677	2,515,854	1,980,000	770,569	490,000	801,900	480,000	8,096,000



Capital Improvement Program

Project Title	Prior Years	Budget 2019	2020	2021	2022	2023	2024	Total
PUBLIC BUILDINGS								
Facilities Improvements & Maintenance	0	2,692,802	500,000	500,000	400,000	400,000	400,198	4,893,000
Public Safety Facility Study	34,782	185,218	55,000	0	0	0	0	275,000
Traffic Maintenance & Sign Shop Study	0	0	50,000	0	0	0	0	50,000
Public Safety Complex	0	0	4,147,599	25,486,960	30,365,441	0	0	60,000,000
Community Center and Senior Center Improvements	0	0	368,000	6,710,000	0	0	0	7,078,000
Subtotal	34,782	2,878,020	5,120,599	32,696,960	30,765,441	400,000	400,198	72,296,000
PARKS								
Playground Equipment Replacement	1,112,276	386,059	0	0	0	200,000	399,665	2,098,000
Lackman Road Mixed Use Bike/Hike Trail	130,481	0	2,371,519	0	0	0	0	2,502,000
Tennis Court Facility Renovations	12,313	12,687	1,345,000	0	0	0	0	1,370,000
Cedar Station Park Development	-	0	80,000	812,000	0	0	0	892,000
Parks and Recreation Master Plan Update	0	0	80,000	0	0	0	0	80,000
Subtotal	1,255,070	398,746	3,876,519	812,000	0	200,000	399,665	6,942,000
STORMWATER								
Stormwater Infrastructure Replacement	0	3,950,000	1,746,000	2,686,000	1,300,000	1,300,000	1,300,000	12,282,000
109th Street to College & Pflumm Storm drainage Improvements	0	0	1,535,000	0	0	0	0	1,535,000
Ashley Park Storm drainage Improvements	0	0	1,974,000	0	0	0	0	1,974,000
Oakhill Stormdrainage Improvements	0	0	2,113,000	0	0	0	0	2,113,000
Subtotal	0	3,950,000	7,368,000	2,686,000	1,300,000	1,300,000	1,300,000	17,904,000
MAJOR CAPITAL EQUIPMENT & MISCELLANEOUS								
Gateway Monument Program	0	350,000	285,000	106,000	0	0	0	741,000
Fire Engine with Aerial Ladder	0	0	0	977,000	0	0	0	977,000
Fire Engine with Aerial Ladder	0	0	0	0	0	985,000	0	985,000
City Center East Lot 1 projects	0	0	0	3,960,000	0	0	0	3,960,000
Police Specialty Armored Vehicle	0	0	378,000	0	0	0	0	378,000
Subtotal	0	350,000	663,000	5,043,000	0	985,000	0	7,041,000
Total Cost Funded Projects	6,808,216	18,396,640	50,837,084	68,002,302	39,460,441	10,004,900	8,576,417	202,086,000



CIP Highlights

As provided by state law the city does not budget its major capital improvement projects. Major capital projects are established within the framework of the city's five-year capital improvement program. This program is reviewed annually and adopted by resolution of the Governing Body. The City's CIP focuses on using a mixture of funding sources, including debt, 3/8-cent sales and use tax revenues, excise tax revenues and County Assisted Road System funding. The City has also established an ongoing pavement management program for the maintenance of new and existing roadways to help reduce the impact on the Municipal Services operating budget.

Capital Projects (Capital Improvement Program 2020-2024)

The 2020-2024 CIP is built upon the Governing Body and Planning Commission's goals of delivering on past promises; improving the quality of life through infrastructure; and balancing the facilitation of growth with maintenance of current infrastructure. The CIP was prepared assuming a debt service property tax rate of 6.3 mills in FY 2020 through FY 2024. The CIP includes 44 funded projects for 2020-2024. The 2020-2024 CIP is \$46 million higher than the previous CIP due to the addition of 15 new projects including: Gleason Road from Prairie Star Parkway to 97th Terr., Public Safety Complex, Community Center and Senior Center Improvements. Capital expenditures totaling \$68.0 million have been planned for construction for the 2021 budget year.

Pavement Management Program

One of the Governing Body's six strategic goals is reinvestment. The 2021 budget supports this goal by allocating funding to infrastructure maintenance. The Pavement Management Program is money that is set aside in 2021 for the maintenance and repair of streets and highways. A total of \$5.0 million is allocated for the Pavement Management Program in 2021. Special Highway monies will fund approximately \$1.4 million; \$2.8 million will be funded from 3/8 cent sales tax (adopted in 2008); \$0.7 million from the General Fund and \$0.1 million from other funding sources (stormwater and parks).



Capital Improvement Program

Listed below are all the projects slated for the 2021 construction year, the estimated cost and the operating budget impact for the year 2021.

Pavement Maintenance Program

Description: In an effort to maintain quality roadways, the City of Lenexa takes a proactive approach to pavement maintenance. Using the GBA Street Master Pavement Maintenance Program, we are able to evaluate alternative maintenance techniques, such as crack sealing, slurry seal, and mill & overlay to create a cost-effective program.

Justification: The annual Pavement Maintenance Program will maintain roadways during their useful life. Current maintenance procedures include curb & gutter replacement, crack sealing, micro seals, mill & overlay and asphalt surface rejuvenation using ultra-thin bonded asphalt surface (UBAS).

Cost: \$5,029,000

Operating Budget Impact: None

Bridge Maintenance

Description: The city is required to have all 28 bridges inspected biennially and reports to the Kansas Department of Transportation. A bridge is defined as a structure or reinforced concrete box with an overall width (measured along the centerline of the roadway) exceeding 20 feet. A consultant for the city has identified a number of maintenance needs to keep our bridges safe and to extend their useful life. Specific improvements include expansion joint repairs, crack sealing, guardrail repair and scour protection.

Justification: Without routine maintenance, the useful life of Lenexa's bridges will be significantly shortened.

Cost: \$460,000

Operating Budget Impact: None

99th St & Clare Road

Description: Construct 99th Street as a four-lane, divided roadway from the current end of pavement (EOP) at 98th Street easterly 2,550' to future Clare Road. In addition, the project would construct Clare Road from the current EOP at 97th Terrace southerly 1,350' to the proposed 99th Street extension. Clare Road would require grading for the ultimate four-lane section, but only constructing the eastern-most two-lanes of asphalt at this time.

Justification: To facilitate development of new residential subdivisions.

Cost: \$6,834,000

Operating Budget Impact: None

87th Street Parkway – Renner Blvd. to Maurer Road Improvements

Description: The project will add additional through lanes to 87th Street Parkway and to the northbound and southbound I-435 exit ramps. The ultimate configuration is three through lanes along 87th Street Parkway between Renner Blvd. and Maurer Road. In addition, 10' wide trails will be constructed along eastbound and westbound 87th Street Parkway, new storm sewer system installed, and new traffic signal installed at the 87th Street Parkway and northbound I-435 exit ramp.

Justification: Due to development of Lenexa City Center and Sonoma Plaza, additional capacity is needed at the 87th Street Parkway and I-435 interchange. This project received \$3.2 million in federal STP funds from the Mid America Regional Council.

Cost: \$6,260,000

Operating Budget Impact: None

Lenexa Logistics Centre North Phase II SBD

Description: The project will construct 1,640 linear feet of new roadway known as Britton Street; new turn lanes along College Boulevard; new traffic signal at College Blvd/Britton Street; water main extensions; sanitary sewer extension and new storm drainage system.

Justification: The project will open over 120 acres of land for development of office/warehouse space.

Cost: \$5,239,000

Operating Budget Impact: None

95th Street and Loiret Boulevard Intersection Improvements

Description: The project will install new traffic signal with ADA ramps, pedestrian signals and ADA push buttons on all approaches. Other work includes construction of a westbound right turn lane on 95th Street; a southbound right turn lane on Loiret Blvd; and extension of the existing northbound right turn lane on Loiret Blvd.

Justification: Due to the adjacent development of Grunfos Headquarters, Skyline; Collins Aerospace, along with the extension of Maurer Road and associated development, this intersection now meets warrants for a traffic signal. To provide more efficient operation of the intersection, additional turn lanes are necessary.

Cost: \$430,000

Operating Budget Impact: None

Little Mill Creek Trail Crossing 87th Street Parkway

Description: The project will provide a grade separated tunnel crossing under 87th Street to connect trails on the north side to trails, Sar-Ko-Par Trails Park, and swimming pool on the south side of 87th Street.

Justification: The trail system has a series of steps and circuitous to a signalized crossing across 87th Street. This will improve the accessibility of the trail and safety of the users crossing 87th Street. This will enhance the mixed-use trail system by providing a better crossing of 87th Street which acts as a barrier and will certainly encourage more use of the trails.

Cost: \$1,442,000

Operating Budget Impact: None

Sidewalk Repair Program

Description: This is a dedicated program to address the repair and construction of sidewalks throughout the community.

Justification: The program will identify and repair sidewalks in the City limits which need repair. This program will also address missing gaps in our sidewalk network to create a safer more pedestrian friendly sidewalk network. Currently funds are being used out of our pavement management program or street budget to address these needs. With a dedicated program, those dollars can be put back into the Pavement Management Program.

Cost: \$300,000

Operating Budget Impact: None

Street Lighting Replacement

Description: In 2009, the city purchased 2,437 streetlights from KCP&L. Purchasing the streetlights outright instead of leasing them led to a cost savings, which funds this program. Over time, modern, energy-efficient ones will replace old and functionally deficient lights.

Justification: Most of the streetlights recently purchased from KCP&L are over 30 years old, were installed under different standards and have served beyond the expected service life. This program will replace older lights with new energy efficient lights meeting current city standards.

Cost: \$380,000

Operating Budget Impact: None

87th Street Traffic Signals

Description: The original project included the design and construction of a traffic signal at eastbound 87th Street and Penrose Lane and included the final signal design of the remaining (7) intersections on 87th Street from Scarborough to Winchester. The amended project now includes a schedule over the next several years to install the remaining seven (7) traffic signals along 87th Street from Scarborough to Winchester at a rate of two traffic signals per year.

Justification: Due to increased traffic, it has been determined that the signal is needed in order to support growth and development in the City Center area.

Cost: \$281,000

Operating Budget Impact: \$2,000 per signal

Complete Street Program

Description: This program will implement complete streets improvements throughout the City including signing, pavement marking, filling missing sidewalk gaps, crosswalks, etc. as recommended in the Complete Streets Plan.

Justification: Deficiencies in complete streets were identified in the recently completed study. This program will help fund improvements to the street system to accommodate complete streets elements.

Cost: \$110,000

Operating Budget Impact: None

Facilities Improvements and Maintenance Fund

Description: Funding for improvements and maintenance of all city owned facilities, including parks. Projects include interior and exterior maintenance, site parking, roofing, deferred maintenance for equipment replacement, (HVAC) heating, ventilation and air conditioning.

Justification: To prolong the useful life of our infrastructure, reduce operational costs, and protect the stakeholder's investments.

Cost: \$500,000

Operating Budget Impact: None

Public Safety Complex

Description: This project would design and construct a new Public Safety Complex that would meet the future space needs of the Police Department, Municipal Court, and Information Technology. The project would also enhance security, training, communications/ dispatch and records and evidence storage.

Justification: The current Public Safety Complex was constructed in phases starting in 1980. The current building does not meet the future space needs of the Police Department, Courts, and Information Technology. The current building has reached its useful life and is currently not configured to meet current best practices in law enforcement. Additional space is needed in all functional areas including communications/ dispatch, locker rooms, evidence and records processing, patrol, and training.

Cost: \$25,487,000

Operating Budget Impact: To be determined

Community Center and Senior Center Improvements

Description: Improvements to the Community Center and Senior Center campus including consolidation of buildings, ADA improvements, expansion of senior program areas, and site improvements.

Justification: Recommendations from the recently completed Community Center and Senior Center Study included options for improving operations, programming, and function of the facilities while making the site a greater amenity for the surrounding neighborhood and entire community.

Cost: \$6,710,000

Operating Budget Impact: To be determined

Cedar Station Park Development

Description: Development of parkland abutting Mize Lake including a small parking lot, playground, restroom, small shelter, interpretive signage and boardwalk access to lake.

Justification: City has owned property and adopted a name for a small future park area that abuts Mize Lake and Trail. As residential development has occurred around the surrounding area the demand for a community park has increased. The city's goal for parks and recreational opportunities include a 10-minute walk to a park or a park within 1/2 mile of all residents. The closest city park and playground is over one mile away.

Cost: \$812,000

Operating Budget Impact: None

Traditional Stormwater Infrastructure replacement

Description: This project reflects the ongoing replacement of corrugated metal pipe (CMP), primarily in eastern Lenexa.

Justification: The city has over 60 miles of corrugated metal pipe (CMP) allowed for stormwater infrastructure due to a previous storm drainage standard that Lenexa and many cities around the country employed for several decades. Lenexa no longer allows CMP for storm drainage infrastructure due to its

susceptibility to corrosion. The city completed its first Condition Assessment of pipes and storm boxes in 2005 and watershed crews continually update the database. Numerous pipes and the catch basins that connect them need immediate replacement. Others require ongoing proactive maintenance. This project addresses this significant issue in a systematic way over several years.

Cost: \$2,686,000

Operating Budget Impact: None

Gateway Monument Program

Description: This multi-phase project will replace the existing outdated metal gateway signs with stone monuments using the same style as the park monuments. This includes 15 total locations at major entry points into the city. The following locations will receive a three-column sign: 75th and Quivira, Pflumm and College, K-10 and Woodland. There are 11 other locations that will receive a single column type of monuments given the lower traffic volume or limited space.

Justification: The existing gateway signs are outdated and have been a point of emphasis from citizens across the city. Some locations have already been completed as part of a major road improvement in that area; however, without a dedicated project some of these locations may never be done. Signage, wayfinding and branding are important to our community's image.

Cost: \$106,000

Operating Budget Impact: None

Fire Engine with Aerial Ladder

Description: 1,500 GPM Class "A" Engine/Pumper with 75' Aerial Ladder

Justification: To maintain a high-quality fleet of both front-line and reserve apparatus it is recommended that each fire apparatus be assigned to 8-10 years of front-line service and 8-10 years of reserve service. Delaying this apparatus replacement program will negatively affect front-line and reserve apparatus quality and reliability. This requested apparatus replaces fleet #9501, a 2011 class "A" pumper / engine with 75' aerial ladder. This unit will be reassigned to reserve status and fleet # 952 is recommended for trade-in.

Cost: \$977,000

Operating Budget Impact: None

City Center East Lot 1 Projects

Description: Economic development grant provided to the developer for the construction of a public parking garage (\$3.46 m) and outdoor entertainment area (\$0.5 m).

Justification: Financing this project requires a public/private partnership. The City believes the mixed-use project, the public parking garage and the outdoor entertainment area are necessary for the City Center area.

Cost: \$3,960,000

Operating Budget Impact: None



Debt Management

DERIVATIVES

As required by the debt policy, the City will cautiously plan for the potential use of any derivative products. The City will carefully examine these products (which usually take the form of non-traditional financing structures) on a case-by-case basis with full analytical review of the costs and benefits of the derivative option. The City will only consider derivatives in very specific debt applications, and not as a general rule for basic municipal infrastructure funding. The City does not currently use any derivative products for debt management purposes.

CREDIT RATINGS

One objective of the City's debt policy is to help secure favorable credit ratings in order to minimize borrowing costs and preserve access to the credit markets. In general, a credit rating is an independent summary judgment on the willingness and ability of a debt issuer to make full and timely debt service payments to investors. The City's debt is rated by Moody's Investors Service and Standard & Poor's Ratings Services. The City's credit ratings on general obligation bonds are:

- ◆ Moody's Investors Service – Aaa
- ◆ Standard & Poor's Ratings Services – AAA

Moody's Investors Service made the following comments in October 2020:

- ◆ "The City of Lenexa, KS's (Aaa stable) credit profile benefits from a large tax base in the economically vibrant Johnson County (Aaa stable) area with strong resident income levels. The city's financial position is strong and supported by management's multiyear capital and financial planning. The profile also incorporates the low pension liability and significant liquidity outside the operating funds which bolsters reserves. Further, the above median debt burden is a constraining factor, though this is mitigated by rapid growth and additional revenue streams supporting debt service."

Standard & Poor's Ratings Services maintained its rating of AAA on the city's general obligation bonds. In assigning the AAA rating to the city's general obligation bonds, Standard & Poor's made the following comments in October 2020:

- ◆ "Very strong economy, with access to a broad and diverse metropolitan statistical area (MSA);"
- ◆ "Very strong management, with strong financial policies and practices under our financial management assessment methodology;"
- ◆ "Adequate budgetary performance, with operating surpluses in the general fund and at the total governmental fund level in fiscal 2019;"
- ◆ "Very strong budgetary flexibility, with an available fund balance in fiscal 2019 of 64% of operating expenditures;"
- ◆ "Very strong liquidity, with total government available cash at 98.5% of total governmental fund expenditures and 4.7x governmental debt service, and access to external liquidity we consider strong;"
- ◆ "Weak debt and contingent liability position, with debt service carrying charges at 20.9% of expenditures and net direct debt that is 121.9% of total governmental fund revenue, but rapid amortization, with 72.9% of debt scheduled to be retired in 10 years; and
- ◆ "Strong institutional framework score."

SUMMARY

The City has adopted a debt policy to ensure that the City is able to make all debt service payments in a timely manner. The city's financial position is favorable, as can be seen by the credit ratings assigned to the City's general obligation bonds. Current debt levels are manageable, and the City's financial reserves remain sufficient. Sound financial policies, including a debt management policy, are in place to maintain the City's financial health in 2021 and beyond. Additional information on the City's current debt service, projected debt service, and debt ratios is presented in the remainder of this section.



Debt Service

DEBT SERVICE FUND - 05

Fund Description

To account for all monies used for the retirement of general obligation bonds (excluding Stormwater bonds). Revenue for debt retirement comes primarily from an ad valorem tax levied on real and personal property.

Core Services

- Debt service expenditures in 2021 consist of \$12.2 million in general obligation principal payments and interest payments
- The projected reserve in the 2021 budget is \$3.8 million or approximately 29% of budgeted annual debt service and transfers.

Expenditure Information

Expenditure Category	FY 2018	FY 2019	FY 2020	FY 2020	FY 2021
	Actual	Actual	Original Budget	Revised Budget	Budget
Personal Services	\$0	\$0	\$0	\$0	\$0
Contractual Services	7,204	7,284	0	0	0
Commodities	0	0	0	0	0
Capital Outlay	0	0	0	0	0
Debt Service	13,174,531	12,646,189	12,543,666	12,543,666	12,174,565
Transfers	0	0	830,000	830,000	1,040,461
Reserves	0	0	3,862,490	0	3,768,170
Total	\$13,181,735	\$12,653,473	\$17,236,156	\$13,373,666	\$16,983,196



Debt Service

GENERAL OBLIGATION (G.O.) BONDS

Fiscal Year Ending	Debt Service Fund Principal	Debt Service Fund Interest	Stormwater Fund Principal	Stormwater Fund Interest	Tourism Fund Principal	Tourism Fund Interest	Capital Improvement Fund Principal	Capital Improvement Fund Interest	Total
2021	8,990,000	2,906,888	1,985,000	773,756	175,000	101,856	2,095,000	744,100	17,771,600
2022	8,170,000	2,570,838	2,025,000	692,406	180,000	93,106	2,140,000	702,200	16,573,550
2023	7,645,000	2,239,963	2,050,000	621,381	190,000	84,107	2,245,000	595,200	15,670,651
2024	6,260,000	1,961,306	2,095,000	566,893	200,000	78,406	2,360,000	482,950	14,004,555
2025	5,280,000	1,721,450	1,760,000	492,938	200,000	74,156	2,475,000	364,950	12,368,494
2026	4,335,000	1,516,250	1,545,000	440,225	205,000	69,657	2,600,000	241,200	10,952,332
2027	4,460,000	1,348,450	1,215,000	376,794	210,000	64,531	2,680,000	163,200	10,517,975
2028	4,085,000	1,175,950	985,000	322,719	215,000	58,231	2,760,000	82,800	9,684,700
2029	4,170,000	1,026,600	1,050,000	284,100	225,000	51,781			6,807,481
2030	4,215,000	889,800	1,060,000	247,956	230,000	45,032			6,687,788
2031	3,790,000	755,331	1,040,000	212,569	235,000	38,131			6,071,031
2032	3,910,000	633,288	980,000	177,500	250,000	31,081			5,981,869
2033	3,400,000	506,725	955,000	145,700	250,000	23,581			5,281,006
2034	3,340,000	391,981	780,000	114,056	260,000	16,081			4,902,119
2035	3,180,000	277,094	720,000	89,306	265,000	8,282			4,539,682
2036	1,425,000	164,013	625,000	66,100					2,280,113
2037	1,475,000	113,888	645,000	46,569					2,280,456
2038	1,530,000	61,450	665,000	25,675					2,282,125
2039	190,000	5,700	135,000	4,050					334,750
Total	\$ 79,850,000	\$ 20,266,964	\$ 22,315,000	\$ 5,700,693	\$ 3,290,000	\$ 838,019	\$ 19,355,000	\$ 3,376,600	\$ 154,992,276



Debt Management

Investments in capital infrastructure are required to maintain the quality of life that attracts people to the City of Lenexa. Due to the size of these investments, the City uses a variety of financing methods for the CIP. The financing methods include the issuance of general obligation bonds and other bonds, which are governed by the City's debt policy.

The City adopted a revised debt policy in December of 2017. In accordance with this policy, the City may review and consider the impact debt could have with regard to the following:

- ◆ Adherence to the approved CIP.
- ◆ Potential for increase in assessed valuation.
- ◆ Potential for increase in sales tax revenue.
- ◆ Mill levy required to fund the Debt Service Fund annually.
- ◆ Other factors not specifically mentioned in the policy as the City determines pertinent.

In addition, the City shall monitor the absolute amounts and year to year trends of key financial and debt ratios. If credit market norms exist, the city should strive to meet those standards. Specifically, the City shall monitor the following trends:

- ◆ Ratio of property tax-supported debt service to discretionary revenues.
- ◆ Ratio of property tax-supported debt service to total revenues.
- ◆ Ratio of outstanding General Obligation debt to the statutory debt limit. The city will strive to maintain a minimum of 30% of its statutory debt capacity.

STATUS OF CURRENT RATIOS

- ◆ Property tax-supported debt service/discretionary revenues
 $\$ 11,930,565 / \$ 89,982,221 = 13.26\%$
- ◆ Property tax-supported debt service/total revenues
 $\$ 11,930,565 / \$ 119,334,088 = 10.00\%$
- ◆ General Obligation Bonds and Temporary Notes/Statutory Debt Limit
 $\$ 143,404,000 / \$ 409,374,736 = 35\%$ (The City's available debt capacity is 65%)
- ◆ Debt Service Fund
2020 mill levy rate (for 2021 budget) = 6.313

DEBT ISSUANCE FOR 2021

The City estimates issuing \$34 million of general obligation bonds in 2021 to finance street, building and Stormwater CIP projects.

General Debt Ratios

Assessed Valuation (1)	\$1,445,223,577
Outstanding General Obligation Bonds	\$137,930,000
Outstanding General Obligation Notes Payable	\$5,474,000
Population (Estimate) (2)	55,653
Per Capita General Obligation Debt	\$2,577
Ratio of General Obligation Bonds to Assessed Valuation	9.54%
Overlapping Debt (3)	\$212,613,608
Direct and Overlapping Debt (4)	\$356,017,608
Per Capita Direct and Overlapping Debt	\$6,397
Ratio of Direct and Overlapping Debt to Assessed Valuation	24.63%

- (1) Estimate as of June 2020, including motor vehicle assessed value as of December 2019.
- (2) Census bureau estimate July 2019.
- (3) Johnson County Debt as of December 2019, all other debt as of June 2019.
- (4) Direct Debt includes the outstanding general obligation bonds and general obligation notes.

**Ratio Of Annual Debt Service Expenditures For
General Bonded Debt To Total General
Government Expenditures***

Fiscal Year	Principal	Interest and Fiscal Charges	Total Debt Service (1)	Total General Governmental Expenditures*	Ratio of Debt Service To General Governmental Expenditures
2010	9,505,000	4,274,369	13,779,369	59,396,016	23.2%
2011**	7,645,000	3,044,899	10,689,899	54,488,962	19.6%
2012	6,560,000	2,864,634	9,424,634	59,206,165	15.9%
2013	7,694,131	2,896,593	10,590,724	61,415,135	17.2%
2014	8,402,296	2,700,335	11,102,631	61,207,063	18.1%
2015	8,562,875	2,765,375	11,328,250	64,538,872	17.6%
2016	11,110,612	4,472,882	15,583,494	70,611,302	22.1%
2017	11,690,300	4,691,068	16,381,368	58,946,588	27.8%
2018	26,395,332	4,274,843	30,670,175	64,493,506	47.6%
2019	15,038,718	4,495,284	19,534,002	65,568,937	29.8%

*The above includes General, Special Revenue and Debt Service Funds.

**Stormwater Fund is no longer a Special Revenue Fund but it is reported as an Enterprise Fund. The Stormwater expenditures are no longer included in Total General Governmental Expenditures.

(1) Payable in part from special assessments levied against property benefited by certain improvements.

**Ratio of General Bonded Debt to Assessed Value
and General Bonded Debt per Capita**

Fiscal Year	Population	General* Assessed Value	G.O. Bonded Debt**	Ratio of G.O. Debt to Assessed Value	G.O. Bonded Debt Per Capita
2010	48,190	931,756,181	101,845,000	10.93%	2,113
2011	48,326	924,230,911	104,275,000	11.28%	2,158
2012	48,448	919,116,708	100,675,000	10.95%	2,078
2013	49,394	937,060,144	106,205,000	11.33%	2,150
2014	50,344	983,305,434	103,905,000	10.57%	2,064
2015	51,042	1,060,877,716	117,185,000	11.05%	2,296
2016	52,488	1,133,474,647	163,505,000	14.43%	3,115
2017	53,840	1,198,699,771	144,500,000	12.05%	2,684
2018	55,345	1,292,768,831	143,800,000	11.12%	2,598
2019	55,653	1,364,582,453	137,930,000	10.11%	2,478

* Assessed Valuation includes Motor Vehicle Assessed Value

** Includes Special Assessments

Legal Debt Margin

Assessed value (includes motor vehicle)	1,364,582,453
Debt limit (30% of assessed value)	\$409,374,736
Bonded indebtedness:	
General obligation bonds	\$137,930,000
General obligation notes	<u>5,474,000</u>
Total debt	\$143,404,000
Legal debt margin	\$265,970,736

* 2020 Assessed Valuation

Includes Motor Vehicle Assessed Valuation as of December 2019.

Bonded indebtedness as of December 2019.

Overlapping Debt

<u>Jurisdiction</u>	<u>Outstanding GO Debt*</u>	<u>Applicable to the City Percent</u>	<u>Amount</u>
Johnson County	\$520,916,200	11.22%	\$58,446,798
Park & Recreation District	420,000	11.22%	47,124
Community College	3,770,000	11.22%	422,994
U.S.D. #232	148,125,000	7.44%	11,020,500
U.S.D. #233	526,540,275	15.29%	80,508,008
U.S.D. #512	312,560,000	19.89%	<u>62,168,184</u>

Total Estimated Overlapping Debt = \$212,613,608

* Johnson County Debt as of December 31, 2019, all other debt as of June 30, 2019.



Detail Expenditure by Fund

**Annual Budget Document
2021
City of Lenexa
January 1 - December 31**



Governing Body

GENERAL FUND – GOVERNING BODY – 01 (EXECUTIVE DEPARTMENT)

Mission Statement

As a quality community, the City of Lenexa is committed to excellence in public service through partnerships with people as they pursue their dreams.

Core Services

- Enact public policies that benefit the City’s citizens and businesses

Accomplishments for 2019

- Completed the biennial Citizen Satisfaction Survey with ratings that indicate extremely high citizen satisfaction with City services.
- Constructed a new Municipal Services fleet maintenance facility.
- Applied surface treatments to more than 430,000 square yards of streets through the City’s pavement management program.
- Authorized a public safety master plan to guide the future construction of public safety facilities.
- Maintained a strong financial position, including triple-A bond ratings from credit rating agencies.
- Facilitated nearly \$311 million development activity with over \$14 million at City Center.
- Commenced improvements to the 95th & Santa Fe Trail Drive intersection in Old Town.
- Completed and accepted Vision 2040, the citizen-led strategic vision for the community.
- Completed and accepted Complete Streets Study that will guide future multimodal transportation infrastructure priorities and investments.
- Replaced playground equipment in five eastern Lenexa parks.
- Hosted nearly 100 community gatherings, events, and festivals.

Objectives for 2020/2021

- Ensure that City services assist in creating a superior quality of life and a safe atmosphere where people desire to live, work and play.
- Provide exceptional value of community-provided resources and strive for the long-term financial balance in the City’s operation and capital activities.
- Monitor the financial impact of the COVID-19 pandemic on the City’s revenues and responsibly manage expenses to insure the economic stability of the organization.
- Provide meaningful and safe community engagement and gathering opportunities that celebrate and enhance Lenexa’s sense of community, pride and quality of life for residents.
- Continue to facilitate growth and quality development across Lenexa to preserve and enhance the City’s diverse economic base.

Key Performance Measures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Estimate	FY 2021 Budget
Objective: % of citizen survey respondents who are “satisfied” or “very satisfied” with Lenexa as a place to live is 90% or greater	96%	96%	96%	96%

Objective: % of citizen survey respondents who are "satisfied" or "very satisfied" with Lenexa as a place to raise children is 90% or greater	95%	94%	94%	94%
Objective: % of citizen survey respondents who are "satisfied" or "very satisfied" with Lenexa as a place to work is 75% or greater	80%	83%	83%	83%
Objective: % of citizen survey respondents who are "satisfied" or "very satisfied" with leadership of Lenexa elected officials is 75% or greater	68%	71%	71%	75%

Expenditure Information

	FY 2018	FY 2019	FY 2020	FY 2020	FY 2021
Expenditure Category	Actual	Actual	Original Budget	Revised Budget	Budget
Personal Services	\$138,288	\$142,489	\$161,107	\$161,107	\$151,745
Contractual Services	213,328	126,296	102,500	86,000	102,500
Commodities	3,596	4,202	5,500	5,500	5,500
Capital Outlay	0	0	0	0	0
Transfers	0	0	0	0	0
Total	\$355,212	\$272,987	\$269,107	\$252,607	\$259,745

Major Budget Changes for FY 2021

- No major budget changes for FY2021.



Executive

GENERAL FUND – EXECUTIVE DEPARTMENT – 01

Mission Statement

Enhance the quality of life for those who live in, work in, or visit our community through organizational leadership and by providing exceptional support to the Governing Body.

Governing Body Goals Supported

- City Services: Ensure that City services assist in creating a superior quality of life and a safe atmosphere where people desire to live, work and play.
- Fiscal Responsibility: Provide exceptional value for community-provided resources and strive for long-term financial balance in the City's operational and capital activities.
- Economic Development: Promote and stimulate quality development (including retail, corporate headquarters, bioscience, high technology companies and residential) to enhance the City's diverse economic base.
- Reinvestment: Promote and support efforts to redevelop retail sites and improve our neighborhoods to continue the City's reputation as a safe and friendly community.
- City Center: Partner in the development of a premier destination point – "City Center" – that serves as a community gathering place integrating a variety of uses (including residential, retail and office uses).
- Sense of Community: Celebrate Lenexa's heritage and history to enhance the sense of community, pride and quality of life for residents.

Core Services

- Professional management of the organization
- Promote economic development and redevelopment
- Guide all City departments in meeting Governing Body goals

Accomplishments for 2019

- Welcomed a new City Manager.
- Welcomed two new City Council members.
- Appointed a new Community Development Director and Fire Chief.
- Implemented a comprehensive orientation program for newly-elected City Council members.
- Facilitated Public Safety Master Planning process.
- Completed and accepted the Vision 2040 process.
- Outperformed regional and national Citizen Satisfaction Survey benchmarks in nearly every major service area.
- Facilitated \$311 million in development activity.
- Facilitated completion of construction and opening of the City Center Library branch and Shawnee Mission Aquatics Center in City Center.
- Planned and coordinated nearly 100 community events and festivals.
- Achieved \$1.8 million in gross Public Market sales and welcomed two new tenants.
- Refreshed five eastern Lenexa parks with new playground equipment.

Objectives for 2020/2021

- Responsibly manage City finances amid uncertain economic forecasts.
- Navigate the operational impacts of the COVID-19 pandemic.

- Appoint a new Parks & Recreation Director and Police Chief to replace long-tenured incumbents who are retiring.
- Address existing and future public safety facility needs.
- Provide meaningful and safe community events and engagement activities.
- Participate in regional conversations about attainable housing, sustainability practices, mental health services, and homelessness.

Future Opportunities/Issues

- Continue to attract new businesses and residents to the community.
- Monitor on-going impacts and uncertainty of the COVID-19 pandemic on day-to-day operations, finances, and capital activities.
- Support the continued professionalism and high-performance expectations placed upon law enforcement amid increasing public scrutiny.
- Managing expectations of development partners and residents in the planning process.
- Safely returning to festivals and events that celebrate and enhance Lenexa’s sense of community, pride and quality of life for residents.
- Ensure transparency in City government.

Key Performance Measures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Estimate	FY 2021 Budget
Objective: % of citizen survey respondents who are “satisfied” or “very satisfied” with the City Manager and appointed staff leadership is 75% or greater	68%	66%	66%	75%
Objective: % of citizen survey respondents who are “satisfied” or “very satisfied” with the overall value for their tax dollars is 75% or greater	74%	70%	70%	75%
Objective: % of citizen survey respondents who are “satisfied” or “very satisfied” with the quality of life in the community is 90% or greater	92%	93%	93%	93%

Expenditure Information

Expenditure Category	FY 2018	FY 2019	FY 2020	FY 2020	FY 2021
	Actual	Actual	Original Budget	Revised Budget	Budget
Personal Services	\$762,959	\$851,786	\$809,202	\$809,202	\$953,493
Contractual Services	128,121	155,752	161,600	148,600	161,600
Commodities	3,734	4,463	5,900	5,900	5,900
Capital Outlay	0	0	0	0	0
Transfers	0	0	0	0	0
Total	\$894,814	\$1,012,001	\$976,702	\$963,702	\$1,120,993

Major Budget Changes for FY 2021

- Assistant to the City Manager position (1.0 FTE) moved to the Executive Department from the Community Development Department.

Staffing Executive

POSITION	2018	2019	2020	2020	2021
	ACTUAL	ACTUAL	BUDGET	REVISED	BUDGET
Administrative Assistant	1.50	1.50	1.50	1.50	1.50
Assistant to the City Manager	1.00	1.00	1.00	2.00	2.00
City Clerk	1.00	1.00	1.00	1.00	1.00
City Manager	1.00	1.00	1.00	1.00	1.00
Deputy City Manager	1.00	1.00	1.00	1.00	1.00
EXECUTIVE TOTAL	5.50	5.50	5.50	6.50	6.50



Communications

GENERAL FUND – COMMUNICATIONS – 01 (EXECUTIVE DEPARTMENT)

Mission Statement

Committed to engaging, educating and informing citizens and employees by providing relevant, accurate and timely information about City projects, activities, events and issues to assist in the overall goal of making Lenexa a great place to live, work, play, visit and raise a family.

Governing Body Goals Supported

- City Services: Ensure that City services assist in creating a superior quality of life and a safe atmosphere where people desire to live, work and play.
- Economic Development: Promote and stimulate quality development (including retail, corporate headquarters, bioscience, high technology companies and residential) to enhance the City's diverse economic base.
- City Center: Partner in the development of a premier destination point – "City Center" – that serves as a community gathering place integrating a variety of uses (including residential, retail and office uses).
- Sense of Community: Celebrate Lenexa's heritage and history to enhance the sense of community, pride and quality of life for residents.

Core Services

- Create and implement strategic communication plans for City initiatives which reach target audiences
- Publish citizen newsletter, TownTalk
- Manage City's social media accounts, websites and newsletters
- Coordinate media relations
- Manage internal employee communication
- Help create community engagement
- Promote Lenexa brand by using quality graphic design and photography
- Monitor citizens' questions and advocate for answers

Accomplishments for 2019

- Increased number of users and sessions on website with 64% of traffic coming from mobile devices
- Social media presence for main City accounts remains strong: Facebook (13,606 followers), Twitter (9,788 followers), and Instagram (3,266 followers)
- TownTalk shared more in-depth stories and a growing number of events and programs; more people read issues on Lenexa.com
- Managed increased media inquiries
- Executed strategic marketing plans (including paid advertising) to support Parks & Rec programs, festivals and events, Farmers Market, Public Market, Rec Center and other amenities
- Created 250+ newsletters with overall strong open rate (39.76%) and click rate (5.4%)
- Successful State of the City / Year in Review
- Coordinated and executed internal employee communication
- Supported Vision 2040 and other strategic initiatives
- Managed volunteer photographers

- Launched City Center influencer lunches to connect businesses and amenities
- Coordinated the Citizen Survey

Objectives for 2020/2021

- Help ensure that accurate and timely information is promoted to stakeholders, particularly around the COVID-19 pandemic and its impacts on residents and City operations
- Share stories about a wide range of City projects and events; support departments as they retool messages and strategies during and after the COVID-19 pandemic
- Produce high-quality products which reflect the Lenexa brand
- Drive traffic to the Rec Center, Farmers Market, Public Market, festivals and events
- Provide accurate and timely information to employees
- Study analytic tools on website to ensure accurate data is being collected
- Foster relationships with local media
- Engage City Center neighbors through strategic outreach
- Evaluate website platform and consider conducting RFP for new site

Future Opportunities/Issues

- Further utilize video to share stories
- Successfully communicating breadth of Lenexa's programs and events
- Fluid communication platforms which segment audiences
- Communicating with diversified audience
- Creating long-term strategies to build and retain audiences for amenities, festivals, programs
- Messaging in increasingly negative times / dealing with disinformation

Key Performance Measures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Estimate	FY 2021 Budget
Objective: % of respondents who are satisfied with effectiveness of Lenexa's communications with the public is 70% or greater	80%	76%	76%	78%
Objective: % of respondents who are satisfied with effectiveness of the City newsletter is 80% or greater	89%	92%	92%	90%
Objective: Increased number of followers across the three main City social media platforms	24,329	26,600	27,000	27,500
Objective: Increased number of unique visitors to Lenexa.com	428,223	523,705	550,000	600,000

Expenditure Information

Expenditure Category	FY 2018	FY 2019	FY 2020	FY 2020	FY 2021
	Actual	Actual	Original Budget	Revised Budget	Budget
Personal Services	\$420,165	\$429,479	\$448,141	\$448,141	\$457,757
Contractual Services	143,160	177,300	184,815	179,891	176,470
Commodities	3,313	2,194	4,670	4,670	4,670
Capital Outlay	0	0	0	0	0
Transfers	0	0	0	0	0
Total	\$566,638	\$608,973	\$637,626	\$632,702	\$638,897

Major Budget Changes for FY 2021

- Part-time (0.48 FTE) Communications Assistant position added to FY2021 (cost of \$18,000 is covered by reallocating funding from Contractual Services to Personal Services).
- Funds added to Contractual Services for printing, postage, and subscription services due to residential growth and price increases.

Staffing Communications

POSITION	2018	2019	2020	2020	2021
	ACTUAL	ACTUAL	BUDGET	REVISED	BUDGET
Communications Director	1.00	1.00	1.00	1.00	1.00
Communications Assistant	0.00	0.00	0.00	0.48	0.48
Communications Specialist	3.00	3.00	3.00	3.00	3.00
COMMUNICATIONS TOTAL	4.00	4.00	4.00	4.48	4.48



Public Market

GENERAL FUND – PUBLIC MARKET – 01 (EXECUTIVE DEPARTMENT)

Mission Statement

The Lenexa Public Market is a dynamic place where the community connects around food, and local entrepreneurs have an opportunity to launch and grow a business.

Governing Body Goals Supported

- **City Services:** Ensure that City services assist in creating a superior quality of life and a safe atmosphere where people desire to live, work and play.
- **Economic Development:** Promote and stimulate quality development (including retail, corporate headquarters, bioscience, high technology companies and residential) to enhance the City's diverse economic base.
- **City Center:** Partner in the development of a premier destination point – “City Center” – that serves as a community gathering place integrating a variety of uses (including residential, retail and office uses).
- **Sense of Community:** Celebrate Lenexa's heritage and history to enhance the sense of community, pride and quality of life for residents.

Core Services

- Foster entrepreneurship and small business incubation
- Provide a dynamic place for the community to gather and collaborate around food and local products

Accomplishments for 2019

- Achieved \$1.8 million in gross merchant sales over 167,000 transactions.
- Welcomed Soirée as a full-time merchant.
- Hosted three pop-up restaurants, African Dream, Mediterranean Madness, and Bay Boy Specialty Sandwiches, over 38 separate business days.
- Hosted 182 events in The Kitchen, including 25 cooking classes and other events, private rentals, as well as public and Market partner meetings.
- Hosted eight large-scale Market events, including the Great Lenexa Luau; Utepils; Paw-triotic Pet Parade; two Kid Makers Markets; two Food Truck Frenzies; and No Trick, Our Treat: Not Your Mummy's Halloween House Party III.
- Introduced the Saturday Night Sound Bites live music series.
- Featured in the Kansas City Business Journal, Shawnee Mission Post, The Pitch, and other print and broadcast media outlets throughout the year.

Objectives for 2020/2021

- Manage customer and merchant expectations about ongoing COVID-19 response measures that may last into late 2021.
- Adjust/modify for the long-term, new operating procedures instituted as part of COVID-19 response.
- Execute lease options for anchor merchants.
- Sign a fifth anchor tenant which is anticipated to be a craft brewery taproom.

- Test new events to drive customer traffic.
- Test traffic tracking apps now available to restaurateurs.
- Elevate the Public Market's position as an ambassador to the City Center neighborhood and collaborate with other local merchants, specifically in Old Town, to promote buying local.
- Collaborate with the Lenexa Convention & Visitor's Bureau to supplement the Lenexa, City Center, and Public Market visitor marketing strategies.
- Improve Public Market ambiance through small-scale investments in lighting, décor, seating, and signage.

Key Performance Measures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Estimate	FY 2021 Budget
Objective: Tenancy rate at Public Market is ≥ 80%	72%	75%	75%	≥ 80%
Objective: Visitors (measured by total merchant transactions) to the Public Market is ≥ 250,000	135,000	167,000	125,000	≥ 175,000
Objective: Number of combined rentals, events, and classes in The Kitchen is ≥ 180	174	182	125	≥ 180
Objective: Gross sales revenue for the Public Market merchants is ≥ \$2.5 million	\$1.34M	\$1.8M	\$1.25M	≥ 1.75M

Expenditure Information

Expenditure Category	FY 2018 Actual	FY 2019 Actual	FY 2020 Original Budget	FY 2020 Revised Budget	FY 2021 Budget
Personal Services	\$182,200	\$202,190	\$224,800	\$224,800	\$226,895
Contractual Services	118,034	154,547	165,950	165,950	169,950
Commodities	13,329	6,290	7,500	7,500	7,500
Capital Outlay	16,088	13,000	15,000	15,000	10,000
Transfers	0	0	0	0	0
Total	\$329,651	\$376,027	\$413,250	\$413,250	\$414,345

Major Budget Changes for FY 2021

- Reallocate \$5,000 in expenditures from Capital Outlay to Contractual Services for advertising costs.

Staffing Public Market

POSITION	2018 ACTUAL	2019 ACTUAL	2020 BUDGET	2020 REVISED	2021 BUDGET
Public Market Concierge	1.50	1.50	1.50	1.50	1.50
Assistant Public Market Manager	1.00	1.00	1.00	1.00	1.00
Public Market Manager	1.00	1.00	1.00	1.00	1.00
PUBLIC MARKET TOTAL	3.50	3.50	3.50	3.50	3.50



Municipal Court

GENERAL FUND – MUNICIPAL COURT – 01 (EXECUTIVE DEPARTMENT)

Mission Statement

Dedicated to providing an accessible local forum for fair, efficient, professional, and effective disposition of all matters within its jurisdiction.

Governing Body Goals Supported

- City Services: Ensure that City services assist in creating a superior quality of life and a safe atmosphere where people desire to live, work and play.

Core Services

- Adjudication of violations filed with municipal court
- Maintain and provide accurate records. This includes electronic court files, online record module, and regional criminal history database
- Report the disposition of cases and the collection of specific fees to various state agencies
- Assist the public and external agencies with general court and case-specific inquires and processing
- Point of contact for external agencies that monitor defendants placed on supervision
- Provide assistance to the prosecutors in the preparation and maintenance of cases
- Provide an orderly and secure environment for court users, public, and staff

Accomplishments for 2019

- Assisted with improvements to court software. The Interactive Voice Response (IVR) functionality has been enhanced per our feedback to allow for partial payments via the phone. We worked with the document management vendor to enhance the stamping capabilities in the software. We continue to be active in the Kansas Incode User Group and in Tyler Community, the online forum to collaborate and submit software enhancements.
- Success with outstanding debt collection. We completed an audit of files submitted to the state's Set Off Program. Those files were then referred to the contracted collection agency law firm. The firm submits to Set Off on our behalf while utilizing their various methods to assist in the enforcement order of the court.
- Implemented a work release program. We contracted with Johnson County Community Corrections to provide a work release program. Those in this program serve their sentence while maintaining their employment.

Objectives for 2020/2021

- Successfully implement the Virtual Court module of the software.
- Successfully manage the increased need for interpreting services.

Future Opportunities/Issues

- Successfully implement remote-court policies and procedures.
- Successfully manage the increasing complexity of cases.
- Successfully manage the change in caseload as the City continues to develop and grow.

Key Performance Measures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Estimate	FY 2021 Budget
Objective: Violations filed	7,213	11,824	10,000	12,000
Objective: Clearance rate of charges is 100%	100%	89%	100%	100%
Objective: Defendants scheduled to appear for hearings	12,378	15,368	14,000	16,000
Objective: Amendments & tag fine reductions given by court clerks	193	616	500	650
Objective: Emails processed by Court clerks	5,725	6,505	7,000	8,000
Objective: Open record requests processed	657	608	650	700
Objective: Scheduled trials which are disposed is 70% or greater	59%	69%	70%	70%

Expenditure Information

Expenditure Category	FY 2018 Actual	FY 2019 Actual	FY 2020 Original Budget	FY 2020 Revised Budget	FY 2021 Budget
Personal Services	\$482,943	\$459,636	\$506,009	\$506,009	\$523,044
Contractual Services	80,571	78,630	92,240	233,780	250,240
Commodities	9,116	7,661	16,004	16,004	19,004
Capital Outlay	0	0	0	0	0
Transfers	0	0	0	0	0
Total	\$572,630	\$545,927	\$614,253	\$755,793	\$792,288

Major Budget Changes for FY 2021

- Prisoner boarding costs of \$150,000 are now shown in Municipal Court for FY2021 (previously paid out of the Police Department budget).

Staffing Municipal Court

POSITION	2018 ACTUAL	2019 ACTUAL	2020 BUDGET	2020 REVISED	2021 BUDGET
Municipal Court Clerk	5.00	5.00	5.00	5.00	5.00
Municipal Court Manager	1.00	1.00	1.00	1.00	1.00
Municipal Court Judge	0.75	0.75	0.75	0.75	0.75
MUNICIPAL COURT TOTAL	6.75	6.75	6.75	6.75	6.75



Non-Departmental

GENERAL FUND – NON-DEPARTMENTAL – 03

Activity Description

This activity includes expenditures that are not specific to any one department. This includes the personnel reserve, educational reimbursement allocation and transfers to other funds. Transfers include funding for the Capital Improvement Program and the Equipment Reserve Fund.

Objectives for 2020/2021

- Maintain funds in accordance with reserve policies
- Provide for cash funding of capital projects
- Allocate funding for equipment and technology replacement
- Set aside money acknowledging the City will not receive a portion of the property taxes paid by property owners within the City's active Tax Increment Financing (TIF) districts

Expenditure Information

Expenditure Category	FY 2018	FY 2019	FY 2020	FY 2020	FY 2021
	Actual	Actual	Original Budget	Revised Budget	Budget
Personal Services	\$0	\$229,146	\$1,087,946	\$427,946	\$588,141
Contractual Services	21,131	237,461	467,350	301,904	326,350
Commodities	0	59,695	3,000	3,000	3,000
Capital Outlay	0	0	0	0	0
Transfers	24,428,743	23,139,529	19,268,789	17,488,052	14,590,000
Reserves	0	0	29,091,569	0	32,354,363
Total	\$24,449,874	\$23,665,831	\$49,918,654	\$18,220,902	\$47,861,854

Major Budget Changes for FY 2021

- Personnel contingency allocation decreases to \$500,000 (Personal Services).
- Transfer to Equipment Reserve Fund decreases to \$850,000.
- Transfer to Facilities Maintenance Fund decreases to \$250,000.
- Allowance for impact of Tax Increment Financing is \$3,637,000 (TransfersCategory).
- Transfers to Capital Improvement fund equal \$9,853,000 (funded \$5,655,000 from 3/8 cent sales/use tax; \$1,389,000 from County ¼ cent sales/use tax; \$500,000 excise tax; \$2,309,000 general revenues)



Finance

GENERAL FUND – FINANCE - 10

Mission Statement

Provide effective stewardship of public funds through the timely and efficient delivery of financial services to citizens, the business community, and the City government.

Governing Body Goals Supported

- City Services: Ensure that City services assist in creating a superior quality of life and a safe atmosphere where people desire to live, work and play.
- Fiscal Responsibility: Provide exceptional value for community-provided resources and strive for long-term financial balance in the City's operational and capital activities.
- Economic Development: Promote and stimulate quality development (including retail, corporate headquarters, bioscience, high technology companies and residential) to enhance the City's diverse economic base

Core Services

- Prepare annual City operating budget and multi-year financial model
- Prepare five-year Capital Improvement Program (CIP)
- Prepare Comprehensive Annual Financial Report (CAFR)
- Process and account for economic incentive revenues and disbursements
- Manage City investment portfolio and debt issuance
- Process and account for all payments of City wages, benefits, tax obligations, and vendor invoices
- Assist retirement committee with oversight of City retirement programs

Accomplishments for 2019

- Completed fiscal year 2018 CAFR and external audit
- Prepared fiscal year 2020 annual budget
- Prepared fiscal year 2020 – 2024 CIP
- Completed Munis financial software assessment review
- Prepared department re-organization plan (due to retirement of Assistant Chief Financial Officer Jill Grube)
- Assistant Chief Financial Officer Jill Grube received the Lifetime Achievement Award from the Kansas Government Finance Officers Association
- Chief Financial Officer Doug Robinson received the 2019 CFO of the Year Award (Non-profit category) from the Kansas City Business Journal

Objectives for 2020/2021

- Prepare annual operating budget, CAFR, and five-year CIP
- Onboard new Accounting Manager and implement department re-organization plan
- Implement GASB 87 (lease accounting)
- Implement upgrade to Munis financial system software
- Monitor and respond to impact of COVID-19 outbreak on City revenue sources
- Compile and prepare reimbursement requests to Johnson County for Coronavirus Relief Fund (CRF) grant revenues

Future Opportunities/Issues

- Accounting for complex and numerous economic development incentives
- Implementation of complex accounting standards
- Maintaining structural balance for the City's annual operating budget due to COVID-19 impact on City revenue sources

Key Performance Measures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Estimate	FY 2021 Budget
Objective: Difference between actual and budgeted collections of major revenues sources per fiscal year is 5% or less	1.2%	.4%	5%	5%
Objective: % of accounts payable payments paid by check is less than 40%	37%	37%	35%	35%
Objective: % of accounts payable invoices paid through purchasing cards is 75% or greater	69%	77%	77%	80%

Expenditure Information

	FY 2018 Actual	FY 2019 Actual	FY 2020 Original Budget	FY 2020 Revised Budget	FY 2021 Budget
Expenditure Category					
Personal Services	\$893,398	\$954,255	\$987,855	\$987,855	\$941,351
Contractual Services	562,741	424,158	427,000	419,000	445,000
Commodities	12,847	7,473	13,000	13,000	9,000
Capital Outlay	0	0	0	0	0
Transfers	0	0	0	0	0
Total	\$1,468,986	\$1,385,886	\$1,427,855	\$1,419,855	\$1,395,351

Major Budget Changes for FY 2021

- Funds added to Contractual Services due to increased credit card processing fees (more customers are utilizing this form of payment) and payroll processing fees (ADP fee increase and additional employees on the payroll)

Staffing Finance

POSITION	2018 ACTUAL	2019 ACTUAL	2020 BUDGET	2020 REVISED	2021 BUDGET
Assistant Chief Financial Officer	1.00	1.00	1.00	1.00	1.00
Chief Financial Officer	1.00	1.00	1.00	1.00	1.00
Accounting Manager	1.00	1.00	1.00	1.00	1.00
Senior Budget & Financial Analyst	0.00	0.00	0.00	1.00	1.00
Senior Accounts Payable Specialist	0.00	0.00	0.00	1.00	1.00
Senior Payroll Specialist	0.00	0.00	0.00	1.00	1.00
Senior Accountant	4.00	4.00	4.00	1.00	1.00
FINANCE TOTAL	7.00	7.00	7.00	7.00	7.00



Human Resources

GENERAL FUND – HUMAN RESOURCES DEPARTMENT – 11

Mission Statement

Committed to providing exceptional service by recruiting, developing, rewarding and retaining a diverse and professional workforce.

Governing Body Goals Supported

- City Services: Ensure that City services assist in creating a superior quality of life and a safe atmosphere where people desire to live, work and play.

Core Services

- Recruitment and Retention
- Compensation and benefits
- Compliance
- Policy and Employee Relations
- Training and Performance
- Safety and Worker's Compensation
- Employee recognition and rewards
- HRIS Technology

Accomplishments for 2019

- HR led the process for the selection and hiring of the new City Manager, Community Development Director and Fire Chief.
- Improvements to LiveWell Health Center offerings including: Added services- A part-time (24-hour) Physical Therapist and full-time (40-hr. per week) Registered Nurse, & longer hours-center hours were increased by one-hour per day.
- The HR staff continued work to fully implement and utilize ADP's HRIS modules:
 - a. Performance – The Performance Module was completely retooled. It was only a repository of completed performance evaluations. Those documents have been removed from the module and placed in a document storage solution in ADP (DocCloud). Now the module is available if we decide to use it for its intended purpose, to track and complete periodic performance evaluations.
 - b. DocCloud – This module has been implemented and is being used to store documents in place of the City network.
 - c. Recruitment – This module was fully developed and implemented in Fall of 2019.
- Research, design, and implementation of LexConnect, a tool which allows HR and Communications to provide our employees and spouses with important workplace information on any device, at any time, wherever they are located.
- Implementation of Voya as single vendor for our supplemental retirement plan. Successful transition to Voya by the due date in January 2019, including communication materials, employee meetings, and plan set up, plan adoption agreements, and ADP set up.
- Implemented new software for our EthicsPoint Confidential Employee Reporting Hotline. This project was successfully completed on April 30, 2019.
- Implemented a new language testing policy and process to allow interested employees to be tested and qualified to provide language interpreter services and receive a stipend for doing so. This project was successfully completed on March 1, 2019.
- Conducted compliance training (FMLA, ADA, WC, Accident Invest) for employees & supervisors.

Objectives for 2020/2021

- 2020 Compensation Study and plan update, including discussion of new benefit ideas (Student loans and paid family leave).
- Scan all existing personnel files into DocCloud module in ADP.
- Applicant tracking and Onboarding software implemented.
- Performance Management software implemented.
- Convert Employee Policy Manual to new format.

Future Opportunities/Issues

- Recruit and hire a more diverse workforce.
- Hire additional staff in HR to increase our internal training capabilities.
- Utilize software to increase involvement in departmental hiring processes.

Key Performance Measures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Estimate	FY 2021 Budget
Objective: Severity of Workers' Compensation claims is less than \$1.50 per \$100 of payroll	3.01	0.61	1.50	1.50
Objective: Cost per hire – costs incurred on recruiting a new employee	\$415	\$448	\$325	\$425
Objective: Turnover rate for employees (excluding seasonal and temporary employees) is less than 10%	6.8%	11.1%	10.0%	10.0%
Objective: % of full-time employees participating in the Wellness Program is 75% or greater	93%	95%	95%	95%

Expenditure Information

Expenditure Category	FY 2018 Actual	FY 2019 Actual	FY 2020 Original Budget	FY 2020 Revised Budget	FY 2021 Budget
Personal Services	\$796,059	\$820,197	\$807,357	\$807,357	\$813,021
Contractual Services	283,729	356,665	440,489	428,839	425,489
Commodities	24,899	22,560	28,350	28,350	28,350
Capital Outlay	0	0	0	0	0
Transfers	0	0	0	0	0
Total	\$1,104,687	\$1,199,422	\$1,276,196	\$1,264,546	\$1,266,860

Major Budget Changes for FY 2021

- Decrease of contractual services (\$15,000) due to the one-time cost of scanning files to ADP DocCloud to be completed in 2020.

Staffing Human Resources

POSITION	2018 ACTUAL	2019 ACTUAL	2020 BUDGET	2020 REVISED	2021 BUDGET
Benefits Assistant	1.00	1.00	0.00	0.00	0.00
Human Resources Assistant	0.00	0.00	0.00	0.00	0.00
Human Resources Director	1.00	1.00	1.00	1.00	1.00
Human Resources Generalist	1.00	1.00	1.00	1.00	1.00
Human Resources Manager	2.00	2.00	2.00	2.00	2.00
Human Resources Partner*	1.00	1.00	1.00	1.00	1.00
Human Resources Specialist	1.30	1.30	2.38	2.38	2.38
HUMAN RESOURCES TOTAL	7.30	7.30	7.38	7.38	7.38

* 50% of one Human Resources Partner position is charged to the workers compensation fund.



Information Technology

GENERAL FUND –INFORMATION TECHNOLOGY - 15

Mission Statement

To provide quality and timely business technology solutions that enhances the City's effectiveness in serving the community. Provide professional systems leadership, vision, and assistance to all City departments and provide strategy, research, development and implementation of hardware and software.

Governing Body Goals Supported

- City Services: Ensure that City services assist in creating a superior quality of life and a safe atmosphere where people desire to live, work and play.

Core Services

- Deliver excellent customer service by understanding the business needs and providing timely and effective solutions and communicating effectively with all customers
- Deliver City wide technology vision and leadership through evaluating existing and emerging technologies and implementing business ready technology solutions
- Deliver reliable technology infrastructure aligned with business objectives
- Deliver systems that provide customers with timely, meaningful and secure access to information and services
- Facilitate educational opportunities for City employees
- Deliver technology plans that enable fiscal management of the City's resources

Accomplishments for 2019

- VMware Horizon virtual desktop expansion. The number of virtual desktops available for City employees to use was expanded upon allowing for better remote access.
- Zoom was deployed in a conference room allowing for video conference capabilities and webinar functions.
- Completed upgrade to Windows 10 for end user devices.
- Major infrastructure improvements to Accela, including automation of the rental process.
- Application Team Developments: Internal infrastructure improvements (API, tools), Zoll monitors and FireHouse integration, upgrade of applications to .NET Core, and maintenance of applications.
- Configuration and migration of Microsoft Servers and Microsoft SQL Server from end of life versions to the latest released versions.
- Continued deployment of two factor authentication for employees to access external resources.
- External and Internal security testing and reporting.

Objectives for 2020/2021

- Overhaul of the City's core network infrastructure. This will provide increased redundancy and allow for expanding of the secure network by leveraging encryption
- Replace City firewall with new hardware. The new firewalls will expand redundancy, provide additional separation to protected networks and diversity network hardware vendors
- Retire on-premises SharePoint and complete migration to SharePoint Online/Teams or LexConnect for documents.

- Application Team Developments: Upgrade 311 application, Fire Station monitor solution for displaying location and statistics, Volunteer application upgrade, and more overhaul of the Accela environment.
- Expand upon video conference capabilities to allow further use of virtual meetings and conference solutions.
- Data Security improvements by providing end user training, leveraging solutions for password management, and proactive security reporting.
- Upgrade end of life general storage to new hardware. This new hardware provides capacity for future growth of City data.

Future Opportunities/Issues

- Expand City WiFi capabilities into more parks and public spaces.
- Expand the use of two factor authentication for internal access to internal resources.
- Redesign and expand City disaster recovery plans to include cloud-based storage options.
- New Public Safety building and the data center buildout and the supporting infrastructure requirements.

Key Performance Measures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Estimate	FY 2021 Budget
Objective: Open Service Requests	2,292	3671	3750	3900
Objective: Number of supported users	611	722	730	740
Objective: Supported number of workstations	428	726	735	750
Objective: Supported number of servers	162	175	170	175

Expenditure Information

Expenditure Category	FY 2018 Actual	FY 2019 Actual	FY 2020 Original Budget	FY 2020 Revised Budget	FY 2021 Budget
Personal Services	\$1,253,759	\$1,262,476	\$1,423,143	\$1,423,143	\$1,494,545
Contractual Services	1,642,665	1,582,671	1,632,775	1,566,975	1,591,975
Commodities	288,223	431,618	263,900	178,700	178,700
Capital Outlay	210,376	294,749	217,270	343,270	343,270
Transfers	0	0	0	0	0
Total	\$3,395,023	\$3,571,514	\$3,537,088	\$3,512,088	\$3,608,490

Major Budget Changes for FY 2021

- Funds reallocated between Contractual Services, Commodities, and Capital Outlay accounts (no change in total amount budgeted for non-personnel costs).

Staffing Information Technology

POSITION	2018 ACTUAL	2019 ACTUAL	2020 BUDGET	2020 REVISED	2021 BUDGET
Database Administrator	1.00	1.00	1.00	1.00	1.00
GIS Analyst	1.00	1.00	1.00	1.00	1.00
GIS Specialist	1.00	1.00	1.00	1.00	1.00
Applications Support Specialist	1.00	1.00	1.00	1.00	1.00
Information Technology Director	1.00	1.00	1.00	1.00	1.00
Network Architect	1.00	1.00	1.00	1.00	1.00
Programmer Developer	2.00	2.00	2.00	2.00	2.00
Solution Center Analyst	3.00	3.00	3.00	3.00	3.00
Systems Administrator	1.00	1.00	1.00	1.00	1.00
Systems Engineer	1.00	1.00	1.00	1.00	1.00
INFORMATION TECHNOLOGY TOTAL	13.00	13.00	13.00	13.00	13.00



Legal

GENERAL FUND – LEGAL DEPARTMENT- 18

Mission Statement

Promote the organization's goals and values by providing excellent legal services with integrity, zeal, accuracy and efficiency through competent, responsive and professional representation.

Governing Body Goals Supported

- City Services: Ensure that City services assist in creating a superior quality of life and a safe atmosphere where people desire to live, work and play.
- Economic Development: Promote and stimulate quality development (including retail, corporate headquarters, bioscience, high technology companies and residential) to enhance the City's diverse economic base.
- Reinvestment: Promote and support efforts to redevelop retail sites and improve our neighborhoods to continue the City's reputation as a safe and friendly community.
- City Center: Partner in the development of a premier destination point – "City Center" – that serves as a community gathering place integrating a variety of uses (including residential, retail and office uses).

Core Services

- Furnish legal advice and support to elected and appointed City officials, as well as all City departments
- Draft contracts, resolutions, ordinances and all other legal documents
- Prosecute violations of City code including traffic, public offenses and other ordinance infractions, representing the City in municipal court and on subsequent appeals
- Identify, evaluate and manage property and liability risk exposure for the City and secure adequate insurance to transfer such risk as appropriate
- Receive, evaluate and administer all property and liability claims within the City deductible and, where appropriate, seek reimbursement from third parties for damage to City property
- Investigate, defend and prosecute lawsuits involving the City as a named party

Accomplishments for 2019

- Implemented case and matter management software to increase tracking and file management capabilities.
- Drafted and negotiated economic development agreements for a significant number of projects including, but not limited to, the Lofts at City Center, the Meritex surface buildings, and Lenexa Logistics East business park.
- Assisted Municipal Services with negotiation of agreement to purchase 100% renewable electric energy for City facilities.
- Successfully defended, resolved and obtained favorable rulings in several lawsuits including SMUUCH v. Lenexa, GFTLenexa v. Lenexa and Quivira Crossing Shops v. Lenexa.
- Passed a non-discrimination ordinance extending civil rights protections to include sexual orientation and gender identity.
- Worked with Municipal Court to update processes to efficiently handle suspended driver's license and provide alternative methods of clearing violations.
- Updated and revised the Parks and Recreation Facility and Shelter rental standard contracts.

- Successfully lobbied for legislative changes to allow Public Market vendors to setup and use portable bars and service areas within the common consumption area allowing vendors to serve the upper commons during events.

Objectives for 2020/2021

- Work with Police Department to keep them up-to-date on law changes and train them on court room testimony and preparation for court as well as other topics.
- Continue to work on several ongoing lawsuits and claims as well as pending and new claims against the City.
- Seek legislative changes to allow wine and beer tasting at the annual Art Fair in a financially and practically feasible way.
- Leverage technology to reduce department workflow redundancies and continue transition to paperless work environment.
- Assist with Public Safety Center project including advising on procurement method, contractor selection and contract negotiations.
- Transition to new City Attorney and identify opportunities and areas for staff development.

Future Opportunities/Issues

- Address the legal implications such as privacy and safety arising from the increased use of technology by residents and businesses including smart infrastructure and 5G wireless technology.
- Assist with the redevelopment of older areas of Lenexa including both residential and commercial areas along I-35.
- Continue to solicit and secure competitive and beneficial property and liability insurance lines on behalf of the city and explore other options such as self-insured retention.
- Assist with the administration of approved economic incentives and development plans.
- Analyze how the city will handle the increased demand for government transparency including increasing open records requests, audio and video recordings of meetings, social media coverage and local media coverage.
- Provide training and support to the Police Department on a broad range of legal issues impacting law enforcement in a changing political and social environment.

Key Performance Measures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Estimate	FY 2021 Budget
Objective: Number and type of contracts reviewed Complex/Standard Form	98/467	51/371	90/380	75/375
Objective: % of clearance rate for municipal court charges (i.e. number of charges closed/resolved as a percentage of the total number of charges filed for the same time period) are 95% or greater	100%	89%	95%	95%
Objective: Number of substantive economic development initiatives in which the City Attorney's office provided assistance	68	57	55	45

Expenditure Information

Expenditure Category	FY 2018	FY 2019	FY 2020	FY 2020	FY 2021
	Actual	Actual	Original Budget	Revised Budget	Budget
Personal Services	\$1,051,643	\$1,069,566	\$1,178,445	\$1,178,445	\$1,099,902
Contractual Services	416,387	523,017	606,470	591,520	606,470
Commodities	4,489	5,039	13,936	13,936	13,936
Capital Outlay	0	0	0	0	0
Transfers	0	0	0	0	0
Total	\$1,472,519	\$1,597,622	\$1,798,851	\$1,783,901	\$1,720,308

Major Budget Changes for FY 2021

- No major budget changes for FY2021.

Staffing Legal

POSITION	2018	2019	2020	2020	2021
	ACTUAL	ACTUAL	BUDGET	REVISED	BUDGET
Administrative Assistant	0.50	0.50	0.50	0.50	0.50
Assistant City Attorney	3.00	3.00	3.00	3.00	3.00
City Attorney	1.00	1.00	1.00	1.00	1.00
Deputy City Attorney	0.75	0.75	0.75	0.75	0.75
Legal Assistant	1.00	1.00	1.00	1.00	1.00
LEGAL DIVISION TOTAL	6.25	6.25	6.25	6.25	6.25
Legal Assistant	1.00	1.00	1.00	1.00	1.00
Prosecutor	1.63	1.63	1.63	1.63	1.63
PROSECUTION DIVISION TOTAL	2.63	2.63	2.63	2.63	2.63
LEGAL TOTAL	8.88	8.88	8.88	8.88	8.88



Community Dev.

GENERAL FUND – COMMUNITY DEVELOPMENT DEPARTMENT - 20

Mission Statement

Promoting and facilitating the development of high quality public and private built environments to ensure that Lenexa is the best community to live, work and play.

Governing Body Goals Supported

- City Services: Ensure that City services assist in creating a superior quality of life and a safe atmosphere where people desire to live, work and play.
- Economic Development: Promote and stimulate quality development (including retail, corporate headquarters, bioscience, high technology companies and residential) to enhance the City's diverse economic base.
- Reinvestment: Promote and support efforts to redevelop retail sites and improve our neighborhoods to continue the City's reputation as a safe and friendly community.
- City Center: Partner in the development of a premier destination point – "City Center" – that serves as a community gathering place integrating a variety of uses (including residential, retail and office uses).

Core Services

- Manage development of infrastructure through the five-year Capital Improvement Program (CIP)
- Perform engineering review and inspection of private development and public infrastructure
- Perform building code review and inspections for all construction
- Review and process all zoning, site, plan, special use permit and subdivision applications
- Enforce property maintenance codes, zoning codes and rental registration regulations
- Ensure safe and efficient movement of traffic through the City
- Issue licenses for businesses, animals, liquor sales, alarms, special events, etc.
- Provide technical support to the City Council, Planning Commission, Board of Zoning Appeals and other City departments
- Provide long-range planning for the City

Accomplishments for 2019

- Conducted over 11,000 building inspections
- Installed or converted 2,005 streetlights to LED fixtures
- Reauthorized the Community Rating System program, which allows residents to receive discounted flood insurance premiums
- Distributed all available Best Management Practices Cost Share program funding to property owners for storm water management
- Permitted almost 3,000 housing units
- Processed 88 applications to the Planning Commission for review
- Inspected over 350 rental housing units and 25 massage establishments

Objectives for 2020/2021

- Begin work on the major update to the Comprehensive Plan
- Align core services to the reality of the COVID-19 pandemic and its outcomes
- Extend innovations created during the COVID-19 pandemic to normal department functions to increase efficiencies – video inspections, mobile meetings, etc.
- Complete the review of the Neighborhood Revitalization Program and Exterior Grant Program to financially assist certain areas with development and redevelopment
- Work with Johnson County in joining the urban consortium for Housing and Urban Development (HUD) Community Development Block Grant (CDBG) funding
- Complete work on the Wayside Horns in Old Town Lenexa
- Complete work on major capital projects

Future Opportunities/Issues

- Opportunities to innovate in response to the COVID-19 pandemic
- Managing potential negative economic and housing outcomes as a result of the coronavirus pandemic
- Maintain high levels of performance in uncertain post-pandemic economic times

Key Performance Measures				
	FY 2018 Actual	FY 2019 Actual	FY 2020 Estimate	FY 2021 Budget
Objective: % of citizen survey respondents who are “satisfied” or “very satisfied” with enforcement of City codes/ordinances is 75% or greater	70%	65%	65%	70%
Objective: % of citizen survey respondents who are “satisfied” or “very satisfied” with how well the City is planning for growth is 75% or greater.	73%	70%	70%	75%
Objective: % of service request open more than two days with no action taken	0.05%	.05%	<1%	<1%
Objective: % of citizens who were satisfied with flow of traffic/congestion management	69%	66%	>70%	>75%

Expenditure Information

Expenditure Category	FY 2018	FY 2019	FY 2020	FY 2020	FY 2021
	Actual	Actual	Original Budget	Revised Budget	Budget
Personal Services	\$3,879,432	\$3,811,902	\$4,320,084	\$4,320,084	\$4,249,913
Contractual Services	438,042	402,076	405,210	375,034	405,210
Commodities	19,491	24,772	52,575	52,575	50,075
Capital Outlay	3,763	0	0	0	0
Transfers	0	0	0	0	0
Total	\$4,340,728	\$4,238,750	\$4,777,869	\$4,747,693	\$4,705,198

Major Budget Changes for FY 2021

- No major budget changes for FY 2021.

POSITION	2018 ACTUAL	2019 ACTUAL	2020 BUDGET	2020 REVISED	2021 BUDGET
Administrative Support	2.00	2.00	2.00	2.00	2.00
Assistant to the City Manager	1.00	1.00	1.00	0.00	0.00
Community Development Director	1.00	1.00	1.00	1.00	1.00
Contract Specialist	1.00	1.00	1.00	1.00	1.00
Deputy Community Development Director*	1.00	1.00	1.00	1.00	1.00
Licensing & Permit Technician	4.00	4.00	4.00	4.00	4.00
Licensing & Permitting Supervisor	1.00	1.00	1.00	1.00	1.00
Management Analyst	1.00	1.00	1.00	1.00	1.00
Planning Services Specialist	1.00	1.00	1.00	1.00	1.00
ADMINISTRATION DIVISION TOTAL	13.00	13.00	13.00	12.00	12.00
*20% of Deputy Community Development Director position is funded by the Stormwater Fund.					
Community Standards Officer	2.00	2.00	2.00	2.00	2.00
Community Standards Officer (seasonal)	0.67	0.67	0.67	0.67	0.67
Community Standards Supervisor	1.00	1.00	1.00	1.00	1.00
COMMUNITY STANDARDS DIVISION TOTAL	3.67	3.67	3.67	3.67	3.67
Building Codes Administrator	1.00	1.00	1.00	1.00	1.00
Plans Analyst	2.00	2.00	2.00	2.00	2.00
Building Inspector	4.75	4.75	4.75	4.75	4.75
BUILDING INSPECTION DIVISION TOTAL	7.75	7.75	7.75	7.75	7.75
Community Development Technician	1.00	1.00	1.00	1.00	1.00
Planning & Development Administrator	1.00	1.00	1.00	1.00	1.00
Planner	3.00	3.00	3.00	3.00	3.00

LAND USE DIVISION TOTAL	5.00	5.00	5.00	5.00	5.00
Community Development Technician (Traffic)	1.00	1.00	1.00	1.00	1.00
Construction Inspector	4.75	4.75	4.75	4.75	4.75
Development Eng./Construction Services Admin.	1.00	1.00	1.00	1.00	1.00
Field Engineer Superintendent	1.00	1.00	1.00	1.00	1.00
Right of Way Manager	1.00	1.00	1.00	1.00	1.00
Right of Way Technician	1.00	1.00	1.00	1.00	1.00
Staff Engineer/Project Manager	2.00	2.00	2.00	2.00	2.00
Traffic Engineer	1.00	1.00	1.00	1.00	1.00
Transportation Manager	1.00	1.00	1.00	1.00	1.00
ENGINEERING DIVISION TOTAL	13.75	13.75	13.75	13.75	13.75
COMMUNITY DEVELOPMENT TOTAL	43.17	43.17	43.17	42.17	42.17



Fire Department

GENERAL FUND - FIRE DEPARTMENT – 30

Mission Statement

The Lenexa Fire Department proudly serves our community with professional services through selfless dedication and compassion.

Governing Body Goals Supported

- City Services: Ensure that City services assist in creating a superior quality of life and a safe atmosphere where people desire to live, work and play.

Core Services

- Emergency management
- Community risk reduction
- Emergency medical services
- Fire suppression
- Hazardous materials
- Public education
- Fire investigation, origin, and cause
- Technical rescue

Accomplishments for 2019

- Established a formal Emergency Management program
- Captain Dustin Moore and Firefighter Paramedic Andrew Freisner received the Presidential Medal of Valor
- Maintained community engagement through public education programs, citizens fire academy, and social media
- Formal adoption of the 2018 International Fire Code
- Annual accreditation compliance report submission and approval
- Continued improvements to the fire apparatus operator training program
- Continued support of Shawnee Mission School District Blue Eagle career program
- Assisted in the implementation of a county-wide incident safety officer training program
- Ongoing review and adjustments to the Department Incident Response Matrix
- Occupational Health focus with cancer risk reduction and peer support
- Continued utilization of outside training opportunities to promote personnel development
- Installed new Fire Station alerting system

Objectives for 2020/2021

- Temporary redistribution of resources at the public safety complex to enhance service delivery to the northeast area of City
- Explore transition of policy and procedure manual to Lexipol software system
- Continue citizens fire academy and fire department open house activities
- Implement improved infection control measures to maintain service and safety of personnel and prevent disease transmission
- Continued exploration of occupational health programming / initiatives
- Implement station digital dashboards to improve operational awareness
- Transition radio hardware to remain compatible with County resources
- Submit City's All-Hazard Plan for Council Approval

- Policy and procedure manual revision
- Job description review and revision
- Renewal of community based strategic plan
- Develop emergency preparedness website for community outreach
- Facilitate development of All-Hazard, Emergency Action and Pandemic response plans
- Review EOC activation process, participate in County-wide exercise to test EOP components and coordinate functional EOC exercise for appropriate City personnel

Future Opportunities/Issues

- Monitor resource distribution/concentration to ensure effective response coverage
- Continue advances in emergency medical services & capabilities
- Complete Insurance Services Office (ISO) and Accreditation redetermination processes
- Continue to evaluate City compensation studies to ensure external salary equity
- Continue collaboration and partnerships with county and regional emergency response agencies
- Continue to leverage regional and federal training programs to support core services
- Potential economic and operational challenges as a result of the pandemic

Key Performance Measures				
	FY 2018 Actual	FY 2019 Actual	FY 2020 Estimate	FY 2021 Budget
Objective: Total incidents	6,265	6,318	6,350	6,450
Objective: 90 th percentile (1:00) EMS incident turnout time baseline performance 1 st unit	1:05	1:08	1:00	1:00
Objective: 90 th percentile (1:20) fire incident turnout time baseline performance 1 st unit	1:20	1:08	1:20	1:20
Objective: 90 th percentile (4:00) EMS incident travel time baseline performance 1 st unit	5:21	5:38	4:00	4:00
Objective: 90 th percentile (4:00) fire incident travel time baseline performance 1 st unit	5:36	4:57	4:00	4:00

FY 2018-2019 data includes the 90th percentile for all planning areas.

FY 2020-2021 data includes projections and established Lenexa Fire Department benchmarks (targets) for the east and central planning areas. Refer to the Lenexa Fire Department [Standards of Cover](#) for a detailed list of performance indicators.

FY 2020 estimates may be influenced by COVID-19

Expenditure Information

Expenditure Category	FY 2018	FY 2019	FY 2020	FY 2020	FY 2021
	Actual	Actual	Original Budget	Revised Budget	Budget
Personal Services	\$10,769,733	\$11,160,256	\$11,418,607	\$11,418,607	\$11,523,797
Contractual Services	245,926	240,631	496,972	435,893	331,972
Commodities	284,764	352,578	339,625	339,625	339,625
Capital Outlay	0	122,193	0	0	0
Debt Service	0	0	0	0	0
Transfers	0	0	0	0	0
Total	\$11,300,423	\$11,875,658	\$12,255,204	\$12,194,125	\$12,195,394

Major Budget Changes for FY 2021

- Emergency Management (including Emergency Preparedness Battalion Chief position) consolidated into the Fire Department for all years shown above.

Staffing Fire

POSITION	2018 ACTUAL	2019 ACTUAL	2020 BUDGET	2020 REVISED	2021 BUDGET
Administrative Assistant	1.00	1.00	1.00	1.00	1.00
Deputy Fire Chief	1.00	1.00	1.00	1.00	0.00
Fire Battalion Chief	1.00	0.00	0.00	0.00	0.00
Fire Chief	1.00	1.00	1.00	1.00	1.00
Fire Division Chief	0.00	0.00	0.00	0.00	1.00
ADMINISTRATION DIVISION TOTAL	4.00	3.00	3.00	3.00	3.00
POSITION	2018 ACTUAL	2019 ACTUAL	2020 BUDGET	2020 REVISED	2021 BUDGET
Emergency Preparedness Battalion Chief	0.00	0.00	0.00	0.00	1.00
DOMESTIC PREPAREDNESS	0.00	0.00	0.00	0.00	1.00
Fire Battalion Chief	1.00	1.00	1.00	1.00	1.00
Fire Captain	2.00	2.00	2.00	2.00	2.00
Fire Division Chief	1.00	1.00	1.00	1.00	1.00
PROF. DEVELOPMENT DIVISION TOTAL	4.00	4.00	4.00	4.00	4.00
Fire Battalion Chief	3.00	4.00	4.00	4.00	4.00
Fire Captain	15.00	15.00	15.00	15.00	15.00
Fire Division Chief	1.00	1.00	1.00	1.00	1.00
Firefighter/Fire Medic/Lieutenant	64.00	64.00	64.00	64.00	64.00
OPERATIONS DIVISION TOTAL	83.00	84.00	84.00	84.00	84.00

Fire Captain	3.00	3.00	3.00	3.00	3.00
Fire Division Chief	1.00	1.00	1.00	1.00	1.00
Fire Prevention Support	0.73	1.00	1.00	1.00	1.00
PLANNING DIVISION TOTAL	4.73	5.00	5.00	5.00	5.00
FIRE TOTAL	95.73	96.00	96.00	96.00	97.00



Police

GENERAL FUND – POLICE DEPARTMENT – 35

Mission Statement

Working in partnership to protect and serve the community, with honor, integrity, and professionalism.

Governing Body Goals Supported

- City Services: Ensure that City services assist in creating a superior quality of life and a safe atmosphere where people desire to live, work and play.

Core Services

- Provide all elements of law enforcement to the community 24/7
- Provide 24/7 routine and emergency communication services for all City departments
- Traffic enforcement
- Community education
- School safety
- Proactive community partnerships to prevent crime
- Criminal investigations
- Participation in safety enhancement projects with other City departments and area law enforcement agencies
- Provide records management, report dissemination and secure storage of property and evidence

Accomplishments for 2019

- Continued to develop and adapt our mission and goals with a Strategic Plan.
- Emphasis on community policing to enhance community interaction and communication.
- Promotion of innovation and technology for officer and community safety. Purchase of Command Post and armored vehicle.
- Aggressive recruiting campaign for all positions. Currently have three police officer openings. Backfilled several specialized unit positions that have been open for a significant time.
- Continued success of internship program (cancelled for 2020).
- Continued emphasis on intelligence led policing. Hired additional Crime Analyst.
- Hired second mental health co-responder.
- Purchased and implemented new body patrol car and body worn video system. Digital evidence storage for all video, media and photographs.

Objectives for 2020/2021

- Receive and outfit armored response vehicle.
- Continue aggressive recruiting to maintain staffing levels.
- Emphasize succession planning for capacity growth for the future.
- Complete Public Safety facility study and move forward with new facility plan.
- Work with City staff to complete compensation study and examine all positions to ensure that we remain competitive.
- Implement new full time Recruiting Coordinator for all police department positions. Examine or current hiring process and determine if we need to adapt our process.
- Work with City staff on resolution of budget issues due to COVID-19.

Future Opportunities/Issues

- Recruiting, hiring and retention: Hiring was positive in 2019 but will continue to be a challenge.
- Mental Health: Continues to be a handled at a local level with no State support.
- Young work force: Emphasis on job rotation, training and education for future capacity.
- Monitor City growth: Added responsibilities due to traffic, business growth and additional schools. An additional School Resource Officer will be necessary in 2022-2023.
- Public Safety Facility: Added space is imperative. Continue to have mechanical/plumbing issues at current PD.
- Monitor legislative efforts that could have negative impacts on procedures and policies of law enforcement. Legalization of medical and/or recreational marijuana is a possibility in 2021.

Key Performance Measures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Estimate	FY 2021 Budget
Objective: Total incidents handled	41,441	49,551	46,000	47,000
Objective: Total calls for service	22,785	22,706	21,500	22,000
Objective: Average non-emergency response times of 12 minutes or less	8.0	8.1	12	12
Objective: Average emergency response times of 5 minutes or less	5.3	5.2	5	5
Objective: % of citizen survey respondents who are "satisfied" or "very satisfied" with the quality of local police protection is 90% or greater	94%	90%	90%	90%

Expenditure Information

Expenditure Category	FY 2018 Actual	FY 2019 Actual	FY 2020 Original Budget	FY 2020 Revised Budget	FY 2021 Budget
Personal Services	\$12,989,435	\$13,587,833	\$14,881,726	\$14,881,726	\$15,399,354
Contractual Services	1,007,117	1,065,679	1,500,481	1,272,968	1,425,481
Commodities	490,418	468,543	562,006	562,006	562,006
Capital Outlay	0	10,411	0	0	0
Transfers	0	0	0	0	0
Total	\$14,486,970	\$15,132,466	\$16,944,213	\$16,716,700	\$17,386,841

Major Budget Changes for FY 2021

- Prisoner boarding costs are now shown in Municipal Court for FY2021 (previously paid out of the Police Department budget).

Staffing Police

POSITION	2018	2019	2020	2020	2021
	ACTUAL	ACTUAL	BUDGET	REVISED	BUDGET
Administrative Support	1.23	1.23	1.23	1.00	1.00
Crime Analyst	1.00	1.00	2.00	2.00	2.00
Custodian	2.00	2.00	2.00	2.00	2.00
Deputy Police Chief	1.00	1.00	1.00	1.00	1.00
Database Administrator	1.00	1.00	1.00	1.00	1.00
Information Systems Specialist	2.00	2.00	2.00	2.00	2.00
Police Captain	1.00	1.00	1.00	1.00	1.00
Police Chief	1.00	1.00	1.00	1.00	1.00
Police Dispatcher	16.00	16.00	16.00	14.00	14.00
Police Major	1.00	1.00	1.00	1.00	1.00
Police Sergeant	2.00	2.00	2.00	2.00	2.00
Public Service Officer	10.00	10.00	10.00	10.00	10.00
Recruiting Coordinator	0.00	0.00	0.00	0.00	1.00
Supplemental Support	0.00	0.00	0.00	2.00	2.00
Technical Services Manager	1.00	1.00	1.00	1.00	1.00
Technical Services Specialist	3.00	3.00	3.00	3.00	3.00
Unit Supervisors	5.00	5.00	5.00	5.00	4.00
Video & Security Systems Technician	1.00	1.00	1.00	1.00	1.00
Video & Security Systems Administrator	1.00	1.00	1.00	1.00	1.00
ADMINISTRATION DIVISION TOTAL	50.23	50.23	51.23	51.00	51.00
Administrative Support	1.00	1.00	1.00	1.00	1.00
Police Corporal/MPO/Officer	9.00	9.00	9.00	9.00	9.00
Police Investigative Specialist	0.00	0.00	1.00	1.00	1.00
Police Sergeant	1.00	1.00	1.00	1.00	1.00
Supplemental Support	0.00	0.00	0.00	1.00	1.00
INVESTIGATION DIVISION TOTAL	11.00	11.00	12.00	13.00	13.00
Animal Control Officer	3.00	3.00	3.00	3.00	3.00
Court Security Officer	2.00	2.00	2.00	1.00	1.00
Police Captain	4.00	4.00	4.00	4.00	4.00
Police Corporal/MPO/Officer	67.00	67.00	66.00	61.00	61.00
Police Equipment Technician	1.00	1.00	1.00	1.00	1.00
Police Major	1.00	1.00	1.00	1.00	1.00
Police Sergeant	9.00	9.00	10.00	10.00	10.00
Supplemental Support	0.00	0.00	0.00	5.00	5.00
PATROL DIVISION TOTAL	87.00	87.00	87.00	86.00	86.00
POLICE TOTAL	148.23	148.23	150.23	150.00	150.00



Municipal Services

GENERAL FUND – MUNICIPAL SERVICES DEPARTMENT - 40

Mission Statement

Provide the community with outstanding public service by maintaining the City's infrastructure and facilities with integrity and innovation.

Governing Body Goals Supported

- City Services: Ensure that City services assist in creating a superior quality of life and a safe atmosphere where people desire to live, work and play.

Core Services

- Maintain all vehicles and equipment
- Maintain streets, curb and gutters, sidewalk and rights-of-way, bike/hiking trails, snow removal and storm related emergencies
- Coordinate the implementation of the City's pavement management program
- Maintain and operate street lights, traffic signs, and traffic signals
- Ensure safe and efficient movement of traffic through the City
- Manage City facilities
- Asset management coordination

Accomplishments for 2019

- Responded to 11 winter events
- Timely response to severe weather events
- Pavement management program treated approximately 42 lanes miles, 1,750 linear feet of sidewalk, 1.6 miles of curb and 4,500 linear feet of trail
- Dumpster day recycled material
 - 10.55 tons of e-waste
 - 20.06 tons of steel
- Streets placed 5,440 tons of asphalt for in-house projects and repairs
- Streets poured concrete pads at 8 locations for the Lenexa Share Cycle Program
- Facilities completed 1,251 work orders and painted interiors for Fire Station No. 1, 2 & 5
- Fleet division completed 2,835 work orders
- Traffic responded to 706 service requests
- Assisted with the Linwood Tornado Clean up
- Completed construction and moved fleet operations into new fleet facility while maintaining vehicle and equipment readiness
- Completed construction of new salt structure increasing onsite storage capacity
- Completed sealing the top deck of parking garage
- Hired new street superintendent
- Department hosted second annual "Truck or Treat" event for kids and families

Objectives for 2020/2021

- Prepare for and obtain APWA re-accreditation
- Manage a successful pavement management program
- Assist with pavement management program with in-house asphalt work and traffic loops
- Roof replacement on 3 facilities: traffic sign shop, traffic maintenance shop, Fire Station No. 4

- Replace and improve Fire Station No. 3 water heating system to tankless technology
- Develop and implement new processes for the new fleet shop
- Establish yearly sidewalk maintenance and improvement program
- Complete traffic signal inventory

Future Opportunities/Issues

- Maintenance of aging facilities and infrastructure
- Additional lane miles for street maintenance and snow removal
- Increased amount of square footage of facilities to maintain
- Succession planning for leadership positions in the department
- Keeping up with new trends and technologies in all areas of the department
- Attracting, hiring, and retaining quality staff

Key Performance Measures				
	FY 2018 Actual	FY 2019 Actual	FY 2020 Estimate	FY 2020 Budget
Objective: % of fleet operational at all times is 90% or greater	92%	92%	92%	92%
Objective: % of citizen survey respondents who are "satisfied" or "very satisfied" with snow removal on major City streets is 90% or greater	90%	91%	90%	90%
Objective: % of citizen survey respondents who are "satisfied" or "very satisfied" with maintenance of traffic signals is 85% or greater	85%	86%	85%	86%
Objective: % of citizen survey respondents who are "satisfied" or "very satisfied" with maintenance of City streets is 85% or greater	85%	82%	85%	85%
Objective: % of citizen survey respondents who are "satisfied" or "very satisfied" with maintenance of City buildings is 85% or greater	90%	90%	90%	90%
Objective: % of citizen survey respondents who are "satisfied" or "very satisfied" with the adequacy of City street lighting is 80% or greater	85%	76%	85%	82%

Expenditure Information

Expenditure Category	FY 2018	FY 2019	FY 2020	FY 2020	FY 2021
	Actual	Actual	Original Budget	Revised Budget	Budget
Personal Services	\$4,072,870	\$4,116,868	\$4,425,522	\$4,425,522	\$4,404,072
Contractual Services	2,478,464	2,421,682	3,266,050	3,233,750	3,259,360
Commodities	1,562,600	1,694,160	2,224,950	2,224,950	2,265,950
Capital Outlay	363,440	172,538	716,279	565,279	41,000
Transfers	0	0	0	0	0
Total	\$8,477,374	\$8,405,248	\$10,632,801	\$10,449,501	\$9,970,382

Major Budget Changes for FY 2021

- Commodities increase \$41,000 due to price increases in asphalt, refuse collection/recycling, and parts/supplies for vehicles.

Staffing Municipal Services

POSITION	2018	2019	2020	2020	2021
	ACTUAL	ACTUAL	BUDGET	REVISED	BUDGET
Administration Support	2.00	2.00	2.00	2.00	2.00
Asset Management Technician	0.70	0.70	0.70	0.70	0.70
Asset Systems Coordinator	0.20	0.20	0.20	0.20	0.20
Assistant Municipal Services Director*	1.00	1.00	1.00	1.00	1.00
Municipal Services Director*	1.00	1.00	1.00	1.00	1.00
Pavement Management Coordinator	1.00	1.00	1.00	1.00	1.00
Construction Inspector (PMP)	1.00	1.00	1.00	1.00	1.00
ADMINISTRATION DIVISION					
TOTAL	6.90	6.90	6.90	6.90	6.90
* 20% of the Director and 15% of the Assistant Director position are charged to the Stormwater Fund.					
Maintenance Worker	16.00	16.00	16.00	16.00	16.00
Street Foreman	4.00	4.00	4.00	4.00	4.00
Street Superintendent	1.00	1.00	1.00	1.00	1.00
HIGHWAYS & STREETS DIVISION					
TOTAL	21.00	21.00	21.00	21.00	21.00
Traffic Sign Technician	1.00	1.00	1.00	1.00	1.00
Traffic Signal Technician	3.00	3.00	3.00	3.00	3.00
Traffic Superintendent	1.00	1.00	1.00	1.00	1.00
TRAFFIC DIVISION TOTAL	5.00	5.00	5.00	5.00	5.00

Administration Support	1.00	1.00	1.00	1.00	1.00
Facilities Foreman	1.00	1.00	1.00	1.00	1.00
Facilities Maintenance Technician	5.00	5.00	5.00	5.00	5.00
Facilities Manager	1.00	1.00	1.00	1.00	1.00
FACILITIES DIVISION TOTAL	8.00	8.00	8.00	8.00	8.00
Body Mechanic	1.00	1.00	1.00	1.00	1.00
Equipment Mechanic	6.00	6.00	6.00	6.00	6.00
Fleet Superintendent	1.00	1.00	1.00	1.00	1.00
Fleet Supervisor	1.00	1.00	1.00	1.00	1.00
Parts Specialist	1.00	1.00	1.00	1.00	1.00
FLEET DIVISION TOTAL	10.00	10.00	10.00	10.00	10.00
MUNICIPAL SERVICES TOTAL	50.90	50.90	50.90	50.90	50.90



Parks & Recreation

GENERAL FUND – PARKS & RECREATION DEPARTMENT – 50

Mission Statement

Lenexa Parks and Recreation strengthens community through exceptional people, programs, facilities and festivals.

Governing Body Goals Supported

- City Services: Ensure that City services assist in creating a superior quality of life and a safe atmosphere where people desire to live, work and play.
- City Center: Partner in the development of a premier destination point – “City Center” – that serves as a community gathering place integrating a variety of uses (including residential, retail and office uses).
- Sense of Community: Celebrate Lenexa’s heritage and history to enhance the sense of community, pride and quality of life for residents.

Core Services

- Planning and developing parks and facilities that are environmentally sensitive, provide diverse leisure-time opportunities and support the community's vision and desires
- Providing high quality, high impact recreation experiences by organizing, promoting, and delivering programs, festivals, and services to our community
- Responding to our customers’ needs through trust and communication
- Promoting collaborative efforts and partnerships with other agencies and businesses to help obtain the vision of the community
- Providing the quality of life for residents, businesses, and visitors that make people choose Lenexa as their home and/or place of business
- Maintain city’s landscaped areas including green spaces, gateway and roads

Accomplishments for 2019

- The 2019 Citizen Satisfaction survey revealed an extremely high level of satisfaction with parks and recreation services
- New playgrounds installed at Tamarisk, Gillette, Heritage Forest, McNeerney and SKPT parks
- Design completed and construction started on the renovations to the pickleball complex (Bois D’Arc) and roller hockey/tennis courts (SKPTP)
- Final report accepted on the Community Center/Senior Study
- The initial phase of the Aquatics study was accepted in August with continued discussions regarding the future of aquatics through a public engagement effort
- Summer day camp at the Rec Center increased to 100 per session
- Completed the Evan Knaus Memorial Tree Walk at Black Hoof Park
- Completed landscape renovations on Renner Blvd.
- Wettest spring on record for Kansas (17”) presented major challenges including the 7” of rain during the Great Lenexa BBQ Battle
- A full line up of special events provided plenty of recreational activities for citizens. The Community Days Parade canceled due to threatening weather
- A variety of new programs were offered. The TOPS (Take Off Pounds Sensibly) program earned a state award for the most new members

- The Lenexa Community Orchestra celebrated their third season
- City Center Live (new performing arts program co-hosted by the Arts Council and Johnson County Library) premiered with a number of performances
- Farmers Market experienced a 43% increase in attendance (29,500) over the inaugural year's attendance. Holiday and winter markets were also offered
- Senior trips continued to increase in popularity
- Trail improvements include plans for the Lackman Trail, Little Mill Creek Trail crossing on 87th by SKPTP and Santa Fe Trail Drive
- The Manhattan Short Film Festival (collaboration with the Johnson County Library) was offered.
- Complete Streets study was accepted and included recommendations for bike lanes and trails

Objectives for 2020/2021

- The COVID-19 pandemic and subsequent Stay at Home orders issued by the state and county will have a profound impact upon programs, special events and facilities for the remainder of 2020 and will carry over into 2021 and beyond. Specific objectives include: reopen facilities to the public in a phased approach, new operational guidelines (social distancing, increased sanitation, public education, etc.); cancelation of numerous programs and special events, only one outdoor pool operational for 2020 (if allowed), pausing efforts on the parks master plan and aquatics public engagement studies as well as numerous other changes
- Successful completion of Bois D'Arc pickleball courts & the SKPTP tennis/roller hockey courts
- Manage special events effectively and efficiently
- Work with the Shawnee Mission School District/Johnson County Park & Recreation District on parking for the aquatic events in City Center
- Enhance sponsorship program for special events and the Lenexa Arts Council activities
- Completion of the park design for Cedar Station Park at Mize Lake

Future Opportunities/Issues

- Complete the parks master plan update and the aquatics public engagement piece
- Design and renovate the Community Center to accommodate the needs of the seniors
- Identify funding for park improvements (pool renovations, new trails, trail maintenance, future park development)
- Staffing – Recruitment and retention of qualified staff

Key Performance Measures

	FY 2018 Actual	FY 2019 Actual	FY 2019 Estimate	FY 2020 Budget
Objective: % of citizen survey respondents who are "satisfied" or "very satisfied with the quality of parks/recreation programs & facilities is 90% or greater	95%	95%	95%	95%
Objective: % of citizen survey respondents who are "satisfied" or "very satisfied with the maintenance of parks is 93% or greater	94%	96%	94%	95%
Objective: % of citizen survey respondents who are "satisfied" or "very satisfied with the number of parks is 85% or greater	90%	93%	90%	90%

Expenditure Information

Expenditure Category	FY 2018	FY 2019	FY 2020	FY 2020	FY 2021
	Actual	Actual	Original Budget	Revised Budget	Budget
Personal Services	\$4,516,183	\$4,667,378	\$4,987,812	\$5,092,209	\$5,403,214
Contractual Services	952,712	1,215,140	1,335,600	1,405,407	1,329,509
Commodities	658,469	608,350	698,592	744,386	745,256
Capital Outlay	121,276	33,014	37,906	37,906	37,906
Transfers	100	0	0	0	0
Total	\$6,248,740	\$6,523,882	\$7,059,910	\$7,279,908	\$7,515,885

Major Budget Changes for FY 2021

- The original budget for 2020 was revised to include funding of \$173,000 for the Ad Astra Pool, which included 2.3 FTE positions. Ad Astra continues to be funded in the 2021 budget. The 2020 revised budget also included the addition of a .75 FTE Customer Service Representative. (Revised FTE's are 75.40 for FY2020)
- Contractual Services includes one-time funding of \$15,600 for replacement of two chemical controllers for Flat Rock Creek Pool.
- Parks & Recreation made various other line item adjustments to align with actual budget utilization.

Staffing Parks & Recreation

POSITION	2018 ACTUAL	2019 ACTUAL	2020 BUDGET	2020 REVISED	2021 BUDGET
Administration Support	1.00	1.00	1.00	1.00	1.00
Concierges	0.00	0.38	0.38	0.38	0.38
Customer Service Manager	1.00	1.00	0.00	0.00	0.00
Customer Service Representative	2.00	2.00	2.26	3.00	3.00
Customer Service Supervisor	1.00	1.00	1.00	1.00	1.00
Deputy Park & Recreation Director	1.00	1.00	1.00	1.00	1.00
Parks & Recreation Director	1.00	1.00	1.00	1.00	1.00
Recreation Superintendent	0.00	0.00	1.00	1.00	1.00
ADMINISTRATION DIVISION TOTAL	7.00	7.38	7.64	8.38	8.38
Administration Support	1.00	1.00	1.00	1.00	1.00
Crew Leader	5.00	5.00	5.00	5.00	5.00
Irrigation Technician	1.00	1.00	1.00	1.00	1.00
Maintenance Worker	18.00	18.00	20.00	20.00	20.00
Parks Superintendent	1.00	1.00	1.00	1.00	1.00
Parks Supervisor	3.00	3.00	3.00	3.00	3.00
Seasonal Maintenance Worker	6.20	6.20	4.95	4.95	4.95
MAINTENANCE DIVISION TOTAL	35.20	35.20	35.95	35.95	35.95
Building Services Worker/Crew Leader	13.77	13.77	10.72	10.72	10.72
Building Services Supervisor	1.00	1.00	1.00	1.00	1.00

BUILDING SERVICES DIVISION					
TOTAL	14.77	14.77	11.72	11.72	11.72
Program Assistant/Receptionist	0.00	0.00	0.00	0.00	0.00
Recreation Program Instructor	0.00	0.00	0.00	0.58	0.58
Recreation Superintendent	1.00	1.00	1.00	1.00	1.00
Recreation Supervisor	4.00	4.00	4.00	4.00	4.00
PROGRAM ADMINISTRATION					
DIVISION TOTAL	5.00	5.00	5.00	5.58	5.58
Concierge	1.53	1.53	1.53	1.53	1.53
THOMPSON BARN DIVISION					
TOTAL	1.53	1.53	1.53	1.53	1.53
Farmers Market Attendant	0.41	0.41	0.41	0.41	0.41
FARMERS MARKET DIVISION					
TOTAL	0.41	0.41	0.41	0.41	0.41
Camp Counselor	0.58	0.58	0.58	0.00	0.00
Camp Director	0.58	0.00	0.00	0.00	0.00
CAMP DIVISION TOTAL	1.16	0.58	0.58	0.00	0.00
Recreation Supervisor	1.00	1.00	1.00	1.00	1.00
NATURE PROGRAM DIVISION					
TOTAL	1.00	1.00	1.00	1.00	1.00
Aquatics Specialist	0.50	0.50	0.50	0.50	0.50
Coaches	1.75	1.75	1.75	1.75	1.75
Swimming Pool Seasonal Worker	8.58	8.58	6.28	8.58	8.58
SWIMMING POOLS DIVISION					
TOTAL	10.83	10.83	8.53	10.83	10.83
PARKS AND RECREATION TOTAL	76.90	76.70	72.36	75.40	75.40



Special Highway

SPECIAL HIGHWAY FUND - 25

Fund Description

To account for monies levied by the State of Kansas (Motor Fuel Tax) producing revenues to be used to defray in whole or in part the cost of constructing, altering reconstructing, maintaining and repairing streets and highways pursuant to KSA 79-3425C.

Core Services

- Funding for pavement management program

Expenditure Information

Expenditure Category	FY 2018	FY 2019	FY 2020	FY 2020	FY 2021
	Actual	Actual	Original Budget	Revised Budget	Budget
Personal Services	\$0	\$0	\$0	\$0	\$0
Contractual Services	0	0	0	0	0
Commodities	0	0	0	0	0
Capital Outlay	0	0	0	0	0
Transfers	1,448,604	1,491,294	1,460,550	1,460,550	1,210,000
Reserves	0	0	365,032	0	388,135
Total	\$1,448,604	\$1,491,294	\$1,825,582	\$1,460,550	\$1,598,135

Major Budget Changes for FY 2021

- Transfers decrease 17% due to lower motor fuel tax collections (\$1,210,000 will be allocated for the pavement management program)



Special Alcohol

SPECIAL ALCOHOL FUND - 26

Fund Description

To account for monies provided by state liquor taxation on private clubs and expended for the purchase, establishment, and maintenance of services or programs for alcoholism prevention and education.

Core Services

- Alcoholism prevention
- Drug abuse awareness and education

Expenditure Information

Expenditure Category	FY 2018	FY 2019	FY 2020	FY 2020	FY 2021
	Actual	Actual	Original Budget	Revised Budget	Budget
Personal Services	\$0	\$0	\$0	\$0	\$0
Contractual Services	149,925	166,674	221,385	205,000	205,000
Commodities	30,062	35,981	30,000	30,000	30,000
Capital Outlay	0	0	0	0	0
Transfers	52,189	44,577	60,000	0	0
Reserves	0	0	564,443	0	316,700
Total	\$232,176	\$247,232	\$875,828	\$235,000	\$551,700

Major Budget Changes for FY 2021

- \$135,000 included for Drug & Alcoholism Council (Contractual Services – no change from FY2020)
- \$70,000 included for the Mental Health Co-Responders (Contractual Services – no change from FY2020)
- Eliminate transfer to General Fund (for School Resource Officer personnel costs – general revenues fund will now cover these costs)



Special Parks & Recreation

SPECIAL PARKS & RECREATION FUND - 27

Fund Description

To account for monies provided by state liquor taxation on private clubs and expended for the purchase, establishment and maintenance of services or programs for alcoholism prevention and education. Special Alcohol Funds are to be evenly distributed between the General Fund, Special Parks and Recreation Fund and the Special Alcohol Fund.

Core Services

- Funding for parks capital improvement projects

Expenditure Information

Expenditure Category	FY 2018	FY 2019	FY 2020	FY 2020	FY 2021
	Actual	Actual	Original Budget	Revised Budget	Budget
Personal Services	\$0	\$0	\$0	\$0	\$0
Contractual Services	0	0	0	0	0
Commodities	0	0	0	0	0
Capital Outlay	0	0	0	0	0
Transfers	280,572	326,562	311,385	78,000	78,000
Reserves	0	0	85,821	0	72,748
Total	\$280,572	\$326,562	\$397,206	\$78,000	\$150,748

Major Budget Changes for FY 2021

- Transfer of funds to Capital Improvement Fund for parks and recreation capital projects decreases due to lower liquor tax distributions



Tourism & Convention

TOURISM AND COVENTION FUND - 28

Fund Description

To account for monies derived from transient guest tax levied on the gross rental receipts paid by guests for lodging to be used for promotion of tourism, conventions and economic development.

Core Services

- Funding for Convention & Visitor's Bureau
- Funding for Economic Development Council
- Funding for Legler Barn operations

Expenditure Information

Expenditure Category	FY 2018 Actual	FY 2019 Actual	FY 2020 Original Budget	FY 2020 Revised Budget	FY 2021 Budget
Personal Services	\$10,885	\$10,341	\$35,642	\$35,642	\$37,215
Contractual Services	558,684	618,535	614,673	614,673	614,673
Commodities	0	0	2,400	2,400	2,400
Capital Outlay	90,000	106,143	517,429	0	0
Debt Service	276,506	273,306	275,106	275,106	276,856
Transfers	178,470	172,710	244,750	22,000	0
Reserves	0	0	1,393,905	0	1,296,075
Total	\$1,114,545	\$1,181,035	\$3,083,905	\$949,821	\$2,227,219

Major Budget Changes for FY 2021

- \$270,000 included for the Convention & Visitor's Bureau and \$335,000 included for Economic Development Council (Contractual Services – no change from FY2020)
- \$47,000 included for Legler Barn operations
- \$276,856 included for debt service payment on the City Center East Conference Center (general obligation bonds issued in FY2014)
- Eliminate transfer to General Fund for Public Market operations and transfer to Capital Improvement Fund for art purchases

Staffing Legler Barn

POSITION	2018 ACTUAL	2019 ACTUAL	2020 BUDGET	2020 REVISED	2021 BUDGET
Customer Service Representative	0.50	0.50	0.50	0.50	0.50
TOURISM FUND TOTAL	0.50	0.50	0.50	0.50	0.50



Parks & Recreation Impact Fee

PARKS & RECREATION IMPACT FEE FUNDS – 40, 41, 42

Fund Description

To account for monies provided by park impact fees imposed on new development and expended on parks and recreation facilities and public art. This fee ensures that new development bears a proportionate share of the cost of providing parks and recreation facilities.

Core Services

- The Parks and Recreation Impact Fee Funds (PRIF) are divided into three designated PRIF Districts to ensure the projects are related to the demand generated by the new development in the PRIF District
- Expenditures are budgeted to finance eligible parks and recreation and public art projects

Expenditure Information

Expenditure Category	FY 2018	FY 2019	FY 2020	FY 2020	FY 2021
	Actual	Actual	Original Budget	Revised Budget	Budget
Personal Services	\$0	\$0	\$0	\$0	\$0
Contractual Services	0	0	0	0	0
Commodities	0	0	0	0	0
Capital Outlay	0	0	0	0	0
Transfers	0	0	425,000	425,000	425,000
Reserves	0	0	1,750,933	0	2,059,859
Total	\$0	\$0	\$2,175,933	\$425,000	\$2,484,859

Major Budget Changes for FY 2021

- Transfer of funds to Capital Improvement Fund for parks and recreation capital projects



Street Tree

STREET TREE FUNDS – 43, 44, 45

Fund Description

To account for monies received from building permits for the purpose of financing the landscaping of street-side property in areas under development.

Core Services

- The Street Tree Funds are divided into three designated zones
- The funds are solely for the purpose of purchasing street tree planting for the zone in which the funds were collected

Expenditure Information

Expenditure Category	FY 2018	FY 2019	FY 2020	FY 2020	FY 2021
	Actual	Actual	Original Budget	Revised Budget	Budget
Personal Services	\$0	\$0	\$0	\$0	\$0
Contractual Services	0	0	0	0	0
Commodities	74,742	65,418	90,000	90,000	90,000
Capital Outlay	0	0	0	0	0
Transfers	0	0	0	0	0
Reserves	0	0	393,147	0	440,388
Total	\$74,742	\$65,418	\$483,147	\$90,000	\$530,388

Major Budget Changes for FY 2021

- No major budget changes (funds are used to purchase street trees)



Transportation Improvement Plan

TRANSPORTATION IMPROVEMENT PLAN FUNDS – 46,47,48

Fund Description

To account for monies provided by traffic impact fees imposed on new development and expended on transportation operational improvements.

Core Services

- The Transportation Improvement Program (TIP) is divided into three designated TIP Districts (Funds) to ensure the projects are related to the traffic demand generated by the new development
- Expenditures are budgeted to finance eligible transportation projects

Expenditure Information

Expenditure Category	FY 2018	FY 2019	FY 2020	FY 2020	FY 2021
	Actual	Actual	Original Budget	Revised Budget	Budget
Personal Services	\$0	\$0	\$0	\$0	\$0
Contractual Services	0	0	0	0	0
Commodities	0	0	0	0	0
Capital Outlay	14,000	0	0	0	0
Transfers	291,572	512,906	695,000	695,000	695,000
Reserves	0	0	2,555,829	0	2,709,297
Total	\$305,572	\$512,906	\$3,250,829	\$695,000	\$3,404,297

Major Budget Changes for FY 2021

- No major budget changes (transfer of funds to traffic improvement projects)



Neighborhood Revitalization

NEIGHBORHOOD REVITALIZATION FUND - 50

Fund Description

To provide for revitalization efforts to improve neighborhoods and continue the City's reputation as a safe, attractive and friendly community. The incentives encourage property owners to reinvest and increase the assessed value of their properties. The district boundaries are 85th Street on the north, 98th Street on the south, Goddard Street on the east, and Acuff Lane on the west. The district also includes two small portions of the City to the north and south of this area.

Core Services

- Owners of single family homes or duplexes that are approved for the property tax rebate will receive an 85% rebate of the increase in property tax associated with the increased assessed valuation for 10 years. Owners of multi-family residential and commercial properties will generally receive a 75% rebate for 10 years. The City stopped taking new applications for funding in February 2017.

Expenditure Information

Expenditure Category	FY 2018	FY 2019	FY 2020	FY 2020	FY 2021
	Actual	Actual	Original Budget	Revised Budget	Budget
Personal Services	\$0	\$0	\$0	\$0	\$0
Contractual Services	206,576	245,820	350,000	350,000	350,000
Commodities	0	0	0	0	0
Capital Outlay	0	0	0	0	0
Transfers	0	0	0	0	0
Reserves	0	0	281,138	0	350,292
Total	\$206,576	\$245,820	\$631,138	\$350,000	\$700,292

Major Budget Changes for FY 2021

- No major budget changes (Neighborhood Revitalization District rebate payments are charged to contractual services)



City Center TIF

CITY CENTER TIF DISTRICT FUND - 51

Fund Description

To account for monies received from Johnson County for the Tax Increment Financing (TIF) property tax increment to reimburse the City and developers for certified costs associated with the City Center TIF District.

Core Services

- Reimbursing the City and developers for eligible costs associated with the City Center TIF District

Expenditure Information

Expenditure Category	FY 2018	FY 2019	FY 2020	FY 2020	FY 2021
	Actual	Actual	Original Budget	Revised Budget	Budget
Personal Services	\$0	\$0	\$0	\$0	\$0
Contractual Services	0	0	0	0	0
Commodities	0	0	0	0	0
Economic Development	3,070,254	2,720,195	7,330,165	7,330,165	8,645,555
Transfers	1,779,523	1,320,798	36,835	36,835	43,445
Reserves	0	0	1,278,148	0	1,759,907
Total	\$4,849,777	\$4,040,993	\$8,645,148	\$7,367,000	\$10,448,907

Major Budget Changes for FY 2021

- Economic Development reimbursements increase due to assessed valuation growth within the TIF district



Mining TIF District

MINING TIF DISTRICT FUND – 53

Fund Description

To account for monies received from Johnson County for the Tax Increment Financing (TIF) property tax increment to reimburse developers for certified costs associated with the Mining TIF District.

Core Services

- Reimbursing developers for eligible costs associated with the Mining TIF District

Expenditure Information

Expenditure Category	FY 2018	FY 2019	FY 2020	FY 2020	FY 2021
	Actual	Actual	Original Budget	Revised Budget	Budget
Personal Services	\$0	\$0	\$0	\$0	\$0
Contractual Services	0	0	0	0	0
Commodities	0	0	0	0	0
Economic Development	1,585,666	1,853,938	3,091,465	3,091,465	3,626,775
Transfers	3,507	4,340	15,535	15,535	18,225
Reserves	0	0	33,640	0	97,626
Total	\$1,589,173	\$1,858,278	\$3,140,640	\$3,107,000	\$3,742,626

Major Budget Changes for FY 2021

- Economic Development reimbursements increase due to assessed valuation growth within the TIF district



Ridgeview Mining TIF

RIDGEVIEW MINING TIF FUND – 54

Fund Description

To account for monies received from the Tax Increment Financing (TIF) District for the purpose of redevelopment at the intersection of 95th and Renner Boulevard.

Core Services

- Reimbursing developers for eligible costs associated with the Ridgeview Mining TIF District

Expenditure Information

Expenditure Category	FY 2018	FY 2018	FY 2020	FY 2020	FY 2021
	Actual	Actual	Original Budget	Revised Budget	Budget
Personal Services	\$0	\$0	\$0	\$0	\$0
Contractual Services	0	0	0	0	0
Commodities	0	0	0	0	0
Economic Development	518,599	899,091	1,117,385	1,117,385	1,285,540
Transfers	11,343	804,495	5,615	5,615	6,460
Reserves	0		1,721,301	0	995,682
Total	\$529,942	\$1,703,586	\$2,844,301	\$1,123,000	\$2,287,682

Major Budget Changes for FY 2021

- Economic Development reimbursements increase due to assessed valuation growth within the TIF district



Orchard Corners CID

ORCHARD CORNERS CID FUND – 56

Fund Description

To account for monies received from the Community Improvement District (CID) District additional 1% City sales tax for the purpose of redevelopment in the Orchard Corners District.

Core Services

- Reimbursing the developer for eligible costs associated with the Orchard Corners CID district

Expenditure Information

Expenditure Category	FY 2018 Actual	FY 2019 Actual	FY 2020 Original Budget	FY 2020 Revised Budget	FY 2021 Budget
Personal Services	\$0	\$0	\$0	\$0	\$0
Contractual Services	0	0	0	0	0
Commodities	0	0	0	0	0
Economic Development	484,555	646,833	643,500	643,500	693,000
Transfers	4,895	6,534	6,500	6,500	7,000
Reserves	0	0	154,517	0	142,181
Total	\$489,450	\$653,367	\$804,517	\$650,000	\$842,181

Major Budget Changes for FY 2021

- Economic Development reimbursements increase based on historical collections



Prairie Creek CID

PRAIRIE CREEK CID FUND – 57

Fund Description

To account for monies received from the Community Improvement District (CID) District additional 1% City sales tax for the purpose of redevelopment in the Prairie Creek District.

Core Services

- Reimbursing the developer for eligible costs associated with the Prairie Creek CID district

Expenditure Information

Expenditure Category	FY 2018	FY 2019	FY 2020	FY 2020	FY 2021
	Actual	Actual	Original Budget	Revised Budget	Budget
Personal Services	\$0	\$0	\$0	\$0	\$0
Contractual Services	0	0	0	0	0
Commodities	0	0	0	0	0
Economic Development	95,352	93,210	108,900	108,900	123,750
Transfers	963	942	1,100	1,100	1,250
Reserves	0	0	17,361	0	20,410
Total	\$96,315	\$94,152	\$127,361	\$110,000	\$145,410

Major Budget Changes for FY 2021

- Economic Development reimbursements increase based on historical collections



Quivira 95 CID

QUIVIRA 95 CID FUND – 58

Fund Description

To account for monies received from the Community Improvement District (CID) District additional 1% City sales tax for the purpose of redevelopment in the northwest corner of 95th Street and Quivira Road.

Core Services

- Reimbursing the developer for eligible costs associated with the Quivira 95 CID district

Expenditure Information

	FY 2018	FY 2019	FY 2020	FY 2020	FY 2021
Expenditure Category	Actual	Actual	Original Budget	Revised Budget	Budget
Personal Services	\$0	\$0	\$0	\$0	\$0
Contractual Services	0	0	0	0	0
Commodities	0	0	0	0	0
Economic Development	38,317	35,000	51,480	51,480	51,480
Transfers	387	354	520	520	520
Reserves	0	0	7,641	0	7,115
Total	\$38,704	\$35,354	\$59,641	\$52,000	\$59,115

Major Budget Changes for FY 2021

- No major budget changes



Greystone Plaza CID

GREYSTONE PLAZA CID FUND – 59

Fund Description

To account for monies received from the Community Improvement District (CID) District additional 1% City sales tax for the purpose of redevelopment in the Greystone Plaza area located north of 87th Street Parkway and west of Rosehill Road.

Core Services

- Reimbursing the developer for eligible costs associated with the Greystone Plaza CID district

Expenditure Information

Expenditure Category	FY 2018	FY 2019	FY 2020	FY 2020	FY 2021
	Actual	Actual	Original Budget	Revised Budget	Budget
Personal Services	\$0	\$0	\$0	\$0	\$0
Contractual Services	0	0	0	0	0
Commodities	0	0	0	0	0
Economic Development	60,096	68,097	69,300	69,300	79,200
Transfers	607	688	700	700	800
Reserves	0	0	9,261	0	10,594
Total	\$60,703	\$68,785	\$79,261	\$70,000	\$90,594

Major Budget Changes for FY 2021

- Economic Development reimbursements increase based on historical collections



City Center East #1 CID

CITY CENTER EAST #1 CID FUND – 61

Fund Description

To account for monies received from the Community Improvement District (CID) District additional 1% City sales tax for the purpose of redevelopment in the City Center East Village that contains an office building (primarily occupied by AMN Healthcare – B.E. Smith) and the Grand Street cafe.

Core Services

- Reimbursing the developer for eligible costs associated with the City Center East #1 CID district

Expenditure Information

Expenditure Category	FY 2018	FY 2019	FY 2020	FY 2020	FY 2021
	Actual	Actual	Original Budget	Revised Budget	Budget
Personal Services	\$0	\$0	\$0	\$0	\$0
Contractual Services	0	0	0	0	0
Commodities	0	0	0	0	0
Economic Development	51,044	0	19,800	19,800	19,800
Transfers	-94	19	200	200	200
Reserves	0	0	28,584	0	25,931
Total	\$50,950	\$19	\$48,584	\$20,000	\$45,931

Major Budget Changes for FY 2021

- No major budget changes



City Center East #2 CID

CITY CENTER EAST #2 CID FUND – 62

Fund Description

To account for monies received from the Community Improvement District (CID) District additional 1% City sales tax for the purpose of redevelopment, which includes the portion of the City Center East Village that contains the Hyatt Place hotel and adjacent restaurant.

Core Services

- Reimbursing the developer for eligible costs associated with the City Center East #2 CID district

Expenditure Information

Expenditure Category	FY 2018	FY 2019	FY 2020	FY 2020	FY 2021
	Actual	Actual	Original Budget	Revised Budget	Budget
Personal Services	\$0	\$0	\$0	\$0	\$0
Contractual Services	0	0	0	0	0
Commodities	0	0	0	0	0
Economic Development	27,588	-9,048	89,100	89,100	108,900
Transfers	279	488	900	900	1,100
Reserves	0	0	137,947	0	241,092
Total	\$27,867	-\$8,560	\$227,947	\$90,000	\$351,092

Major Budget Changes for FY 2021

- Economic Development reimbursements increase based on historical collections



I-35 & 95th Street TIF

I-35 & 95th STREET TIF FUND – 63

Fund Description

To account for monies received from the Tax Increment Financing (TIF) District for the purpose of redevelopment at the intersection of I-35 and 95th Street.

Core Services

- Reimbursing the developer for eligible costs associated with the I-35 & 95th Street development

Expenditure Information

Expenditure Category	FY 2018	FY 2019	FY 2020	FY 2020	FY 2021
	Actual	Actual	Original Budget	Revised Budget	Budget
Personal Services	\$0	\$0	\$0	\$0	\$0
Contractual Services	0	0	0	0	0
Commodities	0	0	0	0	0
Economic Development	35,534	243,859	1,283,550	1,283,550	1,633,790
Transfers	179	525,171	6,450	6,450	8,210
Reserves	0		864,901	0	777,127
Total	\$35,713	\$769,030	\$2,154,901	\$1,290,000	\$2,419,127

Major Budget Changes for FY 2021

- Economic Development reimbursements due to assessed valuation growth within the TIF district



SpringHill Suites CID

SPRINGHILL SUITES CID FUND – 64

Fund Description

To account for monies received from the Community Improvement District (CID) District additional 1% City sales tax for the purpose of redevelopment which includes the Marriott SpringHill Suites hotel in City Center North.

Core Services

- Reimbursing the developer for eligible costs associated with the Springhill Suites CID district

Expenditure Information

Expenditure Category	FY 2018	FY 2019	FY 2020	FY 2020	FY 2021
	Actual	Actual	Original Budget	Revised Budget	Budget
Personal Services	\$0	\$0	\$0	\$0	\$0
Contractual Services	0	0	0	0	0
Commodities	0	0	0	0	0
Economic Development	45,985	48,700	54,450	54,450	59,400
Transfers	465	492	550	550	600
Reserves	0	0	6,546	0	7,092
Total	\$46,450	\$49,192	\$61,546	\$55,000	\$67,092

Major Budget Changes for FY 2021

- Economic Development reimbursements increase based on historical collections



Candlewood Suites CID

CANDLEWOOD SUITES CID FUND – 65

Fund Description

To account for monies received from the Community Improvement District (CID) District additional 1% City sales tax for the purpose of redevelopment which includes Candlewood Suites hotel located near the I-35 and 95th Street interchange.

Core Services

- Reimbursing the developer for eligible costs associated with the Candlewood Suites CID district

Expenditure Information

Expenditure Category	FY 2018	FY 2019	FY 2020	FY 2020	FY 2021
	Actual	Actual	Original Budget	Revised Budget	Budget
Personal Services	\$0	\$0	\$0	\$0	\$0
Contractual Services	0	0	0	0	0
Commodities	0	0	0	0	0
Economic Development	0	36,612	23,760	23,760	29,700
Transfers	0	370	240	240	300
Reserves	0	0	18,968	0	2,882
Total	\$0	\$36,982	\$42,968	\$24,000	\$32,882

Major Budget Changes for FY 2021

- Economic Development reimbursements increase based on historical collections



Holiday Inn Express CID

HOLIDAY INN EXPRESS CID FUND - 66

Fund Description

To account for monies received from the Community Improvement District (CID) District additional 1% City sales tax for the purpose of redevelopment which includes the Holiday Inn Express hotel located near the I-35 and 95th Street Interchange.

Core Services

- Reimbursing the developer for eligible costs associated with the Holiday Inn Express CID district

Expenditure Information

Expenditure Category	FY 2018	FY 2019	FY 2019	FY 2019	FY 2020
	Actual	Actual	Original Budget	Revised Budget	Budget
Personal Services	\$0	\$0	\$0	\$0	\$0
Contractual Services	0	0	0	0	0
Commodities	0	0	0	0	0
Economic Development	0	48,219	29,700	29,700	34,650
Transfers	0	487	300	300	350
Reserves	0	0	26,995	0	3,473
Total	\$0	\$48,706	\$56,995	\$30,000	\$38,473

Major Budget Changes for FY 2021

- Economic Development reimbursements increase based on historical collections



Sonoma Plaza CID

SONOMA PLAZA CID FUND - 67

Fund Description

To account for monies received from the Community Improvement District (CID) District additional 1% City sales tax for the purpose of redevelopment which includes Sonoma Plaza retail development located south of 87th Street Parkway along Maurer Road.

Core Services

- Reimbursing the developer for eligible costs associated with the Sonoma Plaza CID district

Expenditure Information

Expenditure Category	FY 2018	FY 2019	FY 2020	FY 2020	FY 2021
	Actual	Actual	Original Budget	Revised Budget	Budget
Personal Services	\$0	\$0	\$0	\$0	\$0
Contractual Services	0	0	0	0	0
Commodities	0	0	0	0	0
Economic Development	0	0	277,200	277,200	277,200
Transfers	0	0	2,800	2,800	2,800
Reserves	0	0	0	0	0
Total	\$0	\$0	\$280,000	\$280,000	\$280,000

Major Budget Changes for FY 2021

- No major budget changes (CID began July 1, 2020) Estimates are preliminary



City Center Area E CID

CITY CENTER AREA E CID FUND - 68

Fund Description

To account for monies received from the Community Improvement District (CID) District additional 1% City sales tax for the purpose of redevelopment which includes the new building (Area E) located in the southwest corner of 87th Street Parkway and Renner Boulevard.

Core Services

- Reimbursing the developer for eligible costs associated with the City Center Area E CID district

Expenditure Information

Expenditure Category	FY 2018	FY 2019	FY 2020	FY 2020	FY 2021
	Actual	Actual	Original Budget	Revised Budget	Budget
Personal Services	\$0	\$0	\$0	\$0	\$0
Contractual Services	0	0	0	0	0
Commodities	0	0	0	0	0
Economic Development	0	0	49,500	49,500	49,500
Transfers	0	0	500	500	500
Reserves	0	0	0	0	6,132
Total	\$0	\$0	\$50,000	\$50,000	\$56,132

Major Budget Changes for FY 2021

- No major budget changes (CID began July 1, 2019)



Lenexa Point CID

LENEXA POINT CID FUND - 69

Fund Description

To account for monies received from the Community Improvement District (CID) District additional 1% City sales tax for the purpose of redevelopment which includes the Lenexa Point Shopping Center area, which is located in the northwest corner of 87th Street Parkway and Maurer Road.

Core Services

- Reimbursing the developer for eligible costs associated with the Lenexa Point CID district

Expenditure Information

Expenditure Category	FY 2018	FY 2019	FY 2020	FY 2020	FY 2021
	Actual	Actual	Original Budget	Revised Budget	Budget
Personal Services	\$0	\$0	\$0	\$0	\$0
Contractual Services	0	0	0	0	0
Commodities	0	0	0	0	0
Economic Development	0	0	0	0	203,940
Transfers	0	0	0	0	2,060
Reserves	0	0	0	0	0
Total	\$0	\$0	\$0	\$0	\$206,000

Major Budget Changes for FY 2021

- CID began April 1, 2020 (Estimates are preliminary)



Stormwater

STORMWATER FUND - 80

Mission Statement

Maintain and enhance Lenexa's stormwater management system by implementing innovative and sustainable stormwater management practices.

Governing Body Goals Supported

- City Services: Ensure that City services assist in creating a superior quality of life and a safe atmosphere where people desire to live, work and play.
- Reinvestment: Promote and support efforts to redevelop retail sites and improve our neighborhoods to continue the City's reputation as a safe and friendly community.

Core Services

- Operate, inspect, maintain and construct stormwater collection systems, drainage structures, stormwater quality Best Management Practices (BMPs) and stream stabilization, restorations and enhancements
- Implement stormwater management plan to meet regulatory requirements that address flood control, water quality, public education and protecting the natural environment
- Coordinate stormwater management activities with other departments and agencies to provide recreational opportunities, limit stormwater impact on street infrastructure and enhance the quality of new construction and redevelopment throughout the City

Accomplishments for 2019

- Grew approximately 4,000 native plants in greenhouse for installation in City owned storm water facilities and for BMP Cost Share private raingardens. Seeds are collected from established plants.
- Removed 707 cubic yards of debris by street sweeping and leaf removal
- Repaired or replaced 56 storm drains
- Inspected 89,722 feet of pipe
- Removed 312 bags of litter out of the City owned streams and BMP's
- Removed 155 cubic yards of sediment through our Storm System Cleaning and Pollution Prevention Programs keeping it out of streams and lakes

Objectives for 2020/2021

- Expand Stream Maintenance Program to improve invasive vegetation removal, litter clean up, volunteer involvement and riparian zone health
- Continue development of Pond and Wetland Dredging Program
- Improve our Storm System Cleaning Program to proactively remove sediment and litter from pipes and structures before it enters stream and ponds
- Increase the number of storm structures lined in-house
- Review and update Street Sweeping Operations Plan to take into account additional lane miles added from new development

Future Opportunities/Issues

- Corrugated Metal Pipe (CMP) replacement
- Continue to have a positive community outreach program on the benefits for stormwater

- Maintenance of existing BMPs and infrastructure
- Maintenance of additional BMPs and infrastructure with continued growth in the community
- Maintenance of existing roadside ditches
- Attracting, hiring, and retaining quality staff

Key Performance Measures

	FY 2018 Actual	FY 2019 Actual	FY 2020 Estimate	FY 2021 Budget
Objective: % of citizen survey respondents who are "satisfied" or "very satisfied" with the quality of the City's stormwater/runoff management is 80% or greater	80%	82%	85%	85%

Expenditure Information

Expenditure Category	FY 2018 Actual	FY 2019 Actual	FY 2020 Original Budget	FY 2020 Revised Budget	FY 2021 Budget
Personal Services	\$1,461,883	\$1,436,838	\$1,739,328	\$1,739,328	\$1,739,804
Contractual Services	57,955	90,206	176,150	176,150	176,150
Commodities	92,090	59,665	137,600	137,600	137,600
Capital Outlay	206,212	115,800	0	0	0
Debt Service	3,816,689	4,579,910	2,860,388	2,858,410	3,030,066
Transfers	1,300,000	2,186,025	1,746,390	1,746,390	1,275,747
Reserves	-9,795	39,295	2,509,388	0	3,509,213
Total	\$6,925,034	\$8,507,739	\$9,169,244	\$6,657,878	\$9,868,580

Major Budget Changes for FY 2021

- Debt Service and Transfers have been adjusted to incorporate stormwater projects funded in Capital Improvement Program.

Staffing Stormwater

POSITION	80 FUND: STORMWATER				
	Stormwater Management Fund (80405000)				
	2018 ACTUAL	2019 ACTUAL	2020 BUDGET	2020 REVISED	2021 BUDGET
Asset Management Technician	0.30	0.30	0.30	0.30	0.30
Asset Systems Coordinator	0.80	0.80	0.80	0.80	0.80
ADMINISTRATION DIVISION TOTAL	1.10	1.10	1.10	1.10	1.10
Assistant to the Municipal Service Director	1.00	1.00	1.00	1.00	1.00

Maintenance Worker	12.00	12.00	13.00	13.00	11.00
Stormwater Maintenance Foreman	2.00	2.00	2.00	2.00	2.00
Stormwater Superintendent	1.00	1.00	1.00	1.00	1.00
Stormwater Street Sweeper Operator	0.00	0.00	0.00	0.00	2.00
MAINTENANCE DIVISION TOTAL	16.00	16.00	17.00	17.00	17.00
Erosion Control Inspector	1.00	1.00	1.00	1.00	1.00
Project Manager	1.00	1.00	1.00	1.00	1.00
Stormwater Specialist	1.00	1.00	1.00	1.00	1.00
DEVELOPMENT DIVISION TOTAL	3.00	3.00	3.00	3.00	3.00
STORMWATER TOTAL	20.10	20.10	21.10	21.10	21.10



Rec Center

REC CENTER FUND – 82

Mission Statement

Lenexa Parks and Recreation strengthens community through exceptional people, programs, facilities and festivals.

Governing Body Goals Supported

- City Services: Ensure that City services assist in creating a superior quality of life and a safe atmosphere where people desire to live, work and play.
- City Center: Partner in the development of a premier destination point – “City Center” – that serves as a community gathering place integrating a variety of uses (including residential, retail and office uses).
- Sense of Community: Celebrate Lenexa’s heritage and history to enhance the sense of community, pride and quality of life for residents.

Core Services

- Offer a variety of quality programs and services for all ages and abilities to engage a wide variety of users
- Provide a safe and affordable place for our community members to recreate, socialize and foster a healthy lifestyle
- Maintain excellent facilities and services that help our customers live better lives
- Build and strengthen community through our programs and services

Accomplishments for 2019

- Finished calendar year with cost recovery of 160%
- Member engagement efforts resulted in a 17% decline in member terminations
- Ended 2019 with 9,187 active members
- Over 298,000 membership visits for the year (not including recreation program participants)
- Expanded and sold out the licensed summer day camp (883 registrations, 2nd year of operation)
- Hosted 895 birthday parties and saw substantial growth around facility rentals

Objectives for 2020/2021

- Continue to develop and grow program offerings
- Continue to foster member retention by offering community-style events and ways to keep them involved in the Rec Center
- Build on current RecShop operations to include a smoothie operation and other requested areas
- Develop a fitness equipment replacement plan
- Continue to achieve 100% cost recovery while not sacrificing services
- Develop and sustain safe and responsible operations with the reopening of the Rec Center after the COVID-19 pandemic

Future Opportunities/Issues

- Team building to promote collaboration and avoid burnout

- Ensure aquatic programming continues to be top-notch as JCPRD/SMSD expand their operations
- Continue efforts towards maintaining 100% cost recovery – specifically around expense management
- Creation of Fitness Equipment replacement plan as part of an overall CIP
- Staff recruitment and retainage
- Heavy reliance of variable staff for operations will continue to be a challenge

Key Performance Measures				
	FY 2018 Actual	FY 2019 Actual	FY 2020 Estimate	FY 2021 Budget
Objective: % of citizen survey respondents who are “satisfied” or “very satisfied” with the quality of Rec Center facilities is 93% or greater	79%	82%	93%	90%
Objective: % of citizen survey respondents who are “satisfied” or “very satisfied” with the quality of Rec Center fitness equipment options is 85% or greater	N/A	85%	85%	85%
Objective: % of citizen survey respondents who are “satisfied” or “very satisfied” with quantity of Rec Center program options is 87% or greater	N/A	85%	87%	85%
Objective: % of citizen survey respondents who are “satisfied” or “very satisfied” with the quality of Rec Center programs and services is 85% or greater	N/A	85%	85%	85%
Objective: % of citizen survey respondents who are “satisfied” or “very satisfied” with the cleanliness of Rec Center facilities is 93% or greater	N/A	90%	93%	90%
Objective: % of citizen survey respondents who are “satisfied” or “very satisfied” with the Rec Center usage pricing options to the value received is 75% or greater	N/A	75%	75%	75%

Expenditure Information

Expenditure Category	FY 2018	FY 2019	FY 2020	FY 2020	FY 2021
	Actual	Actual	Original Budget	Revised Budget	Budget
Personal Services	\$1,518,901	\$1,700,664	\$2,085,529	\$2,085,529	\$2,064,834
Contractual Services	364,970	373,748	496,993	518,993	500,803
Commodities	184,111	222,177	258,715	236,715	267,405
Capital Outlay	14,310	7,811	25,000	25,000	25,000
Debt Service	0	0	0	0	0
Transfers	0	0	0	0	0
Reserves	0	0	1,001,945	0	773,261
Total	\$2,082,292	\$2,304,400	\$3,868,182	\$2,866,237	\$3,631,303

Major Budget Changes for FY 2021

- The revised 2020 budget included funding for a .50 FTE Personal Trainer and the reduction of a .25 FTE Building Services Worker. (Revised FTE's are 54.25 for FY2020)

Staffing Rec Center

82 FUND: 500 REC CENTER

POSITION	2018 ACTUAL	2019 ACTUAL	2020 BUDGET	2020 REVISED	2021 BUDGET
Assistant Rec Center Manager	0.50	0.50	0.50	0.50	0.50
Rec Center Manager	1.00	1.00	1.00	1.00	1.00
ADMINISTRATION DIVISION TOTAL	1.50	1.50	1.50	1.50	1.50
Attendant	3.75	3.75	3.75	3.75	3.75
Customer Service (Front Desk) Representative	5.50	5.90	5.90	5.90	5.90
Customer Service Supervisor	1.00	1.00	1.00	1.00	1.00
CUSTOMER SERVICE DIVISION TOTAL	10.25	10.65	10.65	10.65	10.65
Facilities Maintenance Technician	1.00	1.00	1.00	1.00	1.00
Parks Maintenance Worker	1.00	1.00	1.00	1.00	1.00
FACILITIES DIVISION TOTAL	2.00	2.00	2.00	2.00	2.00
Building Services Worker/Crew Leader	3.92	3.92	5.74	5.49	5.49
BUILDING SERVICES DIVISION TOTAL	3.92	3.92	5.74	5.49	5.49

Assistant Rec Center Manager	0.50	0.50	0.50	0.50	0.50
Attendants	0.85	0.85	0.85	0.85	0.85
RENTAL & EVENTS DIVISION TOTAL	1.35	1.35	1.35	1.35	1.35
Program Instructor	0.69	0.69	0.69	0.69	0.69
ENRICHMENT DIVISION TOTAL	0.69	0.69	0.69	0.69	0.69
Attendant/Counselor	2.58	4.50	4.50	4.50	4.50
Camp Director	0.00	0.58	0.58	0.58	0.58
Recreation Supervisor	0.25	0.25	0.25	0.25	0.25
CAMPS DIVISION TOTAL	2.83	5.33	5.33	5.33	5.33
Attendant	0.00	0.96	0.96	0.96	0.96
Recreation Supervisor	0.25	0.25	0.25	0.25	0.25
DANCE DIVISION TOTAL	0.25	1.21	1.21	1.21	1.21
Attendant	2.94	2.94	2.94	2.94	2.94
Recreation Supervisor	0.25	0.25	0.25	0.25	0.25
SPORTS DIVISION TOTAL	3.19	3.19	3.19	3.19	3.19
Aquatics Specialist	0.50	0.50	0.50	0.50	0.50
Aquatics Program Coordinator	0.00	0.00	0.52	0.52	0.52
Lifeguards	13.39	13.39	13.39	13.39	13.39
Pool Managers	1.83	1.83	1.83	1.83	1.83
Recreation (Aquatics) Supervisor	0.50	0.50	0.50	0.50	0.50
SWIMMING POOL DIVISION TOTAL	16.22	16.22	16.74	16.74	16.74
Attendant	1.55	1.55	1.55	1.55	1.55
Fitness Coordinator	0.00	0.00	0.72	0.72	0.72
Personal Trainer	0.00	0.00	0.00	0.50	0.50
Program Instructor	2.58	2.58	2.58	2.58	2.58
Recreation Supervisor	0.75	0.75	0.75	0.75	0.75
FITNESS DIVISION TOTAL	4.88	4.88	5.60	6.10	6.10
REC CENTER TOTAL	47.08	50.94	54.00	54.25	54.25



Non-Budgeted Funds

**Annual Budget Document
2021
City of Lenexa
January 1 - December 31**



Non-Budgeted Funds

The City's non-budgeted funds consist of special revenue funds, expendable trust funds and internal service fund types. Typically, these funds are used to account for revenues derived from specific sources, which are designated to finance particular functions or activities of the City. Applicable Kansas statutes require that annual budgets be legally adopted for all funds unless exempted by a specific statute. Control over spending in funds that are not subject to legal budgets is maintained by the use of internal spending limits established by the City.

03 *Lenexa Foundation Fund*

To account for monies provided by public donations and restricted contributions.

10 *Capital Improvement Fund (C.I.F.)*

To account for monies transferred from the General Fund and any other city funds for the purpose of financing authorized capital improvement projects and expenditures for machinery and equipment. Included in the 2021 budget is a \$9,853,000 transfer to this fund and is distributed as follows:

3/8 Cent Sales Tax: This sales tax will be used for parks/civic projects and the Pavement Maintenance Program.	\$5,655,000
1/4 Cent County Sales/Use Tax: This sales tax will be used for public safety projects.	\$1,389,000
Capital Projects: These monies will be added to the 2021-2025 CIP to help fund various capital projects.	\$2,787,000
Art Projects: These monies will be added to the CIF to help fund the purchase of art for the City.	\$22,000

15 *Grants*

To account for monies received by various Grants and to fund a specific purpose. (i.e. Sobriety/Saturation Grant and STEP).

20 *Law Enforcement Trust Fund*

To account for monies received from the confiscation and sale of items seized in drug related offenses.

21 *Legal Trust Fund*

To account for monies received from the confiscation and sale of items seized in drug related offenses and also proceeds from certain state grant programs.

73 *Facilities Maintenance Fund*

To account for monies transferred from the General Fund and Capital Improvement Fund and reserved for repairs to city buildings. In the 2021 budget, \$250,000 has been allocated to transfer to this fund.

75 *Equipment Reserve Fund*

To account for monies transferred from the General Fund and Capital Improvement Fund to provide for level funding of equipment replacements in all City departments. In the 2021 budget, \$850,000 has been allocated to transfer to this fund.

- 85 *Health Plan Fund*
To account for the City of Lenexa's self insured health plan for employees, retirees, and individuals eligible for continued coverage.
- 86 *Risk Management Fund*
To account for monies transferred from the General Fund and reserved for the purpose of paying claims and related costs arising from legal action and settlement.
- 87 *Workers Compensation Fund*
To account for the City's self-insured worker's compensation plan for employees.
- 90 *Pension Trust Fund*
To account for the accumulation of resources for pension benefit payments from the City's Defined Benefit Pension Plan.



Appendix

**Annual Budget Document
2021
City of Lenexa
January 1 - December 31**



Glossary

ACCOUNTING SYSTEM - The total structure of records and procedures which discover, record, classify, summarize, and report information on the financial position and results of operations of the city government.

ADMINISTRATIVE TEAM – The Administrative Team (A-team) is composed of the following positions: City Manager, Deputy City Manager, Assistant City Manager, Assistant to the City Manager, Chief Financial Officer, Assistant Chief Financial Officer, City Attorney, Deputy City Attorney, Community Development Director, Deputy Community Development Director, Fire Chief, Deputy Fire Chief, Fire Division Chief, Human Resources Director, Human Resources Manager, Municipal Services Director, Assistant or Deputy Municipal Services Director, Parks and Recreation Director, Assistant or Deputy Parks and Recreation Director, Police Chief, Deputy Police Chief, Communications Director, Information Technology Director.

ACCRUAL ACCOUNTING – A method of accounting that recognizes the financial effect of transactions, events, and interfund activities when they occur, regardless of the timing of related cash flows.

APPRAISED VALUATION - The value set upon real estate or other property by the Johnson County Appraiser.

APPROPRIATION - The act of authorizing the expenditure of a designated amount of public funds for a specific purpose.

A.P.W.A. – (American Public Works Association) An international educational and professional association of public agencies, private sector companies, and individuals dedicated to providing high quality public works goods and services.

ASSESSED VALUATION - By law, a fixed percentage of the appraised market valuation as found by the Appraiser.

BALANCED BUDGET – Budget in which projected resources (revenues plus use of fund balance) equal projected expenditures. Applies to each fund appropriated in the city's budget.

BMP – (Best Management Practices) Practices that are determined to be the most technologically or economically feasible means of preventing or managing potential impacts.

BOND - A written promise, generally under seal, to pay a specific sum of money, called the face value, at a fixed time in the future, called the date of maturity, and carrying interest at a fixed rate, usually payable periodically.

BOND INDEBTEDNESS - The portion of a government's debt represented by outstanding bonds.

B.O.Z.A. – (Board of Zoning Appeals) The Board of Zoning Appeals is the body that considers and makes decisions about: appeals of the city's actions in administering the zoning regulations of the Unified Development Code (UDC), variances from the specific requirements of the UDC and exceptions that are specifically authorized by the UDC.

BUDGET - A financial plan, for a specified period, of the governmental operation, that matches all planned revenues and expenditures with the services provided the residents of the city.

C.A.D. – (Computer Aided Design) The use of a wide range of computer based tools that assist engineers, architects and other design professions in their design activities.

C.A.F.R. – (Comprehensive Annual Financial Report) A financial report that encompasses all funds and component units of the government.

CAPITAL ASSETS - Assets of significant value and having a useful life of several years, also called fixed assets. Capital assets includes land, improvements to land, easements, buildings, building improvements, vehicles, machinery, equipment, art and infrastructure. All land will be capitalized, infrastructure will be capitalized if it is valued over \$300,000 and has a useful life of greater than 5 years, and items other than land or infrastructure will be capitalized if it is valued over \$10,000 for Governmental funds, and \$5,000 for Enterprise funds and has a useful life of greater than 2 years.

CAPITAL EXPENDITURES - An expenditure that results in the acquisition of or addition to fixed assets (capital assets).

CAPITAL IMPROVEMENTS - Expenditures related to the acquisition, expansion or rehabilitation of an element of the government's physical plant, sometimes referred to as infrastructure.

CAPITAL OUTLAY - Fixed assets that have a value of \$10,000 or more and have a useful economic lifetime of more than one year; or, assets of any value if the nature of the item is such that it must be controlled for custody purposes as a fixed asset.

CAPITAL PROJECT - Major construction, acquisition, or renovation activities which add value to a government's physical assets or significantly increase their useful life, also called capital improvements.

C.A.R.S. – (County Assisted Road System) A program which provides funds to the cities of Johnson County to construct and maintain their major arterials.

CASH BASIS LAW – A statute that requires that cash be on hand before incurring an obligation.

C.D.B.G. – (Community Development Block Grant) A grant provided by Department of Housing and Urban Development (HUD) to serving low- to moderate-income residents throughout the County.

C.D.L. – (Commercial Drivers License) A license that meets certain "standards" that are the same for every state and that is required to drive certain kinds of commercial vehicles.

C.I.F. – (Capital Improvement Fund) A fund that accounts for monies transferred from the General Fund and any other city funds for the purpose of financing authorized capital improvement projects and expenditures for machinery and equipment.

C.I.P. – (Capital Improvement Program) – A plan that serves as a guide for the efficient and effective provision of public facilities, outlining timing and financing schedules of capital projects for a five year time period.

COMMODITIES - Expendable items that are consumable or have a short life span. Examples include office supplies, gasoline, minor equipment, and asphalt.

COMMUNITY IMPROVEMENT DISTRICT (CID) - Established to encourage and promote economic development, tourism and community investment within a defined CID area. A CID Project should provide public benefit such as strengthening economic development and employment opportunities; reducing blight, enhancing tourism; upgrading older real estate through redevelopment or rehabilitation; or promoting sustainability. Public financing is achieved by levying and collecting special assessments and/or a CID sales tax upon property in the District.

CONTINGENCY - A budgetary reserve set aside for emergencies or unforeseen expenditures not otherwise budgeted.

CONTRACTUAL SERVICES - Service rendered to a government by private firms, individuals, or other governmental agencies. Examples include utilities, rent, maintenance agreements, and professional consulting services.

C.O.P.S. – (Community Oriented Policing Services) A grant provided to local law enforcement agencies to advance community policing.

D.A.R.E. – (Drug Awareness Resistance Education) A police officer-led series of classroom lessons that teaches children how to resist peer pressure and live productive drug and violence-free lives.

DEBT SERVICE - The cost of paying principal and interest on borrowed money according to a predetermined payment schedule.

DEBT SERVICE FUND - A fund established to account for the accumulation of resources for, and the payment of, long-term principal and interest.

DEPARTMENT - A major administrative organizational unit of the city that indicates overall management responsibility for one or more activities.

DEPRECIATION - Expiration in the service life of capital assets attributable to wear and tear, deterioration, action of the physical elements, inadequacy or obsolescence.

DERIVATIVE – Contract whose value depends on, or derives from, the value of an underlying asset, reference rate or index.

DIVISION - A distinct subsection of a department that also indicates a separation of management responsibility.

D.U.I. – (Driving Under the Influence) The act of operating a motor vehicle after having consumed alcohol or other drugs, to the degree that mental and motor skills are impaired.

EMPLOYEE BENEFITS - Contributions made by a government to meet commitments or obligations for employee fringe benefits. Included are the government's share of costs for Social Security and the various pension, medical, and life insurance plans.

ENCUMBRANCE - The commitment of appropriated funds to purchase an item or service. To encumber funds means to set aside or commit funds for a specified future expenditure, to a specific vendor.

ENTERPRISE FUND - An enterprise fund is used to account for the acquisition, operation, and maintenance of governmental facilities and services that are predominately self-supporting through user charges. The city currently has two enterprise funds- Stormwater and Rec Center Fund.

E.P.A. – (Environmental Protection Agency) An independent regulatory agency responsible for the implementation of federal laws designed to protect the environment.

EXPENDITURES - A decrease in the net financial resources of the city due to the acquisition of goods and services.

EXPENSE - Charges incurred (whether paid immediately or unpaid) for operations, maintenance, interest or other charges.

F.H.W.A. – (Federal Highway Administration) Provides Federal financial resources and technical assistance to State and local governments for constructing, preserving, and improving the National Highway System.

FIDUCIARY FUNDS - A category of funds used to report assets held in a trustee or agency capacity for others and which therefore cannot be used to support the government's own programs.

FISCAL YEAR - A twelve-month period to which the annual budget applies. (The City of Lenexa's fiscal year is from January 1, to December 31.)

F.T.E. – (Full Time Equivalent) Personnel numbers are represented in full time equivalents. One full time equivalent generally equates to 2,080 hours per year.

FULL FAITH AND CREDIT - A pledge of the general taxing power of a government to repay debt obligations.

FUNCTION - A group of related activities aimed at accomplishing a major service or regulatory program for which a government is responsible. (Example: Governmental Administration.)

FUND - An accounting entity with a self-balancing set of accounts that record financial transactions for a specific government activity or function.

FUND BALANCE – Net position of a governmental fund (difference between assets, liabilities, deferred outflows of resources, and deferred inflows of resources).

G.A.A.P. - Generally Accepted Accounting Principles. Uniform minimum standards for financial accounting and recording, encompassing the conventions, rules, and procedures that define accepted accounting principles.

G.A.S.B. – Governmental Accounting Standards Board. The authoritative standard setting body for state and local governments.

GENERAL FUND - This is the general operating fund of a city. The revenues and expenditures associated with all services traditionally associated with local governments are accounted for in this fund, except for those services that are required to be accounted for in some other fund.

GENERAL OBLIGATION BONDS - (G.O. Bonds) Bonds that finance a variety of public projects that pledge the full faith and credit of the city.

G.F.O.A. – (Government Finance Officers Association) An association of public finance professionals that plays a major role in the development and promotion of GAAP for state and local governments.

G.I.S. – (Geographic Information Systems) A collection of computer hardware, software, and geographic data for capturing, managing, analyzing, and displaying all forms of geographically referenced information.

GOAL - A statement of broad direction, purpose or intent based on the needs of the community.

GOVERNMENTAL FUND – Funds generally used to account for tax-supported activities. There are five different types of governmental funds: the general fund, special revenue funds, debt service funds, capital projects funds, and permanent funds.

G.P.S. – (Global Positioning System) An aid used to navigate and a tool for map-making and land surveying.

GRANTS - Contributions or gifts of cash or other assets from another governmental unit (typically state or federal) to be used or expended for a specified purpose or activity.

INTERFUND TRANSFERS - Amounts transferred from one fund to another.

INTERGOVERNMENTAL REVENUES - Funds received from federal, state and other local government sources in the form of grants, shared revenues, and payments in lieu of taxes.

I.R.B. – (Industrial Revenue Bonds) Bonds issued by a governmental agency to finance acquisition and construction of industrial, commercial and industrial properties on behalf of private businesses.

K.D.H.E. – (Kansas Department of Health and Environment) The State Department responsible for protecting the health and environment of all Kansans.

K.D.O.T. – (Kansas Department of Transportation) The State Department, which provides for a statewide transportation system.

KORA – Kansas Open Records Act

KOMA – Kansas Open Meetings Act

LEGAL DEBT MARGIN - The current statutory debt limit for all Kansas cities pursuant to K.S.A. 79-5037 is 30% of assessed valuation including the motor vehicle valuation.

LEVY - To impose taxes for the support of government activities.

LINE ITEM - An individual expenditure category listing in the budget. (Example: salary, supplies, contractual services, etc.)

LONG TERM DEBT - Debt with a maturity of more than one year after the date of issuance.

M.A.R.C. – (Mid America Regional Council) An association that serves city and county governments and the metropolitan planning organization for the bi-state Kansas City region.

MAJOR FUND – Funds whose revenues, expenditures, assets or liabilities are at least 10 percent of corresponding totals for all governmental or enterprise funds and at least 5 percent of the aggregate amount for all governmental and enterprise funds for the same item. The General Fund is always considered a major fund.

MANAGEMENT TEAM – The Management Team is composed of the following positions: City Manager, Deputy City Manager, Chief Financial Officer, City Attorney, Community Development Director, Fire Chief, Human Resources Director, Municipal Services Director, Parks and Recreation Director, Police Chief, Communications Director, and the Information Technology Director.

MILL - The property tax rate that is based on the valuation of property. A tax rate of one mill produces one dollar of taxes on each \$1,000 of assessed property valuation.

MODIFIED ACCRUAL ACCOUNTING – A basis of accounting in which revenues are recognized in the accounting period when they become available and measurable. Expenditures are recognized in the accounting period in which the fund liability is incurred.

N.F.P.A. – (National Fire Protection Association) An association whose mission is to reduce the worldwide burden of fire and other hazards on the quality of life by providing and advocating consensus codes and standards, research, training, and education.

N.P.D.E.S. – (National Pollution Discharge Elimination System) A national program under Section 402 of the Clean Water Act for regulation of discharges of pollutants from point sources to waters of the United States. Discharges are illegal unless authorized by an NPDES permit.

OBJECTIVE - A statement of specific direction, purpose or intent based on the needs of the community and the goals established for a specific program.

OBJECT OF EXPENDITURE - An expenditure classification, referring to the lowest and most detailed level of classification, such as salaries, office supplies and furniture.

ORGANIZATION (ORG) CLASSIFICATION - Expenditure classification according to the specific lines of work performed by the organizational units.

P.C. – (Planning Commission) The body that reviews development proposals for compliance with the Unified Development Code and makes recommendations to the Governing Body.

P.C.I. – (Pavement Condition Index) A numerical index between 0 and 100 and is used to indicate the condition of a roadway.

PERFORMANCE INDICATORS - Quantitative and/or qualitative objective measurement of results by a department or division, which helps to determine effectiveness in meeting goals and objectives.

PERSONAL SERVICES - Expenditures for salaries, wages, and fringe benefits of a government's employees.

P.M.P. – (Pavement Maintenance Program) A program funded to maintain quality roadways in the city. The primary source of funding in the Special Highway Fund (gas tax).

PRIF – (Parks and Recreation Impact Fee) Funds set up to account for money provided by park impact fees imposed on new development and expended on parks and recreation facilities and public art.

RESERVES - An account used to indicate that a portion of a fund balance is restricted or set aside for emergencies or unforeseen expenditures not otherwise budgeted.

RESOURCES - Total amounts available for appropriation including estimated revenues, fund transfers, and beginning balances.

REVENUES - Funds that the government receives as income. It includes such items as tax payments, fees from specific services, receipts from other governments, forfeitures, grants, shared revenues, and interest income.

R.O.W. – (Right of Way) A type of easement that gives someone the right to travel across property owned by another person or entity.

RPT – (Regular Part-Time) A position scheduled for year-round employment averaging 20 to 30 hours per week and more than 1,000 hours in a year.

S.M.A.C. – (Stormwater Management Advisory Council) SMAC is an advisory group that reviews recommendations of the Stormwater Management Program and makes recommendations to the Johnson County Board of Commissioners for Stormwater Management.

SPECIAL ASSESSMENTS - A compulsory levy made against certain properties to defray a part of the cost of a specific improvement, such as street paving, curb and gutter replacement, sanitary sewers, etc., which are deemed to primarily benefit those properties.

SPECIAL REVENUE FUNDS - These funds are used to account for revenues derived from specific taxes, governmental grants or other revenue sources, which are designated to finance particular functions or activities of the city.

TAX LEVY - The total amount to be raised by general property taxes for the purposes specified in the approved city budget.

TAX RATE - The amount of tax levied for each \$1,000 of assessed valuation.

T.I.F. – (Tax Increment Financing) TIF is a tool, which uses future increases in tax revenues to finance the current improvements that will create those gains. When a public project such as a road, is built, there is an increase in the value of surrounding real estate and often-new investment (new or rehabilitated buildings, for example). This increased site value and investment creates more taxable property, which increases tax revenues. The increased tax revenues are the "tax increment." Tax Increment Financing dedicates that increased revenue to finance debt issued to pay for the project.

T.I.P. – (Transportation Improvement Program) Funds set up to account for monies provided by traffic impact fees imposed on new development and expended on transportation operational improvements.

TRANSFERS IN/OUT - Amounts transferred from one fund to another to assist in financing the services for the recipient fund.

U.B.C. - Uniform Building Code

U.D.C. – (Unified Development Code) The portion of the Lenexa Municipal Code that deals with Unified Development Code is Title 4. This includes Zoning Ordinances and Subdivision Ordinance or Subdivision Regulations.

U.N.E. – (Unbundled Network Elements) The parts of the telecommunications network that the incumbent local exchange carriers are required to offer on an unbundled basis.

U.N.E.P. – (Unbundled Network Element Platforms) A combination of UNEs that allow end-to-end service delivery without any facilities.

VoIP – (Voice over Internet Protocol) The routing of voice conversations over the Internet or through any other IP-based network.