



# 2022

ANNUAL BUDGET  
DOCUMENT

Lenexa   
K A N S A S



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished  
Budget Presentation  
Award*

PRESENTED TO

**City of Lenexa  
Kansas**

For the Fiscal Year Beginning

**January 01, 2021**

*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, 2021.

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.

# TABLE OF CONTENTS

## LENEXA OVERVIEW

|  |    |
|--|----|
| Directory of City Officials                | 5  |
| Organization Overview                      | 6  |
| Budget Message                             | 8  |
| Tax Valuation Illustration                 | 14 |
| City Profile                               | 15 |
| Assessed Valuation                         | 25 |
| Guiding Principles and Strategic Alignment | 29 |

## FINANCIAL OVERVIEW

|  |    |
|--|----|
| Fund Description and Structure                   | 46 |
| Financial Policies                               | 49 |
| Budget Procedures                                | 51 |
| Budgeted Expenditure by Fund                     | 54 |
| Budget Summary by Year                           | 55 |
| Budget Summary by Fund                           | 56 |
| Budgetary Projections by Fund – Fiscal Year 2022 | 57 |
| Summary of Revenues by Fund                      | 60 |
| Major Revenue Sources – Trends and Assumptions   | 62 |
| Multi-year Financial Forecast                    | 67 |

## CAPITAL IMPROVEMENT PROGRAM AND DEBT MANAGEMENT

|   |    |
|---|----|
| Capital Improvement Program Overview              | 74 |
| Capital Improvement Program Summaries             | 77 |
| Capital Improvement Program Highlights            | 82 |
| Capital Improvement Program – 2022 Project Detail | 83 |
| Debt Management                                   | 91 |

## DEPARTMENT/FUND BUDGETS

|  |     |
|--|-----|
| General Fund                           | 98  |
| Governing Body                         | 98  |
| Executive                              | 100 |
| Communications                         | 102 |
| Public Market                          | 104 |
| Municipal Court                        | 106 |
| Non-Departmental                       | 108 |
| Finance                                | 109 |
| Human Resources                        | 111 |
| Information Technology                 | 113 |
| Legal                                  | 115 |
| Community Development                  | 118 |
| Fire                                   | 121 |
| Police                                 | 124 |
| Municipal Services                     | 127 |
| Parks and Recreation                   | 130 |
| Enterprise Funds                       | 134 |
| Stormwater Fund                        | 134 |
| Rec Center Fund                        | 137 |
| Special Revenue Funds                  | 140 |
| Tax Increment Financing District Funds | 148 |
| Community Improvement District Funds   | 152 |

## NON-BUDGETED FUNDS

|                    |     |
|--------------------|-----|
| Non-Budgeted Funds | 165 |
|--------------------|-----|

## GLOSSARY

|          |     |
|----------|-----|
| Glossary | 168 |
|----------|-----|



# LENEXA OVERVIEW

**This section is designed to give the reader a general look at Lenexa, including demographic data and strategic planning processes.**

# DIRECTORY OF CITY OFFICIALS

## MAYOR



**Michael Boehm**  
mboehm@lenexa.com

## CITY COUNCIL WARD 1



**Joe Karlin**  
jkarlin@lenexa.com



**Courtney Eiterich**  
ceiterich@lenexa.com

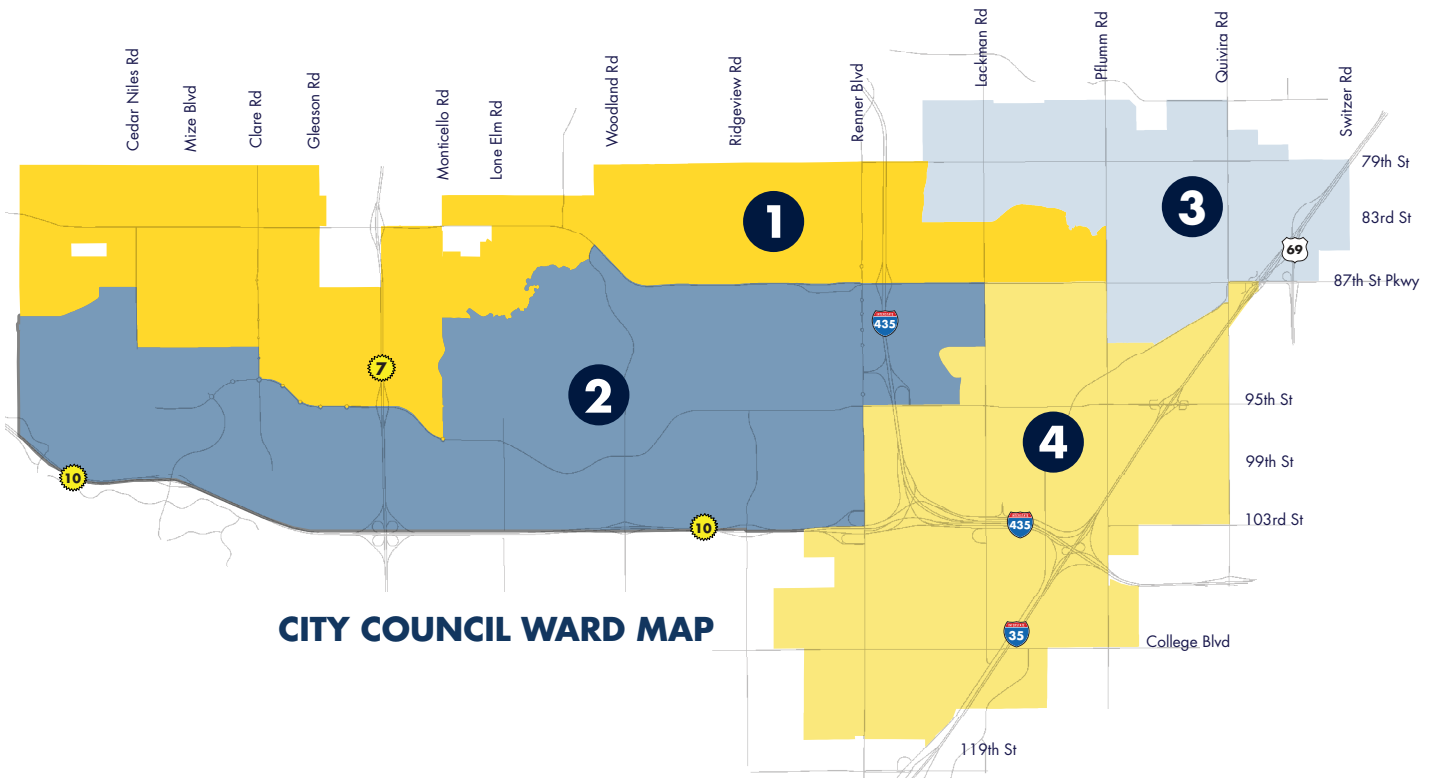
## CITY COUNCIL WARD 3



**Dan Roh**  
droh@lenexa.com



**Melanie Arroyo**  
marroyo@lenexa.com



## CITY COUNCIL WARD 2



**Thomas Nolte**  
tnolte@lenexa.com



**Bill Nicks**  
bnicks@lenexa.com

## CITY COUNCIL WARD 4



**Julie Sayers**  
jsayers@lenexa.com



**Craig Denny**  
cdenny@lenexa.com

# PROFESSIONAL STAFF

## MANAGEMENT TEAM

### City Manager

Beccy Yocham

### Deputy City Manager

Todd Pelham

### Chief Financial Officer

Doug Robinson

### City Attorney

Sean McLaughlin

### Fire Chief

Travis Vaughn

### Police Chief

Dawn Layman

### Parks & Recreation Director

Logan Wagler

### Community Development Director

Scott McCullough

### Municipal Services Director

Nick Arena

### Information Technology Director

Jerry Swingle

### Human Resources Director

Jim Bowers

### Communications Director

Denise Rendina

### Assistant City Manager

Mike Nolan

### City Clerk

Jennifer Martin

### Municipal Court Judge

Erika DeMarco

## ACKNOWLEDGMENTS

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

We recognize the **Management Team** and their staff for assisting with the preparation of this document and their contributions to the budget process. The members of the **Finance Department** and **Communications Department** are recognized for their significant contributions in the preparation of this document.



## 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 City 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.

### VISION

The City of Lenexa: Leaders in the delivery of exceptional public service.

### MISSION

To provide exceptional service through a team of dedicated professionals working in partnership with the community.

### VALUES

Make every decision with integrity.

Deliver results through teamwork.

Provide exceptional service.

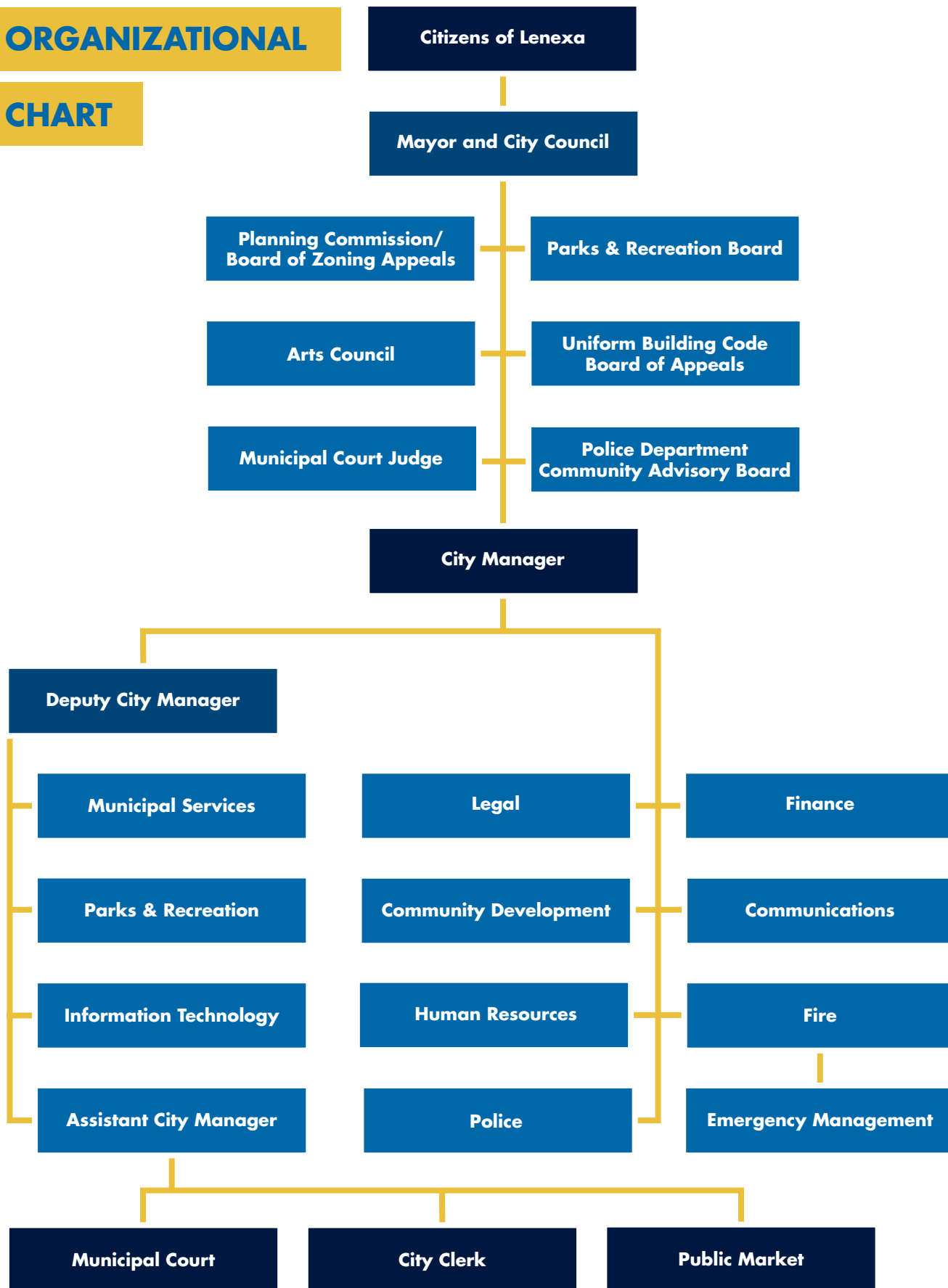
Lead into the future with vision.

Be dedicated to excellence.

We care.

**ORGANIZATIONAL**

**CHART**



# BUDGET MESSAGE

Date: December 20, 2021

To: Members of the Governing Body

From: Beccy Yocham, City Manager

I am submitting the final budget for fiscal year 2022 approved at the August 24, 2021, City Council meeting. The budget communicates the City's plan on allocating resources to provide exceptional services to the residents and businesses of Lenexa.

## Moving Forward after COVID-19

In March 2020, the City responded to the COVID-19 pandemic by changing staff work schedules, working remotely when possible, implementing social distancing requirements and closing some City facilities to mitigate the spread of COVID-19. I am proud we have been able to provide exceptional services to the community throughout the pandemic and were one of the only city halls in the metropolitan area that did not close our doors to the public during this challenging time. Earlier this year, we were able to return to normal operations while avoiding any spike in COVID-19 cases among our employees.

Financially, the City continues to excel with positive financial results in fiscal years 2019 and 2020 (and projected positive results for fiscal year 2021). These positive financial results confirm the City is on the right track by continuing to follow these longstanding budget principles:

- 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 like the Great Recession and COVID-19.
- Using a conservative approach to revenue estimation.
- Preparing and funding equipment replacement and building maintenance schedules.

By adhering to these budget principles, the City continues to maintain the best possible credit ratings (Aaa and AAA) on our outstanding general obligation bonds and a structurally balanced General Fund in all five years of the multi-year financial model.

## Guiding Principles

Earlier this year, the Governing Body updated the guiding principles (previously called strategic goals) for the City government. The guiding principles set the expectations for City services and help direct the allocation of resources in the budget to provide these services. The guiding principles are:

**Superior Quality Services:** Ensure that services are provided efficiently and effectively in ways that create a safe, clean, and attractive community for residents, businesses, and visitors.

**Prudent Financial Management:** Provide exceptional value in public investments by committing to structural fiscal balance in operational and capital activities while upholding transparent finance and budgeting processes.

**Strategic Community Investment:** Purposefully invest in high-quality infrastructure, facilities, programs, and initiatives across all areas of the community.

**Extraordinary Community Pride:** Celebrate Lenexa's history and reputation as a visionary community and use that heritage to instill future generations with the pride that is reflected in the city's public places, plans, programs, and people.

**Inclusive Community Building:** Enthusiastically engage the public in community initiatives and visioning, including intentionally seeking input and ideas from a diverse assembly of stakeholders.



**Responsible Economic Development:** Fortify the City’s economic base by encouraging high-quality private development as well as fostering economic opportunity through thoughtful planning processes and the judicious use of economic development investment programs.

**Sustainable Policies and Practices:** Lead by example in implementing sustainable and resilient practices where financially and operationally practical as well as enact community-wide policies and strategies that motivate both residents and businesses to do so when reasonable.

**Values-based Organizational Culture:** Create an organization that reflects the community’s diversity and fosters a superior culture by employing, supporting, and rewarding professionals who make decisions with integrity, deliver results through teamwork, provide exceptional service, lead into the future with vision, are dedicated to excellence, and who truly care about Lenexa.

We discuss the guiding principles in greater detail and illustrate how they link to each department’s objectives later in this document.

## Fiscal Year 2022 Budget Priorities

In preparing the fiscal year 2021 budget, staff assumed the COVID-19 pandemic would be a short-term financial disruption with a negative impact on City revenues in fiscal years 2020 and 2021. As a result, staff prepared a conservative budget for 2021 with an estimated 15% decline in total sales and use tax revenues and reduced General Fund transfers to the Capital Improvement Fund and other funds to help offset the projected decline in revenues. Overall, the City’s goal for 2021 was to maintain existing services and get through the pandemic by tightly managing expenditures and deferring large capital projects.

Fortunately, actual City revenue collections were better than expected in 2020 and are trending above budget for 2021. In addition, the City’s assessed valuation continues to grow, with an increase of 7% for the fiscal year 2022 budget.

Given the positive revenue outlook, the City’s priorities for the fiscal year 2022 budget are:

- › Implementing a slight reduction in the property tax rate (the mill levy declines from 29.242 mills to 29.102 mills for 2022) and maintaining existing user fee rates.
- › Maintaining existing service levels while allocating additional funds for employee compensation to retain current employees and fill vacant positions in a competitive job market.
- › Using excess General Fund reserves accumulated in fiscal years 2019, 2020, and 2021 to finance new projects in the capital improvement program (CIP).
- › Maintain structural balance in the General Fund in all five years of the multi-year financial model.

Staff included these priorities in the recommended budget submitted to the Governing Body in June. The Governing Body confirmed these priorities during the budget review process and did not make any changes to the recommended budget.

## Revenue Neutral Tax Rate calculation

The property tax levy legislation adopted by the Kansas Legislature in 2021 (effective for the 2022 budget) establishes procedural requirements for setting property tax levies. Specifically, the legislation requires calculation of a “revenue neutral rate,” which is defined as the mill levy required to raise the same amount of property tax revenue as the prior year using current year assessed valuation amounts. In order to exceed the revenue neutral rate, local governments must publish notice and hold a public hearing. In addition, County Clerks will provide mailed notices to all taxpayers of the revenue neutral rate hearing and the proposed mill levy and property taxes for their specific properties beginning with the 2023 budget.

The legislation sets the following timeline for consideration of budgets that will exceed the revenue neutral rate:

- › By June 15: County Clerks provide assessed valuation estimates for the budget and the revenue neutral rate calculation.
- › By July 20: City notifies the County Clerk of intent to set the property tax levy above the revenue neutral mill levy.

- › Between August 20 and September 20: City holds revenue neutral rate public hearing prior to or in conjunction with the annual budget hearing; City must publish hearing notice in the newspaper and on the City's website at least 10 days prior to the public hearing date.
- › The City must adopt a resolution to exceed the revenue neutral rate immediately after the public hearing and before adopting a resolution approving the annual budget.
- › By October 1: City certifies annual budget to the County Clerk.

For the 2022 budget, the City's revenue neutral rate is 27.232 mills (decrease of 2.010 mills from the 2021 mill levy of 29.242 mills). This revenue neutral rate will generate \$39.3 million of property tax revenue – the same amount as FY 2021.

Please note, the City assumes a delinquency rate of 3% for property tax collections, so the \$39.3 million levied is expected to generate \$38.1 million in actual collections for FY 2021.

The mill levy for the fiscal year 2022 budget is 29.102 mills, which exceeds the 27.232 revenue neutral mill levy by 1.870 mills (approximately \$2.39 million). The City Council approved a resolution to exceed the revenue neutral rate for fiscal year 2022 on August 24, 2021. The multi-year financial model also estimates the City will exceed the revenue neutral rate in future fiscal years (2023 through 2026).

While this is not a decision that the City takes lightly and one which will be carefully evaluated each year, the revenue neutral rate calculation does not account for a community's growth and the need to provide services to the growing community. Lenexa is a growing community and we continue to offer high quality services to every part of our community in a cost effective manner.

## Budget Highlights

The total adopted budget for fiscal year 2022 is \$183.9 million (\$135 million for expenditures and \$48.9 million for projected reserve amounts as of December 31, 2022). This is an increase of \$9.8 million (6%) compared to the fiscal year 2021 adopted budget of \$174.1 million.

## Revenue Highlights

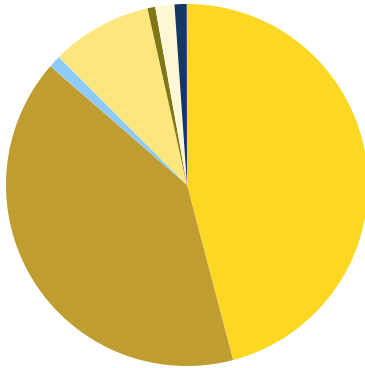
The City's property tax rate is 29.102 mills, which is a decrease of 0.14 mills (0.5%) compared to the 2021 mill levy of 29.242 mills. The budget allocates 23.073 mills to the General Fund and 6.029 mills to the Debt Service Fund in 2022. In total, estimated property tax revenue (excluding special assessments and tax increment financing) is \$40.4 million for 2022, which is an increase of \$2.3 million (6%) compared to the 2021 amount of \$38.1 million.








The City's total estimated assessed valuation is \$1.43 billion for 2022, which is an increase of \$0.1 billion (7%) compared to the 2021 amount of \$1.34 billion. The 7% increase in the City's assessed valuation is the eighth consecutive year of growth greater than 5% and reflects the strong local economy.

Staff estimates the City's total sales and use tax collections (which includes the City sales/use tax and the City share of the County sales/use tax) will be \$39.2 million in 2022, which is an increase of \$8.8 million (29%) compared to the budgeted 2021 amount of \$30.4 million. The large increase is due to the conservative estimates prepared for 2021 during the COVID-19 pandemic and continued growth in use tax revenues (from strong online sales activity).

Staff evaluated all user fees during the fiscal year 2022 budget process and did not recommend any fee adjustments. The largest source of fee revenue is the stormwater service charge, which is currently \$109 per equivalent dwelling unit (EDU). Staff estimates this fee will generate \$6.1 million in revenue for 2022.

**2022 REVENUES BY SOURCE**











| REVENUES BY SOURCE  |                                      |                      |               |
|---|--------------------------------------|----------------------|---------------|
|  | Property Taxes                       | \$61,923,335         | 45.9%         |
|  | Non-Property Taxes                   | 54,676,800           | 40.5%         |
|  | Licenses & Permits                   | 1,539,500            | 1.1%          |
|  | Charges for Services                 | 12,209,919           | 9.0%          |
|  | Fines & Forfeitures                  | 941,000              | 0.7%          |
|  | Transfers In & Use of Prior Yr. Bal. | 2,241,193            | 1.7%          |
|  | Other Revenues                       | 1,438,851            | 1.1%          |
| <b>TOTAL</b>  |                                      | <b>\$134,970,598</b> | <b>100.0%</b> |

**Expenditure Highlights**

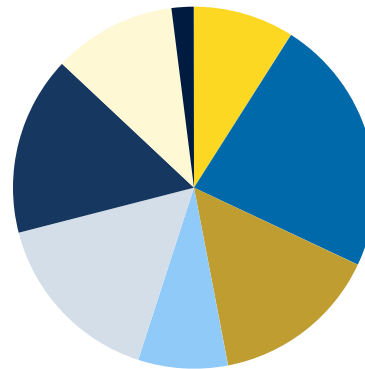
Total budgeted expenditures for the fiscal year 2022 budget are \$135 million compared to the original budget of \$122 million for fiscal year 2021. The increase of \$13 million (11%) is due to a variety of factors, including:

- › Additional funding for pay increases (3% of pay for annual pay increases plus 4% of pay to implement recommendations of the compensation study to be completed in 2022). These additional funds are necessary to recruit and retain staff in the current job market in order to continue to provide exceptional service to our community.
- › Restoring General Fund transfers to the Capital Improvement Fund and Equipment Reserve Fund (ERF) to pre-COVID levels to finance the approved Capital Improvement Program (CIP) and equipment replacement.
- › Additional funding for debt service expenditures (for new debt issued to finance the Lenexa Justice Center capital project).

**EXPENDITURES BY FUNCTION**

|  |                                |                      |             |
|--|--------------------------------|----------------------|-------------|
|  | General Government             | \$12,546,279         | 9%          |
|  | Public Safety                  | 31,278,938           | 23%         |
|  | Community Infrastructure       | 19,611,192           | 15%         |
|  | Parks & Recreation             | 11,395,188           | 8%          |
|  | Economic Development           | 21,691,259           | 16%         |
|  | Debt Service                   | 22,213,430           | 16%         |
|  | Transfers for Capital Projects | 14,441,642           | 11%         |
|  | Other Transfers                | 1,792,670            | 2%          |
| <b>TOTAL</b>   |                                | <b>\$134,970,598</b> | <b>100%</b> |

**2022 EXPENDITURES BY FUNCTION**



Please see the table below for a summary of significant expenditure changes by department.

The 2022 budget is the City of Lenexa's fiscal plan for the next year. The total budget for all funds, including projected reserve balances, is \$183.9 million – up 5.6% from the 2021 budget of \$174.1 million. The highlights for the 2022 budget by department are listed in the table below.

| Department             | Budget Highlights for 2022   | Personnel   |
|------------------------|--|---|
| Governing Body         | No Significant changes.  | Not applicable.                                   |
| Executive              | Funding for the Administrative Assistant position moved to the Finance Department.   | FTEs decrease 1.00 to 5.50 (FTE move to Finance). |
| Communications         | Additional funds for subscription service, sending TownTalk to Lenexa businesses, and additional online advertising.   | FTEs remain at 4.48.                              |
| Public Market          | No Significant changes.  | FTEs remain at 3.50.                              |
| Municipal Court        | Personal Service increase includes the conversion of two part-time positions into a full-time position. This full-time position is now benefit eligible as well as correctly budgeting benefits eligibility for the Municipal Judge.               | FTEs decrease .25 to 6.50.                        |
| Non-Departmental       | Increase Personnel reserve allocation \$1.2 million to fund employee compensation study, restore ERF transfer \$850 thousand, restore Facilities Maintenance transfer \$250 thousand, transfer to Capital Improvement fund increase \$5.3 million. | Not applicable.                                   |
| Finance                | Reallocation of 1 FTE from Executive department for a new Accountant position.   | FTEs increase 1.00 to 8.00.                       |
| Human Resources        | Additional funding in Contractual Services to implement two systems (one for Policy Management and one for Performance Management).  | FTEs remain at 7.38.                              |
| Information Technology | Additional funding in Contractual Services, to cover the annual subscription for the Budget Book and Annual Comprehensive Financial Report software.   | FTEs remain at 13.00.                             |
| Legal                  | No significant changes.  | FTEs remain at 8.88.                              |
| Community Development  | Additional funding in Contractual Services, to cover increase cost in off-site storage and locating services.  | FTEs remain 42.17.                                |
| Fire                   | Additional funding (\$65,000) in Contractual Services, to cover completion of diesel emissions control system. Elimination of swift water rescue team.   | FTEs remain at 97.00.                             |
| Police                 | Additional funding (\$75,000) in Contractual Services, to cover increase in annual maintenance agreements for taser, body worn/in car cameras, and digital evidence management.  | FTEs decreased .23 to 150.00.                     |
| Municipal Services     | Additional funding (\$132,900) Contractual Services to cover increases associated with sign retro-reflectivity project, as well as (\$100,000) in Commodities for asphalt repair.  | FTEs remain at 50.90.                             |
| Parks and Recreation   | Dance program moved from the Rec Center budget to the General Fund Community Center (\$53,918 Personal Services- 1.21 FTE and \$15,580 Commodities) Additional funding (\$30,000) in Contractual Services for annual Community Bike Share program. | FTEs increase 1.21 to 74.61.                      |
| Stormwater             | Capital Outlay funding (\$25,000) for brush cutter and John Deere Gator  | FTEs remain at 21.10.                             |
| Rec Center             | Dance program moved to Parks and Recreation (decrease FTE 1.21). Capital Outlay funding (\$71,942) for fitness equipment replacement.  | FTEs decrease 1.21 FTE to 52.55.                  |

Budgeted full-time equivalent positions (FTEs) are 546.07 for fiscal year 2022 – a decrease of approximately 2.74 FTEs from the original fiscal year 2021. The decrease is primarily due to contracting for cleaning services and eliminating vacant positions for custodial services in City facilities. Please see the table below for a summary of budgeted FTE positions by department for fiscal years 2020 through 2022.

| Department                                 | 2020          | 2021 Revised Budget | 2022 Budget   |
|--|---------------|---------------------|---------------|
| Executive                                  | 6.50          | 5.50                | 5.50          |
| Communications                             | 4.48          | 4.48                | 4.48          |
| Public Market                              | 3.50          | 3.50                | 3.50          |
| Court                                      | 6.75          | 6.50                | 6.50          |
| Finance                                    | 7.00          | 8.00                | 8.00          |
| Human Resources                            | 7.38          | 7.38                | 7.38          |
| Information Technology                     | 13.00         | 13.00               | 13.00         |
| Legal                                      | 8.88          | 8.88                | 8.88          |
| Community Development                      | 42.17         | 42.17               | 42.17         |
| Fire                                       | 97.00         | 97.00               | 97.00         |
| Police                                     | 150.00        | 150.00              | 150.00        |
| Municipal Services (includes Stormwater)   | 72.00         | 72.00               | 72.00         |
| Parks and Recreation (includes Rec Center) | 133.20        | 127.66              | 127.66        |
| <b>TOTALS</b>                              | <b>551.86</b> | <b>546.07</b>       | <b>546.07</b> |

Although budgeted FTEs are lower for fiscal year 2022, the City will likely need to increase staffing in future years to maintain existing service levels due to projected population growth.

### Capital Improvement Program

The City Council adopted the fiscal year 2022 – 2026 CIP on September 21, 2021 (due to COVID-19, the City did not prepare a CIP for fiscal year 2021 – 2025). The CIP totals \$225 million and includes 39 funded projects. Projects funded in the CIP must cost at least \$300,000 and have an estimated useful life of at least five years.

We provide detailed information regarding the 2022 – 2026 CIP later in this document.

### Final Comments

I am extremely grateful for the hard work and positive spirit of City employees as they continue to provide exceptional services to the community during these difficult times. I would also like to thank the Governing Body for their continued support and assistance in creating the fiscal year 2022 budget.

# TAX VALUE ILLUSTRATION

To determine the assessed valuation of your home, multiply the Johnson County appraised value of the home by 11.5%. (*Commercial properties have a 25% assessment rate.*)

**$\$352,000 \times .115 = \$40,480$**

Assessed valuation = \$40,480

To determine how much you pay in City taxes, multiply the assessed valuation by the mill levy.

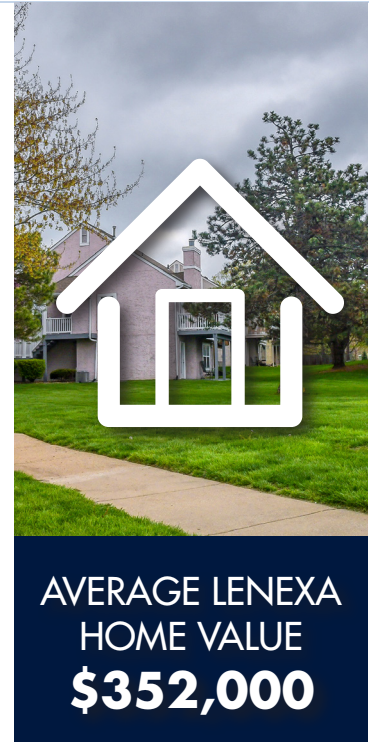
**$\$40,480 \times .029102 = \$1,178.05$**

City tax liability = \$1,178.05

To determine your monthly expense for city services, divide tax liability by 12 months.

**$\$1,178.05 / 12 = \$98.17$**

Monthly expense for City services = **\$98.17**



**QUICK CALC**  
 (Every \$100,000 of home value is \$334.67 in City tax per year or \$27.89 per month.)

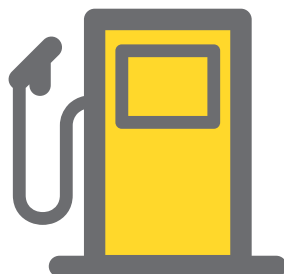
## VALUE OF YOUR LENEXA DOLLAR

The following list represents a sample of the city services provided for the \$98.17 per month tax.

- FIRE PROTECTION / PREVENTION / SAFETY ★ COMMUNITY STANDARDS ENFORCEMENT
- COMMUNITY FESTIVALS AND EVENTS
- PUBLIC SWIMMING POOLS
- GOVERNMENT ADMINISTRATION
- SCHOOL CROSSING GUARDS
- COMMUNITY DEVELOPMENT
- PUBLIC PARKS AND TRAILS
- STREET MAINTENANCE/REPAIR
- SENIOR CENTER AND PROGRAMS
- FARMERS MARKET ★ GRANTS
- SIDEWALK REPAIR ★ STREET LIGHTING ★ POLICE PROTECTION ★ TRAFFIC CONTROL
- COMMUNITY CENTER ★ REC CENTER
- DRUG PREVENTION EDUCATION
- STORMWATER MANAGEMENT
- NEW ROAD CONSTRUCTION
- SNOW AND ICE REMOVAL
- COMMUNITY NEWSLETTER
- BUILDING AND FIRE INSPECTION
- MUNICIPAL COURT PROSECUTION
- PUBLIC MARKET ★ ANIMAL CONTROL



**FOR COMPARISON PURPOSES, THESE ITEMS DENOTE COMMON MONTHLY EXPENSES FOR A LENEXA FAMILY:**



One 15-gallon tank of unleaded fuel at \$3/gallon  
**\$45**



One month digital TV service with DVR and high-speed internet  
**\$150**

# CITY PROFILE

Lenexa, Kansas, is part of the metropolitan Kansas City area and the 8th most populated city in Kansas with nearly 60,000 people calling it home. It is a city that works for the common good of everyone, which is one of the reasons it is one of the fastest growing cities in Kansas.

Platted in 1869 and incorporated in 1907, Lenexa has always been a place to rest and celebrate, plan and adapt — characteristics it still holds today.

Situated along the historic Santa Fe Trail, Lenexa's location has always been an asset. Today, Lenexa offers ease of access to five major highways. This infrastructure helps businesses grow and people prosper.

Lenexa's vast park system of beautiful strategic green space serves as a place for people to recharge and connect. Nicknamed the City of Festivals, Lenexa also knows how to celebrate its past, reflect on its present and plan for its future. It has a passion for arts and culture and an appreciation for new ideas.

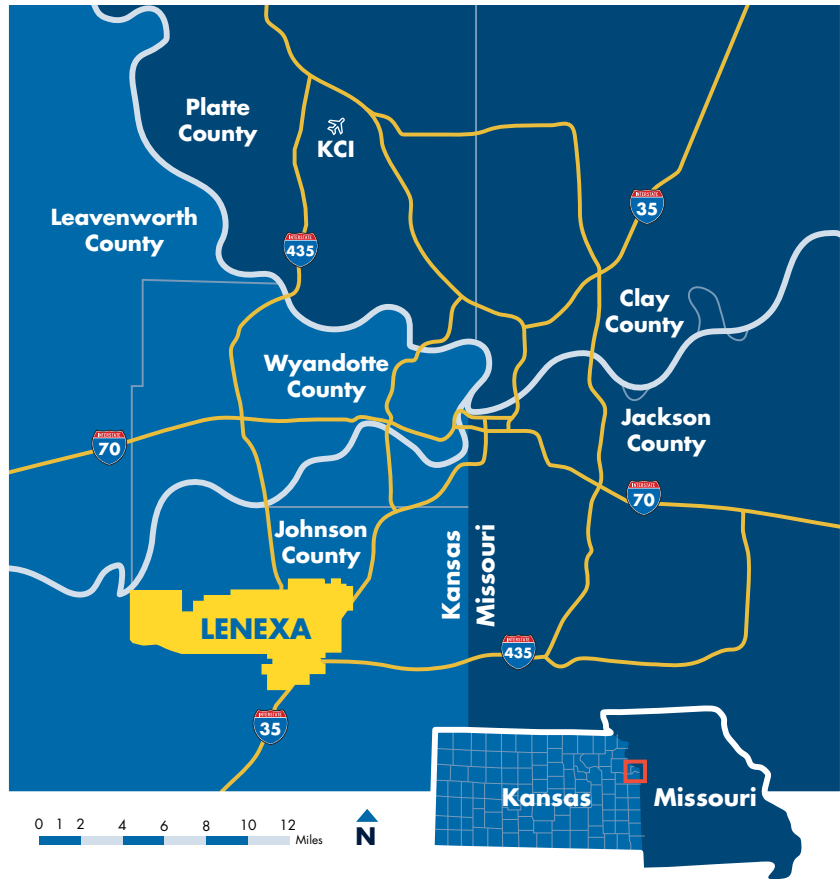
Lenexa is a place of connection and growth — credited to a community-conscious people, a productive workforce and a great location.

# MAPS & LAND

## GEOGRAPHICAL DESCRIPTION

The City of Lenexa, Kansas is the **eighth largest city** in Kansas and is a suburb located in the southwest portion of the **Kansas City metropolitan area**. The City encompasses **34.45 square miles** of land in Johnson County and is 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 Lenexa’s growth and development, particularly for office and industrial development.



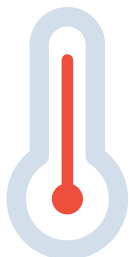
## CLIMATE



AVERAGE ANNUAL PRECIPITATION  
**40.1 INCHES**



AVERAGE ANNUAL SNOWFALL  
**16.8 INCHES**



AVERAGE SUMMER TEMPERATURE  
**75°**



AVERAGE WINTER TEMPERATURE  
**36°**

## TRANSPORTATION CONNECTIVITY



Lenexa is located within **200 miles** of the geographic center of the continental United States



**SIX MAJOR HIGHWAYS:** Interstate 70, Kansas Highway 10, Interstate 35, U.S. Highway 69, Kansas Highway 7 and Interstate 435



**AIRPORTS:** Kansas City International (KCI) is **27 miles north** of Lenexa. Johnson County Executive Airport is **9 miles southwest** of Lenexa.



**TWO MAJOR RAILWAYS:** BNSF, Union Pacific



# CITY FACILITIES & ASSETS




## ADMINISTRATIVE FACILITIES


- CITY HALL: Executive, Communications, Community Development, Finance, Human Resources and Legal Departments
- Municipal Services Service Center
- Parks Service Center




## PUBLIC SAFETY

- PUBLIC SAFETY COMPLEX: Police Station, Information Technology, Municipal Court
- **Six** fire stations (Station 6 temporarily operating out of Public Safety Facility)

**798**   
LANE MILES OF ROADS

**170**   
MILES OF ENCLOSED STORMWATER PIPE

**201**   
CITY-OWNED STORMWATER BEST MANAGEMENT PRACTICES

INFRASTRUCTURE



## COMMUNITY CENTER AND SENIOR CENTER



## LENEXA REC CENTER

Parks & Recreation administrative offices  
**AMENITIES:** Indoor pool, fitness floor, group fitness rooms, gymnasium, walking track, birthday party spaces



## LENEXA PUBLIC MARKET

Indoor food hall and community gathering space



## THOMPSON BARN

Historic building with event and meeting space



## LEGLER BARN MUSEUM

Local history museum featuring exhibits and photos

**34**  
PARKS

**887**  
TOTAL ACRES

**92**  
ACRES OF  
UNDEVELOPED  
PARK LAND

**45.4**  
MILES OF TRAILS

**PARK  
AMENITY  
HIGHLIGHTS**



ATHLETIC FIELDS



SPORT COURTS &  
COURSES



PLAYGROUNDS



LAKES WITH  
BOATING AND  
FISHING ACCESS



SKATE PARK



SHELTERS



FREE WI-FI



**POOLS**

- **Three** outdoor pools
- **One** indoor pool



**FARMERS MARKET**

Outdoor seasonal market with products from local growers and makers



**PUBLIC ART**

Lenexa's public art collection includes 2- and 3-dimensional art pieces located throughout the city on public property. Featured works include Body Politic, Amusing Breeze, Na Nex Se, and Splash.

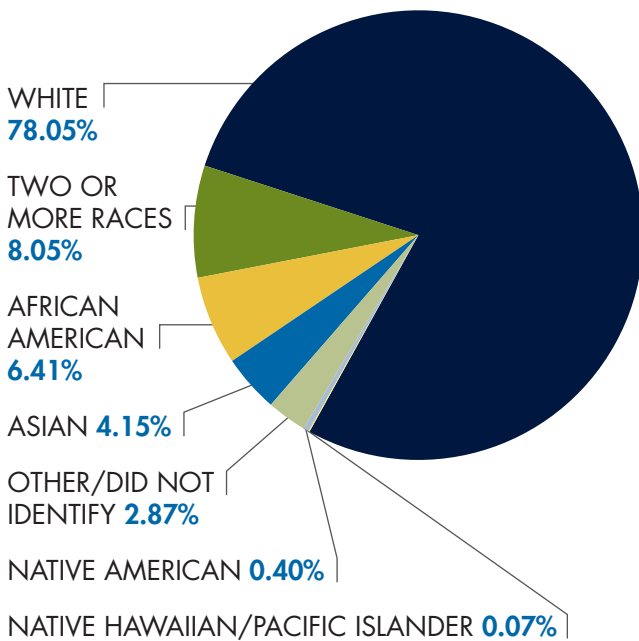
# RESIDENTS



**GROWTH OVER TIME  
BY DECADE**

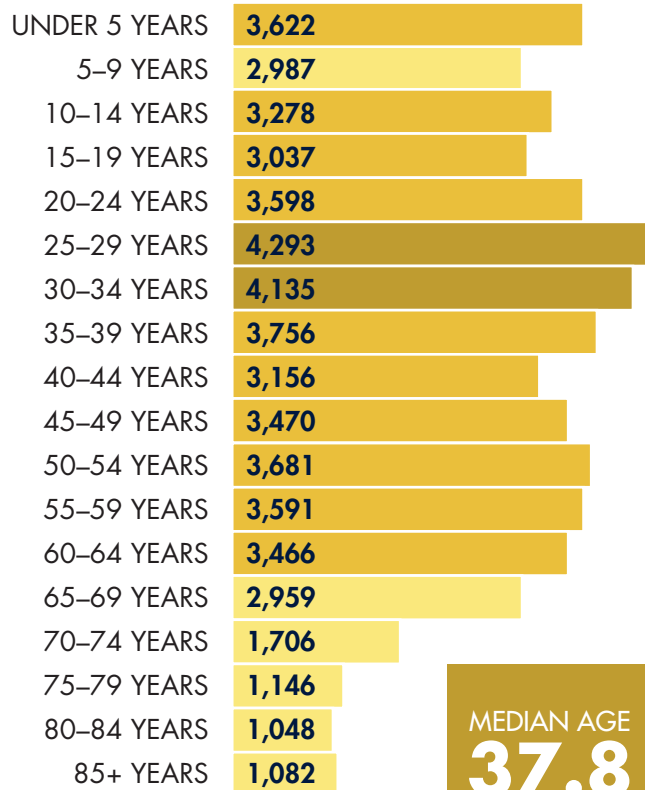
|       |       |        |        |        |        |        |
|-------|-------|--------|--------|--------|--------|--------|
| 1960  | 1970  | 1980   | 1990   | 2000   | 2010   | 2020   |
| 2,487 | 5,242 | 18,639 | 34,110 | 40,230 | 48,190 | 57,434 |

## POPULATION BY RACE

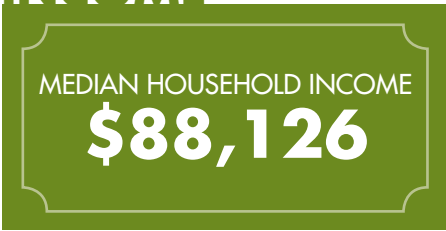


HISPANIC OR LATINO  
**8.34%**

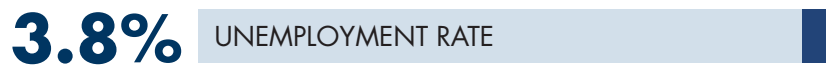
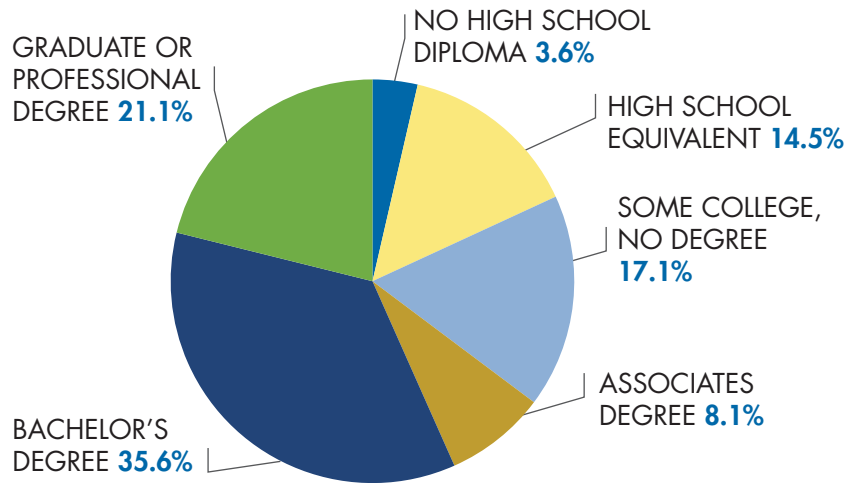
## POPULATION BY AGE



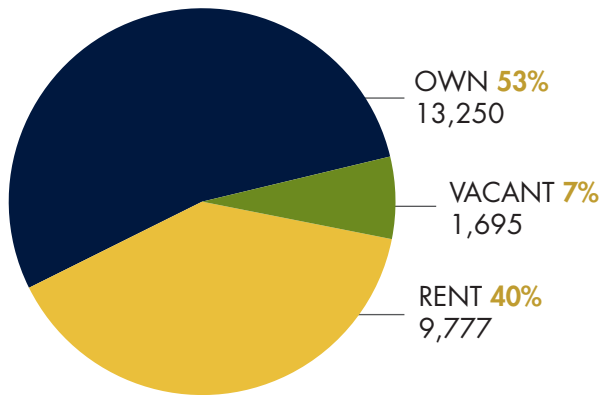
## INCOME



## EDUCATIONAL ATTAINMENT



## HOUSING UNITS



AVERAGE HOUSEHOLD SIZE

**2.65**



TOTAL NUMBER OF HOUSING UNITS

**24,722**



AVERAGE HOME VALUE

**\$352,000**





DAYTIME POPULATION

**73,682**

# BUSINESSES

A variety of industrial, office and retail firms are located in Lenexa, including hundreds of small- and medium-sized businesses and more than 20 Fortune 500 companies.

## TOP EMPLOYERS

| EMPLOYER                         | EMPLOYEES |
|----------------------------------|-----------|
| Quest Diagnostics                | 1,830     |
| Kiewit Power Engineering Company | 1,300     |
| Alliance Data System             | 920       |
| Community America Credit Union   | 750       |
| J.C. Penney Logistics Center     | 700       |
| P1 Group                         | 700       |
| Community Living Opportunities   | 680       |
| United Parcel Service, Inc.      | 650       |
| Gear for Sports                  | 600       |
| Henderson Engineers Inc.         | 563       |

## LABOR FORCE

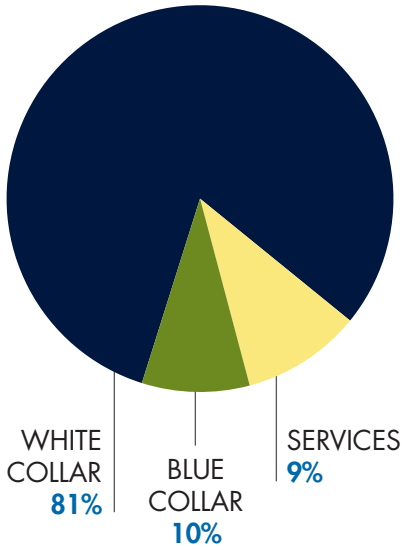
ANNUAL AVERAGE NUMBER OF PEOPLE EMPLOYED BY LENEXA BUSINESSES

| 2017          | 2018          | 2019          | 2020          |
|---------------|---------------|---------------|---------------|
| <b>31,256</b> | <b>32,144</b> | <b>32,458</b> | <b>32,651</b> |

## MAJOR TAXPAYERS

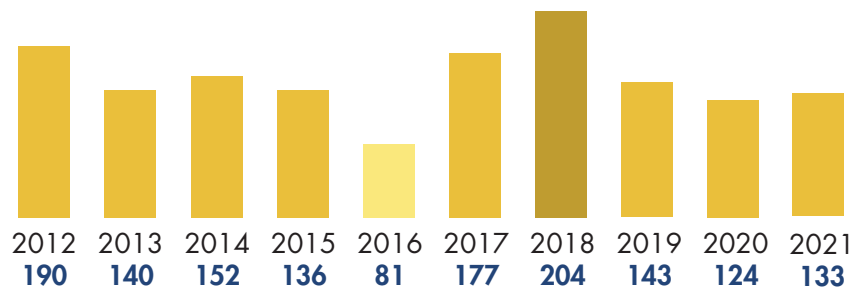
| TAXPAYER                            | ASSESSED VALUE |
|-------------------------------------|----------------|
| Perg Buildings, LLC                 | \$18,011,806   |
| Southlake Investments SPE LLC       | \$17,780,739   |
| Kiewit Properties (Kansas) LLC      | \$17,415,138   |
| LIT Industrial Limited Partnership  | \$11,744,759   |
| Meritex Lenexa Executive Park, LLC  | \$10,278,517   |
| MEPT Kansas Commerce Center, LLC    | \$8,969,451    |
| Colfin 2017-11 Industrial Owner LLC | \$8,705,751    |
| J.C. Penny Properties, Inc.         | \$6,842,501    |
| EGP 11201 Lenexa LLC                | \$6,542,267    |
| BPI SPE LLC                         | \$6,018,555    |

## EMPLOYMENT



## NEW BUSINESSES OVER TIME

The City's growth in population has followed a corresponding expansion in business activity. Competitive firms are attracted to the City's large business parks and its access to interstate highways. New businesses have developed in Lenexa as follows:



## RETAIL SALES OVER TIME



### MARKET POTENTIAL

EFFECTIVE BUYING INCOME  
**\$2,220,811,000**

TOTAL RETAIL SALES DEMAND (LENEXA RESIDENTS ONLY)  
**\$1,004,664,981**

# COMMUNITY PARTNERS



## EDUCATION

Lenexa is served by three public school districts, plus several private schools and higher education institutions.

★ Facility located in Lenexa

### UNIFIED SCHOOL DISTRICT NO. 232

- Horizon Elementary
- Mize Elementary
- Mill Creek Middle School ★
- Monticello Trail Middle School
- Lexington Trail Middle School
- Mill Valley High School
- DeSoto High School
- Mill Creek Career & Technical Education Center

### SHAWNEE MISSION SCHOOL DISTRICT USD 512

- Christa McAuliffe Elementary ★
- Lenexa Hills Elementary ★
- Mill Creek Elementary ★
- Rising Star Elementary ★
- Rosehill Elementary ★
- Sunflower Elementary ★
- Trailridge Middle School ★
- Westridge Middle School
- Shawnee Mission West High School
- Shawnee Mission Northwest High School
- Shawnee Mission Career & Technical Campus
- Shawnee Mission Aquatics Center ★

### OLATHE PUBLIC SCHOOLS USD 233

- Canyon Creek Elementary ★
- Manchester Park Elementary ★
- Prairie Trail Middle School
- Olathe Northwest High School

### PRIVATE SCHOOLS

- Holy Trinity Catholic School ★
- St. James Academy ★
- Good Shepherd Catholic School
- Christ Preparatory Academy ★
- Saint Thomas Aquinas High School

### HIGHER EDUCATION INSTITUTIONS SERVING LENEXA RESIDENTS

- Park University ★  
(located inside Lenexa City Hall)
- Johnson County Community College  
(one mile from Lenexa)
- University of Kansas  
(30 minutes west in Lawrence, Kansas)
- University of Kansas — Edwards Campus  
(two miles from Lenexa)
- Kansas State University  
(satellite campus seven miles from Lenexa)
- Mid-America Nazarene University
- Pittsburg State University — KC Metro Center ★
- University of Arkansas—Grantham ★



## LIBRARIES

Operated by Johnson County Lenexa City Center Library is located next to City Hall on the Lenexa civic campus



## HEALTH CARE

- AdventHealth
- University of Kansas Health System
- HCA Midwest Health System
- Overland Park Regional Medical Center
- St. Luke's Health System
- Olathe Health

## TRANSPORTATION



RideKC



RideShareKC



BikeWalkKC



Catch-A-Ride

## UTILITIES



### TRASH, RECYCLING, YARD WASTE

- 1-800-GOT-JUNK
- Brothers Disposal
- Gardner Disposal Service
- KC Disposal
- Republic Services
- Waste Management
- WCA
- You Move Me Kansas City



### COMPOST

- Compost Collective KC
- Food Cycle KC



### ELECTRICITY

- Evergy



### GAS

- Kansas Gas Service
- Atmos Energy



### WATER

- WaterOne



### SEWER

- Johnson County Wastewater



### TELEPHONE, CABLE, INTERNET

- AT&T
- Consolidated Communications
- Google Fiber
- Spectrum

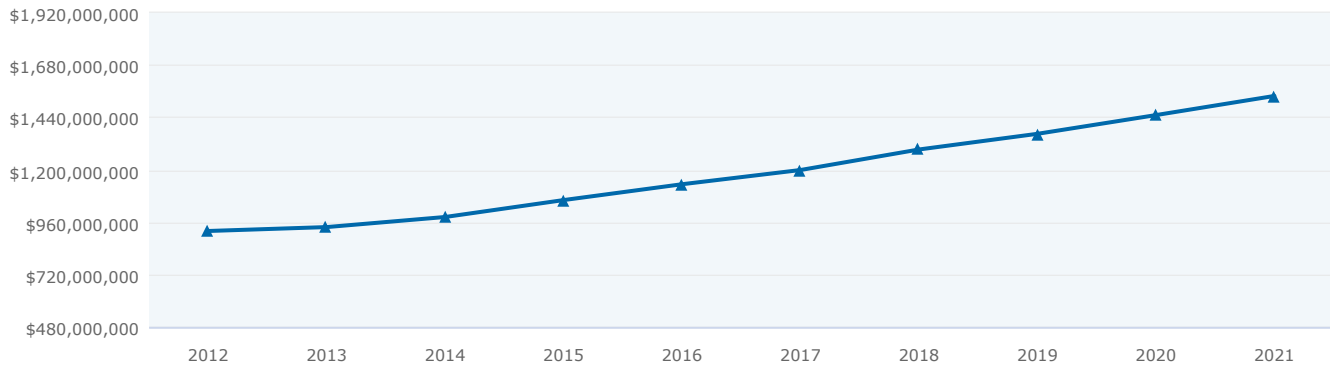




# ASSESSED VALUATION

The City's assessed valuation increased from \$1.45 million in 2020 to \$1.54 million in 2021 (a 6.1% increase). This includes motor vehicle valuation.

**ASSESSED VALUATION**



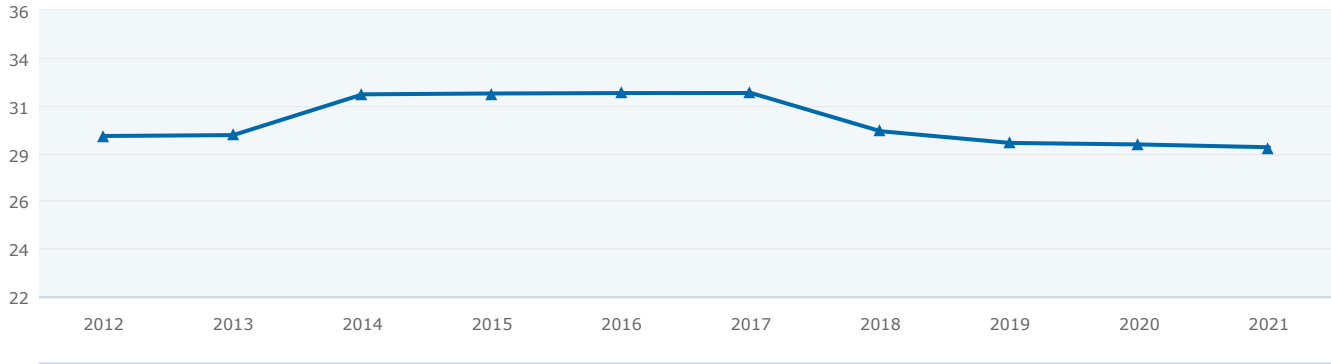
**ASSESSED VALUE AND APPRAISED VALUE OF ALL TAXABLE TANGIBLE PROPERTY**

| Year | 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 |
|------|----------------------------|--|-----------------|----------------------------------|---------------------------------------|------------------------------|----------------|
| 2012 | \$771,570,154              | 14%  | \$5,397,313,060 | \$45,628,362                     | \$27,492,147                          | \$74,417,660                 | \$919,108,323  |
| 2013 | 793,950,131                | 15%  | 5,429,641,216   | 36,743,490                       | 29,661,638                            | 76,704,885                   | 937,060,144    |
| 2014 | 849,596,536                | 15%  | 5,585,677,480   | 27,206,191                       | 27,077,031                            | 79,426,145                   | 983,305,903    |
| 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  |
| 2020 | 1,296,984,645              | 15%  | 8,582,933,048   | 14,057,813                       | 32,794,898                            | 106,536,824                  | 1,450,374,180  |
| 2021 | 1,382,707,942              | 15%  | 8,958,581,320   | 14,079,657                       | 35,774,003                            | 105,585,673                  | 1,538,147,275  |

# TAX RATES

The mill levy for 2022 is 29.102 mills (slight decrease from 2021). Includes 23.073 mills for the General Fund and 6.029 mills for the Debt Service Fund.

**CITY MILL LEVY**



## Tax Levies

| CITY OF LENEXA TAX RATES (EXPRESSED IN MILLS) |             |         |              |        |
|---|-------------|---------|--------------|--------|
| Levy Year                                     | Budget Year | General | Debt Service | Total  |
| 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 |
| 2020  | 2021        | 22.946  | 6.296        | 29.242 |
| 2021  | 2022        | 23.073  | 6.029        | 29.102 |

**TAX RATES OF JURISDICTIONS OVERLAPPING  
WITH THE CITY (EXPRESSED IN MILLS)**

| Levy Year | Budget Year | State | County | Library | Community College | School District | Parks | City   | Total   |
|-----------|-------------|-------|--------|---------|-------------------|-----------------|-------|--------|---------|
| 2012      | 2013        | 1.500 | 17.717 | 3.149   | 8.785             | 55.766          | 2.344 | 29.668 | 118.929 |
| 2013      | 2014        | 1.500 | 17.745 | 3.155   | 9.551             | 55.611          | 2.347 | 29.713 | 119.622 |
| 2014      | 2015        | 1.500 | 17.764 | 3.157   | 9.461             | 55.911          | 2.349 | 31.765 | 121.907 |
| 2015      | 2016        | 1.500 | 19.582 | 3.912   | 9.469             | 54.059          | 3.101 | 31.807 | 123.430 |
| 2016      | 2017        | 1.500 | 19.590 | 3.915   | 9.473             | 54.940          | 3.102 | 31.828 | 124.348 |
| 2017      | 2018        | 1.500 | 19.318 | 3.921   | 9.503             | 53.663          | 3.112 | 31.832 | 122.849 |
| 2018      | 2019        | 1.500 | 19.024 | 3.901   | 9.266             | 52.427          | 3.088 | 29.909 | 119.115 |
| 2019      | 2020        | 1.500 | 19.036 | 3.904   | 9.121             | 52.121          | 3.090 | 29.319 | 118.091 |
| 2020      | 2021        | 1.500 | 18.799 | 3.905   | 9.191             | 52.351          | 3.093 | 29.242 | 118.081 |
| 2021      | 2022        | 1.500 | 18.564 | 3.908   | 9.110             | 51.667          | 3.096 | 29.102 | 116.947 |

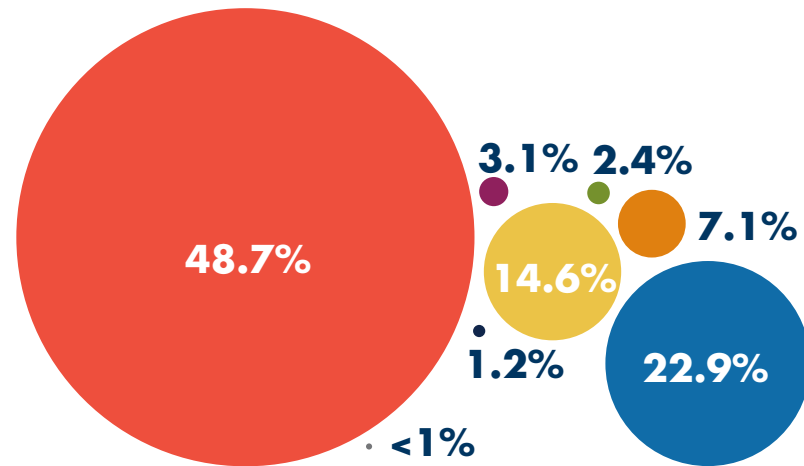
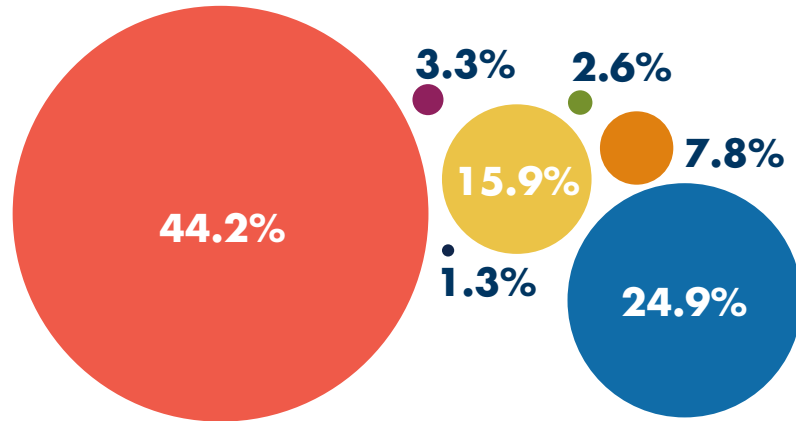
Unified School District #512 is used as an example but depending upon resident location USD #232 or #233 would be the applicable taxing jurisdiction.

# 2021 PROPERTY TAX RATES BY MILL LEVY

## SHAWNEE MISSION SCHOOL DISTRICT

|  |        |
|--|--------|
| State of Kansas                            | 1.500  |
| Johnson County                             | 18.564 |
| Johnson County Community College           | 9.110  |
| Johnson County Parks & Recreation District | 3.096  |
| Johnson County Library                     | 3.908  |
| City of Lenexa                             | 29.102 |
| SM School District                         | 51.667 |

**TOTAL MILL LEVY 116.947**



## DESOTO SCHOOL DISTRICT

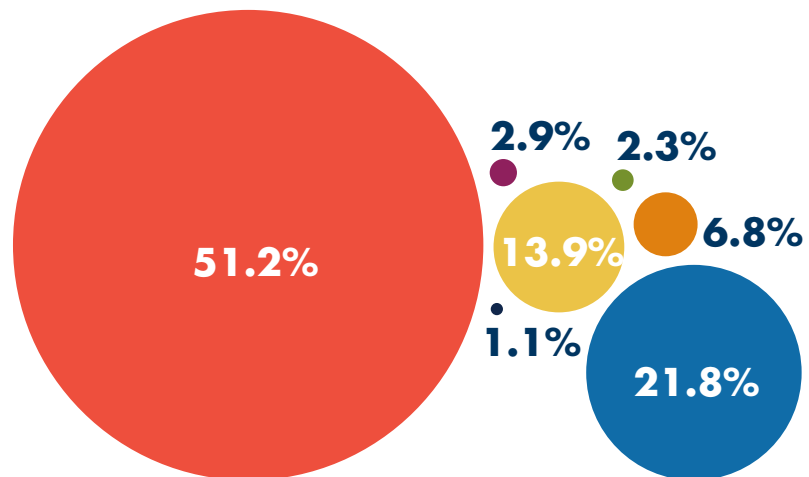
|  |        |
|--|--------|
| State of Kansas                            | 1.500  |
| Johnson County                             | 18.564 |
| Johnson County Community College           | 9.110  |
| Johnson County Parks & Recreation District | 3.096  |
| Johnson County Library                     | 3.908  |
| City of Lenexa                             | 29.102 |
| DeSoto School District                     | 61.949 |
| Monticello Cemetery                        | 0.050  |

**TOTAL MILL LEVY 127.279**

## OLATHE SCHOOL DISTRICT

|  |        |
|--|--------|
| State of Kansas                            | 1.500  |
| Johnson County                             | 18.564 |
| Johnson County Community College           | 9.110  |
| Johnson County Parks & Recreation District | 3.096  |
| Johnson County Library                     | 3.908  |
| City of Lenexa                             | 29.102 |
| Olathe School District                     | 68.282 |

**TOTAL MILL LEVY 133.562**





# STRATEGIC ALIGNMENT: LENEXA'S GUIDING PRINCIPLES

The Guiding Principles are a set of shared values the Lenexa City Council established as a framework to guide policy decisions, planning processes, community initiatives, and daily activities of the organization. The Principles, formally adopted with the FY 2022 budget, inform the mission and daily operations of the City of Lenexa. The Mayor and City Council commit to responsible governance and pledge that local decisions will be made in a transparent, thoughtful and inclusive manner. They strive to do the right things for the right reasons guided by core principles.

Lenexa's Guiding Principles are underpinned by Vision 2040, the community-driven plan developed by community members based on their hopes and desires for Lenexa's future. Five themes make up Vision 2040 – Healthy People, Inviting Places, Vibrant Neighborhoods, Integrated Infrastructure & Transportation, and Thriving Economy – and the Vision 2040 document details how the community hopes to pursue those ideals for the future.

In the following pages, we link each Guiding Principle to key performance indicators (for 2020 through 2022) and recent notable achievements.

In the Fund Budget section of this document, each budgeted area shows the specific Guiding Principles supported by departments and divisions.

*Full 2021 DirectionFinder survey results can be found on [Lenexa.com](https://www.lenexa.com). DirectionFinder data shown for 2020 was collected during the 2019 survey.*

## THE CITY OF LENEXA'S EIGHT GUIDING PRINCIPLES



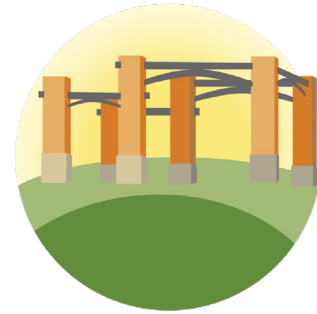
### SUPERIOR QUALITY SERVICES

Ensure that services are provided efficiently and effectively in ways that create a safe, clean, and attractive community for residents, businesses, and visitors.



### PRUDENT FINANCIAL MANAGEMENT

Provide exceptional value in public investments by committing to structural fiscal balance in operational and capital activities while upholding transparent finance and budgeting processes.



### STRATEGIC COMMUNITY INVESTMENT

Purposefully invest in high-quality infrastructure, facilities, programs, and initiatives across all areas of the community.



### EXTRAORDINARY COMMUNITY PRIDE

Celebrate Lenexa's history and reputation as a visionary community and use that heritage to instill future generations with the pride that is reflected in the City's public places, plans, programs, and people.



### INCLUSIVE COMMUNITY BUILDING

Enthusiastically engage the public in community initiatives and visioning, including intentionally seeking input and ideas from a diverse assembly of stakeholders.



### RESPONSIBLE ECONOMIC DEVELOPMENT

Fortify the city's economic base by encouraging high-quality private development as well as fostering economic opportunity through thoughtful planning processes and the judicious use of economic development investment programs.



### SUSTAINABLE POLICIES AND PRACTICES

Lead by example in implementing sustainable and resilient practices where financially and operationally practical as well as enact community-wide policies and strategies that motivate both residents and businesses to do so when reasonable.



### VALUES-BASED ORGANIZATIONAL CULTURE

Create an organization that reflects the community's diversity and fosters a superior culture by employing, supporting, and rewarding professionals who make decisions with integrity, deliver results through teamwork, provide exceptional service, lead into the future with vision, are dedicated to excellence, and who truly care about Lenexa.

CITY COUNCIL  
AGENDA ITEMS  
SUPPORTING THIS  
GUIDING PRINCIPLE  
(AS OF OCT. 15, 2021)

27



## SUPERIOR QUALITY SERVICES

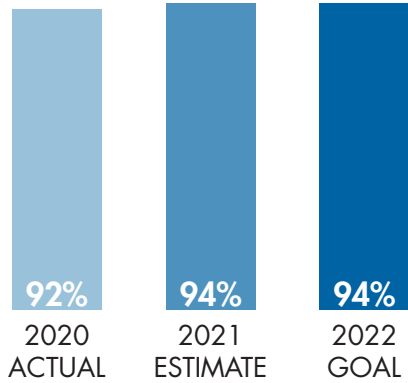
ENSURE THAT SERVICES ARE PROVIDED EFFICIENTLY AND EFFECTIVELY IN WAYS THAT CREATE A SAFE, CLEAN AND ATTRACTIVE COMMUNITY FOR RESIDENTS, BUSINESSES AND VISITORS

- The Police Department’s Crisis Intervention Team program was **one** of **four** agencies across the United States to earn gold certification by CIT International in 2021.
- The Fire Department began to house operations at the Lenexa Public Safety Complex to improve emergency response performance in northeast area of the city.
- The Fire Department continued transition to deliver advanced level service (paramedic credentialed staff) from all emergency response units. Currently **33** personnel are credentialed as paramedics in operations division and another **seven** are completing paramedic licensure program.
- Lenexa participates in the Community Rating System to reduce flood insurance premiums for homeowners. The City achieved the highest rating in Kansas of **Class 5** in 2021, achieving the greatest amount of premium reduction for residents possible.
- Municipal Services is **one** of only 162 public works agencies to earn accreditation by the American Public Works Association. The department was reaccredited in 2020.
- Lenexa received the GFOA Distinguished Budget Presentation Award for the FY 2021 budget document (**30th** consecutive year).
- In 2021, Municipal Court offered virtual appearances for **3,916** defendants across several different offense types including traffic and other minor criminal hearings.
- Community Development offered video inspections for simple residential repairs and improvements, such as water heater and furnace replacements, to reduce COVID-19 exposure and provide more efficient inspection scheduling for permit applicants.
- Rec Center offered free equipment orientation and wellness assessments to all members.
- Recreation staff taught **1,986** individuals to swim in 2021.

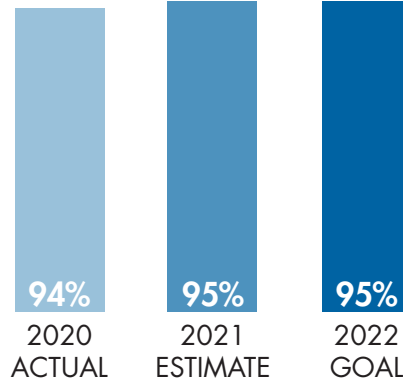


Lenexa received a “Leading the Way” award from ETC Institute in recognition of outstanding delivery of services to residents. Award recipients ranked in the **top 10%** of local governments across the country regarding the key indicators on the DirectionFinder Survey.

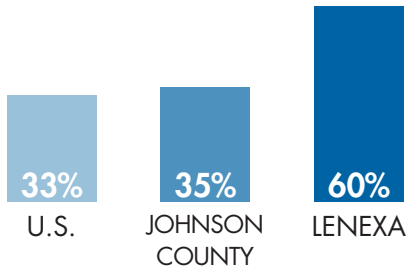
**PERCENTAGE OF FLEET OPERATIONAL AT ALL TIMES EXCEEDS 90%**



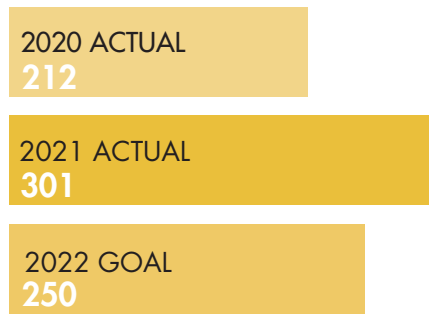
**MUNICIPAL COURT CHARGES CLEARANCE RATE EXCEEDS 90%**



**CARDIAC SURVIVAL RATE WHEN EVENT WAS WITNESSED BY A BYSTANDER, PATIENT WAS FOUND IN SHOCKABLE RHYTHM, AND RECEIVED CPR OR AED INTERVENTION (UTSTEIN BYSTANDER RATE)**



**CONDUCT AT LEAST 200 BMP STORMWATER INSPECTIONS ANNUALLY**



**THE PUBLIC MARKET AND ITS MERCHANTS HAVE AN AVERAGE COMBINED GOOGLE AND YELP RATING OF 4.6 OUT OF 5.**



**AVERAGE EMERGENCY RESPONSE TIME FROM THE POLICE DEPARTMENT OF 5 MINUTES OR LESS**



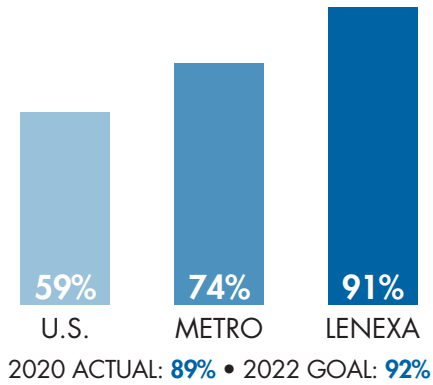
**FIRE DEPARTMENT FIRST ARRIVING UNIT TRAVEL TIME FOR 90% OF ALL EMERGENCY INCIDENTS (TIME ELAPSED FROM ENROUTE TO ARRIVAL ON SCENE)**



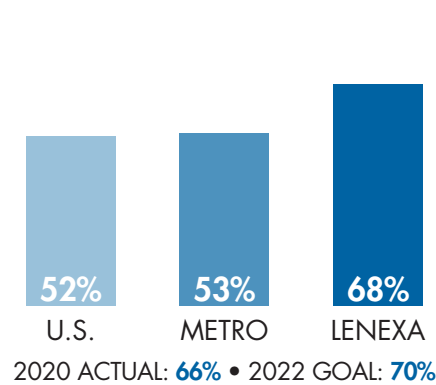


## 2021 CITIZEN SURVEY RESULTS

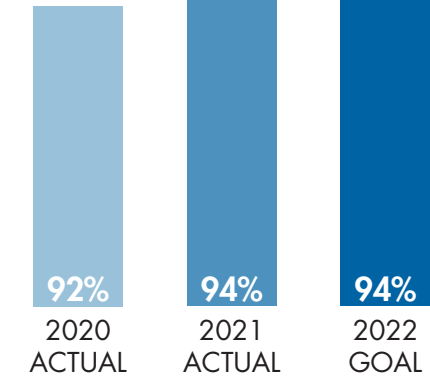
### OVERALL SATISFACTION WITH QUALITY OF SERVICES PROVIDED BY THE CITY



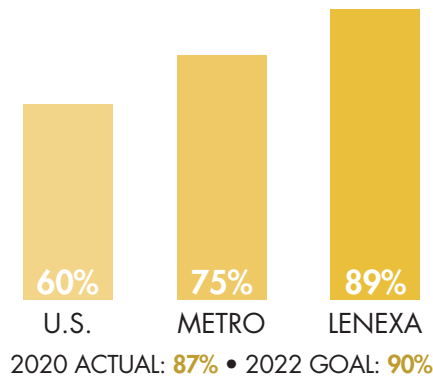
### OVERALL SATISFACTION WITH ENFORCEMENT OF CODES AND ORDINANCES



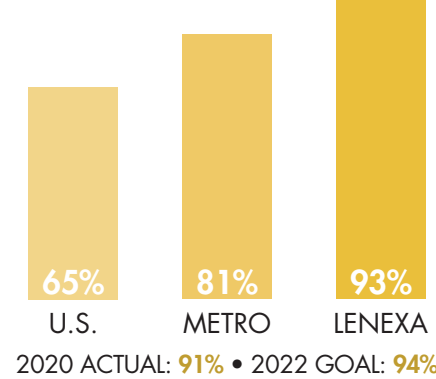
### SATISFACTION WITH RESIDENT MAGAZINE TOWNTALK EXCEEDS 85%



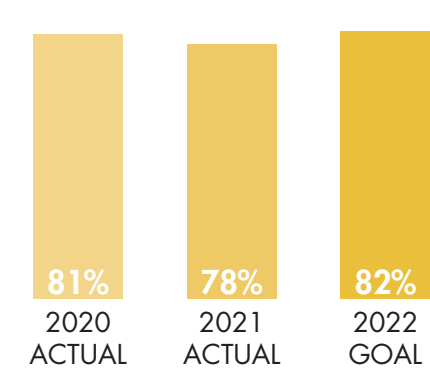
### OVERALL CLEANLINESS OF CITY STREETS



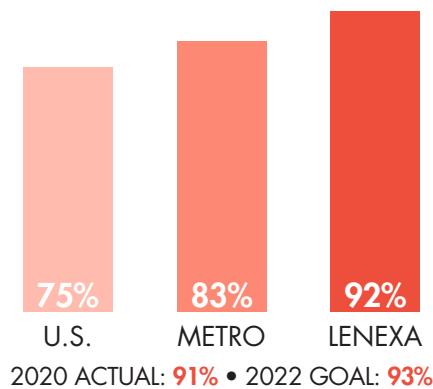
### SATISFACTION WITH SNOW REMOVAL ON MAJOR CITY STREETS



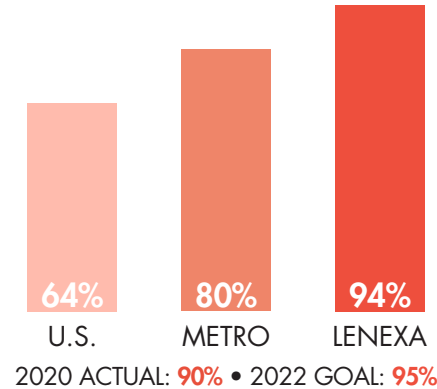
### SATISFACTION WITH DRAINAGE OF WATER OFF CITY STREETS



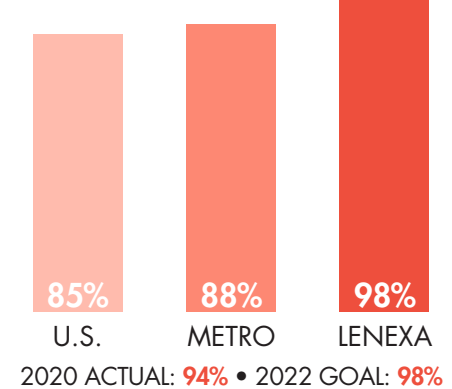
### OVERALL FEELING OF SAFETY IN YOUR NEIGHBORHOOD



### OVERALL SATISFACTION WITH QUALITY OF POLICE SERVICES



### OVERALL SATISFACTION WITH QUALITY OF FIRE & EMERGENCY MEDICAL SERVICES



CITY COUNCIL  
AGENDA ITEMS  
SUPPORTING THIS  
GUIDING PRINCIPLE  
(AS OF OCT. 15, 2021)

27

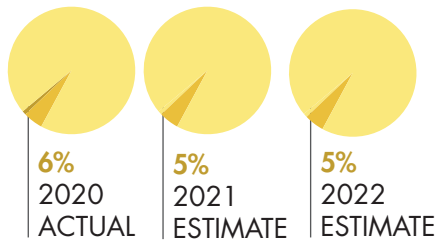


## PRUDENT FINANCIAL MANAGEMENT

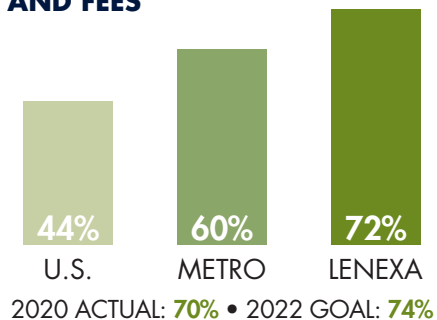
**PROVIDE EXCEPTIONAL VALUE IN PUBLIC INVESTMENTS BY COMMITTING TO STRUCTURAL FISCAL BALANCE IN OPERATIONAL AND CAPITAL ACTIVITIES WHILE UPHOLDING TRANSPARENT FINANCE AND BUDGETING PROCESSES.**

- The 2021 external financial audit was unmodified with no findings.
- Created new budget document which provides the City’s financial information in a more understandable, transparent way.
- Lenexa routinely pursues grants and matching fund opportunities.
- Departments consistently use a variety of cost saving measures including the use of volunteers, cooperative purchasing agreements, flextime and comp time to reduce overtime expenses, and the use of in-house staff to perform functions routinely outsourced by other jurisdictions.
- Municipal Services created a process to rehabilitate stormwater structures in-house and saved nearly **\$225,000** in 2020.
- Lenexa crews grew more than **15,000** plants from seeds or seedlings in greenhouses last year with a cost savings of **\$70,000**. The perennials were used in street medians, flowerbeds, rain gardens and bioretention cells on City property.
- In 2021, more than **\$27,000** of costs were underwritten by sponsors for programs, events and festivals.

### DIFFERENCE BETWEEN ACTUAL AND BUDGETED COLLECTIONS OF MAJOR REVENUE SOURCES IS 5% OR LESS



### 2021 CITIZEN SURVEY: OVERALL VALUE THAT YOU RECEIVED FOR TAX DOLLARS AND FEES



### CREDIT RATINGS

The City continues to maintain the best possible credit ratings (Aaa from Moody’s and AAA from Standard and Poor’s ) on our outstanding general obligation bonds and a structurally balanced General Fund in all five years of the multi-year financial model.

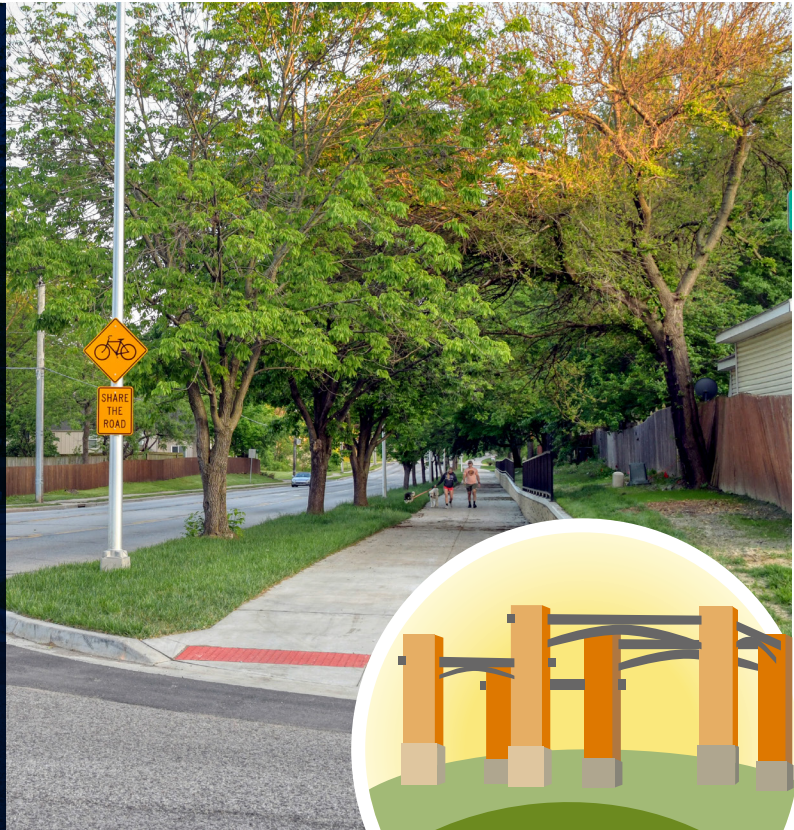


CITY COUNCIL  
AGENDA ITEMS  
SUPPORTING THIS  
GUIDING PRINCIPLE  
(AS OF OCT. 15, 2021)

47

## MAJOR CIP PROJECTS COMPLETED IN 2020–2021

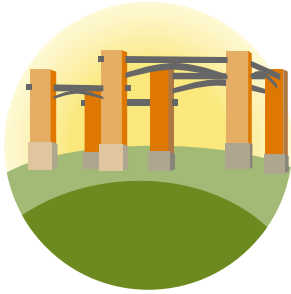
- Improvements at the intersection of Santa Fe Trail Drive and 95th Street include new and extended turn lanes, pedestrian improvements and storm drainage improvements.
- Stormwater improvements were completed in The Cedars and Lakeview neighborhoods.
- The Lackman Trail connects several parks between 95th Street and 87th Street Parkway.
- A new traffic signal at 79th Street and Renner Road created a safer intersection for bicyclists and pedestrians.
- Ridgeview Road provides a vital connection between Kansas Highway 10 and Prairie Star Parkway and has opened up the area for development.
- Complete Streets improvements like bike lanes, sharrows and signage have enhanced safety and comfort for bicyclists along strategically selected routes.
- A popular new state-of-the-art pickleball complex with eight courts was installed at Bois d’Arc Park.
- Aging tennis courts at Sar-Ko-Par Trails Park were replaced with two new tennis courts and a roller hockey rink that also accommodates soccer and broom ball.



# STRATEGIC COMMUNITY INVESTMENT

**PURPOSEFULLY INVEST IN HIGH-QUALITY INFRASTRUCTURE, FACILITIES, PROGRAMS AND INITIATIVES ACROSS ALL AREAS OF THE COMMUNITY.**

- Devoted **\$3.2 million** in the Pavement Management Program in 2020 which resulted in **47** resurfaced lane miles and other infrastructure investment. In 2021, the City invested **\$5.7 million** in the program.
- **10,638** linear feet of sidewalks were repaired in 2020.
- Thirteen Exterior Grant Program projects were awarded by the City reimbursing property owners **\$45,000** to repair and improve the exterior of their homes, resulting in approximately **\$105,000** of private improvement.
- Refinanced Series 2011A and Series 2012A bonds with a present value savings of **\$911,000**.
- City Council member Julie Sayers was **one** of **20** in the nation appointed to the Champions Institute, a program which helps locally elected officials equitably define, design, build and evaluate Complete Streets in their communities.



**IMPROVE AT LEAST ONE NEIGHBORHOOD EACH YEAR BY INVESTING IN A STORMWATER PROJECT**

2020 ACTUAL



2021 ACTUAL

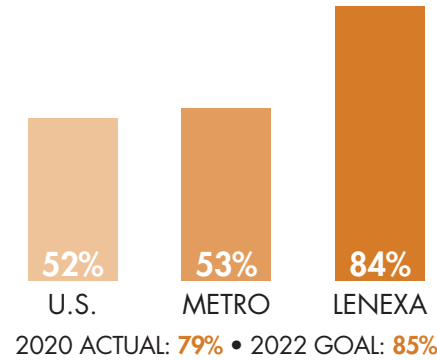


2022 GOAL

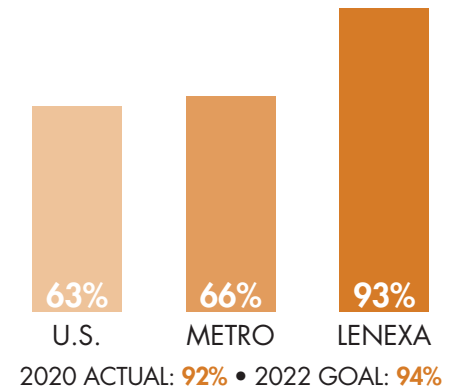


**2021 CITIZEN SURVEY RESULTS**

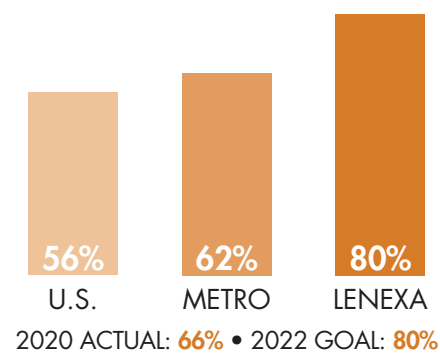
**OVERALL SATISFACTION WITH MAINTENANCE OF CITY STREETS**



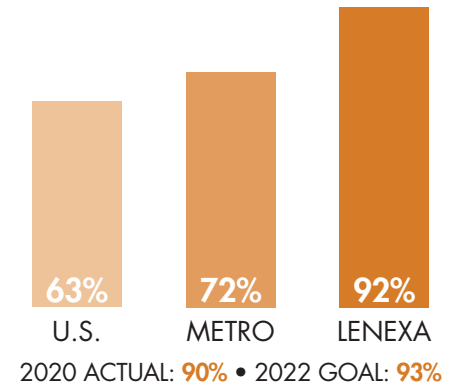
**QUALITY OF WALKING AND BIKING TRAILS**



**OVERALL SATISFACTION WITH FLOW OF TRAFFIC/ CONGESTION MANAGEMENT**



**OVERALL QUALITY AND UPKEEP OF CITY BUILDINGS**



**REPLACE A MINIMUM OF 4,000 LINEAR FEET OF STORMWATER PIPE EACH YEAR**



**LINE A MINIMUM OF 5,000 LINEAR FEET OF STORMWATER PIPE EACH YEAR**



CITY COUNCIL  
AGENDA ITEMS  
SUPPORTING THIS  
GUIDING PRINCIPLE  
(AS OF OCT. 15, 2021)

9



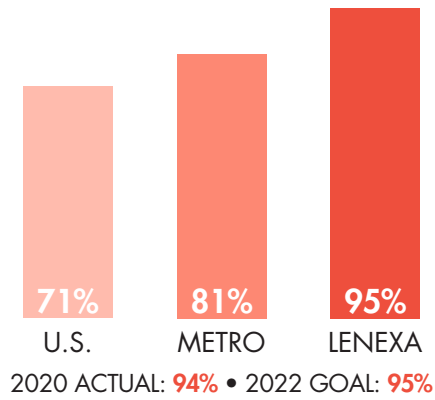
# EXTRAORDINARY COMMUNITY PRIDE

**CELEBRATE LENEXA’S HISTORY AND REPUTATION AS A VISIONARY COMMUNITY AND USE THAT HERITAGE TO INSTILL FUTURE GENERATIONS WITH THE PRIDE THAT IS REFLECTED IN THE CITY’S PUBLIC PLACES, PLANS, PROGRAMS AND PEOPLE.**

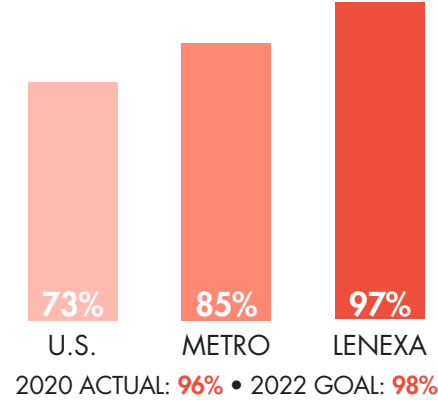
- **91%** of Citizens Survey respondents indicated they visited a park in the last year.
- Lenexans and visitors explored a variety of arts programs sponsored by the Lenexa Arts Council and Parks & Recreation including outdoor concerts, rotating gallery exhibits, a community orchestra, art classes and City Center Live.
- More than **20,000** guests experienced the Lenexa Farmers Market in 2021.
- Lenexa City Center received the inaugural award for Great Places in Kansas from the Kansas Chapter of the American Planning Association.
- Fire Department personnel assisted Johnson County Public Health efforts by administering **thousands** of COVID-19 vaccinations.
- The Swingin’ For a Scholarship pickleball tournament was named the “Outstanding New or Innovative Sports Program” by Kansas Recreation and Park Association in 2021.
- The Public Market continues to be a gathering place for our community and hosts popular events including Friday Night Soundbites, Food Truck Frenzy and Utepils.
- The Fire and Police Departments engages with the Shawnee Mission School District Blue Eagle Program.
- The Police Department shared their inaugural “Annual Report to our Community”.
- In 2021, **22** groups participated in the Adopt a Spot program which help keep Lenexa parks and streets clean.
- Fire Department welcomed more than **1,000** guests at an open house for families in October 2021.
- Rec Center offered residents more than **20** free group fitness classes and **four** fitness check-ins for free to promote wellness. Fitness classes were free to all teachers for the month of August.
- PCMag, a leading tech news publication, named Lenexa number **12** on their list of the 50 best work-from-home cities in America in 2021.
- The Peace Poles Community Art Project featured nearly **40** pieces of original art with messages of peace at Sar-Ko-Par Trails Park in 2021.

## 2021 CITIZEN SURVEY RESULTS

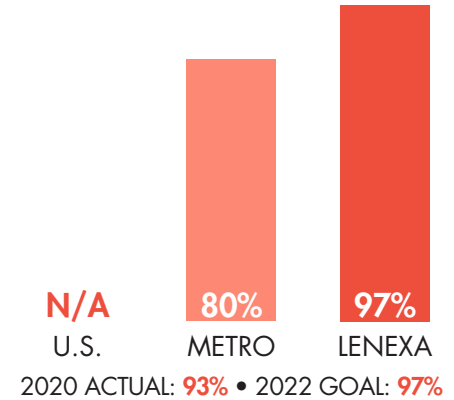
### LENEXA AS A PLACE TO RAISE CHILDREN



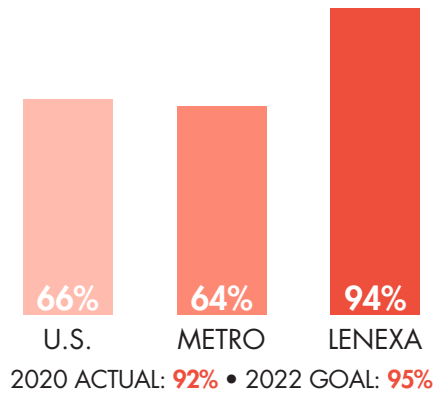
### LENEXA AS A PLACE TO LIVE



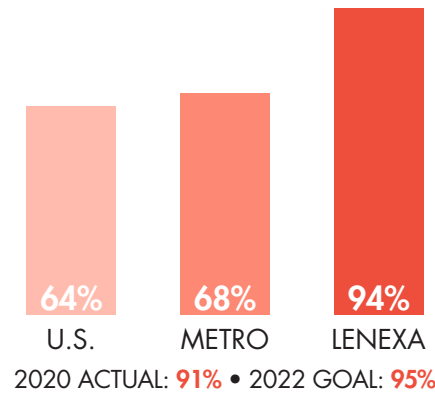
### OVERALL QUALITY OF LIFE



### OVERALL APPEARANCE OF THE CITY



### OVERALL IMAGE OF THE CITY



**52%**  
of Citizen Survey respondents indicated they visited a special event or festival sponsored by Lenexa in the last year. Thousands of guests attend annual events including the Chili Challenge, Great Lenexa BBQ Battle, Freedom Run, Spinach Festival and Sar-Ko Aglow.



CITY COUNCIL  
AGENDA ITEMS  
SUPPORTING THIS  
GUIDING PRINCIPLE  
(AS OF OCT. 15, 2021)

4



# INCLUSIVE COMMUNITY BUILDING

**ENTHUSIASTICALLY ENGAGE THE PUBLIC IN COMMUNITY INITIATIVES AND VISIONING, INCLUDING INTENTIONALLY SEEKING INPUT AND IDEAS FROM A DIVERSE ASSEMBLY OF STAKEHOLDERS.**



- Community Development completed community surveys garnering **hundreds** of responses around two issues in 2020 and 2021: one related to regulating homeless shelters and second about revising the curbside collection of recycling materials.
- Public engagement in the Aquatics Study (2018-2021) revealed that aquatics is overwhelmingly valued and supported. Engagement included user-group meetings, surveys, feedback forms, an open house and public education efforts.
- Community Development began engaging residents in the process to update the Comprehensive Plan and will use surveys, focus groups and other tools throughout the project.
- After gathering feedback on community priorities, Complete Streets improvements were made including new bike lanes, share the road signage, and a new marked bike loop route connecting Old Town to central Lenexa and other key points in the City.
- Police Department outreach including Coffee with Cops, Understanding Use of Force Workshops, Youth Police Academy and the Citizens Police Academy.
- In 2020, the percentages of persons of color applying for jobs with the City increased to **29.3%**, up from **26.6%** in 2016. The diversity of our applicant pool was higher as the result of Human Resources initiatives including expanded advertising, more applicant friendly software and outreach.
- City staff participated in the United Community Services of Johnson County Housing Task Force, which established a menu of ways to address housing issues in the county and included public outreach and input.
- The Public Market offers a diverse array of cuisine, representing several cultures from around the world.
- Parks & Recreation scholarships were provided to **86** people in 2021. The department hosted two pickleball tournaments to raise money for the scholarship fund and brought in **\$6,675** in 2021.
- The Rec Center partners with the University of Kansas to host adaptive swim lessons and offers free admission to caregivers with ADA accommodations.
- Community Garden participants donated excess produce to the Johnson County Multi-Service Center and Farmers Market vendors donate hundreds of pounds of food to three local food banks through the After the Harvest program.
- Lenexa continues to install ADA accessible play features in parks including new swings at Black Hoof Park in 2021.



ETC Institute conducts a statistically valid survey of residents every other year for Lenexa.

The number of surveys returned in 2021 was

**791**

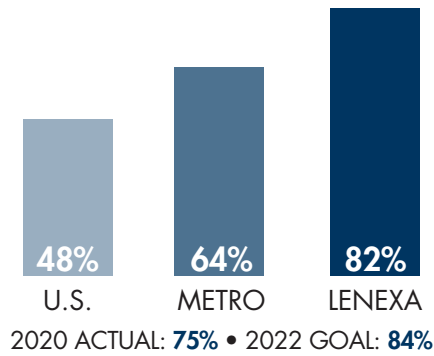
far exceeding the goal of

**600**

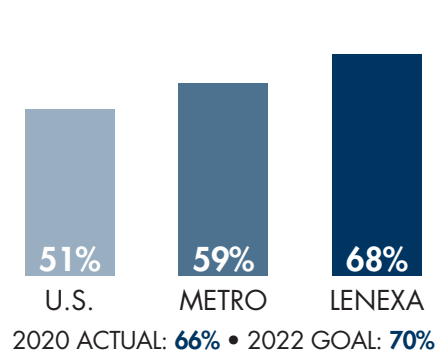
completed surveys.

## 2021 CITIZEN SURVEY RESULTS

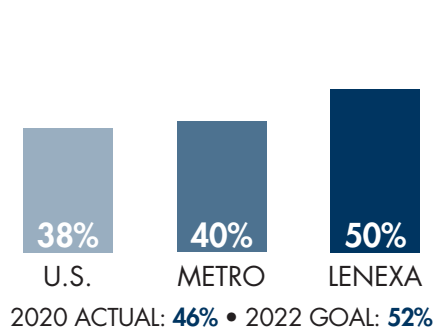
### OVERALL EFFECTIVENESS OF CITY COMMUNICATIONS WITH THE PUBLIC



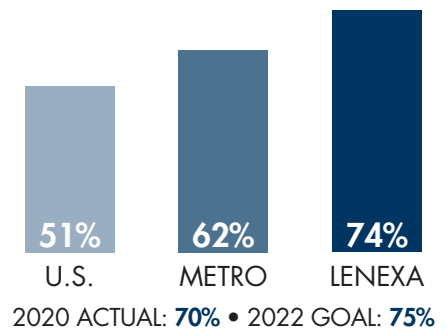
### CITY EFFORTS TO KEEP YOU INFORMED ABOUT LOCAL ISSUES



### LEVEL OF PUBLIC INVOLVEMENT IN LOCAL DECISION-MAKING



### AVAILABILITY OF INFORMATION ABOUT CITY PROGRAMS AND SERVICES





CITY COUNCIL  
AGENDA ITEMS  
SUPPORTING THIS  
GUIDING PRINCIPLE  
(AS OF OCT. 15, 2021)

35

### DEVELOPMENT ACTIVITY FOR 2020

TOTAL VALUATION PERMITTED  
**\$449,952,621**

TOTAL COMMERCIAL  
VALUE PERMITTED  
**\$224,115,616**

TOTAL  
RESIDENTIAL  
UNITS PERMITTED  
**906**

TOTAL RESIDENTIAL  
VALUATION PERMITTED  
**\$225,837,005**



## RESPONSIBLE ECONOMIC DEVELOPMENT

FORTIFY THE CITY'S ECONOMIC BASE BY ENCOURAGING HIGH-QUALITY PRIVATE DEVELOPMENT AS WELL AS FOSTERING ECONOMIC OPPORTUNITY THROUGH THOUGHTFUL PLANNING PROCESSES AND THE JUDICIOUS USE OF ECONOMIC DEVELOPMENT INVESTMENT PROGRAMS.

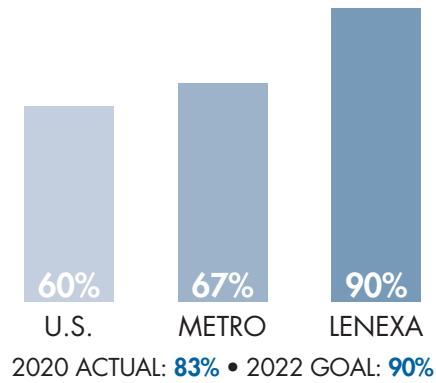
THE LEGAL DEPARTMENT DRAFTED ECONOMIC DEVELOPMENT AGREEMENTS TO CONSTRUCT MORE THAN **2,161,000** SQUARE FEET OF NEW DEVELOPMENT IN 2020.



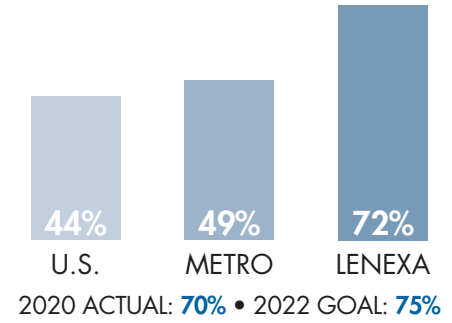
## 2021 CITIZEN SURVEY RESULTS



### LENEXA AS A PLACE TO WORK



### SATISFACTION WITH HOW WELL THE CITY IS PLANNING FOR GROWTH



## ANNUAL SALES AT THE LENEXA PUBLIC MARKET EXCEED \$2 MILLION

2022 ESTIMATE  
\$2,300,000

2021 ESTIMATE  
\$1,912,204

2020 ACTUAL  
\$1,287,900



CITY COUNCIL  
AGENDA ITEMS  
SUPPORTING THIS  
GUIDING PRINCIPLE  
(AS OF OCT. 15, 2021)

22

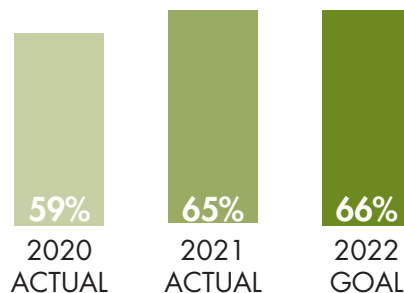


# SUSTAINABLE POLICIES AND PRACTICES

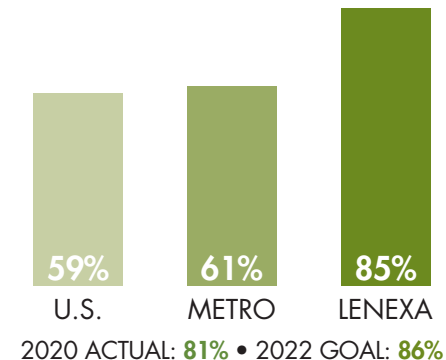
**LEAD BY EXAMPLE IN IMPLEMENTING SUSTAINABLE AND RESILIENT PRACTICES WHERE FINANCIALLY AND OPERATIONALLY PRACTICAL AS WELL AS ENACT COMMUNITY-WIDE POLICIES AND STRATEGIES THAT MOTIVATE BOTH RESIDENTS AND BUSINESSES TO DO SO WHEN REASONABLE.**

- In 2020, the Lenexa City Council accepted the Climate Action Playbook developed by Climate Action KC, a community partnership dedicated to reducing greenhouse gas emissions and promoting a thriving, climate-resilient Kansas City metro region.
- The Stormwater Cost Share Program distributed **\$22,500** to **36** household for projects including native plantings, permeable surfaces, rain gardens and rain barrels.
- **99%** of city-owned streetlights have been converted to LED with an annual cost savings of **\$400,000**. These new lights provide brighter, safer streets while saving energy, money and maintenance time.
- **30%** of residents indicated they participated in Dumpster Days during last citizen survey. In 2020, **20.79** tons of steel and **15.71** tons of e-waste were recycled.
- City purchases clean wind/green energy for all electricity except streetlights.
- A goat herd was hired to clear invasive plants out of a streamway which resulted in tremendous exposure for the Rain to Recreation program. Residents learned what they can do to help keep our streams clean.
- Crews use prescribed burning (intentionally applying fire to parks and other public property) on **60** to **100** acres each year to reduce weeds/nonnative plants and keep prairie plants healthy.
- The City negotiated a **30%** discount with two curbside compost providers to encourage residents to keep food waste out of landfills.
- Public Market merchants participate in a market-sponsored composting program and will have diverted approximately **10,700** pounds of food waste from going to the landfill in 2021.
- Lenexa has been named a Tree City USA for the past **33** years.
- New rain gardens at City Center and Bois D’Arc Park provide eco-friendly stormwater management.
- The City realized a **24%** increase of fuel savings when our older fleet was replaced with newer, fuel-efficient vehicles.

**2021 CITIZEN SURVEY: SATISFACTION WITH INFORMATION YOU RECEIVE ABOUT STORMWATER ISSUES**



**2021 CITIZEN SURVEY: OVERALL QUALITY OF THE CITY’S STORMWATER SYSTEM**

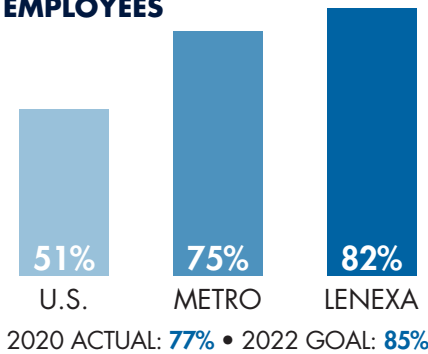




# VALUES-BASED ORGANIZATIONAL CULTURE

**CREATE AN ORGANIZATION THAT REFLECTS THE COMMUNITY'S DIVERSITY AND FOSTERS A SUPERIOR CULTURE BY EMPLOYING, SUPPORTING, AND REWARDING PROFESSIONALS WHO MAKE DECISIONS WITH INTEGRITY, DELIVER RESULTS THROUGH TEAMWORK, PROVIDE EXCEPTIONAL SERVICE, LEAD INTO THE FUTURE WITH VISION, ARE DEDICATED TO EXCELLENCE AND WHO TRULY CARE ABOUT LENEXA.**

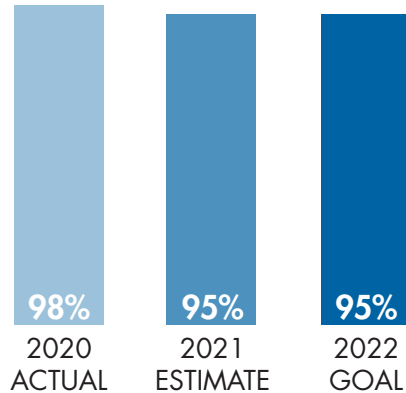
## 2021 CITIZEN SURVEY: QUALITY OF CUSTOMER SERVICE RECEIVED FROM CITY EMPLOYEES



## ANNUAL TURNOVER RATE (EXCLUDING SEASONAL AND TEMPORARY EMPLOYEES) IS LESS THAN 10%



## RESOLVE 95% OF REQUESTS FROM EMPLOYEES FROM THE IT SOLUTIONS CENTER



- CFO Doug Robinson received the 2021 Kansas Government Finance Officers Association Lifetime Achievement Award.
- Human Resources and Park University partnered to create Lenexa Leadership Foundations, a six-month training and enrichment program for emerging leaders in the organization.
- The Fire Department mobilized a fire engine and crew for a two-week deployment to provide fire protection and recovery efforts for a community in Louisiana following Hurricane Ida.
- Established a Fire Department honor guard of **14** team members to professionally represent Lenexa at ceremonial events.
- Employees host several charitable activities to help those in need throughout the year. The public is invited to join employees during food drives, diaper drives, coat and clothing collections. Employees also adopt families in need in December through the Red Bag program.
- Human Resources and Parks & Recreation implemented the Lenexa Learning Lab, a flexible, in-person service to facilitate virtual learning for employees' children ages 5-18 during the pandemic.
- Hosted a mental health wellness panel for employees.
- The Police and Fire Departments started the First Responder Wellbeing Education Program to enhance the emotional wellbeing of the City's first responders.
- The Police Department provided social media awareness presentations to City employees.
- Lexi Blue, a goldendoodle, joined the Police Department to provide comfort to Police employees, crime victims and individuals involved in traumatic events.
- The Fire Department piloted a comfort canine program to protect against service-related stress injuries and promote emotional resiliency within the Fire Department.

CITY COUNCIL AGENDA ITEMS SUPPORTING THIS GUIDING PRINCIPLE (AS OF OCT. 15, 2021)

**6**



# FINANCIAL OVERVIEW

**This section includes financial policies and procedures, budget summaries, projections and financial forecasts.**

# 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 and considered a major fund. The majority of the current operating expenditures of the City are financed through revenues received by the General 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:** 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. 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.

**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), Tax Increment Financing (TIF) funds and Community Improvement District (CID) funds.

**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 funds current assets over its current liabilities.

## FUND - FUNCTION - DEPARTMENT - DIVISION - ORGANIZATION - OBJECT

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.

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.

| <b>FUND AND DEPARTMENT STRUCTURE</b> |               |   |
|--------------------------------------|---------------|---|
| <b>BUDGETED FUNDS</b>                |               |   |
| <b>FUND TYPE</b>                     | <b>Fund #</b> | <b>Fund Name/Department</b>                   |
| <b>GENERAL</b>                       | <b>01</b>     | <b>General (Major Fund)</b>                   |
|                                      |               | Governing Body                                |
|                                      |               | Executive                                     |
|                                      |               | Communications                                |
|                                      |               | Public Market                                 |
|                                      |               | Municipal Court                               |
|                                      |               | Non-Departmental                              |
|                                      |               | Finance                                       |
|                                      |               | Human Resources                               |
|                                      |               | Information Technology                        |
|                                      |               | Legal   |
|                                      |               | Community Development                         |
|                                      |               | Fire  |
|                                      |               | Police  |
|                                      |               | Municipal Services                            |
|                                      |               | Parks and Recreation                          |
| <b>DEBT SERVICE</b>                  | <b>05</b>     | <b>Debt Service (Major Fund)</b>              |
| <b>SPECIAL REVENUE</b>               |               |   |
|                                      | 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 & 95th 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                              |

| FUND TYPE         | Fund # | Fund Name/Department |
|-------------------|--------|----------------------|
| <b>ENTERPRISE</b> |        |                      |
|                   | 80     | Stormwater           |
|                   | 82     | Rec Center           |

| <b>NON-BUDGETED FUNDS</b> |           |   |
|---------------------------|-----------|---|
| FUND TYPE                 | Fund #    | Fund Name                               |
| <b>SPECIAL REVENUE</b>    |           |   |
|                           | 3         | Lenexa Foundation                       |
|                           | <b>10</b> | <b>Capital Improvement (Major Fund)</b> |
|                           | 15        | Grants                                  |
|                           | 20        | Law Enforcement Trust                   |
|                           | 21        | Legal Trust                             |
|                           | 73        | Facilities Maintenance                  |
|                           | 75        | Equipment Reserve                       |
| <b>INTERNAL SERVICE</b>   |           |   |
|                           | 85        | Health Plan                             |
|                           | 86        | Risk Management                         |
|                           | 87        | Workers Compensation                    |
| <b>FIDUCIARY</b>          |           |   |
|                           | 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.

## Balanced Budget

The basis of budgeting is modified accrual for all budgeted funds, including Enterprise Funds. Lenexa adheres to Kansas state budget law which requires the following:

- The adopted budget must be in balance, where the total resources equal total obligations.
- Projected spending cannot exceed the available resources.
- All balances are appropriated in funds supported by general tax levies.



# 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 Workers 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 2021.

## 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 over \$20,000 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 then or equal to \$10,000) are not capitalized but procedures 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 factor 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 useful 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 days 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. These dates apply if not exceeding the Revenue Neutral Tax Rate.

### Revenue Neutral Tax Rate calculation

The property tax levy legislation adopted by the State Legislature in 2021 (effective for the 2022 budget) establishes procedural requirements for setting property tax levies. Specifically, the legislation requires calculation of a "revenue neutral rate," which is defined as the mill levy required to raise the same amount of property tax revenue as the prior year using current year assessed valuation amounts. In order to exceed the revenue neutral rate, local governments must publish notice and hold a public hearing. In addition, County Clerks will provide mailed notices to all taxpayers of the revenue neutral rate hearing and the proposed mill levy impacting their specific properties beginning with the 2023 budget.

The legislation sets the following timeline for consideration of budgets that will exceed the revenue neutral rate:

- By June 15: County Clerks provide assessed valuation estimates for the budget and the revenue neutral rate calculation.
- By July 20: City notifies the County Clerk of intent to set the property tax levy above the revenue neutral mill levy.
- Between August 20 and September 20: City holds revenue neutral rate public hearing prior to or in conjunction with the annual budget hearing; City must publish hearing notice in the newspaper and on the City's website at least 10 days prior to the public hearing date.

- The City must adopt a resolution to exceed the revenue neutral rate immediately after the public hearing and before adopting a resolution approving the annual budget.
- By October 1: City certifies annual budget to the County Clerk.

## 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.

- **Budget Preparation Guidelines.** The budget preparation guidelines were developed in March 2021 and included the following primary assumptions: a) maintaining or reducing the total mill levy for 2022, and b) an increase of 6% in the City's assessed valuation.
- **Budget Alternatives.** Each department was directed to prepare and submit potential budget alternatives (additions and reductions) for consideration in the 2022 budget process.
- **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.
- **Governing Body Review of Recommended Budget.** Staff presented an overview of the 2022 recommended budget (along with an update of the City's multi-year financial models) on June 22, 2021. The City adopted a resolution on July 6, 2021 to set a budget public hearing date and intent to exceed the revenue neutral property tax rate. The City held a public hearing on August 24, 2021 and the Governing Body formally adopted the budget on August 24, 2021. Upon adoption of the budget, staff filed required budget forms with Johnson County prior to the October 1, 2021 deadline established by state law.

# ROAD TO THE BUDGET 2022

## FEBRUARY 2021

- Budget calendar distributed

## MARCH 2021

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

## APRIL 2021

- Departments submit operating budget requests

## MAY 2021

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

## JUNE 2021

- Governing Body budget session to review budget
- Final assessed valuation estimates

## JULY 2021

- Adopt resolution setting public hearing
- Notify County of intent to exceed Revenue Neutral Rate

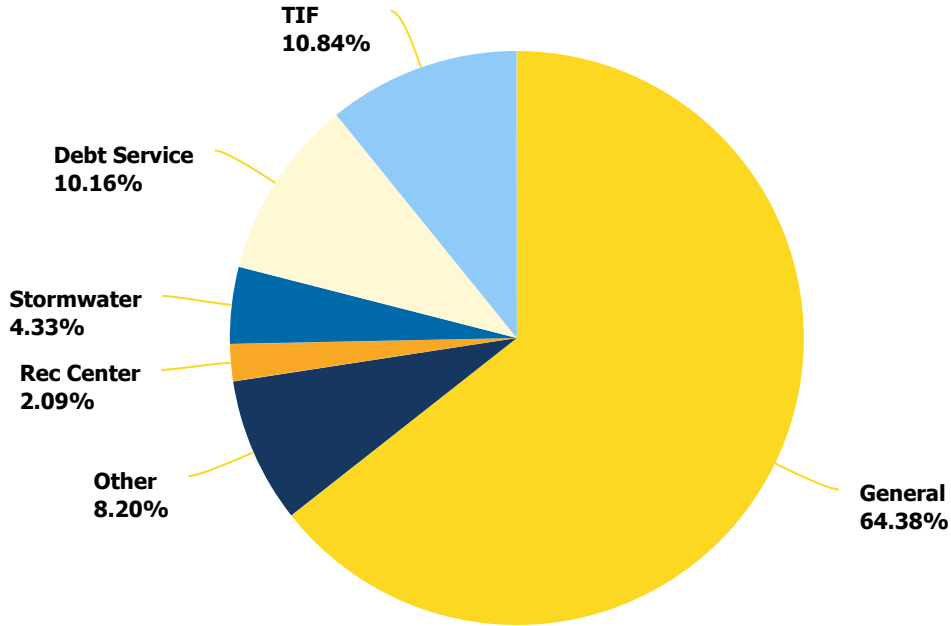
## AUGUST 2021

- Publish public hearing notice
- Public hearing on budget
- Governing Body adopts budget

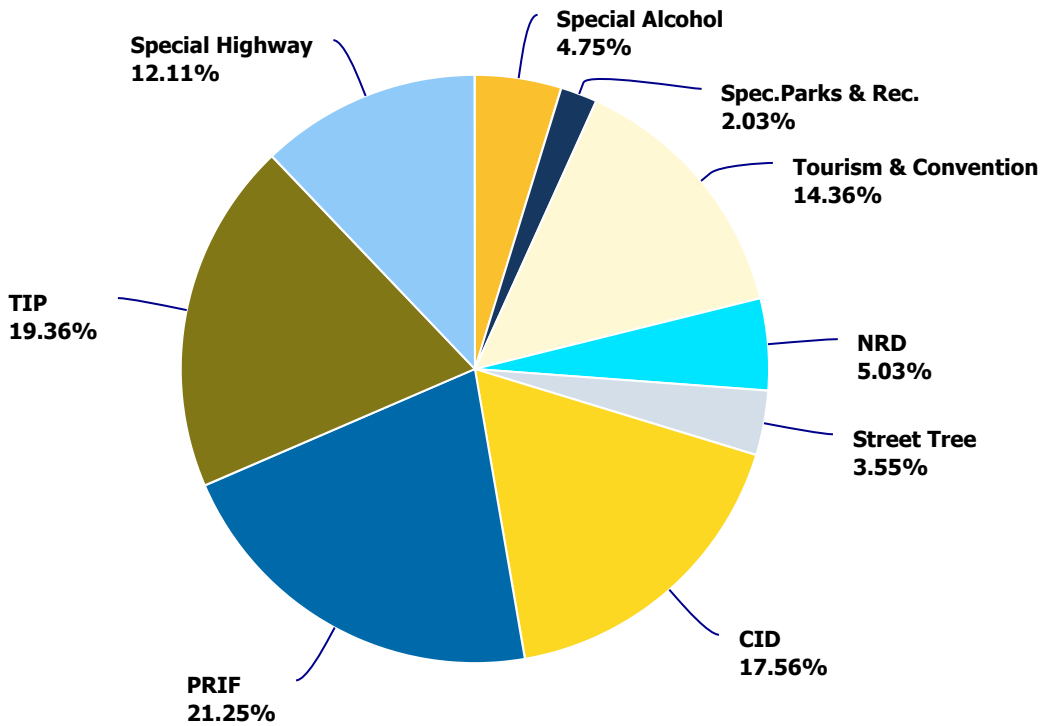
## NOVEMBER/DECEMBER 2021

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

**EXPENDITURE BY FUND 2022 BUDGET**



**BREAKDOWN OF OTHER FUNDS FROM ABOVE GRAPH**



# 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 2022 budget, look on the following page for the funding sources and expenditures for each fund type.

|  | 2020 Actual          | 2021 Revised Budget  | 2022 Budget          |
|--|----------------------|----------------------|----------------------|
| <b>BEGINNING FUND BALANCE</b>            | <b>\$62,317,339</b>  | <b>\$72,476,084</b>  | <b>\$49,549,181</b>  |
| <b>REVENUES</b>                          |                      |                      |                      |
| Property Taxes                           | \$47,440,629         | \$58,583,726         | \$61,923,335         |
| Non-Property Taxes                       | 53,156,025           | 53,324,830           | 54,676,800           |
| Licenses & Permits                       | 2,630,709            | 1,465,000            | 1,539,500            |
| Intergovernmental                        | 8,404                | -                    | -                    |
| Charges for Services                     | 10,178,481           | 11,701,564           | 12,209,919           |
| Fines & Forfeitures                      | 765,639              | 891,000              | 941,000              |
| Transfers In & Use of Prior Year Balance | 1,776,581            | 100,000              | 100,000              |
| Other Revenues                           | 2,229,967            | 1,588,221            | 1,438,851            |
| <b>TOTAL REVENUES</b>                    | <b>\$118,186,435</b> | <b>\$127,654,341</b> | <b>\$132,829,405</b> |
| <b>TOTAL AVAILABLE RESOURCES</b>         | <b>\$180,503,774</b> | <b>\$200,130,425</b> | <b>\$182,378,586</b> |
| <b>EXPENDITURES</b>                      |                      |                      |                      |
| General Government                       | \$9,490,296          | \$11,151,438         | \$12,546,279         |
| Public Safety                            | 26,845,281           | 30,609,223           | 31,278,938           |
| Community Infrastructure                 | 17,725,801           | 19,534,892           | 19,611,192           |
| Parks & Recreation                       | 8,152,574            | 11,399,027           | 11,395,188           |
| Economic Development                     | 8,145,228            | 22,380,518           | 21,691,259           |
| Debt Service                             | 18,466,707           | 19,241,384           | 22,213,430           |
| Transfers for Capital Projects           | 14,701,917           | 34,317,647           | 14,441,642           |
| Other Transfers                          | 4,499,886            | 1,947,115            | 1,792,670            |
| <b>TOTAL EXPENDITURES</b>                | <b>\$108,027,690</b> | <b>\$150,581,244</b> | <b>\$134,970,598</b> |
| <b>ENDING FUND BALANCE</b>               | <b>\$72,476,084</b>  | <b>\$49,549,181</b>  | <b>\$47,407,988</b>  |

\*Revised budget is as of budget book publication December 20, 2021.

# BUDGET SUMMARY BY FUND

Listed below are the funding sources and expenditures for the 2022 Budget by fund type. In the 2022 General Fund budget, \$29.7 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                |
|----------------------------------|----------------------|---------------------|---------------------|-----------------------|----------------------|
| <b>BEGINNING FUND BALANCE</b>    | \$29,650,385         | \$4,303,559         | \$2,060,942         | \$13,534,295          | \$49,549,181         |
| <b>REVENUES</b>                  |                      |                     |                     |                       |                      |
| Property Taxes                   | \$32,403,342         | \$13,914,771        | \$298,222           | \$15,307,000          | \$61,923,335         |
| Non-Property Taxes               | 49,502,900           | 706,900             | -                   | 4,467,000             | 54,676,800           |
| Licenses & Permits               | 1,479,500            | -                   | 60,000              | -                     | 1,539,500            |
| Intergovernmental                | -                    | -                   | -                   | -                     | -                    |
| Charges for Services             | 2,108,419            | -                   | 8,811,500           | 1,290,000             | 12,209,919           |
| Fines & Forfeitures              | 941,000              | -                   | -                   | -                     | 941,000              |
| Use of Money                     | 1,058,591            | 20,000              | 13,000              | -                     | 1,091,591            |
| Miscellaneous                    | 275,060              | -                   | 14,000              | -                     | 289,060              |
| Non-Revenue Receipts             | 58,200               | -                   | -                   | -                     | 58,200               |
| Transfers In                     | 100,000              | -                   | -                   | -                     | 100,000              |
| <b>TOTAL REVENUES</b>            | <b>\$87,927,012</b>  | <b>\$14,641,671</b> | <b>\$9,196,722</b>  | <b>\$21,064,000</b>   | <b>\$132,829,405</b> |
| <b>TOTAL AVAILABLE RESOURCES</b> | <b>\$117,577,397</b> | <b>\$18,945,230</b> | <b>\$11,257,664</b> | <b>\$34,598,295</b>   | <b>\$182,378,586</b> |
| <b>EXPENDITURES</b>              |                      |                     |                     |                       |                      |
| General Government               | \$12,546,279         | \$-                 | \$-                 | \$-                   | \$12,546,279         |
| Public Safety                    | 31,043,938           | -                   | -                   | 235,000               | 31,278,938           |
| Community Infrastructure         | 15,276,764           | -                   | 2,129,428           | 2,205,000             | 19,611,192           |
| Parks & Recreation               | 7,735,169            | -                   | 2,888,019           | 772,000               | 11,395,188           |
| Economic Development             | 3,975,808            | -                   | -                   | 17,715,451            | 21,691,259           |
| Debt Service                     | 2,842,200            | 16,087,118          | 3,011,006           | 273,106               | 22,213,430           |
| Transfers for Capital Projects   | 12,806,854           | -                   | 1,634,788           | -                     | 14,441,642           |
| Other Transfers                  | 1,700,000            | -                   | -                   | 92,670                | 1,792,670            |
| <b>TOTAL EXPENDITURES</b>        | <b>\$87,927,012</b>  | <b>\$16,087,118</b> | <b>\$9,663,241</b>  | <b>\$21,293,227</b>   | <b>\$134,970,598</b> |
| <b>ENDING FUND BALANCE</b>       | <b>\$29,650,385</b>  | <b>\$2,858,112</b>  | <b>\$1,594,423</b>  | <b>\$13,305,068</b>   | <b>\$47,407,988</b>  |

The total 2022 budget cannot exceed the adopted and certified amount reported to the State of Kansas in September 2023. The amount certified and adopted by Lenexa was \$183,914,332. The current projection of the 2022 total budget (ending fund balance plus total expenditures) is \$182,378,586. This change is a reflection of 2021 activity lowering fund balance and not a change of budgeted expenditures.



# BUDGETARY PROJECTIONS BY FUND

Total projected fund balances (reserves) for all funds for the end of 2021 are \$49.55 million and the general fund reserve is \$29.65 million.

| FUND                        | Balance<br>1/1/2021 | 2021 Budgeted<br>Revenue | 2021 Revised<br>Budgeted<br>Expenditures | Estimated Balance<br>12/31/2021 |
|-----------------------------|---------------------|--------------------------|--|---------------------------------|
| General                     | \$48,320,930        | \$84,564,195             | \$103,234,740                            | \$29,650,385                    |
| Debt Service                | 4,217,572           | 13,181,349               | 13,095,362                               | 4,303,559                       |
| Special Highway             | 365,424             | 1,309,865                | 1,309,865                                | 365,424                         |
| Special Alcohol             | 626,422             | 78,000                   | 235,000                                  | 469,422                         |
| Special Parks & Recreation  | 65,393              | 205,607                  | 271,000                                  | -                               |
| Tourism & Convention        | 1,775,451           | 584,000                  | 991,144                                  | 1,368,307                       |
| Parks & Recreation Impact   | 2,724,204           | 425,000                  | 425,000                                  | 2,724,204                       |
| Street Tree                 | 436,695             | 90,000                   | 90,000                                   | 436,695                         |
| TIP                         | 2,093,733           | 695,000                  | 695,000                                  | 2,093,733                       |
| Neighborhood Revitalization | 396,112             | 350,000                  | 350,000                                  | 396,112                         |
| City Center TIF             | 1,805,721           | 8,689,000                | 8,689,000                                | 1,805,721                       |
| Mining TIF                  | 743,660             | 3,645,000                | 3,645,000                                | 743,660                         |
| Ridgeview Mining TIF        | 832,448             | 1,292,000                | 1,292,000                                | 832,448                         |
| Orchard Corners CID         | 143,596             | 700,000                  | 700,000                                  | 143,596                         |
| Prairie Creek CID           | 24,966              | 139,590                  | 160,000                                  | 4,556                           |
| Quivira 95 CID              | 4,706               | 52,000                   | 52,000                                   | 4,706                           |
| Greystone Plaza CID         | 8,085               | 80,000                   | 80,000                                   | 8,085                           |
| City Center East #1 CID     | 22,239              | 20,000                   | 20,000                                   | 22,239                          |
| City Center East #2 CID     | 259,655             | 110,000                  | 110,000                                  | 259,655                         |
| I-35 & 95th Street TIF      | 1,590,024           | 1,642,000                | 1,642,000                                | 1,590,024                       |
| Springhill Suites CID       | 4,597               | 60,000                   | 60,000                                   | 4,597                           |
| Candlewood Suites CID       | 2,983               | 30,000                   | 30,000                                   | 2,983                           |
| Holiday Inn Express CID     | 102                 | 35,000                   | 35,000                                   | 102                             |
| Sonoma Plaza CID            | 121,399             | 455,000                  | 455,000                                  | 121,399                         |
| City Center Area E CID      | 26,829              | 74,868                   | 81,000                                   | 20,697                          |
| Lenexa Point CID            | 115,930             | 321,000                  | 321,000                                  | 115,930                         |
| Stormwater Management       | 3,937,553           | 6,359,367                | 9,584,367                                | 712,553                         |
| Rec Center                  | 1,809,655           | 2,466,500                | 2,927,766                                | 1,348,389                       |
| <b>TOTAL</b>                | <b>\$72,476,084</b> | <b>\$127,654,341</b>     | <b>\$150,581,244</b>                     | <b>\$49,549,181</b>             |

\*Revised budget is as of budget book publication December 20, 2021.

# BUDGETARY PROJECTIONS BY FUND

Total projected budgeted fund balances (reserves) for all funds are \$47.4 million and the general fund reserve is \$29.7 million. Explanation for changes in fund balances are provided on the following page.

| FUND                        | Est. Balance<br>1/1/2022 | 2022 Budgeted<br>Revenue | 2022 Budgeted<br>Expenditures | Balance<br>12/31/2022 |
|-----------------------------|--------------------------|--------------------------|-------------------------------|-----------------------|
| General                     | \$29,650,385             | \$87,927,012             | \$87,927,012                  | \$29,650,385          |
| Debt Service                | 4,303,559                | 14,641,671               | 16,087,118                    | 2,858,112             |
| Special Highway             | 365,424                  | 1,430,000                | 1,430,000                     | 365,424               |
| Special Alcohol             | 469,422                  | 235,000                  | 235,000                       | 469,422               |
| Special Parks & Recreation  | -                        | 235,000                  | 235,000                       | -                     |
| Tourism & Convention        | 1,368,307                | 700,000                  | 929,227                       | 1,139,080             |
| Parks & Recreation Impact   | 2,724,204                | 425,000                  | 425,000                       | 2,724,204             |
| Street Tree                 | 436,695                  | 90,000                   | 90,000                        | 436,695               |
| TIP                         | 2,093,733                | 775,000                  | 775,000                       | 2,093,733             |
| Neighborhood Revitalization | 396,112                  | 350,000                  | 350,000                       | 396,112               |
| City Center TIF             | 1,805,721                | 8,688,000                | 8,688,000                     | 1,805,721             |
| Mining TIF                  | 743,660                  | 3,355,000                | 3,355,000                     | 743,660               |
| Ridgeview Mining TIF        | 832,448                  | 1,437,000                | 1,437,000                     | 832,448               |
| Orchard Corners CID         | 143,596                  | 700,000                  | 700,000                       | 143,596               |
| Prairie Creek CID           | 4,556                    | 125,000                  | 125,000                       | 4,556                 |
| Quivira 95 CID              | 4,706                    | 52,000                   | 52,000                        | 4,706                 |
| Greystone Plaza CID         | 8,085                    | 80,000                   | 80,000                        | 8,085                 |
| City Center East #1 CID     | 22,239                   | 20,000                   | 20,000                        | 22,239                |
| City Center East #2 CID     | 259,655                  | 110,000                  | 110,000                       | 259,655               |
| I-35 & 95th Street TIF      | 1,590,024                | 1,477,000                | 1,477,000                     | 1,590,024             |
| Springhill Suites CID       | 4,597                    | 60,000                   | 60,000                        | 4,597                 |
| Candlewood Suites CID       | 2,983                    | 30,000                   | 30,000                        | 2,983                 |
| Holiday Inn Express CID     | 102                      | 35,000                   | 35,000                        | 102                   |
| Sonoma Plaza CID            | 121,399                  | 385,000                  | 385,000                       | 121,399               |
| City Center Area E CID      | 20,697                   | 50,000                   | 50,000                        | 20,697                |
| Lenexa Point CID            | 115,930                  | 220,000                  | 220,000                       | 115,930               |
| Stormwater Management       | 712,553                  | 6,775,222                | 6,775,222                     | 712,553               |
| Rec Center                  | 1,348,389                | 2,421,500                | 2,888,019                     | 881,870               |
| <b>TOTAL</b>                | <b>\$49,549,181</b>      | <b>\$132,829,405</b>     | <b>\$134,970,598</b>          | <b>\$47,407,988</b>   |

\*Fund Balance is less than adopted budget due to impacts of Revised 2021 budget as of December 20, 2021.

## Explanation of Changes in Fund Balances

The following funds have projected changes in fund balances for FY 2021 and/or FY 2022: 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 \$18.7 million in FY 2021. This is due to September 21, 2021 Governing Body approved transfer out of \$24 million in excess reserves, to help fund the 2022-2026 Capital Improvement Program (\$22 million) and \$1 million to both the Equipment Reserve Fund and Facilities Maintenance Fund. The transfer impact is mitigated by the outperformance of the 2021 revenue estimates as the impacts of COVID-19 on General Fund revenues have been less than estimated.

**Debt Service Fund:** The fund balance of the Debt Service Fund is projected to increase by \$0.09 million in FY 2021. This increase occurs due to decrease in debt service as the City pays down outstanding debt. There is a projected decrease of \$1.45 million in Debt Service fund balance for FY 2022 due to the issuance of \$39 million of general obligation bonds in 2021 to fund the new Justice Center project.

**Special Alcohol Fund:** The fund balance of the Special Alcohol Fund is projected to decrease by \$0.16 million in FY 2021 as lingering impact of COVID-19 on alcohol tax revenues. No additional change is projected in FY 2022.

**Tourism and Convention Fund:** The fund balance of the Tourism and Convention Fund is projected to decrease by \$0.41 million in FY 2021 and an additional \$0.35 million in FY 2022 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 \$3.23 million in FY 2021. This decrease occurs due to a \$2.8 million transfer to Stormwater Capital, to help fund the 2022-2026 Capital Improvement Program Stormwater projects. There is no projected change in fund balance for FY 2022.

**Rec Center Fund:** The fund balance of the Rec Center Fund is projected to decrease by \$.5 million in FY 2021 and an additional \$0.4 million in FY 2022 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, 2022.

# SUMMARY OF REVENUES BY FUND

This table includes all revenues by fund for actual fiscal year 2020 through budget year 2022.

| REVENUES BY FUND            | 2020 Actual          | 2021 Revised Budget  | 2022 Budget          |
|-----------------------------|----------------------|----------------------|----------------------|
| General                     | \$82,061,343         | \$84,564,195         | \$87,927,012         |
| Debt Service                | 12,388,392           | 13,181,349           | 14,641,671           |
| Special Highway             | 1,419,918            | 1,309,865            | 1,430,000            |
| Special Alcohol             | 231,644              | 78,000               | 235,000              |
| Special Parks & Recreation  | 231,644              | 205,607              | 235,000              |
| Tourism & Convention        | 750,897              | 584,000              | 700,000              |
| Parks & Recreation Impact   | 664,345              | 425,000              | 425,000              |
| Street Tree                 | 55,421               | 90,000               | 90,000               |
| TIP                         | 678,857              | 695,000              | 775,000              |
| Neighborhood Revitalization | 271,782              | 350,000              | 350,000              |
| City Center TIF             | 5,840,600            | 8,689,000            | 8,688,000            |
| Mining TIF                  | 2,200,539            | 3,645,000            | 3,355,000            |
| Ridgeview Mining TIF        | 984,900              | 1,292,000            | 1,437,000            |
| Orchard Corners CID         | 564,110              | 700,000              | 700,000              |
| Prairie Creek CID           | 118,158              | 139,590              | 125,000              |
| Quivira 95 CID              | 23,806               | 52,000               | 52,000               |
| Greystone Plaza CID         | 52,324               | 80,000               | 80,000               |
| City Center East #1 CID     | (3,692)              | 20,000               | 20,000               |
| City Center East #2 CID     | 30,788               | 110,000              | 110,000              |
| I-35 & 95th Street TIF      | 1,136,190            | 1,642,000            | 1,477,000            |
| Springhill Suites CID       | 28,234               | 60,000               | 60,000               |
| Candlewood Suites CID       | 16,716               | 30,000               | 30,000               |
| Holiday Inn Express CID     | 4,110                | 35,000               | 35,000               |
| Sonoma Plaza CID            | 121,399              | 455,000              | 385,000              |
| City Center Area E CID      | 20,697               | 74,868               | 50,000               |
| Lenexa Point CID            | 115,930              | 321,000              | 220,000              |
| Stormwater Management       | 6,399,803            | 6,359,367            | 6,775,222            |
| Rec Center                  | 1,777,581            | 2,466,500            | 2,421,500            |
| <b>TOTAL</b>                | <b>\$118,186,435</b> | <b>\$127,654,341</b> | <b>\$132,829,405</b> |

# SUMMARY OF EXPENDITURES BY FUND

This table includes all expenditures by fund for actual fiscal year 2020 through budget year 2022. Expenditures by fund for FY 2022 include projected December 31, 2022 fund balances (reserves).

| EXPENDITURES BY FUND        | 2020 Actual          | 2021 Revised Budget  | 2022 Budget          |
|-----------------------------|----------------------|----------------------|----------------------|
| General                     | \$73,035,217         | \$103,234,740        | \$118,411,711        |
| Debt Service                | 12,540,843           | 13,095,362           | 18,942,822           |
| Special Highway             | 1,442,629            | 1,309,865            | 1,795,424            |
| Special Alcohol             | 235,921              | 235,000              | 704,422              |
| Special Parks & Recreation  | 238,999              | 271,000              | 300,393              |
| Tourism & Convention        | 984,486              | 991,144              | 2,128,307            |
| Parks & Recreation Impact   | -                    | 425,000              | 3,149,204            |
| Street Tree                 | 59,115               | 90,000               | 526,695              |
| TIP                         | 1,294,421            | 695,000              | 2,868,734            |
| Neighborhood Revitalization | 225,962              | 350,000              | 746,112              |
| City Center TIF             | 5,794,786            | 8,689,000            | 10,493,721           |
| Mining TIF                  | 1,554,365            | 3,645,000            | 4,098,660            |
| Ridgeview Mining TIF        | 1,148,134            | 1,292,000            | 2,269,448            |
| Orchard Corners CID         | 562,696              | 700,000              | 843,596              |
| Prairie Creek CID           | 113,602              | 160,000              | 149,965              |
| Quivira 95 CID              | 26,215               | 52,000               | 56,706               |
| Greystone Plaza CID         | 54,833               | 80,000               | 88,085               |
| City Center East #1 CID     | -                    | 20,000               | 42,239               |
| City Center East #2 CID     | 12,225               | 110,000              | 369,655              |
| I-35 & 95th Street TIF      | 323,294              | 1,642,000            | 3,067,024            |
| Springhill Suites CID       | 30,729               | 60,000               | 64,597               |
| Candlewood Suites CID       | 16,616               | 30,000               | 32,983               |
| Holiday Inn Express CID     | 7,481                | 35,000               | 35,102               |
| Sonoma Plaza CID            | -                    | 455,000              | 506,399              |
| City Center Area E CID      | -                    | 81,000               | 76,829               |
| Lenexa Point CID            | -                    | 321,000              | 335,930              |
| Stormwater Management       | 6,222,256            | 9,584,367            | 7,969,956            |
| Rec Center                  | 2,102,864            | 2,927,766            | 3,839,613            |
| <b>TOTAL</b>                | <b>\$108,027,690</b> | <b>\$150,581,244</b> | <b>\$183,914,332</b> |

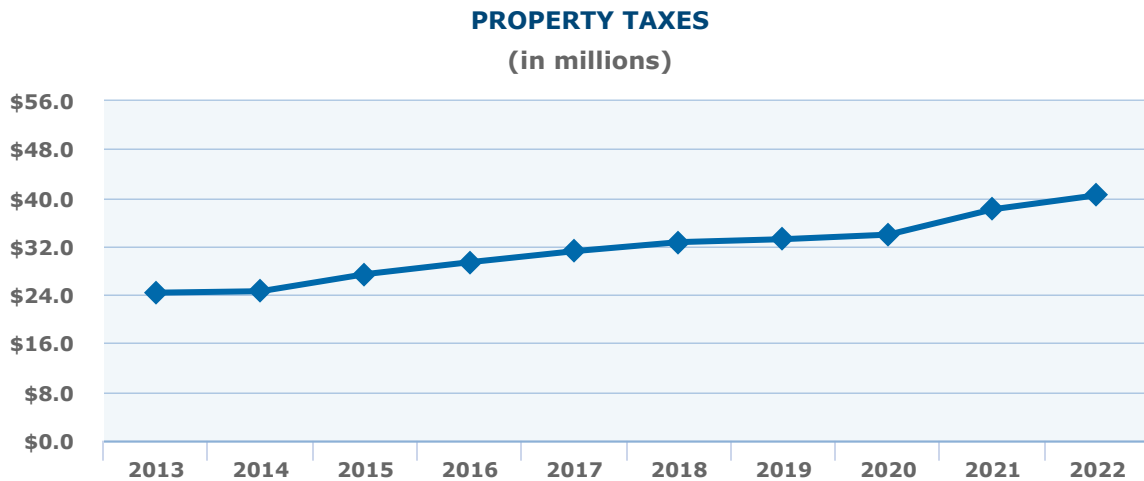
# MAJOR REVENUE SOURCES – TRENDS AND ASSUMPTIONS

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 2022 budget are \$40.4 million (assuming a 3.0% delinquency rate) as compared to \$38.2 million for the 2021 budget. To generate \$40.4 million in property tax revenue, a mill levy of 29.102 mills is required for the 2022 budget. This includes 23.073 mills for the General Fund and 6.029 mills for the Debt Service Fund. The mill levy of 29.102 is a slight decrease (0.14) from the prior year mill levy of 29.242. The City’s assessed valuation, to which the property tax rate is applied increased from \$1.34 billion in 2021 to \$1.43 billion in 2022. This represents an increase of 6.6%.

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

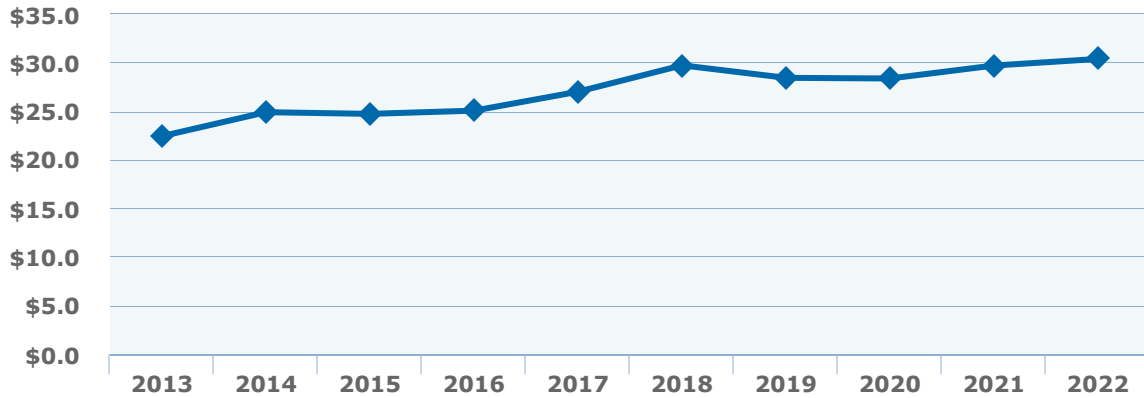


## Sales & Use Tax

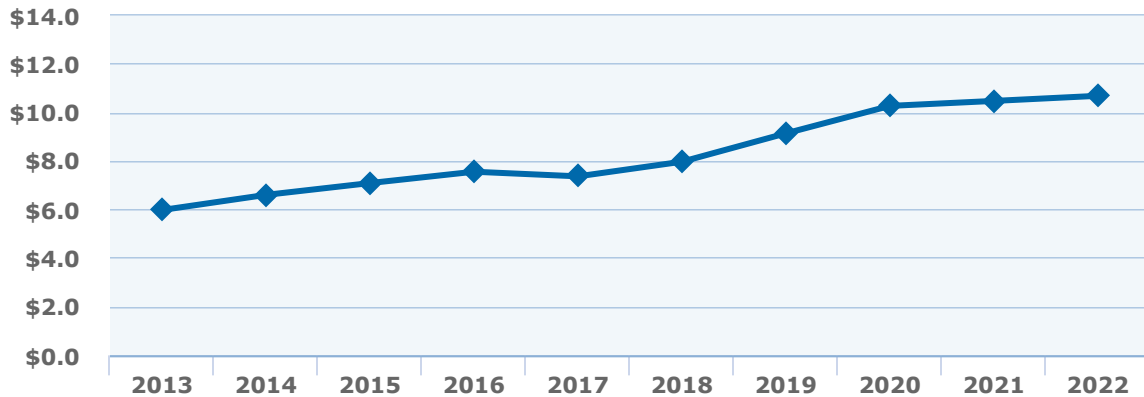
The City currently imposes a 1.375% sales tax rate, which includes a 1.000% general purpose levy and 0.375% to fund road and park maintenance, park facility upgrades and development. (In certain areas of the City, there is an additional 1% sales tax for Community Improvement Districts.) The 0.375% sales tax went into effect on Oct. 1, 2008 and is estimated to generate approximately \$7.4 million in sales tax and use tax revenues for the 2022 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 \$19.1 million for 2022 an increase of 22.7% compared to the 2021 budget. General Fund county sales tax revenue is projected at \$9.5 million for 2022, an increase of 18.7% compared to the 2021 budget. The large increase in sales and use tax revenue is due to the conservative estimates prepared for the 2021 budget during the COVID-19 pandemic and continued growth in use tax revenues from strong online sales activity.

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.

**SALES TAX - CITY & COUNTY**  
(in millions)



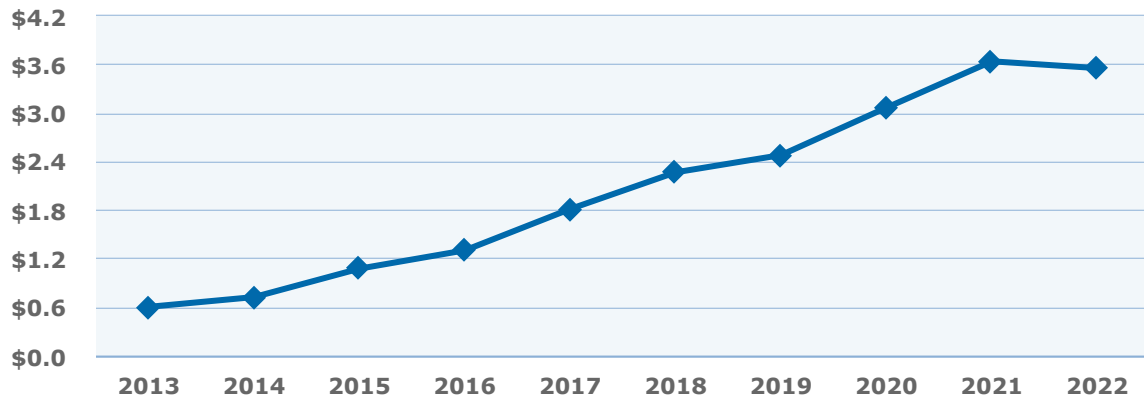
**USE TAX**  
(in millions)



**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 decrease by less than -1% in 2022 compared to the 2021 budget.

**TAX INCREMENT FINANCING**  
(in millions)



### Franchise Taxes

Electric — Recently, 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 into 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 increase by 3% in 2022 compared to the 2021 budget based on current collections.

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

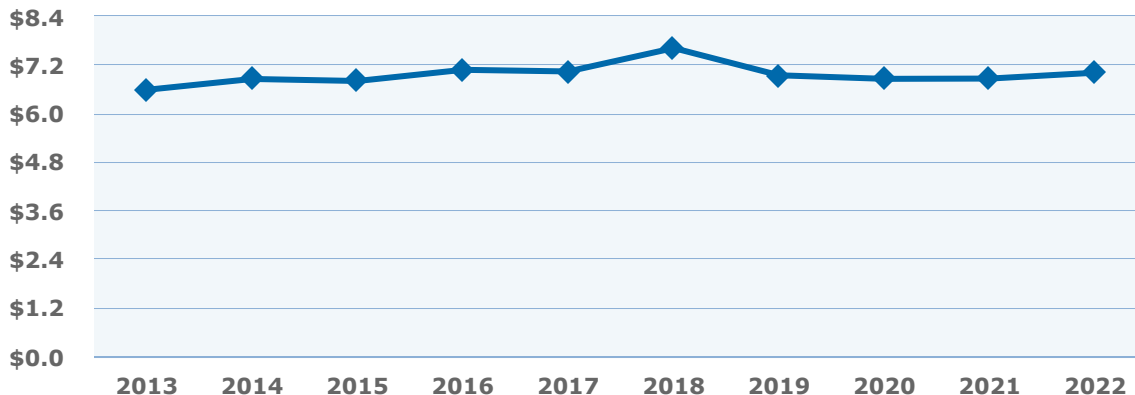
Gas — The City is served by two natural gas providers. Under their current franchise agreements, a franchise fee of 5% of gross receipts is collected by the provider and remitted to the City. Weather patterns and the wholesale cost of natural gas play a large role in the ultimate consumption of natural 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 is currently month to month while the City is renegotiating a new natural gas franchise. Annually, the City determines the Volumetric Rate and adopts a Volumetric Rate Calculation Form pursuant to which both providers collect franchise fees on the transport gas sold as a commodity Gas franchise taxes are projected to increase 3% for 2022 as compared to the 2021 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. 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 19 telecommunications providers. 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. The City’s franchises with telecommunication providers requires companies to pay a 5% gross revenue franchise fee. Additionally, several telecommunications providers also have a Master License Agreement under which the providers pay an annual attachment fee of \$270 that permits the installation of small cell telecommunication facilities on certain City-owned property. Telecommunication franchise fees are projected to decrease for 2022 compared to the 2021 budget based on historical collections.

**FRANCHISE TAXES**  
(in millions)



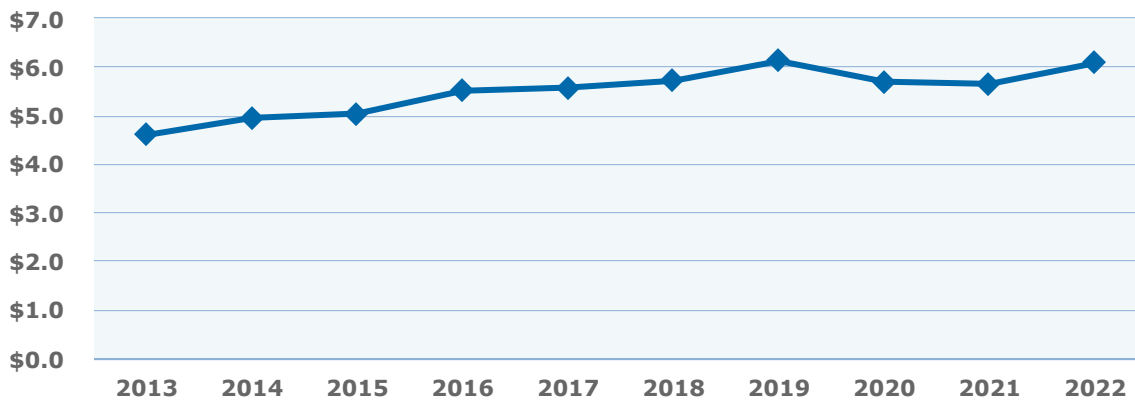


### Stormwater Service Charge

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 2022 budget at \$109 per equivalent dwelling unit (EDU). (Homeowners will pay \$109 annually.) Stormwater service charges are budgeted to increase from \$5.65 million to \$6.08 million an increase of 7.6% due to the growth in the number of EDUs.

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

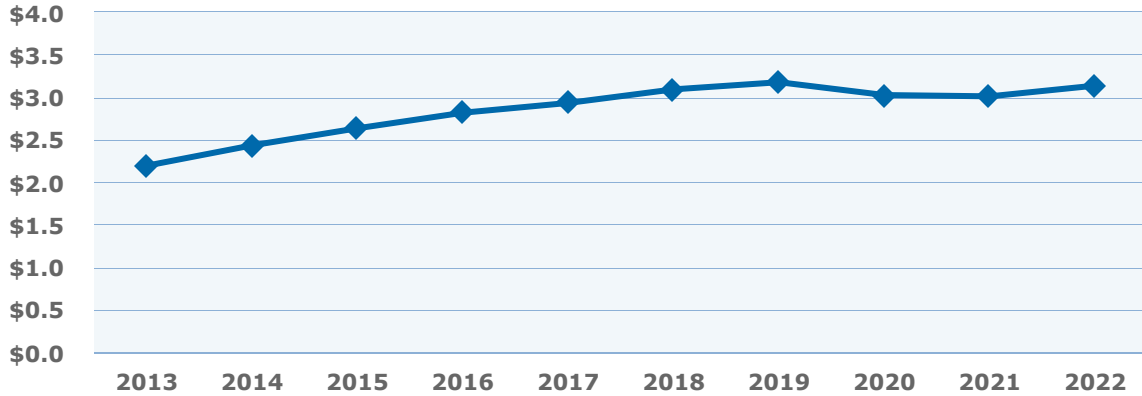
**STORMWATER SERVICE CHARGE**  
(in millions)



### 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 provide 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 years 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 \$3.28 million for 2022, which is an increase of 2%.

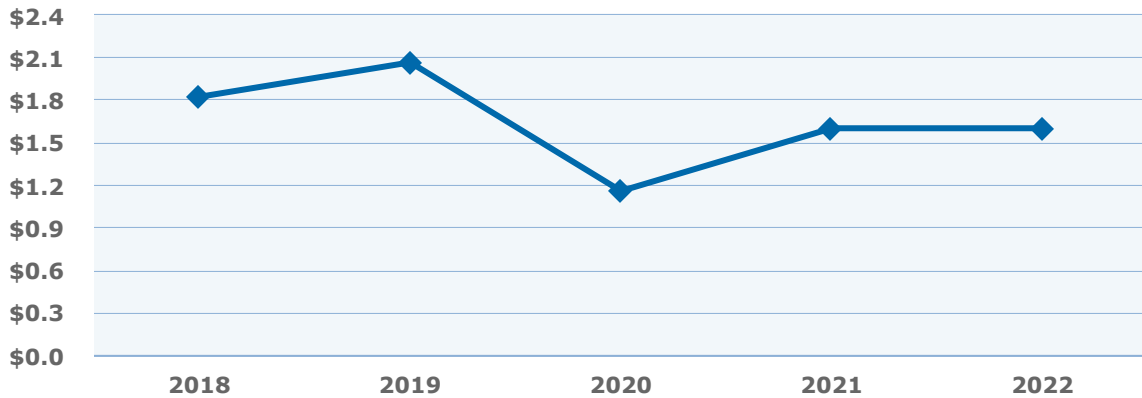
**Motor Vehicle Excise Tax**  
(in millions)



**Rec Center Membership Fees**

In July of 2017, the City opened a new recreation center. This 100,000-square-foot 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 2022 (no change from the 2021 budget). The decrease reflected in 2020 is due to the impact of COVID 19 therefore the City continues a conservative estimate for the 2022 budget.

**Rec Center Membership Fees**  
(in millions)



**Total Major Revenue Sources**

The total major revenue sources described above equal \$114 million in 2022, or 86% of the \$132 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 during our annual budget process. This forecast was presented in June of 2021 and has not materially changed as of budget publication in December 2021. 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. Overall, the models are tools to illustrate the impact of policy decisions and potential trends.

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 ongoing operating expenditures with ongoing 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.

## Revenue Neutral Tax Rate calculation

The property tax levy legislation adopted by the State Legislature in 2021 (effective for the 2022 budget) establishes procedural requirements for setting property tax levies. Specifically, the legislation requires calculation of a "revenue neutral rate," which is defined as the mill levy required to raise the same amount of property tax revenue as the prior year using current year assessed valuation amounts. In order to exceed the revenue neutral rate, local governments must publish notice and hold a public hearing. In addition, County Clerks will provide mailed notices to all taxpayers of the revenue neutral rate hearing and the proposed mill levy impacting their specific properties beginning with the 2023 budget.

The legislation sets the following timeline for consideration of budgets that will exceed the revenue neutral rate:

- By June 15: County Clerks provide assessed valuation estimates for the budget and the revenue neutral rate calculation.
- By July 20: City notifies the County Clerk of intent to set the property tax levy above the revenue neutral mill levy.
- Between August 20 and September 20: City holds revenue neutral rate public hearing prior to or in conjunction with the annual budget hearing; City must publish hearing notice in the newspaper and on the City's website at least 10 days prior to the public hearing date; the City must adopt a resolution to exceed the revenue neutral rate immediately after the public hearing and before adopting a resolution approving the annual budget.
- By October 1: City certifies annual budget to the County Clerk.

For the 2022 budget, the City's revenue neutral rate is 27.232 mills (decrease of 2.010 mills from the 2021 mill levy of 29.242 mills). This revenue neutral rate will generate \$39.3 million of property tax revenue – the same amount as FY 2021.

(The City assumes a delinquency rate of 3% for property tax collections, so the \$39.3 million levied is expected to generate \$38.1 million in actual collections for FY 2021).

The mill levy for the FY 2022 Budget is 29.102 mills, which exceeds the 27.232 revenue neutral mill levy by 1.870 mills (approximately \$2.7 million).

### General Fund Model

Earlier this year, staff presented preliminary General Fund projections through FY 2026. Staff has updated these projections to incorporate revised revenue estimates and the adopted expenditure budget for FY 2022. Staff has summarized the key financial model assumptions in the following table.

|   | 2022   | 2023   | 2024   | 2025   | 2026   |
|---|--------|--------|--------|--------|--------|
| Assessed Value % annual change  | 7%     | 4%     | 4%     | 4%     | 4%     |
| Total Mill Levy (2021=29.242)   | 29.102 | 29.102 | 29.102 | 29.102 | 29.102 |
| Estimated property tax delinquency rate   | 3%     | 3%     | 3%     | 3%     | 3%     |
| City Sales Tax % change (1.375% rate)   | 2%     | 3%     | 3%     | 3%     | 3%     |
| Personnel: % of pay allocated for pay increases   | 3%*    | 3%     | 3%     | 3%     | 3%     |
| General Fund Transfer to Equipment Reserve Fund (equipment replacement) – in millions   | \$1.7  | \$1.5  | \$1.5  | \$1.5  | \$1.5  |
| General Fund Transfer to Capital Improvement Fund (pay as you go funding for CIP – funded from general revenue) – in millions | \$5.5  | \$5.0  | \$4.5  | \$4.6  | \$4.8  |

\* An additional 4% of pay is included in the non-departmental budget of the General Fund to implement the results of the pending compensation study

The General Fund Transfer amounts in FY 2022 to the Capital Improvement Fund include:

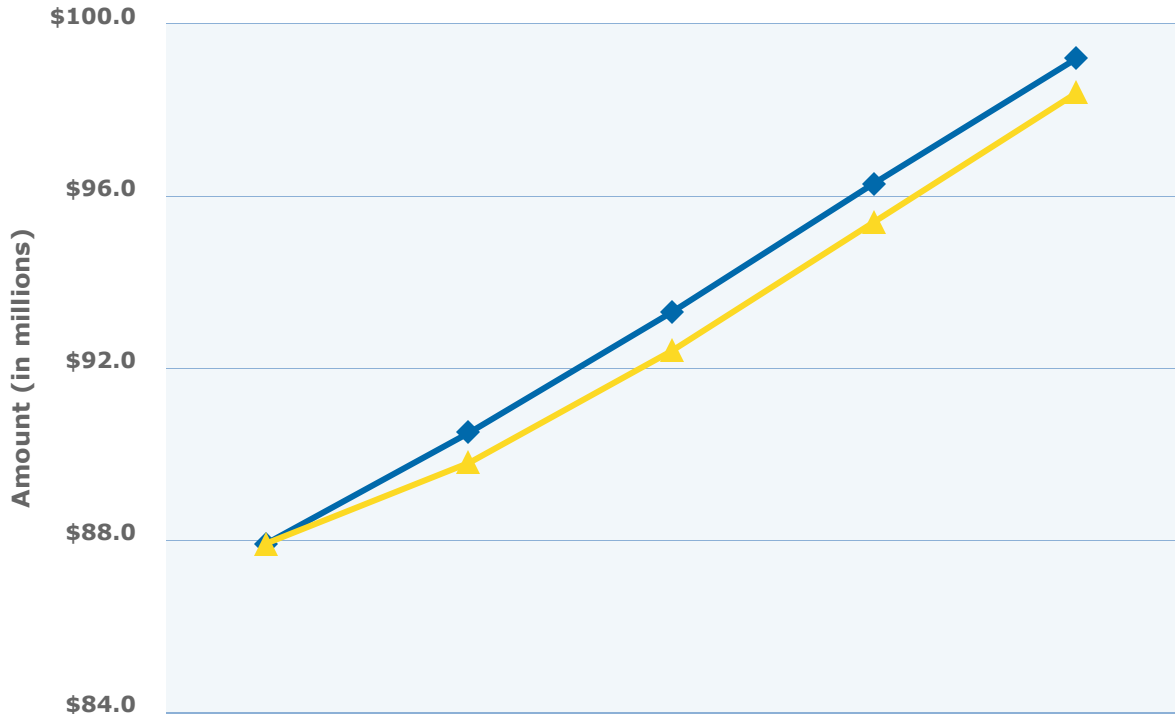
- › 2.5 mills for capital improvement projects (estimated \$3.5 million in 2022)
- › 0.78 mills for the Pavement Management Program (estimated \$1.1 million in 2022)

Due to the size of the existing General Fund reserve, staff also recommended transferring \$24 million from the General Fund to various funds (Capital Improvement, Equipment Reserve, and Facilities Maintenance) in FY 2021 to finance capital projects, equipment replacement, and facilities maintenance costs. The City Council approved these transfers in September 2021.

*Overall, the mill levy is projected to be 29.102 mills in FY 2022 through FY 2026 (mill levy was 29.242 for the FY 2021 Budget).*

The following graph summarizes the revenue and expenditure projections for the General Fund in FY 2022 to FY 2026.

**GENERAL FUND PROJECTIONS**  
FY 2022 - FY 2026 (in millions of \$)



|                   | 2022   | 2023   | 2024   | 2025   | 2026   |
|-------------------|--------|--------|--------|--------|--------|
| Revenues          | \$87.9 | \$90.5 | \$93.3 | \$96.3 | \$99.2 |
| Expenditures      | \$87.9 | \$89.8 | \$92.4 | \$95.4 | \$98.4 |
| Surplus (Deficit) | \$-    | \$0.7  | \$0.9  | \$0.9  | \$0.8  |

Based on the financial model assumptions, the General Fund projections reflect structural balance (revenues equal to or exceeding expenditures) in FY 2022 through FY 2026.

**General Fund Reserve (Fund Balance) Information**

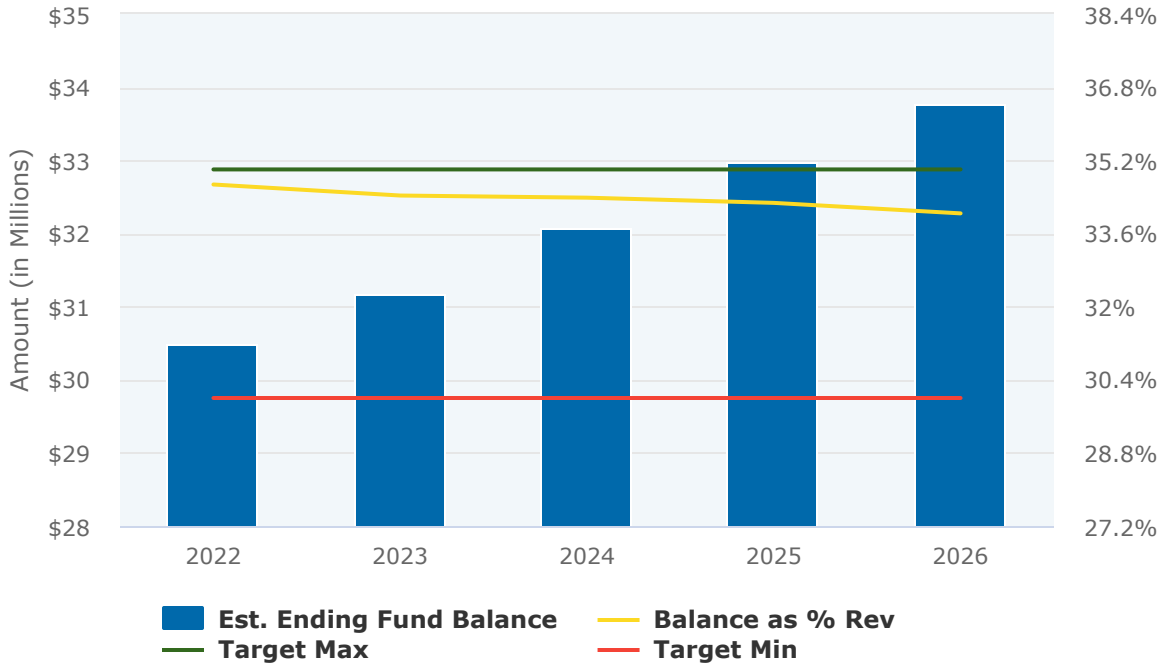
The City adopted a revised policy regarding reserve funds in August 2017. This policy states that the City will maintain prudent reserve amounts in City funds in order to maintain working capital, fund capital asset replacement, and fund debt retirement. The policy establishes reserve targets based on 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 four months of General Fund operating expenditures.

The following graph shows projections for the General Fund reserve balances in FY 2022 through FY 2026.

**GENERAL FUND RESERVE PROJECTION**  
FY 2022 - FY 2026



The General Fund reserve ranges from 34% to 35% of projected revenues during the forecast period. The reserve policy requires a reserve of 30% to 35% of General Fund revenues. The projected mill levy is 29.102 mills for the forecast period.

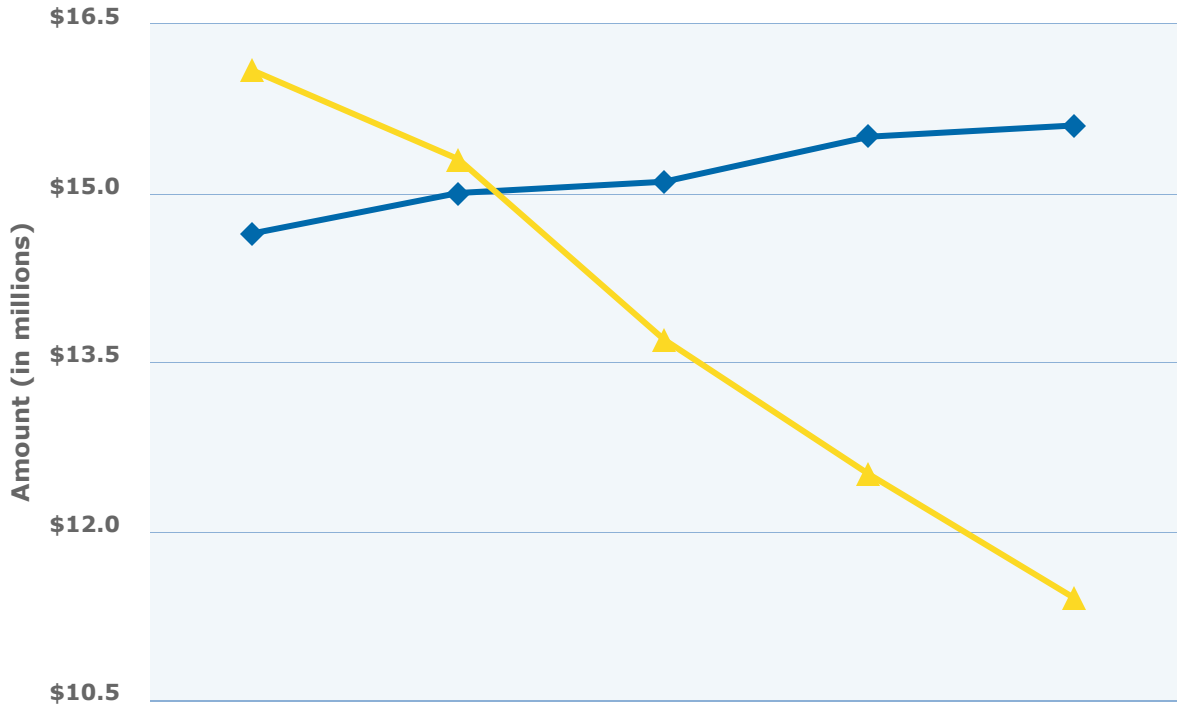
**Debt Service Fund Model**


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 6.029 mills in FY 2022 through FY 2026.

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 2022 to FY 2026.

**DEBT SERVICE FUND PROJECTIONS**  
FY 2022 - FY 2026 (in millions of \$)



|   | 2022    | 2023    | 2024   | 2025   | 2026   |
|---|---------|---------|--------|--------|--------|
|  Revenues     | \$14.6  | \$15.0  | \$15.1 | \$15.5 | \$15.6 |
|  Expenditures | \$16.1  | \$15.3  | \$13.7 | \$12.5 | \$11.4 |
| Surplus (Deficit)   | \$(1.4) | \$(0.3) | \$1.4  | \$3.0  | \$4.2  |

The Debt Service Fund financial model reflects deficits of \$1.4 million in FY 2022 and \$0.3 million in FY 2023. Projected revenues would exceed debt service expenditures beginning in FY 2024.

The Debt Service Fund reserve ranges from 17% of projected debt service expenditures in FY 2023 to 98% of debt service expenditures in FY 2026. The reserve policy requires a reserve of 10% to 20% of debt service expenditures. To reduce the reserve amount in FY 2024 through FY 2026, the Governing Body can issue more debt, reduce the Debt Service Fund mill levy, or do both. The projected mill levy is 6.029 mills for the forecast period.

**Stormwater Fund Model**

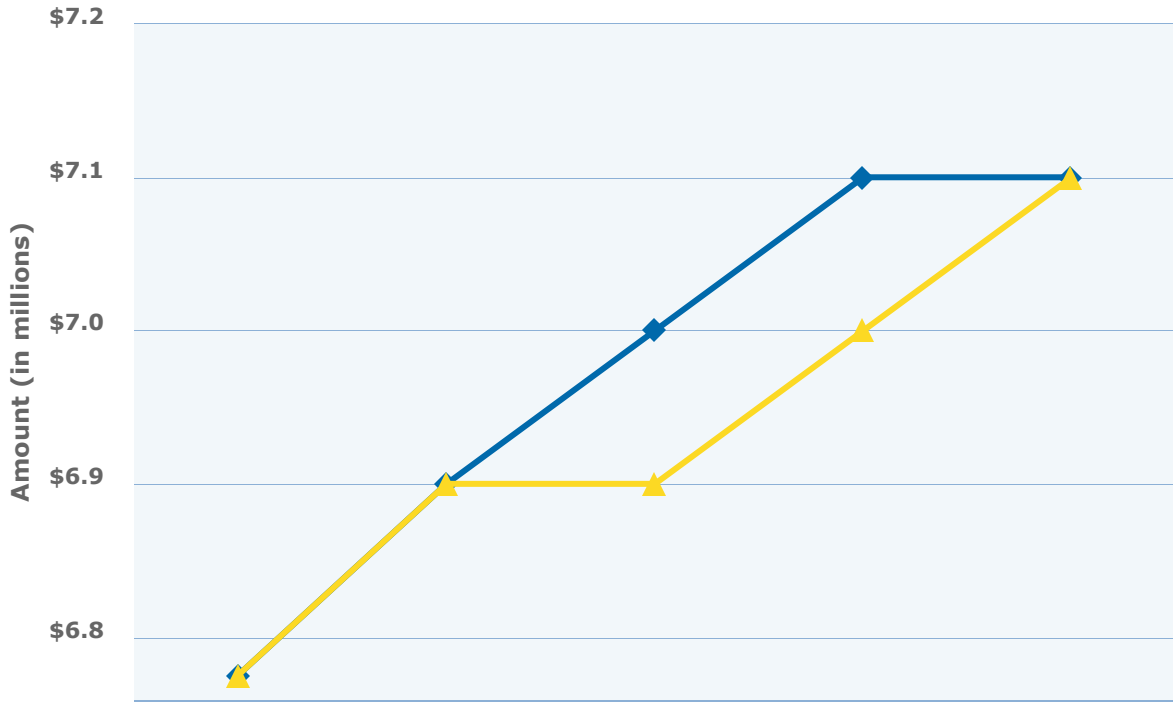
Staff has created Stormwater Fund revenue and projections assuming the annual Stormwater service charge is \$109 per equivalent dwelling unit (EDU) in FY 2022 through FY 2026 (same service charge as FY 2021).



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 2022 to FY 2026.

**STORMWATER FUND PROJECTIONS**

FY 2022 - FY 2026 (in millions of \$)



|   | 2022  | 2023  | 2024  | 2025  | 2026  |
|---|-------|-------|-------|-------|-------|
|  Revenues     | \$6.8 | \$6.9 | \$7.0 | \$7.1 | \$7.1 |
|  Expenditures | \$6.8 | \$6.9 | \$6.9 | \$7.0 | \$7.1 |
| Surplus (Deficit)   | \$-   | \$-   | \$0.1 | \$0.1 | \$-   |

The Stormwater Fund financial model reflects structural balance (revenues equal to or exceeding expenditures) in FY 2022 through FY 2026.

The ending Stormwater Fund reserve ranges from 18% to 20% of projected revenues. The reserve policy requires a reserve of 10% to 20% of Stormwater Fund revenues. Due to the size of the existing Stormwater Fund reserve, staff recommends allocating \$2.8 million from the Stormwater Fund to storm drainage capital projects, including corrugated metal pipe replacement. The projected equivalent dwelling unit (EDU) rate is \$109 per EDU for the forecast period (the same as the FY 2021 rate).

**Future Challenges and Final Comments**

As mentioned earlier, the projections in the multi-year financial models are dynamic and can change significantly in a short period of time. The City can control some of the assumptions while others are uncontrollable and difficult to predict. For these reasons, it is important to maintain reserve levels in accordance with the City’s Reserve Funds policy. Overall, the projections are a tool to illustrate the impact of policy alternatives and to highlight potential financial issues in future years.





# CAPITAL IMPROVEMENT PROGRAM & DEBT MANAGEMENT

**A summary of the Capital Improvement Program and funding sources can be found here. General guidelines used to manage the debt program, debt ratios and debt schedules are also listed.**

# CAPITAL IMPROVEMENT PROGRAM

## 2022-2026 Capital Improvement Program adopted September 21, 2021

### 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 Guiding Principles 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 governments 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 governments 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.

# SOURCES OF FUNDING BY YEAR

| 2022-2026 ADOPTED CIP          |                    |                     |                     |                    |                     |                     |                    |                      |            |
|--------------------------------|--------------------|---------------------|---------------------|--------------------|---------------------|---------------------|--------------------|----------------------|------------|
| SOURCES OF FUNDING:            | Prior Years        | 2021                | 2022                | 2023               | 2024                | 2025                | 2026               | Totals               | % share    |
| General Obligation Bonds       | \$428,802          | \$39,015,000        | \$6,833,500         | \$-                | \$-                 | \$-                 | \$-                | \$46,277,302         | 21%        |
| Stormwater Bonds               | -                  | 1,386,000           | 4,050,000           | -                  | -                   | -                   | -                  | 5,436,000            | 2%         |
| Special Benefit District Bonds | -                  | -                   | 14,710,000          | -                  | -                   | -                   | -                  | 14,710,000           | 7%         |
| General Fund Revenues          | 4,582,401          | 29,114,000          | 14,779,575          | 3,826,000          | 4,255,000           | 3,754,000           | 4,000,524          | 64,311,500           | 29%        |
| Stormwater Revenues            | -                  | 1,325,000           | 4,283,000           | 1,325,000          | 1,325,000           | 1,325,000           | 1,325,000          | 10,908,000           | 5%         |
| Excise Tax                     | 1,623,500          | 1,300,000           | -                   | -                  | -                   | -                   | -                  | 2,923,500            | 1%         |
| TIP Fees                       | 1,785,070          | 265,713             | 906,831             | 312,467            | -                   | -                   | -                  | 3,270,081            | 1%         |
| PRIF Fees                      | -                  | -                   | 670,000             | -                  | -                   | -                   | -                  | 670,000              | 0%         |
| 3/8 cent sales tax             | 1,331,635          | 2,816,000           | 10,420,000          | 3,257,000          | 5,148,000           | 5,243,000           | 3,340,000          | 31,555,635           | 14%        |
| County 1/4 cent sales tax      | -                  | 7,125,000           | 8,875,000           | -                  | -                   | -                   | -                  | 16,000,000           | 7%         |
| Parks Revenues                 | 80,000             | 50,000              | 717,000             | 235,000            | 250,000             | 189,665             | 25,000             | 1,546,665            | 1%         |
| Other funding                  | -                  | -                   | 2,300,000           | -                  | -                   | -                   | -                  | 2,300,000            | 1%         |
| <b>SUBTOTAL:</b>               | <b>\$9,831,408</b> | <b>\$82,396,713</b> | <b>\$68,544,906</b> | <b>\$8,955,467</b> | <b>\$10,978,000</b> | <b>\$10,511,665</b> | <b>\$8,690,524</b> | <b>\$199,908,683</b> | <b>89%</b> |

| EXTERNAL SOURCES OF FUNDING:              |                     |                     |                     |                     |                     |                     |                     |                      |             |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|----------------------|-------------|
| SOURCES OF FUNDING:                       | Prior Years         | 2021                | 2022                | 2023                | 2024                | 2025                | 2026                | Totals               | % share     |
| Federal & State Grants                    | \$2,807,680         | \$-                 | \$9,208,607         | \$160,000           | \$160,000           | \$160,000           | \$160,000           | \$12,656,287         | 6%          |
| CARS Program                              | -                   | -                   | 1,526,000           | -                   | -                   | -                   | -                   | 1,526,000            | 1%          |
| SMAC Program                              | -                   | 1,345,000           | 912,000             | -                   | -                   | -                   | -                   | 2,257,000            | 1%          |
| Special Highway fund (gas tax)            | -                   | 1,461,000           | 1,430,000           | 1,430,000           | 1,430,000           | 1,430,000           | 1,430,000           | 8,611,000            | 4%          |
| Other local funding                       | -                   | -                   | 265,030             | -                   | -                   | -                   | -                   | 265,030              | 0%          |
| <b>TOTAL EXTERNAL SOURCES OF FUNDING:</b> | <b>\$2,807,680</b>  | <b>\$2,806,000</b>  | <b>\$13,341,637</b> | <b>\$1,590,000</b>  | <b>\$1,590,000</b>  | <b>\$1,590,000</b>  | <b>\$1,590,000</b>  | <b>\$25,315,317</b>  | <b>11%</b>  |
| <b>GRAND TOTAL SOURCES OF FUNDING:</b>    | <b>\$12,639,088</b> | <b>\$85,202,713</b> | <b>\$81,886,543</b> | <b>\$10,545,467</b> | <b>\$12,568,000</b> | <b>\$12,101,665</b> | <b>\$10,280,524</b> | <b>\$225,224,000</b> | <b>100%</b> |

# USES OF FUNDING BY YEAR

## 2022-2026 ADOPTED CIP

| USES OF FUNDING:                  | Prior Years        | 2021                | 2022                | 2023                | 2024                | 2025                | 2026                | Totals               | % share     |
|-----------------------------------|--------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|----------------------|-------------|
| Streets & Bridges                 | \$4,914,650        | \$11,050,211        | \$39,738,413        | \$12,787,726        | \$6,373,000         | \$6,517,000         | \$6,660,000         | \$88,041,000         | 39%         |
| Traffic                           | 681,473            | 489,215             | 2,379,000           | 1,155,312           | 570,000             | 570,000             | 570,000             | 6,415,000            | 3%          |
| Stormwater                        | 256,166            | 6,527,469           | 8,237,365           | 1,300,000           | 1,300,000           | 1,300,000           | 1,300,000           | 20,221,000           | 9%          |
| Facilities                        | -                  | 6,701,476           | 30,125,000          | 39,155,000          | 500,000             | 500,000             | 500,524             | 77,482,000           | 34%         |
| Parks                             | 1,537,604          | 716,080             | 6,992,000           | 9,875,000           | 525,000             | 3,869,316           | -                   | 23,515,000           | 10%         |
| Capital Equipment & Miscellaneous | 7,382              | -                   | 4,800,000           | 610,618             | 1,832,000           | 1,050,000           | 1,250,000           | 9,550,000            | 4%          |
| <b>TOTAL USES OF FUNDING:</b>     | <b>\$7,397,275</b> | <b>\$25,484,451</b> | <b>\$92,271,778</b> | <b>\$64,883,656</b> | <b>\$11,100,000</b> | <b>\$13,806,316</b> | <b>\$10,280,524</b> | <b>\$225,224,000</b> | <b>100%</b> |

# YEAR CAPITAL EXPENDITURES ARE INCURRED

| Project Title  | Prior Years        | Budget 2021         | 2022                | 2023                | 2024               | 2025               | 2026               | Total               |
|--|--------------------|---------------------|---------------------|---------------------|--------------------|--------------------|--------------------|---------------------|
| <b>STREETS/ BRIDGES</b>  |                    |                     |                     |                     |                    |                    |                    |                     |
| Pavement Management Program  | \$-                | \$8,252,000         | \$5,538,000         | \$5,668,000         | \$5,803,000        | \$5,947,000        | \$6,090,000        | \$37,298,000        |
| Pavement Reconstruction Program                                    | -                  | -                   | 2,500,000           | 2,500,000           | -                  | -                  | -                  | 5,000,000           |
| Bridge Maintenance   | -                  | 460,000             | 270,000             | 270,000             | 270,000            | 270,000            | 270,000            | 1,810,000           |
| K-10 & Lone Elm Interchange Design and ROW Acquisition             | 3,434,274          | -                   | -                   | 4,049,726           | -                  | -                  | -                  | 7,484,000           |
| 99th Street & Clare Road   | 97,937             | 833,563             | 6,833,500           | -                   | -                  | -                  | -                  | 7,765,000           |
| City Center North Elmridge Street SBD                              | 242,168            | -                   | 7,557,832           | -                   | -                  | -                  | -                  | 7,800,000           |
| 75th Street & Quivira Road Intersection Improvements               | -                  | 50,000              | 388,000             | -                   | -                  | -                  | -                  | 438,000             |
| 87th Street Parkway Improvements - Renner Boulevard to Maurer Road | 895,709            | 89,910              | 7,414,381           | -                   | -                  | -                  | -                  | 8,400,000           |
| Lenexa Logistics Centre North Phase II SBD                         | -                  | -                   | 5,140,000           | -                   | -                  | -                  | -                  | 5,140,000           |
| 95th Street & Loiret Boulevard Intersection Improvements           | -                  | 278,000             | 1,570,000           | -                   | -                  | -                  | -                  | 1,848,000           |
| Gleason Road from Prairie Star Parkway to 97th Terrace             | 142,124            | 669,176             | 180,700             | -                   | -                  | -                  | -                  | 992,000             |
| Little Mill Creek Trail Crossing 87th Street Parkway               | 102,438            | 117,562             | 2,046,000           | -                   | -                  | -                  | -                  | 2,266,000           |
| Sidewalk Repair Program  | -                  | 300,000             | 300,000             | 300,000             | 300,000            | 300,000            | 300,000            | 1,800,000           |
| <b>SUBTOTAL</b>  | <b>\$4,914,650</b> | <b>\$11,050,211</b> | <b>\$39,738,413</b> | <b>\$12,787,726</b> | <b>\$6,373,000</b> | <b>\$6,517,000</b> | <b>\$6,660,000</b> | <b>\$88,041,000</b> |

| Project Title  | Prior Years        | Budget 2022        | 2022                | 2023                | 2024               | 2025               | 2026               | Total               |
|--|--------------------|--------------------|---------------------|---------------------|--------------------|--------------------|--------------------|---------------------|
| <b>TRAFFIC</b>   |                    |                    |                     |                     |                    |                    |                    |                     |
| Street Lighting System Replacement                             | \$-                | \$-                | \$460,000           | \$460,000           | \$460,000          | \$460,000          | \$460,000          | \$2,300,000         |
| 87th Street Parkway Traffic Signals                            | 610,688            | -                  | 260,000             | 315,312             | -                  | -                  | -                  | 1,186,000           |
| Prairie Star Parkway & K-7 Traffic Signal Improvements         | 70,785             | 129,215            | 1,549,000           | 270,000             | -                  | -                  | -                  | 2,019,000           |
| Complete Streets Implementation                                | -                  | 360,000            | 110,000             | 110,000             | 110,000            | 110,000            | 110,000            | 910,000             |
| <b>SUBTOTAL</b>  | <b>\$681,473</b>   | <b>\$489,215</b>   | <b>\$2,379,000</b>  | <b>\$1,155,312</b>  | <b>\$570,000</b>   | <b>\$570,000</b>   | <b>\$570,000</b>   | <b>\$6,415,000</b>  |
| <b>PUBLIC BUILDINGS</b>  |                    |                    |                     |                     |                    |                    |                    |                     |
| Facilities Improvements & Maintenance                          | \$-                | \$2,378,476        | \$500,000           | \$500,000           | \$500,000          | \$500,000          | \$500,524          | \$4,879,000         |
| Traffic Maintenance & Sign Shop Study                          | -                  | -                  | 50,000              | -                   | -                  | -                  | -                  | 50,000              |
| Old City Hall Facility Renovation Study                        | -                  | -                  | 50,000              | 50,000              | -                  | -                  | -                  | 100,000             |
| Fire Station #6 Apparatus Covered Storage                      | -                  | 175,000            | 200,000             | -                   | -                  | -                  | -                  | 375,000             |
| Community Center and Senior Center Improvements                | -                  | -                  | 3,714,000           | 3,364,000           | -                  | -                  | -                  | 7,078,000           |
| Lenexa Justice Center  | -                  | 4,148,000          | 25,611,000          | 35,241,000          | -                  | -                  | -                  | 65,000,000          |
| <b>SUBTOTAL</b>  | <b>\$-</b>         | <b>\$6,701,476</b> | <b>\$30,125,000</b> | <b>\$39,155,000</b> | <b>\$500,000</b>   | <b>\$500,000</b>   | <b>\$500,524</b>   | <b>\$77,482,000</b> |
| <b>PARKS</b>   |                    |                    |                     |                     |                    |                    |                    |                     |
| Playground Equipment Replacement                               | \$1,493,684        | \$-                | \$-                 | \$210,000           | \$225,000          | \$169,316          | \$-                | \$2,098,000         |
| Cedar Station Park Development                                 | 43,920             | 61,080             | 872,000             | -                   | -                  | -                  | -                  | 977,000             |
| Black Hoof Park Parking Lot Expansion                          | -                  | 25,000             | 315,000             | -                   | -                  | -                  | -                  | 340,000             |
| Indian Trails Aquatics Center Improvements                     | -                  | 630,000            | 5,640,000           | 8,730,000           | -                  | -                  | -                  | 15,000,000          |
| Ad Astra Pool Reconstruction                                   | -                  | -                  | -                   | -                   | 300,000            | 3,700,000          | -                  | 4,000,000           |
| Skate Park Reconstruction and Parking Improvements             | -                  | -                  | 65,000              | 935,000             | -                  | -                  | -                  | 1,000,000           |
| Parks and Recreation Master Plan Update                        | -                  | -                  | 100,000             | -                   | -                  | -                  | -                  | 100,000             |
| <b>SUBTOTAL</b>  | <b>\$1,537,604</b> | <b>\$716,080</b>   | <b>\$6,992,000</b>  | <b>\$9,875,000</b>  | <b>\$525,000</b>   | <b>\$3,869,316</b> | <b>\$-</b>         | <b>\$23,515,000</b> |
| <b>STORMWATER</b>  |                    |                    |                     |                     |                    |                    |                    |                     |
| Stormwater Infrastructure Replacement                          | \$-                | \$2,686,000        | \$1,300,000         | \$1,300,000         | \$1,300,000        | \$1,300,000        | \$1,300,000        | \$9,186,000         |
| 109th Street to College & Pflumm Storm drainage Improvements   | 66,203             | 1,433,797          | 1,175,000           | -                   | -                  | -                  | -                  | 2,675,000           |
| Oakhill Stormdrainage Improvements                             | 189,963            | 1,912,037          | 618,000             | -                   | -                  | -                  | -                  | 2,720,000           |
| 95th/Widmer to Pennycross Storm Drainage Repair                | -                  | 145,000            | 1,900,000           | -                   | -                  | -                  | -                  | 2,045,000           |
| Oak Park & Century Estates Storm Drainage Improvements         | -                  | 150,000            | 1,675,000           | -                   | -                  | -                  | -                  | 1,825,000           |
| Lenexa Logistics Centre North Phase II-Stormwater Improvements | -                  | 200,635            | 1,569,365           | -                   | -                  | -                  | -                  | 1,770,000           |
| <b>SUBTOTAL</b>  | <b>\$256,166</b>   | <b>\$6,527,469</b> | <b>\$8,237,365</b>  | <b>\$1,300,000</b>  | <b>\$1,300,000</b> | <b>\$1,300,000</b> | <b>\$1,300,000</b> | <b>\$20,221,000</b> |



| Project Title                                      | Prior Years        | Budget 2021         | 2022                | 2023                | 2024                | 2025                | 2026                | Total                |
|--|--------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|----------------------|
| <b>MAJOR CAPITAL EQUIPMENT &amp; MISCELLANEOUS</b> |                    |                     |                     |                     |                     |                     |                     |                      |
| Gateway Monument Program                           | \$7,382            | \$-                 | \$-                 | \$610,618           | \$232,000           | \$-                 | \$-                 | \$850,000            |
| Fire Engine with Aerial Ladders                    | -                  | -                   | 2,500,000           | -                   | 1,600,000           | 1,050,000           | 1,250,000           | 6,400,000            |
| City Center East Lot 1 projects                    | -                  | -                   | 2,300,000           | -                   | -                   | -                   | -                   | 2,300,000            |
| <b>SUBTOTAL</b>                                    | <b>\$7,382</b>     | <b>\$-</b>          | <b>\$4,800,000</b>  | <b>\$610,618</b>    | <b>\$1,832,000</b>  | <b>\$1,050,000</b>  | <b>\$1,250,000</b>  | <b>\$9,550,000</b>   |
| <b>Total Cost Funded Projects</b>                  | <b>\$7,397,275</b> | <b>\$25,484,451</b> | <b>\$92,271,778</b> | <b>\$64,883,656</b> | <b>\$11,100,000</b> | <b>\$13,806,316</b> | <b>\$10,280,524</b> | <b>\$225,224,000</b> |

# 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 2022 - 2026)

The 2022-2026 CIP is built upon the Governing Body and Planning Commissions 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 approximately 6.029 mills in FY 2022 through FY 2026. The CIP includes 39 funded projects for 2022-2026. The 2022-2026 CIP is \$19.2 million higher than the previous CIP due largely to the addition of Parks & Recreation projects including: Indian Trails Aquatics Center and Ad Astra pool reconstruction. Capital expenditures totaling \$92.3 million have been planned for construction for the 2022 budget year.

## Pavement Management Program

The 2022 budget supports our reinvestment goal by allocating funding to infrastructure maintenance. The Pavement Management Program is money that is set aside in 2022 for the maintenance and repair of streets and highways. A total of \$5.5 million is allocated for the Pavement Management Program in 2022. Special Highway monies will fund approximately \$1.4 million; \$3.0 million will be funded from 3/8 cent sales tax (adopted in 2008); \$1.1 million from the Capital Improvement Fund and \$50,000 from other funding sources (stormwater and parks).

# CAPITAL IMPROVEMENT PROJECT DETAIL

Listed below are all the projects slated for the 2022 construction year, the estimated cost and the operating budget impact for the year 2022.

## **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. A portion of funds in the pavement management program will be dedicated towards maintenance of trails and City owned parking lots.

*Justification:* The annual Pavement Maintenance Program (PMP) will maintain roadways during their useful life (Pavement Condition Index above 55). Current maintenance procedures include curb & gutter replacement, crack sealing, micro seals, mill & overlay and asphalt surface replacement using ultra-thin bonded asphalt surface (UBAS).

*Cost:* \$5,538,000

*Operating Budget Impact:* None

## **Pavement Reconstruction Program**

*Description:* Pavement reconstruction of failed streets throughout the City.

*Justification:* Program would include full or partial reconstruction of failed streets which are past their useful life and where surface treatments are no longer a viable option due to cost and budget considerations. Construction may also include new sidewalks, curbs, replacement of street lights (where applicable) and needed storm drainage improvement, where applicable.

*Cost:* \$2,500,000

*Operating Budget Impact:* None

## **Bridge Maintenance**

*Description:* The City is required to have all 29 bridges inspected biennially and reports to the Kansas Department of Transportation. The Annual Bridge Maintenance Program will maintain Lenexa's 29 bridges throughout their useful life. Our consultant 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:* \$270,000

*Operating Budget Impact:* None

## **99th Street & Clare Road**

*Description:* Construction of 99th Street as a four-lane, divided roadway from the current end-of-pavement (EOP) at 98th Street easterly 2,550 feet to future Clare Road, construction of Clare Road from the current EOP at 97th Terrace southerly 1,350 feet to the proposed 99th Street extension and signalization of 99th Street and Canyon Creek Boulevard. Clare Road would require grading for the ultimate four-lane section, but only constructing the easternmost two lanes of asphalt at this time.

*Justification:* To facilitate development of new residential subdivisions and comply with conditions set out in development agreement.

Cost: \$6,833,500

Operating Budget Impact: \$50,700 annually

### **City Center North Elmridge Street (Special Benefit District)**

*Description:* This project will construct a two-lane roadway with storm drainage system, sidewalk and other appurtenances. The project will be funded through a special benefit district, with the property owner paying 100% of the project cost.

*Justification:* Construction of Elmridge Street and Scarborough Street provides access to new development within Lenexa City Center North to serve the forthcoming Advent Health Wellness Campus.

Cost: \$7,557,832

Operating Budget Impact: \$10,580 annually

### **75th Street and Quivira Road Intersection Improvements**

*Description:* The City of Shawnee intends to replace the traffic signal at 75th Street and Quivira Road and construct some additional turn lanes at the intersection. The southwest corner of the intersection is within the City limits of Lenexa and this portion of the project will be funded by Lenexa.

*Justification:* This project will replace the Evergy leased traffic signal that was purchased a couple years ago. A new City-owned traffic signal and additional turn lanes will improve the operations of the intersection.

Cost: \$388,000

Operating Budget Impact: None

### **87th Street Parkway Renner-Mauer Road Improvements**

*Description:* The project will add additional through lanes and turn 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 Boulevard and Maurer Road. In addition, 10-foot-wide trails will be constructed along eastbound and westbound 87th Street Parkway, new storm sewer system installed, and a 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 Mid America Regional Council.

Cost: \$7,414,381

Operating Budget Impact: \$10,020 annually

### **Lenexa Logistics Centre North Phase II (Special Benefit District)**

*Description:* This project will construct 1,640 linear feet of new roadway known as Britton Street, new turn lanes along College Boulevard, a new traffic signal at College Boulevard and Britton Street, a water main and sanitary sewer extension, and a new storm drainage system. The project will be funded through a special benefit district, with the property owners paying 100% of the project cost.

*Justification:* The proposed street improvements, stormwater detention basin and sanitary sewer installation are needed to serve the Lenexa Logistics Centre North Phase II development.

Cost: \$5,140,000

Operating Budget Impact: \$12,520 annually

### **95th Street and Loiret Boulevard Intersection Improvements**

*Description:* Install new traffic signals 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 Boulevard; extension of the existing northbound right turn lane on Loiret Boulevard; and construction of a trail along Loiret Boulevard.

*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:* \$1,570,000

*Operating Budget Impact:* \$6,760 annually

### **Gleason Road from Prairie Star Parkway to 97th Terrace**

*Description:* Construct a new 36-foot-wide roadway with sidewalks, multi-use trail, street lighting, and storm drainage system.

*Justification:* The proposed Gleason Road will provide a second access point to the new Canyon Creek Elementary School located at the SW corner of Gleason Road and 97th Terrace. Construction of Gleason Road will reduce the traffic currently using the local subdivision streets.

*Cost:* \$180,700

*Operating Budget Impact:* \$3,570 annually

### **Little Mill Creek Trail Crossing 87th Street Parkway**

*Description:* This project will provide a grade-separated tunnel crossing under 87th Street Parkway to connect trails on the north side to trails, Sar-Ko-Par Trails Park and the Indian Trails Aquatics Center on the south side of 87th Street Parkway.

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

*Cost:* \$2,046,000

*Operating Budget Impact:* \$5,000 annually

### **Sidewalk Repair Program**

*Description:* A dedicated program to address the repair and construction of sidewalks throughout the community.

*Justification:* This program will identify and repair sidewalks in the City limits. This program will also address missing gaps in the sidewalk network to create a safer more pedestrian friendly network.

*Cost:* \$300,000

*Operating Budget Impact:* None

## Street Lighting Replacement

*Description:* Most of the street lights purchased from Evergy are over 30 years old, were installed under different standards, and have exceeded their expected service life. This program will gradually replace older lights with new, energy-efficient lights meeting current standards. The City currently owns over 8,000 streetlights, 99% of which have been installed with or converted to LED lighting, saving over \$300,000 a year in electricity costs.

*Justification:* In 2009, the City of Lenexa purchased 2,437 streetlights from Evergy to reduce operating costs. Over time, old and functionally deficient lights will be replaced with modern, energy-efficient ones.

*Cost:* \$460,000

*Operating Budget Impact:* None

## 87th Street Parkway Traffic Signals

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

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

*Cost:* \$260,000

*Operating Budget Impact:* \$5,000 annually

## Prairie Star Parkway & K-7 Traffic Signal Improvements

*Description:* Install new traffic signals at the K-7 and Prairie Star Parkway interchange and realign the northbound exit ramp.

*Justification:* Due to increased traffic in this area, traffic signals are needed at this interchange.

*Cost:* \$1,549,000

*Operating Budget Impact:* \$10,000 annually

## Complete Street Implementation

*Description:* Implement complete streets improvements throughout the City including signing, pavement marking, filling missing sidewalk gaps, crosswalks, etc. as recommended in the Complete Streets Study.

*Justification:* This program will implement improvements to the street system to accommodate complete streets elements as identified by the 2019 Complete Streets Study.

*Cost:* \$110,000

*Operating Budget Impact:* None

## Facilities Improvements and Maintenance Fund

*Description:* Funding for maintenance and improvement of all City-owned facilities, including parks. Includes: interior and exterior, site parking, roofing, deferred maintenance for equipment replacement, heating, ventilation, and air conditioning (HVAC).

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

Cost: \$500,000

Operating Budget Impact: None

### **Traffic Maintenance & Sign Shop Study**

*Description:* Study replacement of existing maintenance and sign shop.

*Justification:* The study will determine what needs to be done to make the maintenance and sign shop a valuable resource.

Cost: \$50,000

Operating Budget Impact: None

### **Old City Hall Renovation Study**

*Description:* Study renovation options for old City Hall.

*Justification:* Study to determine viable renovation options for future use of the former City Hall.

Cost: \$50,000

Operating Budget Impact: None

### **Fire Station #6 Apparatus Covered Storage**

*Description:* This project would design and construct a 45 foot x 50 foot metal building in the back parking lot of old City Hall. This structure would provide the needed temporary conditioned covered space for the Fire Department apparatus and Med-Act ambulance. Power would be provided to be able to heat and provide air conditioning to this structure.

*Justification:* The Fire Department will be able to operate out of this location 365 days a year with covered storage. This storage building will be designed and constructed with the intent of moving it to another location and be used for other department storage needs once it is no longer needed for fire operations.

Cost: \$200,000

Operating Budget Impact: None

### **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 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: \$3,714,000

Operating Budget Impact: None

### **Lenexa Justice Center**

*Description:* This project would design and construct a new Lenexa Justice Center that would meet the future space needs of the Police Department and Municipal Court. 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 current or future space needs of the Police Department and Municipal Court. The current building has reached the end of 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: \$25,611,000

Operating Budget Impact: \$300,000 annually

### **Cedar Station Park Development**

*Description:* Develop 17 acres of parkland abutting Mize Lake including a small parking lot, playground, restroom, small shelter, interpretive signage and boardwalk access to the lake.

*Justification:* Cedar Station Park would create a small park using City-owned property abutting Mize Lake and Trail. As residential development has occurred in 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: \$872,000

Operating Budget Impact: \$7,500 annually

### **Black Hoof Park Parking Lot Expansion**

*Description:* Expansion of parking lot on the northern portion of Black Hoof Park near the Oak Shelter.

*Justification:* Black Hoof Park continues to be one of the most heavily visited parks in our park system, seeing over 1,000 visitors regularly in a day. The Oak Shelter is regularly rented for gatherings of more than 200 visitors. Our current parking lot of 84 stalls is consistently under pressure and at times not sufficient for this park traffic. This parking lot expansion project will add roughly 100 more parking stalls and provide sufficient parking for future added amenities and also serve our current amenities much better.

Cost: \$315,000

Operating Budget Impact: \$11,530 annually

### **Indian Trails Aquatics Center Improvements**

*Description:* Renovation and Expansion of Indian Trails Aquatic Center.

*Justification:* The majority of Indian Trails Aquatic Center is over 45 years old and many elements have reached the end of their useful life. The City completed a comprehensive Aquatics Study that led to the recommendation to renovate and expand Indian Trails Aquatics Center. This project will develop a modernized community-wide aquatic center with the appropriate mix of amenities. The amenities and programming needs were identified through a robust public engagement effort including a community-wide statistically valid survey.

Cost: \$5,640,000

Operating Budget Impact: \$19,000 annually

### **Skate Park Reconstruction and Parking Improvements**

*Description:* Relocation and reconstruction of the Skate Park, parking lot reconfiguration, and improved pedestrian accessibility.

*Justification:* The Skate Park relocation and reconstruction was identified as part of the Parks Master Plan and has been a high priority project for many years. The Sar-Ko Par Trails Park skatepark is over 20 years old and the surface has deteriorated significantly. The parking lot that serves this skate park, tennis courts, and roller hockey rink is set up poorly and is limited in space. This project will reconfigure the parking lot and provide a much needed and safe pedestrian connection between the new Little Mill Creek Trail Tunnel and the Indian Trails Aquatic Center along Greenway Lane. Staff believes that as the Indian Trails Aquatics Center



improvement project moves forward, there would be cost efficiencies with performing both of the projects in tandem along with minimizing the disruption to this portion of the park.

Cost: \$65,000

*Operating Budget Impact:* None

### **Parks and Recreation Master Plan Update**

*Description:* An update to the 2012 Parks, Recreation, and Open Space Comprehensive Plan.

*Justification:* The existing Parks Master Plan information is nine years old and a large portion has been completed. This plan update is expected to provide direction on program offerings, facility construction and management, general capital improvements, park amenities, and budgeting. It will also help establish goals, objectives, policies and standards that guide staff through operations and capital planning.

Cost: \$100,000

*Operating Budget Impact:* None

### **Traditional Stormwater Infrastructure Replacement**

*Description:* This project reflects the ongoing replacement of corrugated metal pipe and the catch basins that connect them, 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: \$1,300,000

*Operating Budget Impact:* None

### **109th Street to College Boulevard Storm Drainage Improvements**

*Description:* Replacement and rehabilitation of large corrugated metal pipe that began to fail in 2015. Emergency repairs were made at that time but the remainder of the pipe needs to be evaluated and repaired.

*Justification:* This storm drainage system has reached the end of its useful life.

Cost: \$1,175,000

*Operating Budget Impact:* None

### **Oakhill Storm Drainage Improvements**

*Description:* Replacement and rehabilitation of existing stormwater infrastructure within the project area.

*Justification:* Stormwater infrastructure in the Oakhill neighborhood is in need of repair and/or replacement.

Cost: \$618,000

*Operating Budget Impact:* None

### **95th Street From Widmer to Pennycross Storm Drainage Repair**

*Description:* The main drainage line that runs from the intersection of 95th and Widmer to Pennycross Road consists of large, corrugated metal pipe ranging in size from 36" to 54" in diameter as well as a section of

concrete box culvert. This system has experienced numerous failures in the last few years and is in need of major rehabilitation.

*Justification:* Corrugated metal pipe has reached the end of its useful life.

*Cost:* \$1,900,000

*Operating Budget Impact:* None

### **Oak Park Century Estates Storm Drainage Improvements**

*Description:* Project is to replace corrugated metal pipe that is past its useful life. This system has had multiple failures over the last few years as well as some flooding problems that residents have reported.

*Justification:* Corrugated metal pipe has reached the end of its useful life.

*Cost:* \$1,675,000

*Operating Budget Impact:* None

### **Lenexa Logistics Centre North Phase II - Stormwater Improvements**

*Description:* Design and construction of 1,000 L.F. of 8-inch diameter sanitary sewer and related structures, along with a 5 acre extended stormwater detention basin including grading, storm sewer structures and plantings. The project will be funded through a special benefit district, with the property owners paying 100% of the project cost.

*Justification:* The sanitary sewer, storm drainage system and detention basin are needed to serve the Lenexa Logistics Center North Phase II development.

*Cost:* \$1,569,365

*Operating Budget Impact:* None

### **Fire Apparatus Annual Replacement**

*Description:* Annual replacement of fire apparatus in 2022 thru 2026.

*Justification:* To maintain a high quality fleet of both front-line and reserve apparatus, each fire apparatus is 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.

*Cost:* \$2,500,000

*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. The grant is funded from the proceeds of previous land sales in City Center.

*Justification:* Financing this project requires a public/private partnership. The City finds the mixed-use project, the public parking garage and the outdoor entertainment area attractive to the City Center area.

*Cost:* \$2,300,000

*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 & Poors Ratings Services. The City's credit ratings on general obligation bonds are:

- Moody's Investors Service Aaa
- Standard & Poors Ratings Services AAA

Moody's Investors Service made the following comments in October 2021:

- The City of Lenexa, KS's Aaa rating incorporates the sizeable and growing tax base with healthy resident income indices and a significant commercial presence, strong reserves inclusive of capital funds, and a moderate pension burden. The rating also considers the above-median but manageable debt burden and reliance on economically sensitive sales tax revenue.

Standard & Poors 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 & Poors made the following comments in October 2021:

- 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;
- Strong budgetary performance, with operating results that we expect could weaken in the near term relative to fiscal 2020, which closed with operating surpluses in the general fund and at the total governmental fund level in fiscal 2020;
- Very strong budgetary flexibility, with an available fund balance in fiscal 2020 of 83% of operating expenditures;
- Very strong liquidity, with total government available cash at 99.0% of total governmental fund expenditures and 5.2x governmental debt service, and access to external liquidity we consider strong;
- Weak debt and contingent liability profile, with debt service carrying charges at 18.9% of expenditures and net direct debt that is 141.2% of total governmental fund revenue, but rapid amortization, with 67.6% 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 2022 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 2022 consist of \$15.1 million in general obligation principal payments and interest payments.
- The projected reserve in the 2022 budget is \$2.9 million or approximately 17.8% of budgeted annual debt service and transfers.

| EXPENDITURE INFORMATION |                     |                     |                     |
|-------------------------|---------------------|---------------------|---------------------|
| EXPENDITURE CATEGORY    | 2020 Actual         | 2021 Revised Budget | 2022 Budget         |
| Personal Services       | \$-                 | \$-                 | \$-                 |
| Contractual Services    | 7,289               | -                   | -                   |
| Commodities             | -                   | -                   | -                   |
| Capital Outlay          | -                   | -                   | -                   |
| Debt Service            | 12,533,553          | 12,097,362          | 15,112,118          |
| Transfers               | -                   | 998,000             | 975,000             |
| Reserves                | -                   | -                   | 2,855,704           |
| <b>TOTAL</b>            | <b>\$12,540,843</b> | <b>\$13,095,362</b> | <b>\$18,942,822</b> |

# 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                |
|--------------------|-----------------------------|----------------------------|---------------------------|--------------------------|------------------------|-----------------------|------------------------------------|-----------------------------------|----------------------|
| 2022               | \$9,790,000                 | \$3,512,663                | \$2,110,000               | \$760,687                | \$180,000              | \$93,107              | \$2,140,000                        | \$702,200                         | \$19,288,657         |
| 2023               | 9,030,000                   | 3,391,330                  | 2,170,000                 | 684,316                  | 190,000                | 84,106                | 2,245,000                          | 595,200                           | 18,389,952           |
| 2024               | 7,700,000                   | 3,049,730                  | 2,220,000                 | 624,467                  | 200,000                | 78,406                | 2,360,000                          | 482,950                           | 16,715,553           |
| 2025               | 6,790,000                   | 2,745,436                  | 1,890,000                 | 545,173                  | 200,000                | 74,156                | 2,475,000                          | 364,950                           | 15,084,715           |
| 2026               | 5,910,000                   | 2,479,211                  | 1,675,000                 | 487,523                  | 205,000                | 69,657                | 2,600,000                          | 241,200                           | 13,667,591           |
| 2027               | 6,105,000                   | 2,244,136                  | 1,350,000                 | 419,141                  | 210,000                | 64,531                | 2,680,000                          | 163,200                           | 13,236,008           |
| 2028               | 5,805,000                   | 2,001,511                  | 1,130,000                 | 359,941                  | 215,000                | 58,231                | 2,760,000                          | 82,800                            | 12,412,483           |
| 2029               | 5,970,000                   | 1,778,961                  | 1,185,000                 | 315,916                  | 225,000                | 51,781                | -                                  | -                                 | 9,526,658            |
| 2030               | 6,080,000                   | 1,566,261                  | 1,210,000                 | 274,841                  | 230,000                | 45,032                | -                                  | -                                 | 9,406,134            |
| 2031               | 5,790,000                   | 1,357,261                  | 1,190,000                 | 240,066                  | 235,000                | 38,131                | -                                  | -                                 | 8,850,458            |
| 2032               | 5,990,000                   | 1,151,455                  | 1,150,000                 | 203,485                  | 250,000                | 31,081                | -                                  | -                                 | 8,776,021            |
| 2033               | 5,625,000                   | 945,980                    | 1,135,000                 | 169,975                  | 250,000                | 23,581                | -                                  | -                                 | 8,149,536            |
| 2034               | 5,630,000                   | 769,011                    | 965,000                   | 135,811                  | 260,000                | 16,081                | -                                  | -                                 | 7,775,903            |
| 2035               | 5,505,000                   | 614,487                    | 905,000                   | 108,471                  | 265,000                | 8,282                 | -                                  | -                                 | 7,406,240            |
| 2036               | 3,800,000                   | 460,768                    | 815,000                   | 82,398                   | -                      | -                     | -                                  | -                                 | 5,158,166            |
| 2037               | 3,895,000                   | 364,003                    | 835,000                   | 59,921                   | -                      | -                     | -                                  | -                                 | 5,153,924            |
| 2038               | 3,995,000                   | 263,639                    | 860,000                   | 35,893                   | -                      | -                     | -                                  | -                                 | 5,154,532            |
| 2039               | 2,705,000                   | 159,069                    | 335,000                   | 11,050                   | -                      | -                     | -                                  | -                                 | 3,210,119            |
| 2040               | 2,565,000                   | 103,525                    | 200,000                   | 3,500                    | -                      | -                     | -                                  | -                                 | 2,872,025            |
| 2041               | 2,615,000                   | 52,300                     | -                         | -                        | -                      | -                     | -                                  | -                                 | 2,667,300            |
| <b>TOTAL</b>       | <b>\$111,295,000</b>        | <b>\$29,010,737</b>        | <b>\$23,330,000</b>       | <b>\$5,522,575</b>       | <b>\$3,115,000</b>     | <b>\$736,163</b>      | <b>\$17,260,000</b>                | <b>\$2,632,500</b>                | <b>\$192,901,975</b> |

\* Includes 2021 debt issuance

# 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  

$$\$ 14,849,118 / \$ 89,982,221 = 16.50\%$$
- Property tax-supported debt service/total revenues  

$$\$ 14,849,118 / \$ 132,829,405 = 11.18\%$$
- General Obligation Bonds and Temporary Notes/Statutory Debt Limit  

$$\$ 133,380,000 / \$ 435,112,254 = 31\%$$
 (The City's available debt capacity is 69%)
- Debt Service Fund  

$$2021 \text{ mill levy rate (for 2022 budget)} = 6.029 \text{ mills}$$

## Debt Issuance For 2022

The City estimates issuing \$25.6 million of general obligation bonds in 2022 to finance street, building and Stormwater CIP projects.

**GENERAL DEBT RATIOS**

|   |                 |
|---|-----------------|
| Assessed Valuation <sup>(1)</sup>                             | \$1,538,147,275 |
| Outstanding General Obligation Bonds (as of 12/31/20)         | \$128,305,000   |
| Outstanding General Obligation Notes Payable (as of 12/31/20) | \$5,075,000     |
| Population (Estimate) <sup>(2)</sup>                          | 57,434          |
| Per Capita General Obligation Debt                            | \$2,322         |
| Ratio of General Obligation Bonds to Assessed Valuation       | 8.34%           |
| Overlapping Debt <sup>(3)</sup>                               | \$208,608,732   |
| Direct and Overlapping Debt <sup>(4)</sup>                    | \$341,988,732   |
| Per Capita Direct and Overlapping Debt                        | \$5,954         |
| Ratio of Direct and Overlapping Debt to Assessed Valuation    | 22.23%          |

(1) Estimate as of November 2021, including motor vehicle assessed value per Johnson County Annual Abstract of Taxes.

(2) 2020 Census.

(3) Debt as of December 2021.

(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 |
|-------------|-------------|-----------------------------|------------------------|--|--|
| 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%  |
| 2020        | 16,589,240  | 4,489,114                   | 21,078,354             | 65,856,261                               | 32.0%  |

\*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 |
|-------------|------------|-------------------------|--------------------|--------------------------------------|-----------------------------|
| 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     | 1,364,582,868           | 137,930,000        | 10.11%                               | 2,478                       |
| 2020        | 57,434     | 1,450,374,180           | 128,305,000        | 8.85%                                | 2,234                       |

\* Assessed Valuation includes Motor Vehicle Assessed Value

\*\* Includes Special Assessments

**Legal Debt Margin**

|   |                      |
|---|----------------------|
| Assessed value (includes motor vehicle)*      | \$1,450,374,180      |
| Debt limit (30% of assessed value)            | 435,112,254          |
| Bonded indebtedness: General obligation bonds | 128,305,000          |
| General obligation notes                      | 5,075,000            |
| <b>TOTAL DEBT</b>                             | <b>\$133,380,000</b> |
| <b>LEGAL DEBT MARGIN</b>                      | <b>\$301,732,254</b> |

\* 2021 Assessed Valuation

Includes Motor Vehicle Assessed Valuation as of December 2020.

Bonded indebtedness as of December 2020.

**Overlapping Debt**

| JURISDICTION                              | Outstanding GO Debt* | Percent | Applicable to the City Amount |
|---|----------------------|---------|-------------------------------|
| Johnson County                            | \$301,964,500        | 11.36%  | \$34,303,167                  |
| Park & Recreation District                | 43,865,000           | 11.36%  | 4,983,064                     |
| Community College                         | 45,935,000           | 11.36%  | 5,218,216                     |
| U.S.D. #232                               | 160,585,000          | 7.54%   | 12,108,109                    |
| U.S.D. #233                               | 211,801,342          | 15.47%  | 32,765,668                    |
| U.S.D. #512                               | 431,890,000          | 20.06%  | 86,637,134                    |
| <b>TOTAL ESTIMATED OVERLAPPING DEBT =</b> |                      |         | <b>\$176,015,358</b>          |

\*Debt as of December 2021.





# DEPARTMENT/FUND BUDGETS

**A description of the funds and departments can be found here. A summary of all department expenditures is listed, along with a mission statement, accomplishments, objectives, staffing requirements and major budget changes.**

# GOVERNING BODY

General Fund — Governing Body — 01010000

## Mission Statement

The Mayor and City Council commit to responsible governance and pledge that local decisions will be made in a transparent, thoughtful, and inclusive manner. We strive to do the right things for the right reasons guided by core principles.



## Accomplishments for 2020

- Earned the “Leading the Way” Award from ETC Institute.
- Welcomed two new City Council members and four new department heads.
- Opened Ridgeview Road to traffic.
- Renovated the sports courts at Sar-Ko-Par Trails and Bois d’Arc Parks.
- Enacted homeless shelter regulations.
- Accepted Climate Action KC’s Climate Action Playbook.
- Rejoined the County’s CDBG program.
- Accepted the Public Safety Facility (Justice Center) Master Plan.
- Funded an additional mental health co-responder.
- Improved 95th & Santa Fe Trail Drive intersection.
- Provided safe recreational programming during the pandemic.
- Completed the first phase of Complete Streets Study improvements.
- Facilitated over \$450 million in commercial and residential development.
- Launched a sidewalk replacement program.

## Objectives for 2021/2022

- Re-launch strategic initiatives put on hold due to the pandemic.
- Restart large-scale, in-person community events and programs.
- Plan for the future of Lenexa through the Comprehensive Plan review and Parks & Recreation Master Plan processes.
- Commence design and construction of the new Justice Center.
- Promote continued investment in key commercial areas.
- Participate in the countywide housing task force led by United Community Services (UCS).

- Determine investment priorities for funds received through the American Recovery Plan.
- Implement a new state-mandated property tax levy and budgeting process.

| <b>EXPENDITURE INFORMATION</b> |                    |                            |                    |
|--------------------------------|--------------------|----------------------------|--------------------|
| <b>EXPENDITURE CATEGORY</b>    | <b>2020 Actual</b> | <b>2021 Revised Budget</b> | <b>2022 Budget</b> |
| Personal Services              | \$149,929          | \$151,745                  | \$156,328          |
| Contractual Services           | 76,862             | 102,500                    | 102,500            |
| Commodities                    | 1,715              | 5,500                      | 5,500              |
| Capital Outlay                 | -                  | -                          | -                  |
| Transfers                      | -                  | -                          | -                  |
| <b>TOTAL</b>                   | <b>\$228,506</b>   | <b>\$259,745</b>           | <b>\$264,328</b>   |

### Major Budget Changes for FY 2022

- No major budget changes.

# EXECUTIVE

General Fund — Executive Department — 01011000

## 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.



## Core Services

- Professional management of the organization.
- Facilitate community engagement and resident services.
- Promote economic development and redevelopment.
- Guide all City departments in meeting the community's vision through the Governing Body's guiding principles.

## Accomplishments for 2020

- Continued to provide superior quality service during a global pandemic.
- Managed the City's expenditures judiciously amidst revenue uncertainty.
- Earned the "Leading the Way" Award from ETC Institute.
- Welcomed two new City Council members.
- Welcomed four new department heads.
- Opened Ridgeview Road to traffic.
- Renovated the sports courts at Sar-Ko-Par Trails and Bois d'Arc Parks.
- Engaged stakeholders and drafted homeless shelter regulations.
- Reviewed and presented Climate Action KC's Climate Action Playbook for acceptance by the Governing Body.
- Rejoined the County's CDBG program.
- Completed the Public Safety Facility Master Plan.
- Coordinated improvements to the intersection at 95th & Santa Fe Trail Drive.
- Engaged the public in the future of aquatics.
- Completed the first phase of Complete Streets Study improvements.
- Permitted and inspected over \$450 million in commercial and residential development.

## Objectives for 2021/2022

- Lead the design and construction of the Justice Center.
- Navigate a new, state-mandated property tax levy and budget process.
- Assemble and present the 2023-2027 Capital Improvement Plan.
- Conduct the biennial citizen satisfaction survey.
- Oversee the Comprehensive Plan and Parks & Recreation Master Plan processes.
- Formulate an investment strategy for funds received through the American Recovery Plan.
- Reexamine and relaunch the Learning About Lenexa program.
- Manage the breadth of economic development activity in all areas of the community.
- Broaden the eligibility criteria for the City's Exterior Grant Program.

## Future Opportunities/Issues

- Complexities surrounding the new budgeting and tax levy process.
- American Recovery Plan and American Jobs Plan funding opportunities.
- Burgeoning growth in western Lenexa.
- Attainable housing.
- Re-starting processes put on hold due to the pandemic.

| EXPENDITURE INFORMATION |                  |                     |                    |
|-------------------------|------------------|---------------------|--------------------|
| EXPENDITURE CATEGORY    | 2020 Actual      | 2021 Revised Budget | 2022 Budget        |
| Personal Services       | \$744,388        | \$953,493           | \$947,608          |
| Contractual Services    | 92,709           | 161,600             | 161,600            |
| Commodities             | 1,712            | 5,900               | 5,900              |
| Capital Outlay          | -                | -                   | -                  |
| Transfers               | -                | -                   | -                  |
| <b>TOTAL</b>            | <b>\$838,809</b> | <b>\$1,120,993</b>  | <b>\$1,115,108</b> |

## Major Budget Changes for FY 2022

- Administrative Assistant position reallocated to the Finance Department.

| STAFFING EXECUTIVE            |             |                     |             |
|-------------------------------|-------------|---------------------|-------------|
| POSITION                      | 2020 Actual | 2021 Revised Budget | 2022 Budget |
| Administrative Assistant      | 1.50        | 0.50                | 0.50        |
| Assistant to the City Manager | 2.00        | 1.00                | 1.00        |
| Assistant City Manager        | -           | 1.00                | 1.00        |
| City Clerk                    | 1.00        | 1.00                | 1.00        |
| City Manager                  | 1.00        | 1.00                | 1.00        |
| Deputy City Manager           | 1.00        | 1.00                | 1.00        |
| <b>EXECUTIVE TOTAL</b>        | <b>6.50</b> | <b>5.50</b>         | <b>5.50</b> |

# COMMUNICATIONS

General Fund — Communications Department — 01012000

## Mission Statement

Committed to engaging, educating and informing stakeholders by providing relevant, accurate and timely information about City projects, issues and events. Assist departments with strategic communications planning and create Lenexa branded products to support their programs. These efforts help create Lenexa's identity and promote that we are a welcoming and transparent organization.



## Core Services

- Create and implement strategic communications and marketing plans to support City programs and events.
- Provide valuable content to target audiences.
- Create and publish a resident newsletter, TownTalk.
- Coordinate media relations for the City of Lenexa.
- Manage City's social media accounts, websites and e-newsletters.
- Execute and create advertising campaigns.
- Help create community engagement.
- Promote Lenexa brand by using quality graphic design and photography.
- Monitor stakeholder questions and help get them timely information.

## Accomplishments for 2020

- Delivered timely information on how the pandemic affected City operations and shared public health messages from partner agencies. Kept evolving information updated throughout the year.
- Created five engaging, informative issues of TownTalk.
- Managed increased number of inquiries from reporters.
- Created 169 e-newsletters and grew subscriber base by 12.8%.
- Published more than 1,500 posts on social media channels and increased followers by 12.9%.
- Created compelling advertising for Farmers Market, Public Market and City events and programs. Shawnee Mission Post ads had more than five million views, a 323% increase.
- Captured quality photographs throughout the City and managed the volunteer photographer program.

- Helped coordinate a successful 2020 State of the City in-person event and began work on the 2021 State of the City video, which was delivered virtually.

## Objectives for 2021/2022

- Create engaging, accurate and timely information for stakeholders. As programs and services ramp back up after the pandemic, stay on top of evolving information and increased promotional needs.
- Share stories about a wide range of City projects, balancing the messaging priorities of departments we serve. Highlight the quality and benefits of City services and amenities.
- Produce high-quality products which positively reflect the Lenexa brand.
- Drive traffic to Rec Center, Public Market, Farmers Market and programs.
- Evaluate and improve the current website and consider future needs for website update.
- Maintain an excellent working relationship with reporters.
- Work closely with Finance to design and implement new budget and annual financial report documents.

## Future Opportunities/Issues

- Communicating with a diversified audience seeking information through a variety of platforms.
- Creating long-term strategies for audience retention for amenities, festivals and programs.
- Strategically expanding the use of video to share Lenexa stories.
- Continuing to explore ways to effectively deliver Lenexa's messages in a way that cuts through the clutter.
- Mitigating declining trust in institutions and fragmentation of information by continuing to provide proactive, transparent information that is easy to understand and access.

| EXPENDITURE INFORMATION |                  |                     |                  |
|-------------------------|------------------|---------------------|------------------|
| EXPENDITURE CATEGORY    | 2020 Actual      | 2021 Revised Budget | 2022 Budget      |
| Personal Services       | \$457,178        | \$457,757           | \$485,897        |
| Contractual Services    | 142,530          | 186,470             | 193,080          |
| Commodities             | 1,128            | 4,670               | 14,170           |
| Capital Outlay          | -                | -                   | -                |
| Transfers               | -                | -                   | -                |
| <b>TOTAL</b>            | <b>\$600,836</b> | <b>\$648,897</b>    | <b>\$693,147</b> |

## Major Budget Changes for FY 2022

- Additional funds for subscription service, sending TownTalk to Lenexa businesses, and additional online advertising.

| STAFFING COMMUNICATIONS          |             |                     |             |
|----------------------------------|-------------|---------------------|-------------|
| POSITION                         | 2020 Actual | 2021 Revised Budget | 2022 Budget |
| Communications Director          | 1.00        | 1.00                | 1.00        |
| Communications Assistant         | 0.48        | 0.48                | 0.48        |
| Communications Specialist        | 3.00        | 1.00                | 1.00        |
| Senior Communications Specialist | -           | 2.00                | 2.00        |
| <b>COMMUNICATIONS TOTAL</b>      | <b>4.48</b> | <b>4.48</b>         | <b>4.48</b> |

# PUBLIC MARKET

General Fund — Public Market — 01015000

## 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.



## 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 2020

- All but one of the Market merchants survived the pandemic, and we actually saw several merchants with growth.
- The community came out in a big way to support our local chefs and entrepreneurs to help sustain them through the pandemic.

## Objectives for 2021/2022

- Manage merchant turnover and fill vacant spaces.
- Support merchants through pandemic recovery.
- Begin to host events for the community, large and small, in a safe way.

## Future Opportunities/Issues

- Keeping the space and the mix of merchants fresh.
- Managing merchant morale.
- Controlling capital item maintenance – repair and/or replacement.
- Implementing a formal small business development program.
- Pursuing more sponsorships.
- Developing and implementing a long-term strategy for The Kitchen.



**EXPENDITURE INFORMATION**

| <b>EXPENDITURE CATEGORY</b> | <b>2020 Actual</b> | <b>2021 Revised Budget</b> | <b>2022 Budget</b> |
|-----------------------------|--------------------|----------------------------|--------------------|
| Personal Services           | \$221,111          | \$226,895                  | \$235,358          |
| Contractual Services        | 151,255            | 159,950                    | 169,950            |
| Commodities                 | 9,448              | 7,500                      | 7,500              |
| Capital Outlay              | 4,982              | 10,000                     | 10,000             |
| Transfers                   | -                  | -                          | -                  |
| <b>TOTAL</b>                | <b>\$386,795</b>   | <b>\$404,345</b>           | <b>\$422,808</b>   |

**Major Budget Changes for FY 2022**

- No major budget changes.

**STAFFING PUBLIC MARKET**

| <b>POSITION</b>                 | <b>2020 Actual</b> | <b>2021 Revised Budget</b> | <b>2022 Budget</b> |
|---------------------------------|--------------------|----------------------------|--------------------|
| Public Market Concierge         | 1.50               | 1.50                       | 1.50               |
| Assistant Public Market Manager | 1.00               | 1.00                       | 1.00               |
| Public Market Manager           | 1.00               | 1.00                       | 1.00               |
| <b>PUBLIC MARKET TOTAL</b>      | <b>3.50</b>        | <b>3.50</b>                | <b>3.50</b>        |

# MUNICIPAL COURT

General Fund — Municipal Court — 01013000

## Mission Statement

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



## 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 inquiries 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 2020

- Adapted court operations in response to the COVID-19 pandemic. In addition to the physical changes to the courtroom and lobby, we tried and learned many new processes and programs, and successfully implemented new ways of doing court. Examples include using ZOOM, Adobe Sign, and restructuring docket schedules.
- Implemented changes in how new tickets are processed, how court documents are managed, and how restitution is receipted and tracked. The processing is more efficient and accurate as a result.

## Objectives for 2021/2022

- Implement a long-term docket schedule that includes both in-person and virtual appearance options.
- Work with the selected architectural firm, City staff and others on the new Justice Center.

## Future Opportunities/Issues

- Successfully manage the increasing complexity of cases.

- Successfully manage the change in caseload as the City continues to develop and grow.

| <b>EXPENDITURE INFORMATION</b> |                    |                            |                    |
|--------------------------------|--------------------|----------------------------|--------------------|
| <b>EXPENDITURE CATEGORY</b>    | <b>2020 Actual</b> | <b>2021 Revised Budget</b> | <b>2022 Budget</b> |
| Personal Services              | \$473,324          | \$523,044                  | \$574,266          |
| Contractual Services           | 120,786            | 250,240                    | 250,240            |
| Commodities                    | 3,777              | 19,004                     | 19,004             |
| Capital Outlay                 | -                  | -                          | -                  |
| Transfers                      | -                  | -                          | -                  |
| <b>Total</b>                   | <b>\$597,887</b>   | <b>\$792,288</b>           | <b>\$843,510</b>   |

### Major Budget Changes for FY 2022

- Personal Services increase includes the conversion of two part-time positions into a full-time position. This full-time position is now benefit eligible as well as correctly budgeting benefits eligibility for the Municipal Judge.

| <b>STAFFING MUNICIPAL COURT</b> |                    |                            |                    |
|---------------------------------|--------------------|----------------------------|--------------------|
| <b>POSITION</b>                 | <b>2020 Actual</b> | <b>2021 Revised Budget</b> | <b>2022 Budget</b> |
| Municipal Court Clerk           | 5.00               | 4.75                       | 4.75               |
| Municipal Court Manager         | 1.00               | 1.00                       | 1.00               |
| Municipal Court Judge           | 0.75               | 0.75                       | 0.75               |
| <b>MUNICIPAL COURT TOTAL</b>    | <b>6.75</b>        | <b>6.50</b>                | <b>6.50</b>        |

# NON-DEPARTMENTAL

General Fund — Non-departmental — 01030000

## 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 to the Capital Improvement Program and the Equipment Reserve Fund for efficient operation of the City.

## Objectives for 2021/2022

- 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 cannot use a portion of the property taxes paid by property owners within the City's active Tax Increment Financing (TIF) districts for operating costs.

| EXPENDITURE INFORMATION |                     |                     |                     |
|-------------------------|---------------------|---------------------|---------------------|
| EXPENDITURE CATEGORY    | 2020 Actual         | 2021 Revised Budget | 2022 Budget         |
| Personal Services       | \$68,712            | \$604,141           | \$1,788,163         |
| Contractual Services    | 316,992             | 351,250             | 347,350             |
| Commodities             | 9,114               | 130,703             | 3,000               |
| Capital Outlay          | -                   | -                   | -                   |
| Transfers               | 17,532,559          | 35,707,900          | 18,059,854          |
| Reserves                | -                   | -                   | 30,484,699          |
| <b>TOTAL</b>            | <b>\$17,927,377</b> | <b>\$36,793,994</b> | <b>\$50,683,066</b> |

## Major Budget Changes for FY 2022

- Personnel reserve allocation is \$1,700,000.
- Educational reimbursement funds of \$75,000.
- Transfer to Equipment Reserve fund equals \$1,700,000.
- Transfer to Facilities Maintenance equals \$500,000.
- Allowance for TIF is \$3,553,000.
- Transfers to Capital Improvement fund equal \$15,171,054 consisting of: art funding \$22,000; capital projects \$15,149,054 (funded \$7,419,000 from 3/8 cent sales tax; \$1,714,000 from 1/4 cent county sales/use tax; \$500,000 excise tax; and \$5,516,054 from general revenues).
- General revenue funding includes: \$3,493,000 (2.5 mills) for general capital projects; \$1,090,000 for the Pavement Management Program (.78 mills); \$300,000 for street light replacement; and \$633,054 in unallocated funds.

# FINANCE

General Fund — Finance — 01100000

## 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.



## Core Services

- Prepare annual City operating budget and multi-year financial model.
- Prepare five-year Capital Improvement Program (CIP).
- Prepare annual financial report.
- 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 2020

- Completed fiscal year 2019 annual financial report and external audit.
- Prepared fiscal year 2021 annual budget.
- Completed upgrade of financial system.
- Implemented department reorganization plan (due to retirement of Assistant Chief Financial Officer).
- Adapted department work practices due to COVID-19.
- Managed financial reporting and billing for Coronavirus Relief Funds awarded through Johnson County Government.

## Objectives for 2021/2022

- Prepare annual budget, annual financial report, and five-year CIP.
- Implement new software to create annual budget document and annual financial report.
- Implement GASB 87 accounting standard for leases.
- Onboard new Accountant (transfer of existing vacant position from the City Manager's Office).
- Manage financial reporting for American Rescue Plan funds.

## Future Opportunities/Issues

- Accounting for complex and numerous development incentives.
- Implementation of new and complex accounting standards.
- Preparing for multiple future retirements of experienced staff members.

| EXPENDITURE INFORMATION |                    |                     |                    |
|-------------------------|--------------------|---------------------|--------------------|
| EXPENDITURE CATEGORY    | 2020 Actual        | 2021 Revised Budget | 2022 Budget        |
| Personal Services       | \$964,263          | \$941,351           | \$1,064,296        |
| Contractual Services    | 392,510            | 445,000             | 445,000            |
| Commodities             | 5,657              | 9,000               | 9,000              |
| Capital Outlay          | -                  | -                   | -                  |
| Transfers               | -                  | -                   | -                  |
| <b>TOTAL</b>            | <b>\$1,362,430</b> | <b>\$1,395,351</b>  | <b>\$1,518,296</b> |

## Major Budget Changes for FY 2022

- Reallocation of 1 FTE from Executive department to a new Accountant position.

| STAFFING FINANCE                   |             |                     |             |
|------------------------------------|-------------|---------------------|-------------|
| POSITION                           | 2020 Actual | 2021 Revised Budget | 2022 Budget |
| Deputy Chief Financial Officer     | 1.00        | 1.00                | 1.00        |
| Chief Financial Officer            | 1.00        | 1.00                | 1.00        |
| Accounting Manager                 | 1.00        | 1.00                | 1.00        |
| Accountant                         | -           | 1.00                | 1.00        |
| Senior Budget & Financial Analyst  | 1.00        | 1.00                | 1.00        |
| Senior Accounts Payable Specialist | 1.00        | 1.00                | 1.00        |
| Senior Payroll Specialist          | 1.00        | 1.00                | 1.00        |
| Senior Accountant                  | 1.00        | 1.00                | 1.00        |
| <b>FINANCE TOTAL</b>               | <b>7.00</b> | <b>8.00</b>         | <b>8.00</b> |

# HUMAN RESOURCES

General Fund — Human Resources Department — 01110000 through 01111011

## Mission Statement

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



## 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 2020

- HR led the process to select and hire our new Information Technology Director, City Attorney, Parks & Rec Director and Police Chief.
- Led the process to review and select an Applicant Tracking and Onboarding software vendor. This product, called ClearCompany, has been implemented and all Hiring Managers are currently being trained in the use of this product to hire all new City employees.
- Our HR teams' response to the COVID-19 pandemic. Without any notice or prior experience, our HR staff quickly and comprehensively researched, designed, recommended, and implemented:
  - › A Paid Administrative Leave policy;
  - › The City of Lenexa Safe Work Guide, including specific employee and department guidelines on social distancing and barrier masks, employees returning to work, remote work, cleaning and disinfecting workspaces, workspace alterations, and travel restrictions and guidelines. We have continued our education and research and updated the manual nine times from May 8, 2020 through December 31, 2020;

- › Administration of a procedure for handling employees exposed to, suffering from, or testing positive for the virus; and
  - › Administration of the Families First Coronavirus Response Act, including Emergency Paid Sick Leave and extended Family and Medical Leave.
- All of this was done without the addition of any personnel and while our team worked remotely much of the time.
  - Worked with a committee of fellow employees and the Parks and Recreation Department to design and implement the Lenexa Learning Lab, a flexible, full-day, in-person supervision and support for our employee's children ages 5-18 who chose to or were required to utilize virtual learning.

## Objectives for 2021/2022

- Scan, upload and assign all paper files into ADP digital Doc Cloud.
- Conduct Compensation Study and recommend amendments to Compensation Plan.
- Develop and implement new Lenexa Leadership Academy through partnership with Park University.
- Fully implement Emergency Evacuation Plan.

## Future Opportunities/Issues

- Organizational commitment to recruiting and hiring a more racially and ethnically representative workforce.

### EXPENDITURE INFORMATION

| EXPENDITURE CATEGORY | 2020 Actual        | 2021 Revised Budget | 2022 Budget        |
|----------------------|--------------------|---------------------|--------------------|
| Personal Services    | \$788,853          | \$813,021           | \$856,005          |
| Contractual Services | 322,546            | 434,189             | 451,989            |
| Commodities          | 15,761             | 33,350              | 26,850             |
| Capital Outlay       | -                  | -                   | -                  |
| Transfers            | -                  | -                   | -                  |
| <b>Total</b>         | <b>\$1,127,160</b> | <b>\$1,280,560</b>  | <b>\$1,334,844</b> |

## Major Budget Changes for FY 2022

- Additional funding to implement two systems (one for Policy Management and one for Performance Management).

### STAFFING HUMAN RESOURCES

| POSITION                     | 2020 Actual | 2021 Revised Budget | 2022 Budget |
|------------------------------|-------------|---------------------|-------------|
| Human Resources Director     | 1.00        | 1.00                | 1.00        |
| Human Resources Generalist   | 1.00        | 1.00                | 1.00        |
| Human Resources Manager      | 2.00        | 2.00                | 2.00        |
| Human Resources Partner*     | 0.50        | 0.50                | 0.50        |
| Human Resources Specialist   | 2.38        | 2.38                | 2.38        |
| <b>HUMAN RESOURCES TOTAL</b> | <b>6.88</b> | <b>6.88</b>         | <b>6.88</b> |

\* 50% of one Human Resources Partner position is charged to the workers compensation fund and is not included in the above table.

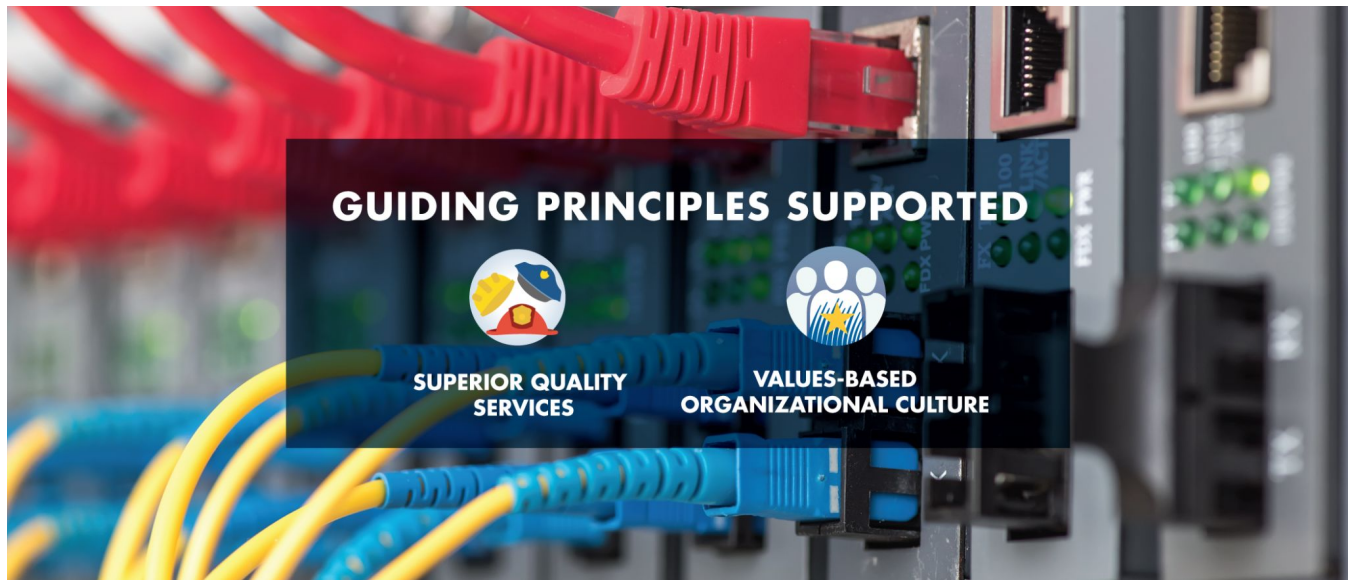


# INFORMATION TECHNOLOGY

General Fund — Information Technology — 01150000 through 01150014

## Mission Statement

To provide quality and timely business technology solutions that enhance 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.



## 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 2020

- Completed Multi State Information Sharing and Analysis Center (MS-ISAC) Nationwide Cyber Security Review.
- Successful coordination of Information Technology (IT) resources for City employees during "stay at home" orders.
- Successful Munis Financial software upgrade.
- Implemented Fire Department monitor/dashboard version 1.0.
- Retired on-premises SharePoint and completed migration to SharePoint Online/Teams or LexConnect for documents.
- Completed fiber installation to Sar-Ko-Par Trails Park for Wi-Fi access and security camera monitoring.
- All City employees required to use "two factor" authentication to access City resources externally.
- Completed bridge "de-icing" control application for Municipal Services.
- Implementation of Microsoft's Advanced Threat Protection for email services and web url link protection.

## Objectives for 2021/2022

- Complete Accela Community Development platform upgrade.
- Complete fiber infrastructure projects to support new Justice Center building initiatives.
- Establish Information Technology Policy and Process framework.
- Continued IT modernization efforts to maintain and secure software and infrastructure resources, including database, desktop, tablet and cell phone refresh.
- Replace City firewall with new hardware. The new firewalls will expand redundancy, provide additional separation to protected networks and diversity network hardware vendors.
- Update the City's core network infrastructure. This will provide increased redundancy and allow for expanding of the secure network by leveraging encryption.

## Future Opportunities/Issues

- Maintaining balance between accessible and usable business IT processes and implementing proper security measures around those processes to protect City and citizen data.
- Continue to explore technology opportunities that improve day-to-day work efficiencies while showing an acceptable return on investment.

| EXPENDITURE INFORMATION |                    |                     |                    |
|-------------------------|--------------------|---------------------|--------------------|
| EXPENDITURE CATEGORY    | 2020 Actual        | 2021 Revised Budget | 2022 Budget        |
| Personal Services       | \$1,300,748        | \$1,494,545         | \$1,588,347        |
| Contractual Services    | 1,531,402          | 1,612,975           | 1,603,975          |
| Commodities             | 379,853            | 198,700             | 178,700            |
| Capital Outlay          | 255,854            | 343,270             | 343,270            |
| Transfers               | -                  | -                   | -                  |
| <b>TOTAL</b>            | <b>\$3,467,857</b> | <b>\$3,649,490</b>  | <b>\$3,714,292</b> |

## Major Budget Changes for FY 2022

- Increase in Contractual Services, to cover the annual subscription for the Budget Book and Annual Comprehensive Financial Report software

| STAFFING INFORMATION TECHNOLOGY           |              |                     |              |
|---|--------------|---------------------|--------------|
| POSITION                                  | 2020 Actual  | 2021 Revised Budget | 2022 Budget  |
| Database Administrator                    | 1.00         | 1.00                | 1.00         |
| GIS Analyst                               | 1.00         | 1.00                | 1.00         |
| GIS Specialist                            | 1.00         | 1.00                | 1.00         |
| Applications Support Specialist           | 1.00         | 1.00                | 1.00         |
| Information Technology Director           | 1.00         | 1.00                | 1.00         |
| Network Architect                         | 1.00         | 1.00                | 1.00         |
| Programmer Developer                      | 2.00         | 2.00                | 2.00         |
| Solution Center Analyst                   | 3.00         | 3.00                | 3.00         |
| Systems Administrator                     | 1.00         | 1.00                | 1.00         |
| Assistant Information Technology Director | 1.00         | 1.00                | 1.00         |
| <b>INFORMATION TECHNOLOGY TOTAL</b>       | <b>13.00</b> | <b>13.00</b>        | <b>13.00</b> |

# LEGAL

General Fund — Legal Department — 01180000 through 01181000

## 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.



## 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, represent 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 2020

- Drafted and negotiated economic development agreements for a significant number of projects including, but not limited to, Lenexa Logistics Center North Phase II business park, Jayhawk Ridge and Ten Ridge mixed-use developments, and the Johnson County VA medical facility.
- Assisted Parks and Recreation's modifications to programs and events by revising contracts to be more flexible in scheduling, researching virtual programming legal requirements, and requiring contractors to comply with COVID safety measures for in-person events.
- Updated City guidelines for animal control cases and added responsible pet ownership classes as part of the disposition process.
- Worked with Municipal Court to update the City's diversion policy for driving under the influence violations.
- Obtained favorable insurance renewals in a volatile market.
- Handled multiple civil, land use and construction litigation matters and obtained favorable rulings. As part of this, the Legal Department coordinated with and prepared City staff for depositions, researched, drafted

and filed multiple motions with the Johnson County District court, and successfully argued at multiple virtual hearings.

- Supported all City departments and staff in handling the COVID-19 pandemic including, but not limited to, drafting virtual City Council meeting guidelines, interpreting public health orders, instituting remote work policies, and negotiating interlocal and funding agreements with Johnson County.

### Objectives for 2021/2022

- Work with the Municipal Court to create a mental health diversion program.
- Continue to work on several ongoing lawsuits and claims as well as pending and new claims against the City.
- Solicit and secure competitive and beneficial insurance brokerage services contract and obtain favorable insurance renewal rates.
- Update and reformat City’s Governing Body and Administrative policies in order to increase their accessibility.
- Assist with Justice Center project including advising on procurement methods, contractor selection and contract negotiations.
- Continue ongoing and expected economic development work throughout the City including, but not limited to, City Center and the areas adjacent to Ridgeview Road.
- Provide proactive training and legal updates to City departments.

### Future Opportunities/Issues

- Address legal implications associated with the First Amendment and commercial uses at various City facilities such as parks and the Civic Center.
- Assist with redevelopment of Lenexa along the I-35 corridor including both affordable residential and revitalized commercial areas.
- Explore methods of economically managing the City’s risk through insurance, training, funding and other options such as self-insured retention.
- 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.
- Continue to implement technology solutions to increase workload efficiency and contract and document management.

| EXPENDITURE INFORMATION |                    |                     |                    |
|-------------------------|--------------------|---------------------|--------------------|
| EXPENDITURE CATEGORY    | 2020 Actual        | 2021 Revised Budget | 2022 Budget        |
| Personal Services       | \$1,087,336        | \$1,110,902         | \$1,147,345        |
| Contractual Services    | 381,950            | 606,470             | 606,470            |
| Commodities             | 594                | 13,936              | 13,936             |
| Capital Outlay          | -                  | -                   | -                  |
| Transfers               | -                  | -                   | -                  |
| <b>TOTAL</b>            | <b>\$1,469,880</b> | <b>\$1,731,308</b>  | <b>\$1,767,751</b> |

### Major Budget Changes for FY 2022

- No major budget changes.

| <b>STAFFING LEGAL</b>             |                    |                            |                    |
|-----------------------------------|--------------------|----------------------------|--------------------|
| <b>POSITION</b>                   | <b>2020 Actual</b> | <b>2021 Revised Budget</b> | <b>2022 Budget</b> |
| Administrative Assistant          | 0.50               | 0.50                       | 0.50               |
| Assistant City Attorney           | 3.00               | 3.00                       | 3.00               |
| City Attorney                     | 1.00               | 1.00                       | 1.00               |
| Deputy City Attorney              | 0.75               | 0.75                       | 0.75               |
| Legal Assistant                   | 1.00               | 1.00                       | 1.00               |
| <b>LEGAL DIVISION TOTAL</b>       | <b>6.25</b>        | <b>6.25</b>                | <b>6.25</b>        |
| Legal Assistant                   | 1.00               | 1.00                       | 1.00               |
| Prosecutor                        | 1.63               | 1.63                       | 1.63               |
| <b>PROSECUTION DIVISION TOTAL</b> | <b>2.63</b>        | <b>2.63</b>                | <b>2.63</b>        |
| <b>LEGAL TOTAL</b>                | <b>8.88</b>        | <b>8.88</b>                | <b>8.88</b>        |

# COMMUNITY DEVELOPMENT

General Fund — Community Development Department — 01200000 through 01204000

## 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.



## 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.
- 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 and other City departments.
- Provide long-range planning for the City.

## Accomplishments for 2020

- Maintained full service to the development community during the COVID-19 pandemic when construction activity was exempt from the temporary stay at home order.
- Transitioned the City's Community Development Block Grant program to the County's program, enhancing benefits for Lenexa citizens.
- Established two agreements with curbside composting companies to offer discounts to Lenexa residents in return for the City marketing the benefits of composting in the City's marketing platforms.
- Completed substantial work on several amendments to the Unified Development Code, including establishing the Homeless Shelter use and standards related to the City's work on Complete Streets.
- Facilitate plan review, permitting and inspection of over \$450 million in development.

## Objectives for 2021/2022

- Participate in the United Community Services of Johnson County Housing Study Taskforce.

- Re-initiate the major update to the City's Comprehensive Plan that was delayed during the COVID-19 pandemic.
- Enhance the online presence for business licenses.
- Enact and implement an expanded Exterior Grant Program for Lenexa residents.
- Explore several initiatives related to the City's stormwater program, including enhancing the City's sustainable practices in stormwater management and project construction.
- Continue to coordinate with cellular companies on their proliferation of small cell networks.
- Provide an educational opportunity for landlords.

### Future Opportunities/Issues

- Impacts related to COVID-19 will create uncertainty around the economy and construction industry.
- Federal and state policies and mandates have potential to greatly affect local land use and building codes.
- Technology presents opportunities to enhance processes related to building inspection and record keeping.

| EXPENDITURE INFORMATION |                    |                     |                    |
|-------------------------|--------------------|---------------------|--------------------|
| EXPENDITURE CATEGORY    | 2020 Actual        | 2021 Revised Budget | 2022 Budget        |
| Personal Services       | \$3,977,500        | \$4,249,913         | \$4,412,092        |
| Contractual Services    | 269,975            | 605,210             | 434,460            |
| Commodities             | 20,214             | 50,075              | 50,575             |
| Capital Outlay          | -                  | -                   | -                  |
| Transfers               | -                  | -                   | -                  |
| <b>TOTAL</b>            | <b>\$4,267,689</b> | <b>\$4,905,198</b>  | <b>\$4,897,127</b> |

### Major Budget Changes for FY 2022

- Additional funding to cover increased cost in off-site storage and locating services.

| STAFFING COMMUNITY DEVELOPMENT            |              |                     |             |
|---|--------------|---------------------|-------------|
| POSITION                                  | 2020 Actual  | 2021 Revised Budget | 2022 Budget |
| Administrative Support                    | 2.00         | -                   | -           |
| Contract Specialist                       | 1.00         | 1.00                | -           |
| Community Development Director            | 1.00         | 1.00                | 1.00        |
| Deputy Community Development Director*    | 0.80         | 0.80                | 0.80        |
| Information Desk Assistant                | -            | 1.00                | 1.00        |
| Licensing & Permit Assistant              | -            | 1.00                | 1.00        |
| Licensing & Permit Specialist             | -            | 1.00                | 1.00        |
| Licensing & Permit Technician             | 4.00         | 3.00                | 3.00        |
| Licensing & Permitting Supervisor         | 1.00         | 1.00                | 1.00        |
| Management Analyst                        | 1.00         | 1.00                | 1.00        |
| Planning Services Specialist              | 1.00         | 1.00                | -           |
| <b>ADMINISTRATION DIVISION TOTAL</b>      | <b>11.80</b> | <b>11.80</b>        | <b>9.80</b> |
| Community Standards Officer               | 2.00         | 2.00                | 2.00        |
| Community Standards Officer (seasonal)    | 0.67         | 0.67                | 0.67        |
| Community Standards Supervisor            | 1.00         | 1.00                | 1.00        |
| <b>COMMUNITY STANDARDS DIVISION TOTAL</b> | <b>3.67</b>  | <b>3.67</b>         | <b>3.67</b> |

| POSITION                                  | 2020 Actual  | 2021 Revised Budget | 2022 Budget  |
|---|--------------|---------------------|--------------|
| Building Codes Administrator              | 1.00         | 1.00                | 1.00         |
| Building Inspector                        | 4.75         | 4.75                | 4.75         |
| Plans Analyst                             | 2.00         | 2.00                | 2.00         |
| <b>BUILDING INSPECTION DIVISION TOTAL</b> | <b>7.75</b>  | <b>7.75</b>         | <b>7.75</b>  |
| Community Development Technician          | 1.00         | 1.00                | 1.00         |
| Planner                                   | 3.00         | 3.00                | 3.00         |
| Planning & Development Administrator      | 1.00         | 1.00                | 1.00         |
| Senior Administrative Assistant           | -            | -                   | 1.00         |
| <b>LAND USE DIVISION TOTAL</b>            | <b>5.00</b>  | <b>5.00</b>         | <b>6.00</b>  |
| Construction Inspector                    | 4.75         | 4.75                | 4.75         |
| Contract Specialist                       | -            | -                   | 1.00         |
| Engineering/Construction Services Admin.  | 1.00         | 1.00                | 1.00         |
| Field Engineer Superintendent             | 1.00         | 1.00                | 1.00         |
| Project Manager                           | 2.00         | 2.00                | 1.00         |
| Right of Way Manager                      | 1.00         | 1.00                | 1.00         |
| Right of Way Technician                   | 1.00         | 1.00                | 1.00         |
| Senior Project Manager                    | -            | -                   | 1.00         |
| Traffic Engineer                          | 1.00         | 1.00                | 1.00         |
| Traffic Engineering Technician            | 1.00         | 1.00                | 1.00         |
| Transportation Manager                    | 1.00         | 1.00                | 1.00         |
| <b>ENGINEERING DIVISION TOTAL</b>         | <b>13.75</b> | <b>13.75</b>        | <b>14.75</b> |
| <b>COMMUNITY DEVELOPMENT TOTAL</b>        | <b>41.97</b> | <b>41.97</b>        | <b>41.97</b> |

\*20% of Deputy Community Development Director position is funded by the Stormwater Fund and is not included in the above table.



# FIRE DEPARTMENT

General Fund — Fire Department — 01300000 through 01303500

## Mission Statement

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



## Core Services

- Community risk reduction.
- Emergency medical services.
- Fire suppression.
- Hazardous materials.
- Public education.
- Fire investigation.
- Technical rescue.

## Accomplishments for 2020

- Improved daytime emergency response coverage for Northeast Lenexa utilizing former city hall.
- Completed a digital dashboard project to enhance operational awareness.
- Installed equipment/software and piloted programs to protect firefighter health and wellness (e.g., roadway safety motorist alerting technology, apparatus bay diesel exhaust capture system, protective clothing maintenance software, and comfort canine trial).
- Innovated public education and safety messaging during pandemic utilizing video technologies.
- Completed job description review and revisions for all departmental positions.
- Accreditation annual compliance report submission and approval.
- Continued investment in the Shawnee Mission School District Blue Eagle career program.
- Formalized the volunteer program for retired Lenexa Fire Department members.

## Objectives for 2021/2022

- Further improve emergency response coverage for Northeast Lenexa by providing services 24/7.
- Actively engage and participate in public health vaccination efforts.
- Apply for grant funding to acquire mobile decontamination unit to reduce carcinogen exposure.

- Renewal of community-based strategic plan.
- Retain accredited status by the Center for Public Safety Excellence.
- Research and implement enhancements to virtual public education/video messaging.
- Resume recruitment and outreach efforts of Lenexa Citizens’ Fire Academy and intern program.
- Establish and operationalize departmental honor guard program.
- Conduct exhaustive review and revision of departmental policies and procedures.
- Submit City’s All-Hazard Plan for Council approval.
- Facilitate development of All-Hazard, Emergency Action and Pandemic response plans.
- Review Emergency Operations Center (EOC) activation process, participate in County-wide exercise to test Emergency Operations Plan components, and coordinate functional EOC exercise for appropriate City personnel.

### Future Opportunities/Issues

- Monitor resource distribution/concentration to ensure effective response coverage.
- Explore advancements in emergency medical services and capabilities.
- Recruitment and retention: employee-centered culture and external salary/benefit competitiveness.
- Continued collaboration and partnerships with county and regional emergency response agencies.
- Continued emphasis on firefighter safety, health, and wellness enhancements.
- Invest in succession planning to prepare internal talent for advancement.
- Improve local training capabilities while leveraging regional/federal programs to support core services.

| EXPENDITURE INFORMATION |                     |                     |                     |
|-------------------------|---------------------|---------------------|---------------------|
| EXPENDITURE CATEGORY    | 2020 Actual         | 2021 Revised Budget | 2022 Budget         |
| Personal Services       | \$11,065,370        | \$11,523,797        | \$11,772,395        |
| Contractual Services    | 351,488             | 331,972             | 382,100             |
| Commodities             | 228,529             | 339,325             | 349,025             |
| Capital Outlay          | -                   | -                   | -                   |
| Debt Service            | -                   | -                   | -                   |
| Transfers               | -                   | -                   | -                   |
| <b>TOTAL</b>            | <b>\$11,645,388</b> | <b>\$12,195,094</b> | <b>\$12,503,520</b> |

### Major Budget Changes for FY 2022

- Funding for diesel emissions control system (\$65,000 in contractual services).
- Elimination of swift water rescue team.

| <b>STAFFING FIRE</b>                    |                    |                            |                    |
|---|--------------------|----------------------------|--------------------|
| <b>POSITION</b>                         | <b>2020 Actual</b> | <b>2021 Revised Budget</b> | <b>2022 Budget</b> |
| Administrative Assistant                | 1.00               | 1.00                       | 1.00               |
| Deputy Fire Chief                       | 1.00               | -                          | -                  |
| Fire Chief                              | 1.00               | 1.00                       | 1.00               |
| Fire Division Chief                     | -                  | 1.00                       | 1.00               |
| <b>ADMINISTRATION DIVISION TOTAL</b>    | <b>3.00</b>        | <b>3.00</b>                | <b>3.00</b>        |
| Emergency Preparedness Battalion Chief  | 1.00               | 1.00                       | 1.00               |
| <b>DOMESTIC PREPAREDNESS</b>            | <b>1.00</b>        | <b>1.00</b>                | <b>1.00</b>        |
| Fire Battalion Chief                    | 1.00               | 1.00                       | 1.00               |
| Fire Captain                            | 2.00               | 2.00                       | 2.00               |
| Fire Division Chief                     | 1.00               | 1.00                       | 1.00               |
| <b>PROF. DEVELOPMENT DIVISION TOTAL</b> | <b>4.00</b>        | <b>4.00</b>                | <b>4.00</b>        |
| Deputy Fire Chief                       | -                  | 1.00                       | 1.00               |
| Fire Battalion Chief                    | 4.00               | 4.00                       | 4.00               |
| Fire Captain                            | 15.00              | 15.00                      | 15.00              |
| Fire Division Chief                     | 1.00               | -                          | -                  |
| Firefighter/Fire Medic/Lieutenant       | 64.00              | 64.00                      | 64.00              |
| <b>OPERATIONS DIVISION TOTAL</b>        | <b>84.00</b>       | <b>84.00</b>               | <b>84.00</b>       |
| Fire Captain                            | 3.00               | 3.00                       | 3.00               |
| Fire Division Chief                     | 1.00               | 1.00                       | 1.00               |
| Fire Prevention Support                 | 1.00               | 1.00                       | 1.00               |
| <b>PLANNING DIVISION TOTAL</b>          | <b>5.00</b>        | <b>5.00</b>                | <b>5.00</b>        |
| <b>FIRE TOTAL</b>                       | <b>97.00</b>       | <b>97.00</b>               | <b>97.00</b>       |

# POLICE

General Fund — Police Department — 01350000 through 01352000

## Mission Statement

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



## 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 2020

- Maintained services during pandemic with creative scheduling and emphasis on personal protective equipment and officer safety.
- Report microfiche files converted to digital format.
- Maintained our recruiting efforts via an increase in virtual presentations/events throughout pandemic.
- Implemented a full-time Recruiting Coordinator for all Police Department positions.
- Backfilled several specialized unit positions which had been left open due to limited staffing levels.
- Social Media awareness presentations to all City staff.

## Objectives for 2021/2022

- Work with City staff to complete compensation study and examine all positions to ensure we remain competitive.
- Increase community policing efforts, engagement and transparency.
- Produce an annual report to the community.

- Receive and outfit armored response vehicle.
- Emphasize succession planning for future growth and upcoming retirements.
- Mental health wellness checks for employees.
- Continue fierce recruiting to maintain staffing levels.
- Design Justice Center to meet needs of employees and community.
- Continue to emphasize officer safety and wellness.
- Training and development of Police Department personnel.
- Restructure the Community Advisory Board.

### Future Opportunities/Issues

- Look to implement creative ways to aggressively recruit the best and brightest employees to the organization. Seek ways to increase diversity.
- Monitor legislative areas of interest.
- Continue to monitor city growth and the added responsibilities and staffing needs to support overall growth in the city.
- Acquisition and application of current and emerging technologies.
- Evaluate staffing needs, supervision levels and span of control.
- Preparing for the opening of Rainbow Services Inc. (RSI) as a true 24/7 crisis stabilization center capable of holding state commitments for those in crisis. Utilizing the Crisis Intervention Act from 2017.

| EXPENDITURE INFORMATION |                     |                     |                     |
|-------------------------|---------------------|---------------------|---------------------|
| EXPENDITURE CATEGORY    | 2020 Actual         | 2021 Revised Budget | 2022 Budget         |
| Personal Services       | \$12,959,831        | \$15,399,354        | \$15,634,421        |
| Contractual Services    | 1,064,713           | 1,425,481           | 1,500,481           |
| Commodities             | 338,465             | 562,006             | 562,006             |
| Capital Outlay          | -                   | -                   | -                   |
| Transfers               | -                   | -                   | -                   |
| <b>TOTAL</b>            | <b>\$14,363,008</b> | <b>\$17,386,841</b> | <b>\$17,696,908</b> |

### Major Budget Changes for FY 2022

- Funding for increase in annual maintenance agreements for taser, body worn/in car cameras, and digital evidence management. (\$75,000 contractual services).

| STAFFING POLICE                |             |                     |             |
|--------------------------------|-------------|---------------------|-------------|
| POSITION                       | 2020 Actual | 2021 Revised Budget | 2022 Budget |
| Administrative Support         | 1.00        | 1.00                | 1.00        |
| Crime Analyst                  | 2.00        | 2.00                | 2.00        |
| Custodian                      | 2.00        | 2.00                | 2.00        |
| Deputy Police Chief            | 1.00        | 1.00                | 1.00        |
| Database Administrator         | 1.00        | 1.00                | 1.00        |
| Information Systems Specialist | 2.00        | 2.00                | 2.00        |
| Police Captain                 | 1.00        | 1.00                | 1.00        |
| Police Chief                   | 1.00        | 1.00                | 1.00        |
| Police Dispatcher              | 14.00       | 14.00               | 14.00       |
| Police Major                   | 1.00        | 1.00                | 1.00        |
| Police Sergeant                | 2.00        | 2.00                | 2.00        |

| POSITION                               | 2020 Actual   | 2021 Revised Budget | 2022 Budget   |
|--|---------------|---------------------|---------------|
| Public Service Officer                 | 10.00         | 10.00               | 10.00         |
| Recruiting Coordinator                 | -             | 1.00                | 1.00          |
| Supplemental Support                   | 2.00          | 2.00                | 2.00          |
| Technical Services Manager             | 1.00          | 1.00                | 1.00          |
| Technical Services Specialist          | 3.00          | 3.00                | 3.00          |
| Unit Supervisors                       | 5.00          | 4.00                | 4.00          |
| Video & Security Systems Technician    | 1.00          | 1.00                | 1.00          |
| Video & Security Systems Administrator | 1.00          | 1.00                | 1.00          |
| <b>ADMINISTRATION DIVISION TOTAL</b>   | <b>51.00</b>  | <b>51.00</b>        | <b>51.00</b>  |
| Administrative Support                 | 1.00          | 1.00                | 1.00          |
| Police Corporal/MPO/Officer            | 9.00          | 9.00                | 9.00          |
| Police Investigative Specialist        | 1.00          | 1.00                | 1.00          |
| Police Sergeant                        | 1.00          | 1.00                | 1.00          |
| Supplemental Support                   | 1.00          | 1.00                | 1.00          |
| <b>INVESTIGATION DIVISION TOTAL</b>    | <b>13.00</b>  | <b>13.00</b>        | <b>13.00</b>  |
| Animal Control Officer                 | 3.00          | 3.00                | 3.00          |
| Court Security Officer                 | 1.00          | 1.00                | 1.00          |
| Police Captain                         | 4.00          | 4.00                | 4.00          |
| Police Corporal/MPO/Officer            | 61.00         | 61.00               | 61.00         |
| Police Equipment Technician            | 1.00          | 1.00                | 1.00          |
| Police Major                           | 1.00          | 1.00                | 1.00          |
| Police Sergeant                        | 10.00         | 10.00               | 10.00         |
| Supplemental Support                   | 5.00          | 5.00                | 5.00          |
| <b>PATROL DIVISION TOTAL</b>           | <b>86.00</b>  | <b>86.00</b>        | <b>86.00</b>  |
| <b>POLICE TOTAL</b>                    | <b>150.00</b> | <b>150.00</b>       | <b>150.00</b> |

# MUNICIPAL SERVICES

General Fund — Municipal Services Department — 01400000 through 01406000

## Mission Statement

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



## Core Services

- Maintain all vehicles and equipment.
- Maintain streets, curb and gutters, sidewalk and rights-of-way and bike/hiking trails.
- Coordinate snow/ice removal and storm-related emergencies.
- Coordinate the implementation of the City's pavement management and sidewalk replacement 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 2020

- Earned re-accreditation through APWA with 100% compliance in all areas covered.
- Replaced 7,433 linear feet of sidewalk through the sidewalk repair program.
- Pavement management program included 32 lanes miles of residential roads repaved with UBAS and 12 lanes miles of thoroughfares repaved with a 2-inch mill and overlay.
- Responded to eight snow and ice events in the 2020/21 winter season.
- Dumpster Days recycled material: a total of 15.71 tons of e-waste was properly recycled and kept out the landfill and a total of 20.79 tons of steel was properly recycled and kept out of the landfill.
- Crews removed rusty City of Lenexa Star signage along 87th Street and replaced with new signs.
- Crews rebuilt the Prairie Star Parkway bridge anti-icing system.

## Objectives for 2021/2022

- Manage a successful pavement management and sidewalk repair program.
- Engage citizens on activities and projects related to Municipal Services.
- Begin traffic sign retro-reflectivity project.

- Assist with pavement management program with in-house asphalt work and traffic loops.
- Emerge from the pandemic with a healthy staff and positive work environment.
- Finalize our asset management framework.

### Future Opportunities/Issues

- Maintenance of aging facilities and infrastructure.
- Additional lane miles for street maintenance and snow removal.
- Attracting, hiring and retaining quality staff.
- Increased amount of square footage of facilities to maintain.
- Keeping up with new technologies in fleet and facilities.
- Focus on succession planning within all divisions for key leadership roles.

| EXPENDITURE INFORMATION |                    |                     |                     |
|-------------------------|--------------------|---------------------|---------------------|
| EXPENDITURE CATEGORY    | 2020 Actual        | 2021 Revised Budget | 2022 Budget         |
| Personal Services       | \$4,115,266        | \$4,404,072         | \$4,507,427         |
| Contractual Services    | 2,725,904          | 3,259,360           | 3,393,710           |
| Commodities             | 1,669,498          | 2,265,950           | 2,380,500           |
| Capital Outlay          | 530,254            | 216,893             | 98,000              |
| Transfers               | -                  | -                   | -                   |
| <b>TOTAL</b>            | <b>\$9,040,922</b> | <b>\$10,146,275</b> | <b>\$10,379,637</b> |

### Major Budget Changes for FY 2022

- Additional asphalt repair funded (\$100,000 commodities).
- Additional funding provided to cover price increases associated with sign retro-reflectivity project (\$132,900 contractual services).

| STAFFING MUNICIPAL SERVICES                  |              |                     |              |
|--|--------------|---------------------|--------------|
| POSITION                                     | 2020 Actual  | 2021 Revised Budget | 2022 Budget  |
| Administration Support                       | 2.00         | 2.00                | 2.00         |
| Asset Management Technician                  | 0.70         | 0.70                | 0.70         |
| Asset Systems Coordinator                    | 0.20         | 0.20                | 0.20         |
| Assistant Municipal Services Director*       | 0.85         | 0.85                | 0.85         |
| Municipal Services Director*                 | 0.80         | 0.80                | 0.80         |
| Pavement Management Coordinator              | 1.00         | 1.00                | 1.00         |
| Construction Inspector (PMP)                 | 1.00         | 1.00                | 1.00         |
| <b>ADMINISTRATION DIVISION TOTAL</b>         | <b>6.55</b>  | <b>6.55</b>         | <b>6.55</b>  |
| Maintenance Worker                           | 16.00        | 16.00               | 16.00        |
| Street Foreman                               | 4.00         | 4.00                | 4.00         |
| Street Superintendent                        | 1.00         | 1.00                | 1.00         |
| <b>HIGHWAYS &amp; STREETS DIVISION TOTAL</b> | <b>21.00</b> | <b>21.00</b>        | <b>21.00</b> |
| Traffic Sign Technician                      | 1.00         | 1.00                | 1.00         |
| Traffic Signal Technician                    | 3.00         | 3.00                | 3.00         |
| Traffic Superintendent                       | 1.00         | 1.00                | 1.00         |
| <b>TRAFFIC DIVISION TOTAL</b>                | <b>5.00</b>  | <b>5.00</b>         | <b>5.00</b>  |
| Administration Support                       | 1.00         | 1.00                | 1.00         |



|                                   |              |              |              |
|-----------------------------------|--------------|--------------|--------------|
| Facilities Foreman                | 1.00         | 1.00         | 1.00         |
| Facilities Maintenance Technician | 5.00         | 5.00         | 5.00         |
| Facilities Manager                | 1.00         | 1.00         | 1.00         |
| <b>FACILITIES DIVISION TOTAL</b>  | <b>8.00</b>  | <b>8.00</b>  | <b>8.00</b>  |
| Body Mechanic                     | 1.00         | 1.00         | 1.00         |
| Equipment Mechanic                | 6.00         | 6.00         | 6.00         |
| Fleet Superintendent              | 1.00         | 1.00         | 1.00         |
| Fleet Supervisor                  | 1.00         | 1.00         | 1.00         |
| Parts Specialist                  | 1.00         | 1.00         | 1.00         |
| <b>FLEET DIVISION TOTAL</b>       | <b>10.00</b> | <b>10.00</b> | <b>10.00</b> |
| <b>MUNICIPAL SERVICES TOTAL</b>   | <b>50.55</b> | <b>50.55</b> | <b>50.55</b> |

\* 20% of the Director and 15% of the Assistant Director position are charged to the Stormwater fund and are not included in the above table.

# PARKS AND RECREATION

General Fund — Parks & Recreation Department — 01500000 through 01509651

## Mission Statement

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



## 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 2020

- Successfully navigated the challenges of the COVID-19 pandemic which required temporary closure of all facilities and cancellation of all programs and events. This required significant changes in operations. Creation of a 100+ page document of updated policies and procedures, retrain staff, modify facilities and use creative solutions to allow for reopening of our facilities and recreation programming in a safe and responsible manner.
- Experienced record use of our entire parks and trails system.
- Modified existing and created new programs and recreational opportunities including virtual events such as the Freedom Run, Fourth of July Porch Parade, Fall-O-Ween Yard Tour, Holiday Lighting, and two Fishing Derbies.
- Began and made good progress on the Public Engagement phase of the Aquatics Study.
- Held a very successful Farmers Market season that extended into the holiday season with Holiday Market weekends.

- As part of the plant propagation program, staff grew over 15,000 plants to plant in landscape beds located throughout the city.
- Launched the community bike share program which partnered with RideKC to install 30 bikes shared between eight bike stations located across the city. This program allows for important recreation opportunities and alternative transportation options.
- Staff installed lighted bollards around Roses' Pond to improve safety and comfort to this heavily used trail.
- The Community Orchestra provided a virtual Lecture Series in place of live performances.
- Held the popular Annual Senior Holiday Banquet in a drive thru format. Seniors drove through the circle drive to pick up a prepackaged meal and small gift.
- The first annual Swingin' for a Scholarship Pickleball Tournament Fundraiser was held in September at the new Bois D' Arc courts. The tournament raised over \$5,000 for the Lenexa Parks and Recreation Scholarship Fund.
- Successfully opened and operated an outdoor pool (Indian Trails Aquatic Center) during the pandemic. Successfully consolidated programming including a full menu of swim lessons and a swim club in lieu of our swim team.
- Hosted a virtual Sar-Ko-Aglow holiday lighting ceremony which was followed by record visitation at Sar-Ko-Par during the holiday lights. The lights were on from Dec 3, 2020 to Jan 17, 2021 and 52,000 visitors enjoyed the lights.
- Continued to offer rental spaces with reduced capacity which allowed for a wide range of important rentals to take place (weddings, celebration of life, anniversaries, etc.).
- Developed preliminary plans for Cedar Station Park at Mize Lake.

## Objectives for 2021/2022

- The COVID-19 pandemic and subsequent public health orders issued by the state and county will continue to have a profound impact upon programs, special events and facilities into 2021 and beyond. General objectives include the operation of facilities, programs and events under safe operational guidelines and finding creative ways to continue to improve the quality of life in Lenexa and strengthen the community.
- Bring community-wide festivals and events back online safely.
- Work with the Shawnee Mission School District/Johnson County Park & Recreation District on parking logistics for the aquatic events in City Center.
- Reestablish our sponsorship program for special events, bike share program, Farmers Market and the Lenexa Arts Council activities.
- Complete the Peace Poles public art showcase project.
- Identify new location for Team Illusion Public Art and complete installation.
- Grow swim lesson and water lifesaving programs for both indoor and outdoor locations.
- Establish funding for the Scholarship Program through fundraising efforts.
- Completion of the park design for Cedar Station Park at Mize Lake.
- Complete the Aquatic Study Public Engagement process.
- Complete Lackman Trail Improvements.
- Partner with Community Development to include future park trail locations as part of the Comprehensive Plan update.
- Open and operate all three outdoor pool locations.
- Expand our tennis program by offering tournaments, clinics and camps at the newly renovated tennis courts at Sar-Ko-Par Trails Park.
- Identify opportunities to increase rentals as the end of the pandemic allows for capacity numbers to increase.
- Continue the use of technology for community engagement and recreational opportunities.

## Future Opportunities/Issues

- Complete the Parks and Recreation Master Plan Update.
- Renovation of the Community Center / Senior Center Campus to meet the needs of the community and provide a wide range of recreational opportunities.

- Identify funding for needed park improvements (pool renovations, new trails, trail maintenance, future park development).
- Staffing – Recruitment and retention of qualified staff.
- Offer new and safe ways to provide recreation programs.
- Analyze festivals and events and make adjustments where appropriate in order to provide safe and quality experiences.

| <b>EXPENDITURE INFORMATION</b> |                    |                            |                    |
|--------------------------------|--------------------|----------------------------|--------------------|
| <b>EXPENDITURE CATEGORY</b>    | <b>2020 Actual</b> | <b>2021 Revised Budget</b> | <b>2022 Budget</b> |
| Personal Services              | \$4,379,532        | \$5,302,394                | \$5,307,948        |
| Contractual Services           | 878,780            | 1,505,405                  | 1,584,929          |
| Commodities                    | 437,586            | 751,556                    | 782,386            |
| Capital Outlay                 | 14,776             | 103,906                    | 37,906             |
| Transfers                      | -                  | -                          | -                  |
| <b>TOTAL</b>                   | <b>\$5,710,674</b> | <b>\$7,663,261</b>         | <b>\$7,713,169</b> |

### Major Budget Changes for FY 2022

- Moved the Dance Program from the Rec Center Budget to the General Fund Community Center (\$53,918 Personal Services and \$15,580 Commodities).
- Additional funding to cover annual fee for Community Bike Share program (\$30,000 Contractual Services).
- Additional funding to cover needed window cleanings at Fire Station #3 and Municipal Services Buildings (\$3,000 Contractual Services).

| <b>STAFFING PARKS &amp; RECREATION</b>  |                    |                            |                    |
|---|--------------------|----------------------------|--------------------|
| <b>POSITION</b>                         | <b>2020 Actual</b> | <b>2021 Revised Budget</b> | <b>2022 Budget</b> |
| Administration Support                  | 1.00               | 1.50                       | 1.50               |
| Concierges                              | 0.38               | 0.38                       | 0.38               |
| Customer Service Manager                | -                  | -                          | -                  |
| Customer Service Representative         | 3.00               | 2.50                       | 2.50               |
| Customer Service Supervisor             | 1.00               | 1.00                       | 1.00               |
| Parks & Recreation Director             | 1.00               | 1.00                       | 1.00               |
| Assistant Park & Recreation Director    | 1.00               | 1.00                       | 1.00               |
| Recreation Superintendent               | 1.00               | 1.00                       | 1.00               |
| <b>ADMINISTRATION DIVISION TOTAL</b>    | <b>8.38</b>        | <b>8.38</b>                | <b>8.38</b>        |
| Administration Support                  | 1.00               | 1.00                       | 1.00               |
| Crew Leader                             | 5.00               | 5.00                       | 5.00               |
| Irrigation Technician                   | 1.00               | 1.00                       | 1.00               |
| Maintenance Worker                      | 20.00              | 20.00                      | 19.63              |
| Parks Superintendent                    | 1.00               | 1.00                       | 1.00               |
| Parks Supervisor                        | 3.00               | 3.00                       | 3.00               |
| Seasonal Maintenance Worker             | 4.95               | 4.95                       | 5.32               |
| <b>MAINTENANCE DIVISION TOTAL</b>       | <b>35.95</b>       | <b>35.95</b>               | <b>35.95</b>       |
| Building Services Worker/Crew Leader    | 13.77              | 8.72                       | 8.72               |
| Building Services Supervisor            | 1.00               | 1.00                       | 1.00               |
| <b>BUILDING SERVICES DIVISION TOTAL</b> | <b>14.77</b>       | <b>9.72</b>                | <b>9.72</b>        |
| Program Assistant/Receptionist          | -                  | -                          | -                  |

| POSITION                                     | 2020 Actual  | 2021 Revised Budget | 2022 Budget  |
|--|--------------|---------------------|--------------|
| Recreation Program Instructor                | 0.58         | 0.58                | 0.58         |
| Recreation Superintendent                    | 1.00         | 1.00                | 1.00         |
| Recreation Supervisor                        | 4.00         | 4.00                | 4.25         |
| <b>PROGRAM ADMINISTRATION DIVISION TOTAL</b> | <b>5.58</b>  | <b>5.58</b>         | <b>5.83</b>  |
| Concierge                                    | 1.53         | 1.53                | 1.53         |
| <b>THOMPSON BARN DIVISION TOTAL</b>          | <b>1.53</b>  | <b>1.53</b>         | <b>1.53</b>  |
| Farmers Market Attendant                     | 0.41         | 0.41                | 0.41         |
| <b>FARMERS MARKET DIVISION TOTAL</b>         | <b>0.41</b>  | <b>0.41</b>         | <b>0.41</b>  |
| Recreation Supervisor                        | 1.00         | 1.00                | 1.00         |
| <b>NATURE PROGRAM DIVISION TOTAL</b>         | <b>1.00</b>  | <b>1.00</b>         | <b>1.00</b>  |
| Aquatics Specialist                          | 0.50         | 0.50                | 0.50         |
| Coaches                                      | 1.75         | 1.75                | 1.75         |
| Swimming Pool Seasonal Worker                | 8.58         | 8.58                | 8.58         |
| <b>SWIMMING POOLS DIVISION TOTAL</b>         | <b>10.83</b> | <b>10.83</b>        | <b>10.83</b> |
| Attendant                                    | -            | -                   | 0.96         |
| <b>DANCE DIVISION TOTAL</b>                  | <b>-</b>     | <b>-</b>            | <b>0.96</b>  |
| <b>PARKS AND RECREATION TOTAL</b>            | <b>78.45</b> | <b>73.40</b>        | <b>74.61</b> |

# STORMWATER

Stormwater Fund — 80405000 through 80405550

## Mission Statement

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



## 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 2020

- Earned re-accreditation through APWA with 100% compliance in all areas covered.
- Hired and on-boarded a new stormwater superintendent.
- Grew approximately 4,000 native plants in the greenhouse for installation in City-owned stormwater facilities and for BMP Cost Share private rain gardens. Seeds are collected from established plants.
- Removed 631 cubic yards of debris by street sweeping and leaf removal.
- Inspected 89,722 feet of pipe.
- Removed 410 bags of litter out of the City-owned streams and BMPs.
- Installed a new rain garden at Bois D'Arc park and replanted 12 rain gardens in and around City Center.
- Completion of the Lakeview storm drainage improvement project.

## Objectives for 2021/2022

- Develop standard operating procedures for pond and wetland dredging program.
- Design and install floating wetlands program.
- Improve pollution prevention and good housekeeping program.
- Review and update street sweeper operation plan.

- Develop new BMPs for new litter interception.
- Improve streambank and riparian zone maintenance plan.

### 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.

| EXPENDITURE INFORMATION |                    |                     |                    |
|-------------------------|--------------------|---------------------|--------------------|
| EXPENDITURE CATEGORY    | 2020 Actual        | 2021 Revised Budget | 2022 Budget        |
| Personal Services       | \$1,454,045        | \$1,739,804         | \$1,789,258        |
| Contractual Services    | 41,591             | 176,150             | 176,450            |
| Commodities             | 78,042             | 137,600             | 138,720            |
| Capital Outlay          | 106,462            | 425,000             | 25,000             |
| Debt Service            | 2,806,658          | 3,030,066           | 3,011,006          |
| Transfers               | 1,735,458          | 4,075,747           | 1,634,788          |
| Reserves                | -                  | -                   | 1,194,734          |
| <b>TOTAL</b>            | <b>\$6,222,256</b> | <b>\$9,584,367</b>  | <b>\$7,969,956</b> |

### Major Budget Changes for FY 2022

- Debt Service and Transfers have been adjusted to incorporate stormwater projects funded in the Capital Improvement Program.
- Funding included for brush cutter and John Deere Gator (\$25,000 Capital Outlay).

| <b>STAFFING STORMWATER</b>                  |                    |                            |                    |
|---|--------------------|----------------------------|--------------------|
| <b>Stormwater Management Fund</b>           |                    |                            |                    |
| <b>POSITION</b>                             | <b>2020 Actual</b> | <b>2021 Revised Budget</b> | <b>2022 Budget</b> |
| Asset Management Technician                 | 0.30               | 0.30                       | 0.30               |
| Asset Systems Coordinator                   | 0.80               | 0.80                       | 0.80               |
| <b>Administration Division Total</b>        | <b>1.10</b>        | <b>1.10</b>                | <b>1.10</b>        |
| Assistant to the Municipal Service Director | 1.00               | 1.00                       | 1.00               |
| Maintenance Worker                          | 13.00              | 13.00                      | 11.00              |
| Stormwater Maintenance Foreman              | 2.00               | 2.00                       | 2.00               |
| Stormwater Superintendent                   | 1.00               | 1.00                       | 1.00               |
| Stormwater Street Sweeper Operator          | -                  | -                          | 2.00               |
| <b>Maintenance Division Total</b>           | <b>17.00</b>       | <b>17.00</b>               | <b>17.00</b>       |
| Erosion Control Inspector                   | 1.00               | 1.00                       | 1.00               |
| Project Manager                             | 1.00               | 1.00                       | 1.00               |
| Stormwater Specialist                       | 1.00               | 1.00                       | 1.00               |
| <b>Development Division Total</b>           | <b>3.00</b>        | <b>3.00</b>                | <b>3.00</b>        |
| <b>STORMWATER TOTAL</b>                     | <b>21.10</b>       | <b>21.10</b>               | <b>21.10</b>       |

\* 20% of the Municipal Services Director and 15% of the Assistant Municipal Services Director position are charged to the Stormwater fund and are not included in the above table.



# REC CENTER

Rec Center Fund — 82500000 through 82510000

## Mission Statement

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



## 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 2020

- Successfully navigated the challenges of the COVID-19 pandemic, which required the closure of the Rec Center and cancellation of all programs and events. This required significant changes to everything we do and how we do it. Staff had to create updated policies and procedures, retrain staff, modify facilities and use creative solutions to allow for reopening of our facility and resume recreation programming in a safe and responsible manner.
- Our Licensed Summer Camp ran safely and successfully throughout the summer and extended for an additional five weeks due to the delay of school starting.
- Kept the community and Rec Center members engaged with virtual fitness and recreational opportunities.
- Provided clear and consistent communication to members throughout the closure and reopening. Provided flexible membership options to meet everyone's comfort levels.
- Successfully created a "Fall Back into Fitness" initiative which drew over 100 participants with 15 different aerobic classes held outdoors.
- Retained employees through the pandemic and completed training for all updated policies and procedures.
- Implemented significant cost-savings measures to reduce the impact of revenue loss during shutdown.

- Hosted the Gobbler Gallop 5K which raised \$2,300 for the scholarship program and over 75 individuals completing the self-reported race.
- Completion of five-year equipment replacement plan.

**Objectives for 2021/2022**

- The COVID-19 pandemic and subsequent public health orders issued by the state and county will continue to affect our membership, programs, and events into 2021 and beyond. General objectives include the operation of the facility, programs, and events under safe operational guidelines and finding creative ways to continue to improve the quality of life in Lenexa and strengthen the community.
- Allow previous members to safely return when they become more comfortable. Strive for a 20% reactivation due to the pandemic through a comprehensive member reengagement plan.
- Continue to hold free community engagement events for our community as an opportunity to stay mentally and physically healthy.
- Continue to foster member retention by offering appropriate community-style events and ways to keep them involved in the Rec Center.
- Continue to provide Rec Center members with virtual fitness and recreational opportunities.
- Strive towards an improved cost recovery while not sacrificing services during the pandemic.

**Future Opportunities/Issues**

- Re-engage members who left during the pandemic due to the concerns of personal risk factors.
- Continue efforts towards maintaining 100% cost recovery – specifically around expense management.
- Quality staff recruitment and retention will continue to be a challenge due to our heavy reliance on variable staff for operations.

| <b>EXPENDITURE INFORMATION</b> |                    |                            |                    |
|--------------------------------|--------------------|----------------------------|--------------------|
| <b>EXPENDITURE CATEGORY</b>    | <b>2020 Actual</b> | <b>2021 Revised Budget</b> | <b>2022 Budget</b> |
| Personal Services              | \$1,611,919        | \$2,134,558                | \$2,018,249        |
| Contractual Services           | 296,661            | 500,803                    | 500,803            |
| Commodities                    | 188,084            | 267,405                    | 272,025            |
| Capital Outlay                 | 6,200              | 25,000                     | 96,942             |
| Debt Service                   | -                  | -                          | -                  |
| Transfers                      | -                  | -                          | -                  |
| Reserves                       | -                  | -                          | 951,594            |
| <b>TOTAL</b>                   | <b>\$2,102,864</b> | <b>\$2,927,766</b>         | <b>\$3,839,613</b> |

**Major Budget Changes for FY 2022**

- Dance Program moved to the General Fund Community Center.
- Funding Increase for Fitness Equipment Replacement (\$71,942 Capital Outlay).

| <b>STAFFING REC CENTER</b>           |                    |                            |                    |
|--------------------------------------|--------------------|----------------------------|--------------------|
| <b>82 FUND: 500 REC CENTER</b>       |                    |                            |                    |
| <b>POSITION</b>                      | <b>2020 Actual</b> | <b>2021 Revised Budget</b> | <b>2022 Budget</b> |
| Assistant Rec Center Manager         | 0.50               | 0.50                       | 0.50               |
| Rec Center Manager                   | 1.00               | 1.00                       | 1.00               |
| <b>ADMINISTRATION DIVISION TOTAL</b> | <b>1.50</b>        | <b>1.50</b>                | <b>1.50</b>        |

| POSITION                                     | 2020 Actual  | 2021 Revised Budget | 2022 Budget  |
|--|--------------|---------------------|--------------|
| Attendant                                    | 3.75         | 3.75                | 3.75         |
| Customer Service (Front Desk) Representative | 5.90         | 5.90                | 5.90         |
| Customer Service Supervisor                  | 1.00         | 1.00                | 1.00         |
| <b>CUSTOMER SERVICE DIVISION TOTAL</b>       | <b>10.65</b> | <b>10.65</b>        | <b>10.65</b> |
| Facilities Maintenance Technician            | 1.00         | 1.00                | 1.00         |
| Parks Maintenance Worker                     | 1.00         | 1.00                | 1.00         |
| <b>FACILITIES DIVISION TOTAL</b>             | <b>2.00</b>  | <b>2.00</b>         | <b>2.00</b>  |
| Building Services Worker/Crew Leader         | 5.49         | 5.00                | 5.00         |
| <b>BUILDING SERVICES DIVISION TOTAL</b>      | <b>5.49</b>  | <b>5.00</b>         | <b>5.00</b>  |
| Assistant Rec Center Manager                 | 0.50         | 0.50                | 0.50         |
| Attendants                                   | 0.85         | 0.85                | 0.85         |
| <b>RENTAL &amp; EVENTS DIVISION TOTAL</b>    | <b>1.35</b>  | <b>1.35</b>         | <b>1.35</b>  |
| Program Instructor                           | 0.69         | 0.69                | 0.69         |
| <b>ENRICHMENT DIVISION TOTAL</b>             | <b>0.69</b>  | <b>0.69</b>         | <b>0.69</b>  |
| Attendant/Counselor                          | 4.50         | 4.50                | 4.50         |
| Camp Director                                | 0.58         | 0.58                | 0.58         |
| Recreation Supervisor                        | 0.25         | 0.25                | 0.25         |
| <b>CAMPS DIVISION TOTAL</b>                  | <b>5.33</b>  | <b>5.33</b>         | <b>5.33</b>  |
| Attendant                                    | 0.96         | 0.96                | -            |
| Recreation Supervisor                        | 0.25         | 0.25                | -            |
| <b>DANCE DIVISION TOTAL</b>                  | <b>1.21</b>  | <b>1.21</b>         | <b>-</b>     |
| Attendant                                    | 2.94         | 2.94                | 2.94         |
| Recreation Supervisor                        | 0.25         | 0.25                | 0.25         |
| <b>SPORTS DIVISION TOTAL</b>                 | <b>3.19</b>  | <b>3.19</b>         | <b>3.19</b>  |
| Aquatics Specialist                          | 0.50         | 0.50                | 0.50         |
| Aquatics Program Coordinator                 | 0.52         | 0.52                | 0.52         |
| Lifeguards                                   | 13.39        | 13.39               | 13.39        |
| Pool Managers                                | 1.83         | 1.83                | 1.83         |
| Recreation (Aquatics) Supervisor             | 0.50         | 0.50                | 0.50         |
| <b>SWIMMING POOL DIVISION TOTAL</b>          | <b>16.74</b> | <b>16.74</b>        | <b>16.74</b> |
| Attendant                                    | 1.55         | 1.55                | 1.55         |
| Fitness Coordinator                          | 0.72         | 0.72                | 0.72         |
| Personal Trainer                             | 0.50         | 0.50                | 0.50         |
| Program Instructor                           | 2.58         | 2.58                | 2.58         |
| Recreation Supervisor                        | 0.75         | 0.75                | 0.75         |
| <b>FITNESS DIVISION TOTAL</b>                | <b>6.10</b>  | <b>6.10</b>         | <b>6.10</b>  |
| <b>REC CENTER TOTAL</b>                      | <b>54.25</b> | <b>53.76</b>        | <b>52.55</b> |

# 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.

| SPECIAL HIGHWAY      |                    |                     |                    |
|----------------------|--------------------|---------------------|--------------------|
| EXPENDITURE CATEGORY | 2020 Actual        | 2021 Revised Budget | 2022 Budget        |
| Personal Services    | \$-                | \$-                 | \$-                |
| Contractual Services | -                  | -                   | -                  |
| Commodities          | -                  | -                   | -                  |
| Capital Outlay       | -                  | -                   | -                  |
| Transfers            | 1,442,629          | 1,309,865           | 1,430,000          |
| Reserves             | -                  | -                   | 365,424            |
| <b>TOTAL</b>         | <b>\$1,442,629</b> | <b>\$1,309,865</b>  | <b>\$1,795,424</b> |

## Major Budget Changes for FY 2022

- \$1,430,000 is allocated for the pavement management program. (Special Highway revenue estimate is provided by the State annually).

# 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    | 2020 Actual      | 2021 Revised Budget | 2022 Budget      |
| Personal Services       | \$-              | \$-                 | \$-              |
| Contractual Services    | 205,925          | 205,000             | 205,000          |
| Commodities             | 29,996           | 30,000              | 30,000           |
| Capital Outlay          | -                | -                   | -                |
| Transfers               | -                | -                   | -                |
| Reserves                | -                | -                   | 469,422          |
| <b>TOTAL</b>            | <b>\$235,921</b> | <b>\$235,000</b>    | <b>\$704,422</b> |

## Major Budget Changes for FY 2022

- \$135,000 for Drug & Alcoholism Council.
- \$70,000 included for the Mental Health Co-Responders positions.

(Special Alcohol revenue estimate is provided by the State annually)

# 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    | 2020 Actual      | 2021 Revised Budget | 2022 Budget      |
| Personal Services       | \$-              | \$-                 | \$-              |
| Contractual Services    | -                | -                   | -                |
| Commodities             | -                | -                   | -                |
| Capital Outlay          | -                | -                   | -                |
| Transfers               | 238,999          | 271,000             | 235,000          |
| Reserves                | -                | -                   | 65,393           |
| <b>TOTAL</b>            | <b>\$238,999</b> | <b>\$271,000</b>    | <b>\$300,393</b> |

## Major Budget Changes for FY 2022

- Transfer of funds to Parks and Recreation capital projects increases due to additional revenue from liquor taxes.

# TOURISM AND CONVENTION

Tourism And Convention 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 & Visitors Bureau.
- Funding for Economic Development Council.
- Funding for art purchases.
- Funding for Legler Barn operations.

| EXPENDITURE INFORMATION |                  |                     |                    |
|-------------------------|------------------|---------------------|--------------------|
| EXPENDITURE CATEGORY    | 2020 Actual      | 2021 Revised Budget | 2022 Budget        |
| Personal Services       | \$9,594          | \$37,215            | \$17,048           |
| Contractual Services    | 607,786          | 614,673             | 614,673            |
| Commodities             | -                | 2,400               | 2,400              |
| Capital Outlay          | 70,000           | 60,000              | -                  |
| Debt Service            | 275,106          | 276,856             | 273,106            |
| Transfers               | 22,000           | -                   | 22,000             |
| Reserves                | -                | -                   | 1,199,080          |
| <b>TOTAL</b>            | <b>\$984,486</b> | <b>\$991,144</b>    | <b>\$2,128,307</b> |

## Major Budget Changes for FY 2022

- \$270,000 included for the Convention & Visitors Bureau.
- \$335,000 for Lenexa Economic Development Council.
- \$22,000 for art purchases (transfer to Capital Improvement Fund).
- \$27,196 for Legler Barn operations.
- \$273,106 for debt service payments on the City Center East Conference Center.

| STAFFING LEGLER BARN            |             |                     |             |
|---------------------------------|-------------|---------------------|-------------|
| POSITION                        | 2020 Actual | 2021 Revised Budget | 2022 Budget |
| Customer Service Representative | 0.5         | 0.5                 | 0.5         |
| <b>TOURISM FUND TOTAL</b>       | <b>0.5</b>  | <b>0.5</b>          | <b>0.5</b>  |

# PARKS AND RECREATION IMPACT FEE

## 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    | 2020 Actual | 2021 Revised Budget | 2022 Budget        |
| Personal Services       | \$-         | \$-                 | \$-                |
| Contractual Services    | -           | -                   | -                  |
| Commodities             | -           | -                   | -                  |
| Capital Outlay          | -           | -                   | -                  |
| Transfers               | -           | 425,000             | 425,000            |
| Reserves                | -           | -                   | 2,724,204          |
| <b>TOTAL</b>            | <b>\$-</b>  | <b>\$425,000</b>    | <b>\$3,149,204</b> |

## Major Budget Changes for FY 2022

- Transfer of funds to 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    | 2020 Actual     | 2021 Revised Budget | 2022 Budget      |
| Personal Services       | \$-             | \$-                 | \$-              |
| Contractual Services    | -               | -                   | -                |
| Commodities             | 59,115          | 90,000              | 90,000           |
| Capital Outlay          | -               | -                   | -                |
| Transfers               | -               | -                   | -                |
| Reserves                | -               | -                   | 436,695          |
| <b>TOTAL</b>            | <b>\$59,115</b> | <b>\$90,000</b>     | <b>\$526,695</b> |

## Major Budget Changes for FY 2022

- Funding for cost of 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    | 2020 Actual        | 2021 Revised Budget | 2022 Budget        |
| Personal Services       | \$-                | \$-                 | \$-                |
| Contractual Services    | -                  | -                   | -                  |
| Commodities             | -                  | -                   | -                  |
| Capital Outlay          | -                  | -                   | -                  |
| Transfers               | 1,294,421          | 695,000             | 775,000            |
| Reserves                | -                  | -                   | 2,093,734          |
| <b>TOTAL</b>            | <b>\$1,294,421</b> | <b>\$695,000</b>    | <b>\$2,868,734</b> |

## Major Budget Changes for FY 2022

- Transfer of funds to traffic capital projects increases due to additional revenue from development activity.

# 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    | 2020 Actual      | 2021 Revised Budget | 2022 Budget      |
| Personal Services       | \$-              | \$-                 | \$-              |
| Contractual Services    | 225,962          | 350,000             | 350,000          |
| Commodities             | -                | -                   | -                |
| Capital Outlay          | -                | -                   | -                |
| Transfers               | -                | -                   | -                |
| Reserves                | -                | -                   | 396,112          |
| <b>TOTAL</b>            | <b>\$225,962</b> | <b>\$350,000</b>    | <b>\$746,112</b> |

## Major Budget Changes for FY 2022

- 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    | 2020 Actual        | 2021 Revised Budget | 2022 Budget         |
| Personal Services       | \$-                | \$-                 | \$-                 |
| Contractual Services    | -                  | -                   | -                   |
| Commodities             | -                  | -                   | -                   |
| Economic Development    | 3,810,975          | 8,645,555           | 8,645,000           |
| Transfers               | 2,228,192          | 43,445              | 43,000              |
| Reserves                | -                  | -                   | 1,805,721           |
| <b>TOTAL</b>            | <b>\$6,039,168</b> | <b>\$8,689,000</b>  | <b>\$10,493,721</b> |

## Major Budget Changes for FY 2022

- No major budget changes.

# MINING TIF

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    | 2020 Actual        | 2021 Revised Budget | 2022 Budget        |
| Personal Services       | \$-                | \$-                 | \$-                |
| Contractual Services    | -                  | -                   | -                  |
| Commodities             | -                  | -                   | -                  |
| Economic Development    | 1,549,874          | 3,626,775           | 3,338,000          |
| Transfers               | 4,491              | 18,225              | 17,000             |
| Reserves                | -                  | -                   | 743,660            |
| <b>TOTAL</b>            | <b>\$1,554,365</b> | <b>\$3,645,000</b>  | <b>\$4,098,660</b> |

## Major Budget Changes for FY 2022

- No major budget changes.

# 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    | 2020 Actual      | 2021 Revised Budget | 2022 Budget        |
| Personal Services       | \$-              | \$-                 | \$-                |
| Contractual Services    | -                | -                   | -                  |
| Commodities             | -                | -                   | -                  |
| Economic Development    | 321,677          | 1,633,790           | 1,470,000          |
| Transfers               | 1,616            | 8,210               | 7,000              |
| Reserves                | -                | -                   | 1,590,024          |
| <b>TOTAL</b>            | <b>\$323,294</b> | <b>\$1,642,000</b>  | <b>\$3,067,024</b> |

## Major Budget Changes for FY 2022

- No major budget changes.

# 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    | 2020 Actual        | 2021 Revised Budget | 2022 Budget        |
| Personal Services       | \$-                | \$-                 | \$-                |
| Contractual Services    | -                  | -                   | -                  |
| Commodities             | -                  | -                   | -                  |
| Economic Development    | 346,402            | 1,285,540           | 1,430,000          |
| Transfers               | 801,732            | 6,460               | 7,000              |
| Reserves                | -                  | -                   | 832,448            |
| <b>TOTAL</b>            | <b>\$1,148,134</b> | <b>\$1,292,000</b>  | <b>\$2,269,448</b> |

## Major Budget Changes for FY 2022

- TIF 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    | 2020 Actual      | 2021 Revised Budget | 2022 Budget      |
| Personal Services       | \$-              | \$-                 | \$-              |
| Contractual Services    | -                | -                   | -                |
| Commodities             | -                | -                   | -                |
| Economic Development    | 556,908          | 693,000             | 693,000          |
| Transfers               | 5,787            | 7,000               | 7,000            |
| Reserves                | -                | -                   | 143,596          |
| <b>TOTAL</b>            | <b>\$562,696</b> | <b>\$700,000</b>    | <b>\$843,596</b> |

## Major Budget Changes for FY 2022

- No major budget changes.



# 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    | 2020 Actual      | 2021 Revised Budget | 2022 Budget      |
| Personal Services       | \$-              | \$-                 | \$-              |
| Contractual Services    | -                | -                   | -                |
| Commodities             | -                | -                   | -                |
| Economic Development    | 112,544          | 158,604             | 123,750          |
| Transfers               | 1,058            | 1,396               | 1,250            |
| Reserves                | -                | -                   | 24,965           |
| <b>TOTAL</b>            | <b>\$113,602</b> | <b>\$160,000</b>    | <b>\$149,965</b> |

## Major Budget Changes for FY 2022

- No major budget changes.

# 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 |                 |                     |                 |
|-------------------------|-----------------|---------------------|-----------------|
| EXPENDITURE CATEGORY    | 2020 Actual     | 2021 Revised Budget | 2022 Budget     |
| Personal Services       | \$-             | \$-                 | \$-             |
| Contractual Services    | -               | -                   | -               |
| Commodities             | -               | -                   | -               |
| Economic Development    | 25,960          | 51,480              | 51,480          |
| Transfers               | 255             | 520                 | 520             |
| Reserves                | -               | -                   | 4,706           |
| <b>TOTAL</b>            | <b>\$26,215</b> | <b>\$52,000</b>     | <b>\$56,706</b> |

## Major Budget Changes for FY 2022

- 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    | 2020 Actual     | 2021 Revised Budget | 2022 Budget     |
| Personal Services       | \$-             | \$-                 | \$-             |
| Contractual Services    | -               | -                   | -               |
| Commodities             | -               | -                   | -               |
| Economic Development    | 54,325          | 79,200              | 79,200          |
| Transfers               | 508             | 800                 | 800             |
| Reserves                | -               | -                   | 8,085           |
| <b>TOTAL</b>            | <b>\$54,833</b> | <b>\$80,000</b>     | <b>\$88,085</b> |

## Major Budget Changes for FY 2022

- No major budget changes.

# 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    | 2020 Actual | 2021 Revised Budget | 2022 Budget     |
| Personal Services       | \$-         | \$-                 | \$-             |
| Contractual Services    | -           | -                   | -               |
| Commodities             | -           | -                   | -               |
| Economic Development    | -           | 19,800              | 19,800          |
| Transfers               | -           | 200                 | 200             |
| Reserves                | -           | -                   | 22,239          |
| <b>TOTAL</b>            | <b>\$-</b>  | <b>\$20,000</b>     | <b>\$42,239</b> |

## Major Budget Changes for FY 2022

- 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    | 2020 Actual     | 2021 Revised Budget | 2022 Budget      |
| Personal Services       | \$-             | \$-                 | \$-              |
| Contractual Services    | -               | -                   | -                |
| Commodities             | -               | -                   | -                |
| Economic Development    | 12,120          | 108,900             | 108,900          |
| Transfers               | 105             | 1,100               | 1,100            |
| Reserves                | -               | -                   | 259,655          |
| <b>TOTAL</b>            | <b>\$12,225</b> | <b>\$110,000</b>    | <b>\$369,655</b> |

## Major Budget Changes for FY 2022

- No major budget changes.

# 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    | 2020 Actual     | 2021 Revised Budget | 2022 Budget     |
| Personal Services       | \$-             | \$-                 | \$-             |
| Contractual Services    | -               | -                   | -               |
| Commodities             | -               | -                   | -               |
| Economic Development    | 30,438          | 59,400              | 59,400          |
| Transfers               | 291             | 600                 | 600             |
| Reserves                | -               | -                   | 4,597           |
| <b>TOTAL</b>            | <b>\$30,729</b> | <b>\$60,000</b>     | <b>\$64,597</b> |

## Major Budget Changes for FY 2022

- No major budget changes.

# 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    | 2020 Actual     | 2021 Revised Budget | 2022 Budget     |
| Personal Services       | \$-             | \$-                 | \$-             |
| Contractual Services    | -               | -                   | -               |
| Commodities             | -               | -                   | -               |
| Economic Development    | 16,459          | 29,700              | 29,700          |
| Transfers               | 157             | 300                 | 300             |
| Reserves                | -               | -                   | 2,983           |
| <b>TOTAL</b>            | <b>\$16,616</b> | <b>\$30,000</b>     | <b>\$32,983</b> |

## Major Budget Changes for FY 2022

- No major budget changes.

# 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    | 2020 Actual    | 2021 Revised Budget | 2022 Budget     |
| Personal Services       | \$-            | \$-                 | \$-             |
| Contractual Services    | -              | -                   | -               |
| Commodities             | -              | -                   | -               |
| Economic Development    | 7,406          | 34,650              | 34,650          |
| Transfers               | 75             | 350                 | 350             |
| Reserves                | -              | -                   | 102             |
| <b>TOTAL</b>            | <b>\$7,481</b> | <b>\$35,000</b>     | <b>\$35,102</b> |

## Major Budget Changes for FY 2022

- No major budget changes.



# 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    | 2020 Actual | 2021 Revised Budget | 2022 Budget      |
| Personal Services       | \$-         | \$-                 | \$-              |
| Contractual Services    | -           | -                   | -                |
| Commodities             | -           | -                   | -                |
| Economic Development    | -           | 450,450             | 381,150          |
| Transfers               | -           | 4,550               | 3,850            |
| Reserves                | -           | -                   | 121,399          |
| <b>TOTAL</b>            | <b>\$-</b>  | <b>\$455,000</b>    | <b>\$506,399</b> |

## Major Budget Changes for FY 2022

- CID reimbursements became active in 2021.

# 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    | 2020 Actual | 2021 Revised Budget | 2022 Budget     |
| Personal Services       | \$-         | \$-                 | \$-             |
| Contractual Services    | -           | -                   | -               |
| Commodities             | -           | -                   | -               |
| Economic Development    | -           | 80,251              | 49,500          |
| Transfers               | -           | 749                 | 500             |
| Reserves                | -           | -                   | 26,829          |
| <b>TOTAL</b>            | <b>\$-</b>  | <b>\$81,000</b>     | <b>\$76,829</b> |

## Major Budget Changes for FY 2022

- No major budget changes.

# 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    | 2020 Actual | 2021 Revised Budget | 2022 Budget      |
| Personal Services       | \$-         | \$-                 | \$-              |
| Contractual Services    | -           | -                   | -                |
| Commodities             | -           | -                   | -                |
| Economic Development    | -           | 317,790             | 217,800          |
| Transfers               | -           | 3,210               | 2,200            |
| Reserves                | -           | -                   | 115,930          |
| <b>TOTAL</b>            | <b>\$-</b>  | <b>\$321,000</b>    | <b>\$335,930</b> |

## Major Budget Changes for FY 2022

- CID reimbursement began in 2021.



# NON-BUDGETED FUNDS

**This section lists the funds of the City of Lenexa that are not budgeted, with a short explanation of each. Also included are listings of uses for the money transfers into the Capital Improvement Fund.**

# 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 2022 budget is a \$15,171,054 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. | \$7,419,000 |
| 1/4 Cent County Sales/Use Tax: This sales tax will be used for public safety projects.                         | 1,714,000   |
| Capital Projects: These monies will be added to the 2022-2026 CIP to help fund various capital projects.       | 6,016,054   |
| 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. CARES, Sobriety/Saturation Grant and Special Traffic Enforcement Program).

## 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 2022 budget, \$500,000 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 2022 budget, \$1,700,000 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 workers 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.



# GLOSSARY

**This section includes definitions of terms and acronyms used throughout the budget document.**

# 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.

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

**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.

**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, Deputy 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.

**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.

**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 benefits 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 on property in the District.

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

**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 predominantly self-supporting through user charges. The City currently has two enterprise funds- Stormwater and Rec Center Fund.

**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.

**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.

**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, Assistant 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.

**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.

**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 governments 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.

**REVENUE NEUTRAL TAX RATE** — Kansas statute defines this as the mill levy required to raise the same amount of property tax revenue as the prior year using current year assessed valuation amounts.

**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.

**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.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.