



# 2019

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



**Lenexa**   
K A N S A S



## ACKNOWLEDGMENT

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

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

Eric Wade, City Administrator  
Todd Pelham, Deputy City Administrator  
Doug Robinson, Chief Financial Officer  
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The following individuals are recognized for their significant contribution in the preparation of this document:

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

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**CITY ATTORNEY**  
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Tom Hongslo

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**MUNICIPAL SERVICES DIRECTOR**  
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**INFORMATION TECHNOLOGY  
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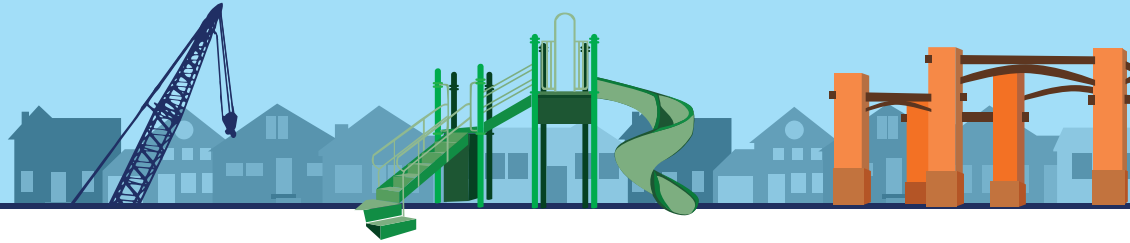
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Danielle Dulin  
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**INTERIM CITY CLERK**  
Jennifer Martin

**MUNICIPAL COURT JUDGE**  
Erika DeMarco

# Governing Body Goals



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

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

The primary challenge in meeting this goal is addressing increased demands for services. The recommended budget includes additional staffing to help meet service demands. The budget also continues to provide funding for technology and training to enhance staff productivity.

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

The primary challenge in meeting this goal is achieving structural financial balance (revenues equal to or exceeding expenditures and transfers) in the General Fund, Debt Service Fund, and Stormwater Fund (these three funds comprise more than 80% of the total budget). The recommended budget maintains structural balance in the General Fund for 2019, and the long-term financial forecast shows structural balance for all three funds by 2022.

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

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

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

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

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

The development of Lenexa City Center has made significant progress in the past few years. The new civic campus – with the Lenexa Rec Center and City Hall featuring the Lenexa Public Market and Park University – opened July 2017. Construction is taking place throughout City Center including Johnson County's City Center Library and the Shawnee Mission School District Aquatic Center. Other mixed-use projects under construction feature space for retail, office, restaurant and multifamily housing.

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

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



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished  
Budget Presentation  
Award*

PRESENTED TO

**City of Lenexa  
Kansas**

For the Fiscal Year Beginning

**January 1, 2018**

*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, 2018.

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

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



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# General Overview

**Annual Budget Document  
2019  
City of Lenexa  
January 1 - December 31**



# Budget Message



DATE: October 26, 2018  
TO: Members of the Governing Body  
FROM: Eric Wade, City Administrator

## **INTRODUCTION AND ECONOMIC ENVIRONMENT**

I am submitting the final budget for fiscal year 2019 approved at the August 7, 2018 City Council meeting. As required by law and by sound fiscal management, the adopted budget is balanced and ready for implementation. The budget document communicates the city's plan on how to allocate available resources to provide services to the residents and businesses of Lenexa.

The city continues to operate in a positive economic environment after the end of the "Great Recession." Assessed valuation increased by 7% for the 2019 budget – this is the sixth consecutive year of growth in assessed valuation. Construction activity in the city remains strong, with 2018 construction valuation expected to meet or exceed 2017 levels (which was another record year). In addition, the unemployment rate in Johnson County continues to decline (the unemployment rate averaged 3.1% in 2017 compared to a peak of 6.5% in 2010). As a result, the city's General Fund financial projections remain in structural balance for the next five years.

The Governing Body strategic goals align the financial decisions included in the annual budget and Capital Improvement Program (CIP) with city services. In order to implement the Governing Body goal of fiscal responsibility, the city has developed a set of budget principles to guide the preparation of the annual budget, CIP, and multi-year financial models. These budget principles are:

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

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

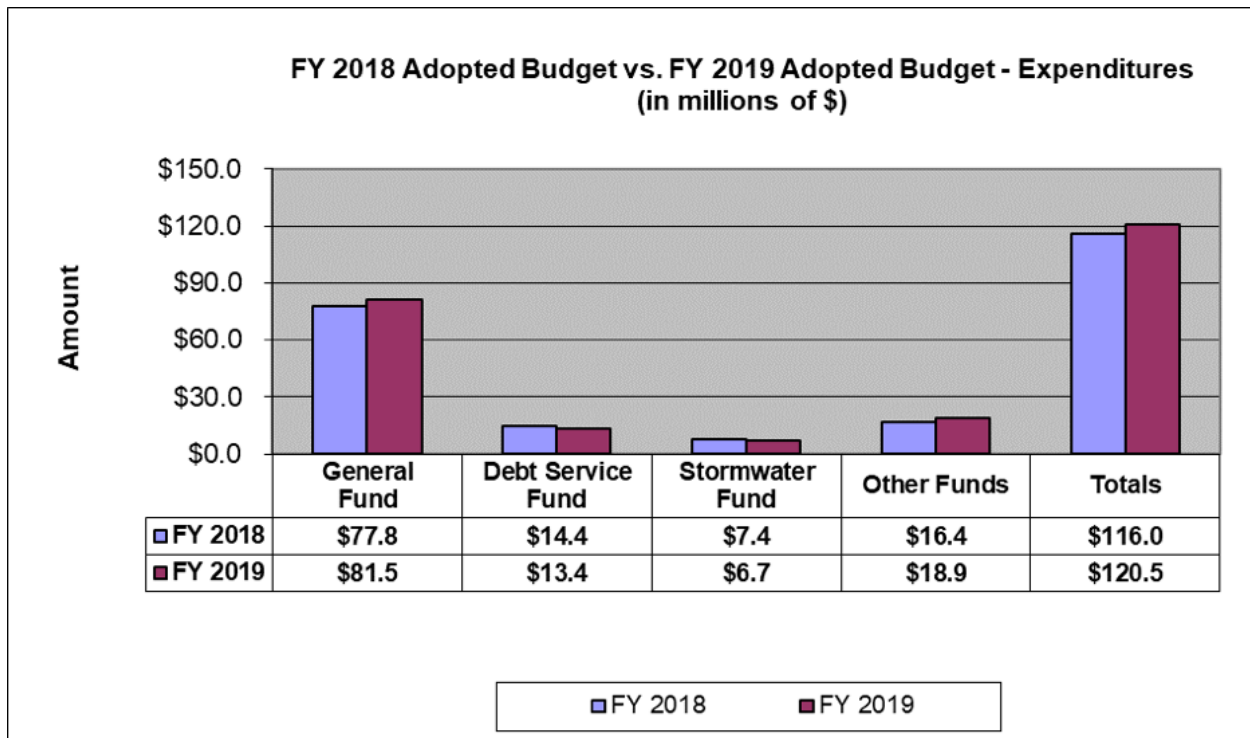
Overall, the adopted budget:

1. Includes a projected property tax mill levy at 30.150 mills (decrease of 1.682 mills from 2018).
2. Maintains appropriate reserve levels in all city funds (the projected reserve for the General Fund is 34% of budgeted revenues in FY 2019, which is within the city's policy range of 30% to 35%).
3. Continues the focus on providing quality city services (including an increase in staffing levels to address greater service demands).
4. Continues funding for the pavement management program and parks/civic projects (including the new Rec Center facility) due to the 3/8-cent sales tax adopted by voters in 2008.

The total adopted budget for all funds, including projected reserve amounts, is \$164.1 million (\$120.5 million for expenditures plus \$43.6 million for projected reserve balances). This is an increase of \$10.2 million, or 7%, compared to the 2018 adopted budget.

**BUDGET SUMMARY**

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



Total budgeted expenditures in FY 2019 increase by \$4.5 million (4%) compared to the adopted FY 2017 budget. General Fund expenditures increase by \$3.7 million (5%) compared to the previous budget amount for 2017.

The total budget of \$164.1 million is the sum of budgeted expenditures plus projected ending reserve balances in each budgeted fund as of December 31, 2019. The projected ending reserve balances are \$43.6 million for FY 2019, which is an increase of \$5.7 million compared to the 2018 projections.



## **REVENUE HIGHLIGHTS**

The city’s projected property tax rate of 30.150 mills allocates 23.306 mills to the General Fund and 6.844 mills to the Debt Service Fund. The estimated mill levy decreases by 1.682 mills for 2019 – 0.585 mills in the General Fund and 1.097 mills in the Debt Service Fund. In total, the city will receive approximately \$34.6 million in property taxes, which is an increase of \$0.6 million (2%) from 2018.

The total estimated assessed valuation, to which the property tax rate is applied, increases from \$1.10 billion in 2018 to \$1.18 billion in 2019 (increase of 7%). The estimated delinquency rate for property taxes is 3% in the adopted budget (no change from the 2018 budget).

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

### **Percentage Change in Assessed Valuation**

	<b><u>FY 2015</u></b>	<b><u>FY 2016</u></b>	<b><u>FY 2017</u></b>	<b><u>FY 2018</u></b>	<b><u>FY 2019</u></b>
Real Estate	7.0%	8.8%	7.1%	6.4%	7.9%
Personal	-26.0%	-13.0%	-5.6%	-5.8%	-15.1%
Utilities	-8.7%	1.7%	2.1%	-0.5%	6.2%
<b>Total</b>	<b>5.1%</b>	<b>7.9%</b>	<b>6.7%</b>	<b>6.0%</b>	<b>7.4%</b>

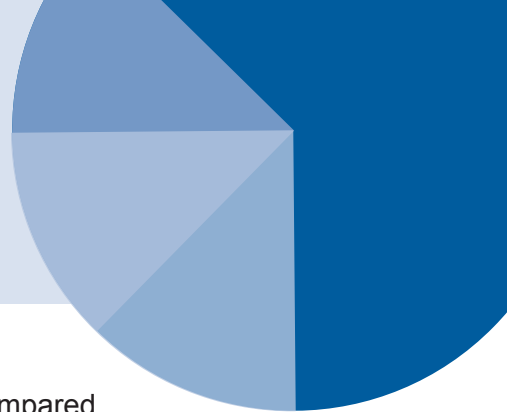
The 7% increase in the city’s total assessed valuation for 2019 is the fifth consecutive year of growth greater than 5%.

### **Property Tax Limit Calculation**

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

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

Due to these exemptions, the city projects structural balance will still be attainable for the General Fund financial projections during the next few fiscal years (the property tax limit calculation only applies to the city’s General Fund). The 2019 adopted budget includes a property tax levy less than the calculated property tax limit.



### Sales and Compensating Use Taxes (General Fund)

The revenue projections for city sales taxes reflect an increase of 5% compared to the original FY 2018 budget due to new retail establishments and continued growth in retail spending. County sales taxes increase by 2% compared to FY 2018 budget due to continued growth in retail spending. Use taxes remain approximately the same as the FY 2018 budget amount. City staff monitors sales and use tax collections monthly, and provides updates to the Governing Body in the quarterly financial report presentations.

### Franchise Tax Revenues

Franchise tax revenue from electricity consumption increases by 3% compared to the FY 2018 budget (based on current actual collections and increased development activity within the city).

### Motor Vehicle Taxes

Motor vehicle tax revenue increases by 3% compared to the FY 2018 budget. The Johnson County Treasurer's office prepares the motor vehicle tax revenue estimates for all governmental jurisdictions in Johnson County.

### User fees

City staff evaluated all user fees during preparation of the budget. These fees are automatically adjusted annually based on inflation:

- Stormwater capital charges;
- Park & Recreation impact fee;
- Transportation Improvement Program fee.

Staff will submit any other potential FY 2019 fee adjustments to the Governing Body for consideration during the fourth quarter of 2018.

## **EXPENDITURE HIGHLIGHTS**

Total budgeted expenditures (including transfers) in FY 2019 are \$120.5 million. The following table compares FY 2018 and FY 2019 expenditures by fund.

## Summary of FY 2019 Budgeted Expenditures by Fund

Fund	FY 2018 Budget	FY 2019 Budget	\$ Increase (Decrease)	% Increase (Decrease)
General	\$77,774,631	\$81,543,522	\$3,768,891	4.8%
Debt Service	\$14,442,910	\$13,447,265	(\$995,645)	-6.9%
Special Highway	\$1,434,560	\$1,435,000	\$440	0.0%
Special Alcohol	\$256,556	\$266,000	\$9,444	3.7%
Special Parks	\$256,556	\$266,000	\$9,444	3.7%
Tourism & Convention	\$1,760,000	\$1,760,000	\$0	0.0%
Park & Recreation Impact Fee	\$440,000	\$475,000	\$35,000	8.0%
Street Tree	\$55,000	\$85,000	\$30,000	54.5%
Transportation Improvement Program (TIP)	\$498,000	\$546,000	\$48,000	9.6%
Neighborhood Revitalization District	\$300,000	\$300,000	\$0	0.0%
City Center TIF District	\$4,491,000	\$5,100,000	\$609,000	13.6%
Mining TIF District	\$1,678,000	\$2,639,000	\$961,000	57.3%
Ridgeview Mining TIF District	\$775,000	\$1,018,000	\$243,000	31.4%
I-35 & 95th Street TIF	\$1,204,000	\$1,204,000	\$0	0.0%
Orchard Corners CID	\$650,000	\$650,000	\$0	0.0%
Prairie Creek CID	\$100,000	\$110,000	\$10,000	10.0%
Quivira 95 CID	\$52,000	\$52,000	\$0	0.0%
Greystone Plaza CID	\$60,000	\$70,000	\$10,000	16.7%
City Center East CID #1	\$42,000	\$60,000	\$18,000	42.9%
City Center East CID #2	\$90,000	\$90,000	\$0	0.0%
Springhill Suites CID	\$44,000	\$44,000	\$0	0.0%
Candlewood Suites CID	\$24,000	\$24,000	\$0	0.0%
Holiday Inn Express CID	\$28,000	\$28,000	\$0	0.0%
Stormwater	\$7,395,465	\$6,710,091	(\$685,374)	-9.3%
Rec Center	\$2,097,148	\$2,585,404	\$488,256	23.3%
<b>TOTALS</b>	<b>\$115,948,826</b>	<b>\$120,508,282</b>	<b>\$4,559,456</b>	<b>3.9%</b>



Expenditures for the General Fund, which is the largest portion of the budget, will increase by 5% compared to the 2018 budget due to increases for employee compensation increases and other operating costs. Expenditures for the Debt Service Fund and Stormwater Fund decrease due to lower debt service payments for outstanding general obligation bonds. Expenditures for the City Center TIF District, Mining TIF District, and Ridgeview Mining TIF District increase due to additional TIF payments from increased assessed valuation for economic development projects. Expenditures for the Rec Center fund increase due to increased staffing and other operating costs (mostly covered from fees charged to Rec Center users).

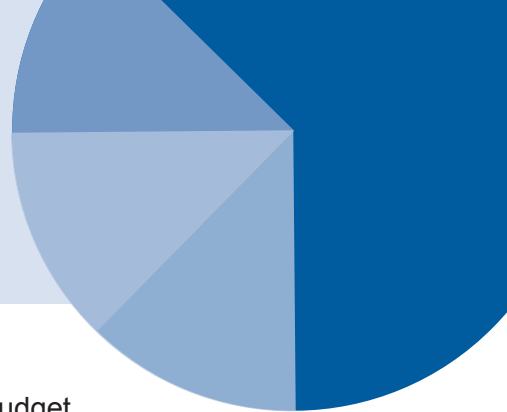
Staffing Levels

The following table summarizes FTE levels by department for FY 2016 through FY 2019.

**Budgeted FTEs by Department: FY 2016 – FY 2019**

Department	FY 2016	FY 2017	FY 2018 Budget	FY 2018 Revised	FY 2019 Budget
Executive	5.50	5.50	5.50	5.50	5.50
Public Market	1.00	1.63	2.50	3.50	3.50
Communications	3.00	4.00	4.00	4.00	4.00
Court	5.50	5.50	6.00	6.00	6.00
Finance	6.00	6.00	7.00	7.00	7.00
Human Resources	6.75	7.00	7.00	7.30	7.30
Enterprise Systems & Technology	13.00	14.00	14.00	13.00	13.00
Legal	8.76	8.88	8.88	8.88	8.88
Community Development	39.17	40.17	42.17	42.17	42.17
Fire	89.50	94.50	95.73	95.73	96.00
Police	142.75	144.81	148.23	148.23	148.23
Emergency Management	0.00	0.00	1.00	1.00	1.00
Municipal Service (includes Stormwater)	67.00	67.75	71.00	71.00	71.00
Parks & Recreation (includes Rec Center)	72.20	102.83	124.48	124.48	128.14
<b>TOTALS</b>	<b>460.13</b>	<b>502.57</b>	<b>537.49</b>	<b>537.79</b>	<b>541.72</b>

Budgeted FTEs are 542 for FY 2019 (increase of four FTEs compared to the FY 2018 budget). The increase is primarily due to additional staffing for fee-supported activities in the Rec Center.



### Employee Pay Increases

In order to attract and retain a quality workforce, the adopted budget includes approximately 4% of pay as funding for compensation increases. Later this year, city staff will submit a proposal on how to allocate the compensation funding between merit pay increases and other pay plan adjustments for city employees.

### **CAPITAL IMPROVEMENT PROGRAM**

The amended Capital Improvement Program (CIP) for FY 2018 through FY 2022 totals \$138 million (including prior year expenditures) and includes 33 funded projects. The primary funding sources for the CIP include general obligation bonds, the 3/8-cent sales tax, and transfers from the General Fund. Staff will present the recommended CIP for FY 2019 through FY 2023 to the Governing Body later this year.

### **FINAL COMMENTS**

Overall, the FY 2019 budget contains positive news for the city. Real estate values have increased, sales tax revenues have increased, and reserve levels comply with the city's reserve policy for all city funds.

I am extremely grateful for the hard work and positive spirit of city employees as they continue to provide quality services to the community. I would also like to thank the Governing Body for their support throughout the process of preparing the budget for FY 2019. Please contact me if you have questions or concerns regarding the adopted budget.



# Budget Highlights

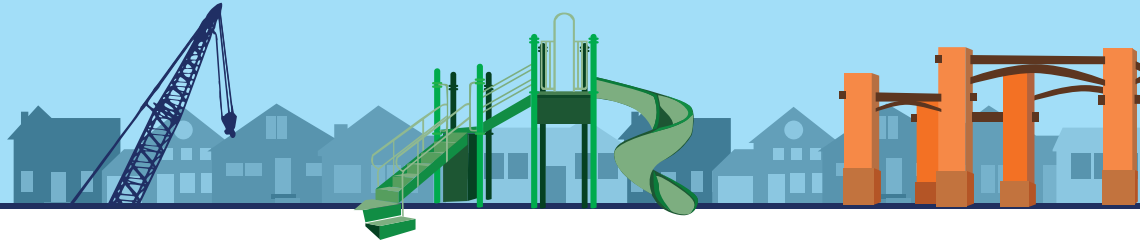
The 2019 *budget* is the City of Lenexa's fiscal plan for the next year. The total *budget* for all funds, including projected reserve balances, is \$164.1 million - up 7% from the 2018 *budget* of \$153.9 million. The highlights for the 2019 *budget* by *department* are listed in the table below.

<b>Department</b>	<b>Budget Highlights for 2019</b>	<b>Personnel</b>
Governing Body	The Governing Body <i>contingency</i> amount is unchanged at \$10,000 for 2019.	Not applicable.
Executive	This <i>budget</i> includes the City Administrator's and the City Clerk's office. No significant changes.	<i>FTEs</i> remain at 5.50.
Public Market	No significant changes.	<i>FTEs</i> remain at 3.50 (funding is for 1 full time employee and 2.50 part time/variable employees).
Municipal Court	No significant changes.	<i>FTEs</i> remain at 6.00.
Enterprise Systems & Technology (EST)	No significant changes.	<i>FTEs</i> remain at 13.00.
Communications	<i>Contractual services</i> increase for advertising to support the Rec Center, career fairs, job openings, Public Market, Farmers Market, Recreation programming, festivals and rentals.	<i>FTEs</i> remain at 4.00.
Finance	<i>Contractual services</i> increase to cover credit card and payroll processing fees due to higher volumes of transactions.	<i>FTEs</i> remain at 7.30.
Legal	<i>Contractual services</i> increase for the purchase of a new Legal file tracking system.	<i>FTEs</i> remain at 8.88.
Human Resources	<i>Contractual services</i> increase to cover HRIS costs due to larger number of employees.	<i>FTEs</i> remain at 7.30.
Community Development	<i>Contractual services</i> increase for the funding of building permit plan review software upgrades and consultant fees to perform a build out study.	<i>FTEs</i> remain at 42.17.
Police	<i>Contractual services</i> increase for additional staff training. Staff training is needed due to decreasing seniority and tenure level of patrol officers.	<i>FTEs</i> remain at 148.23.



<b>Department</b>	<b>Budget Highlights for 2019</b>	<b>Personnel</b>
Fire	<i>Contractual services</i> increase to fund the purchase of ADAM predictive modeling tool along with funding to purchase Lexipol policy and management software.	<i>FTEs</i> increase from 95.73 to 96.00 (to fund increase in support position in the Fire Prevention <i>division</i> to full time).
Emergency Management	<i>Personal services</i> increase to sufficiently fund the Emergency Management Coordinator position.	<i>FTE</i> remains 1.00.
Municipal Services	Reallocation of <i>budgeted</i> funds to handle the increase in cost of maintenance agreements for the new Civic Campus buildings.	<i>FTEs</i> remain at 50.90.
Stormwater	No significant <i>budget</i> changes.	<i>FTEs</i> remain at 20.10.
Parks and Recreation	<i>Contractual services</i> and <i>commodities</i> increase to caulk the Indian Trails pool deck and replace the lighting at the Thompson Barn.	<i>FTEs</i> decrease from 77.40 to 77.20 (move .58 Camp Director to Rec Center fund and add .38 for City Hall Concierges).
Rec Center	Increase in <i>personal services</i> to sufficiently <i>budget</i> for the lifeguards salaries. Increase in <i>contractual services</i> and <i>commodities</i> to fund youth camps which is offset by additional fees.	<i>FTEs</i> increase from 47.08 to 50.94 (to increase the hours for welcome desk staff and the addition of camp counselors and camp director positions).

# Revenues

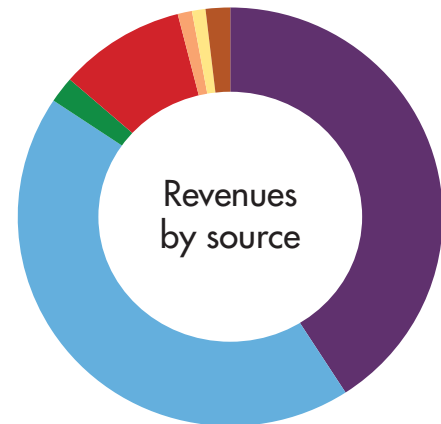


## Revenue Highlights

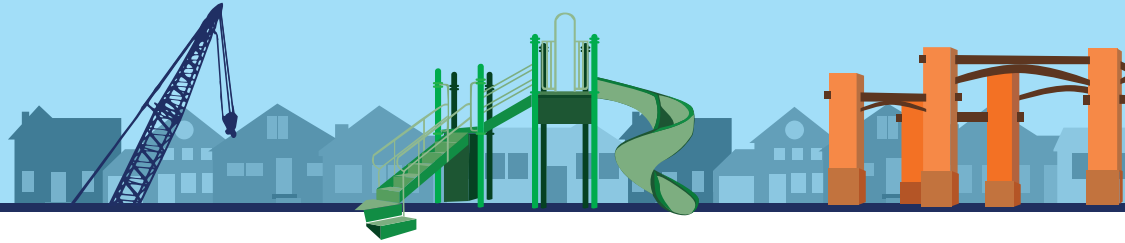
- Estimated mill levy is 30.15 mills. This is a decrease of 1.682 mills (5.3%) compared to the 2018 mill levy of 31.832. Of this, 23.306 mills are allocated to the General Fund, and 6.844 mills are allocated to the Debt Service Fund.
- Estimated assessed valuation is \$1.18 billion for 2019 (increase of 7%).
- One mill of property tax generates \$1,184,000 in property tax revenue.
- City sales tax revenues are projected to increase by 5.1% compared to the amount budgeted for 2018.
- County sales tax revenues are projected to increase by 1.6% compared to the amount budgeted for 2018.
- City use tax revenues are projected to decrease by 2% compared to the amount budgeted for 2018.
- The recommended stormwater service charge user fee is \$109 per equivalent dwelling unit (EDU) in 2019 (no change from 2018).

Revenues by Source		2019	
Sales & Other Taxes	\$52,481,992	43%	
Property Taxes & Special Assessments	\$49,207,311	41%	
Charges for Services	\$11,598,968	10%	
Transfers & Use of Prior Year Balances	\$1,178,641	1%	
Licenses & Permits	\$2,427,500	2%	
Fines & Forfeitures	\$1,311,000	1%	
Other Revenues	\$2,302,781	2%	
<b>Total</b>	<b>\$120,508,283*</b>	<b>100%</b>	

\*Includes use of fund balance \$655,437



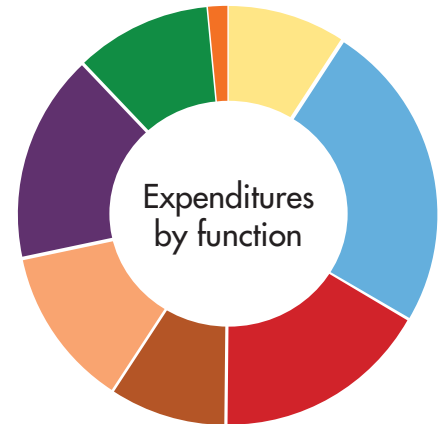
# Expenditures



## Expenditure Highlights

- Total estimated expenditures are \$120.5 million (\$4.6 million increase, or 3.9%). The expenditure increase is due to a variety of factors, including: increased operating costs for the General Fund (\$3.8 million), additional tax increment financing (TIF) payments due to increased assessed valuation for economic development projects (\$1.8 million), and decreased debt service payments in 2019.
- Projected full-time equivalent positions (FTEs) are 542 for 2019 – an increase of approximately 4 FTEs. This increase is primarily due to additional staffing for fee-supported activities in the Rec Center.
- Approximately 4% of pay is included for increased employee compensation in the recommended budget. Staff will submit a proposal to the Governing Body on the allocation of the 2019 compensation funding between merit pay increases and other pay plan increases in the 4th quarter of 2018.

Expenditures by Function		2019	
	Public Safety	\$29,198,920	24%
	Debt Service	\$19,564,448	16%
	Community Infrastructure	\$20,228,232	17%
	Economic Development	\$15,062,963	12%
	Transfers for Capital Projects	\$12,765,400	11%
	General Government	\$11,083,273	9%
	Parks & Recreation	\$10,905,047	9%
	Other Transfers	\$1,700,000	2%
<b>Total</b>		<b>\$120,508,283</b>	<b>100%</b>





# How to Use This Document

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

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

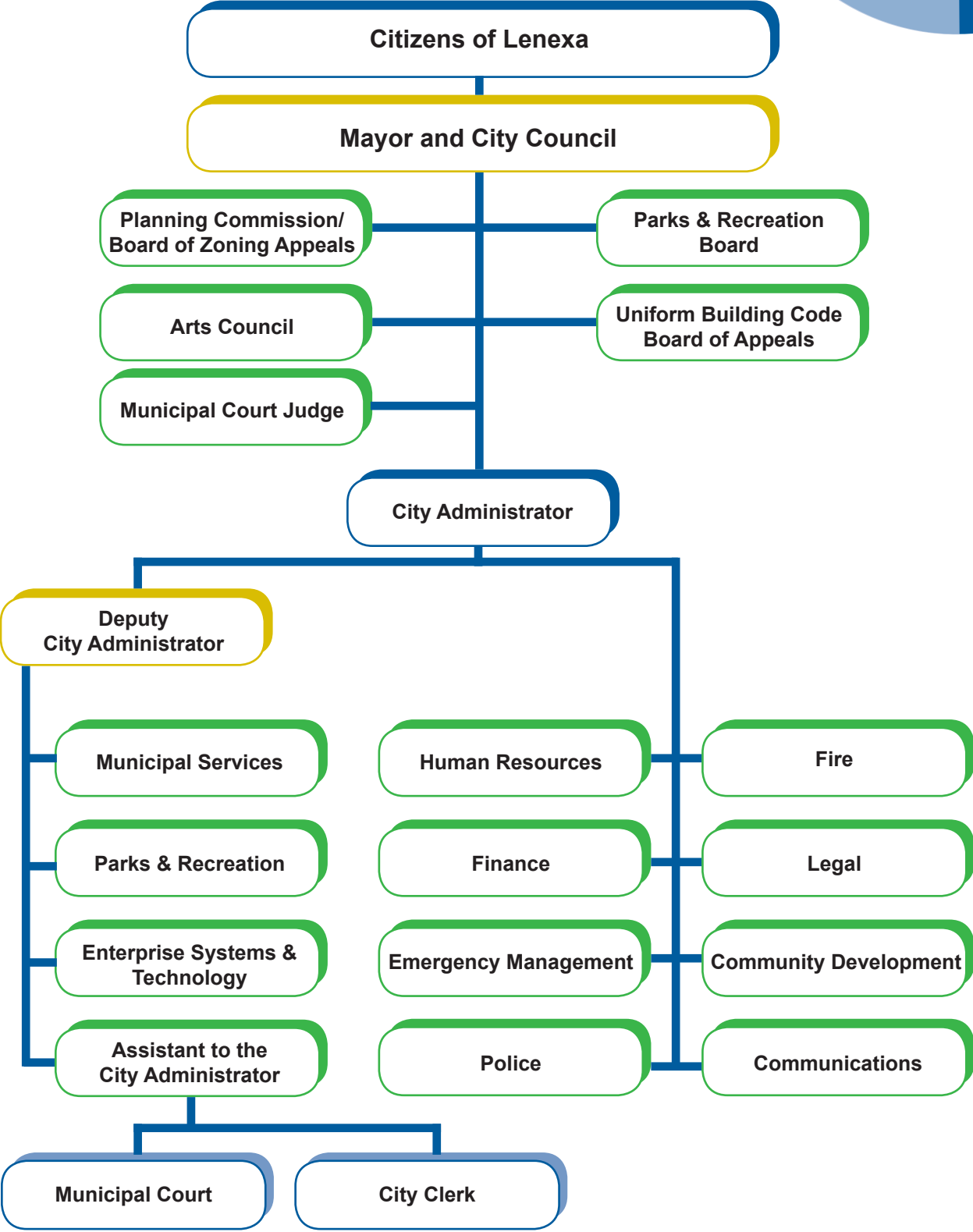
**Capital Improvement Program/Debt Management:** A general description of the 2018 – 2022 Capital Improvement Program along with the funding sources can be found in this section. The general guidelines the city uses to manage the Debt program, debt ratios and debt schedules are also listed.

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

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

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

# City Overview





# Tax Value Illustration

To determine *assessed valuation* multiply the Johnson County appraised value of home by 11.5 percent.

*\*Commercial properties have a 25 percent assessment rate\**

$$\$307,000 \times .115 = \$35,305$$

$$\text{Assessed valuation} = \$35,305$$

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

$$\$35,305 \times .03015^* = \$1,064.45$$

$$\text{City tax liability} = \$1,064.45$$

To determine the monthly *expense* for city services divide tax liability by 12 months.

$$\$1,064.45 / 12 = \$88.70$$

$$\text{Monthly expense for city services} = \$88.70$$

*\*Estimated Levy at time of publication*



Average Home Value = \$307,000

## Value of Your Lenexa Dollar

The following list represents a sample of the city services provided for the \$88.70 per month tax.

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

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

- One 15-gallon tank of unleaded fuel at \$2.60/gallon: \$39.00
- One-month digital TV service with DVR, & high speed internet: \$139.45



# City Profile

## LENEXA, KANSAS

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

### Population Trends:

<u>Year</u>	<u>Lenexa</u>
1960	2,487
1970	5,242
1980	18,639
1990	34,110
2000	40,230
2010	48,190
2017	53,553

### Selected Economic Indicators (Lenexa):

Labor Force – 31,194  
 Median Household Income - \$72,547  
 Total Housing Units – 21,343

### Police Protection:

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

### Fire Protection:

Number of Stations - 5  
 Fire Fighters and Support Staff – 96.00 FTEs  
 Number of Vehicles – 34

### Bond Rating:

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

### Climate:

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

### School Districts:

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

### Education:

Schools:  
 Elementary Schools - 14  
 Middle Schools - 8  
 Senior High Schools – 8  
 Private Schools - 3  
Serviced by universities:  
 Johnson County Community College within 1  
 mile of the city  
 University of Kansas located 30 minutes west in  
 Lawrence, Kansas  
 KU Satellite campus within 2 miles  
 KSU Satellite campus within 7 miles  
 Park University located in Civic Center campus

### Transportation Advantages:

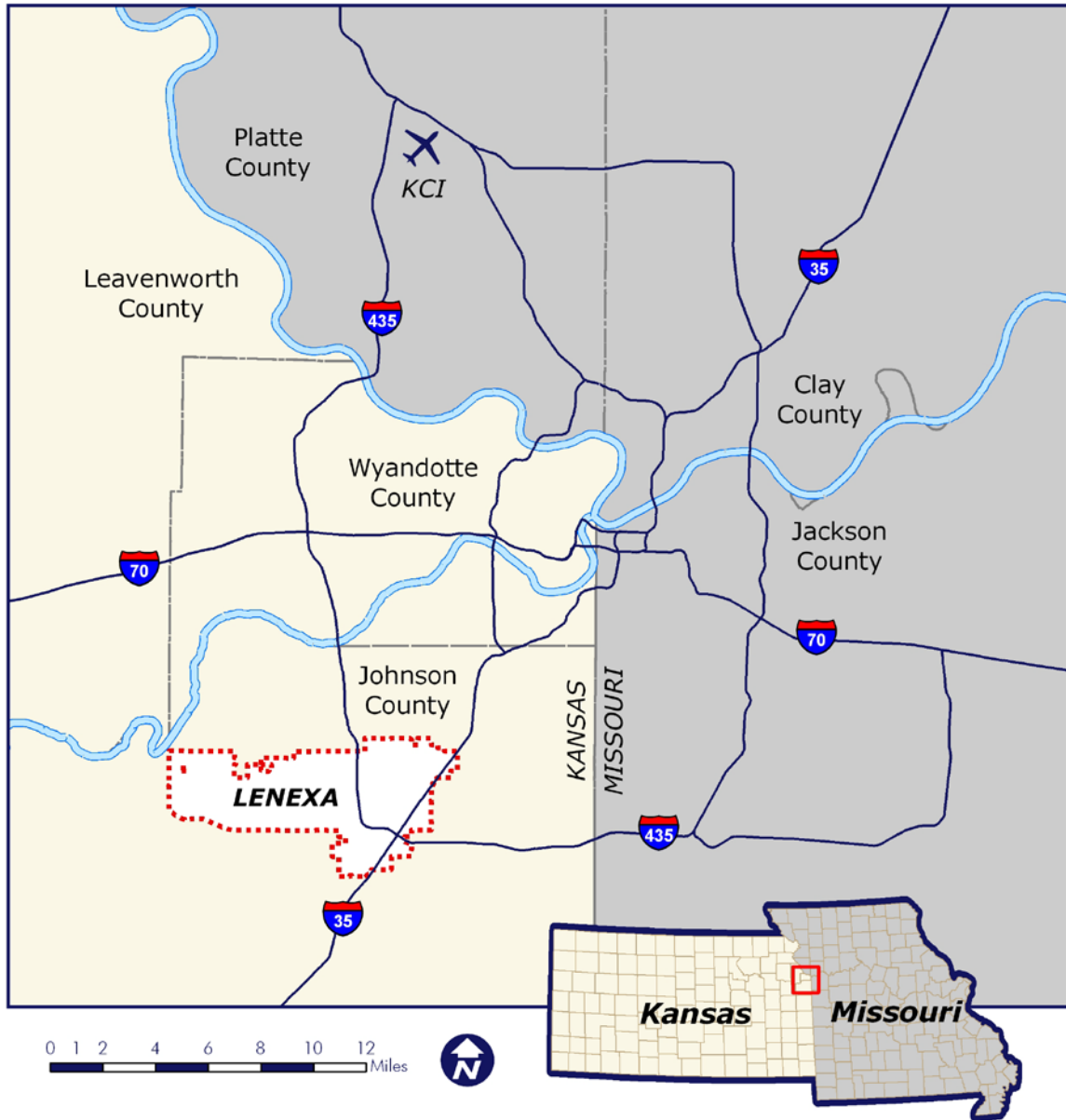
Within 200 miles of Geographic Center  
 of the United States  
 Six Major Highways:  
 Interstate 70 K-10 Highway  
 Interstate 35 U.S. 69  
 Interstate 435  
 K-7 Highway  
 Major Railways:  
 Burlington Northern  
 Atchison/Topeka & Santa Fe  
 Kansas City International Airport:  
 27 miles North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

### Recreational Facilities:

Parks - 44 (667.4 total acres), 4 lakes  
 Undeveloped parks – 5 (228.30 acres)  
 Tennis Courts - 14  
 Swimming Pools - 4  
 Baseball/Softball Fields - 6  
 Soccer Fields – 18  
 Multipurpose Courts – 5.5  
 Shelter Houses - 19  
 Sand Volleyball Courts - 4  
 Jogging/Walking Trails (miles) – 25.5  
 Skateboard Park – 1  
 Playground Facilities - 32



# Vicinity Map



## Geography

The City of Lenexa, Kansas is a middle- to upper-income suburb located in the southwest portion of the Kansas City metropolitan area. The city encompasses 34.40 square miles of land in Johnson County. Approximately 12 miles southwest of downtown Kansas City, Missouri. Lenexa occupies a strategic location within the metropolitan area. Its position at the intersection of several major transportation routes has been a major factor in the Lenexa's past growth and development, particularly for office and industrial development.



**Form of Government**

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

**Major Employers**

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

<u>Name</u>	<u>Number of Employees</u>
United Parcel Service	2,087
Quest Diagnostics	1,836
Kiewit Power Engineering Company	1,500
Amazon	1,100
J.C. Penney Logistics Center	1,000
Alliance Data Systems	890
Community America Credit Union	754
Gear For Sports	639
Clinical Reference Lab	567
Lakeview Village	565

**Ten Major Property Taxpayers**

<u>Name of owner</u>	<u>Current assessed valuation</u>	<u>% to total assessed values (1)</u>
Lenexa Real Estate Portfolio	\$ 17,856,000	1.49%
Perg Buildings, LLC	14,871,795	1.24%
LIT Industrial Limited	11,960,871	1.00%
Kansas City Power & Light Co	11,270,723	0.94%
Lenexa Investors, LLC	8,262,750	0.69%
MEPT Kansas Commerce	8,249,789	0.69%
Colfin 2017-11 Industrial Owner	6,722,002	0.56%
JC Penney Properties, Inc.	6,084,000	0.51%
MEPT College & Renner Corporate	5,076,471	0.42%
Deluxe Manufacturing Op., LLC	4,955,776	0.41%

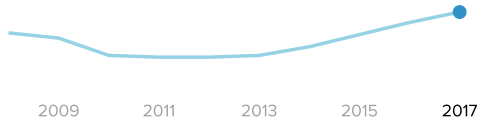
(1) Includes the assessed valuation for motor vehicles.  
 Source: Johnson County Clerk's Office, Johnson County Appraisers Office

# Economic Environment

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

## Assessed Valuation

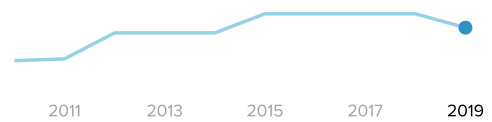
The City's assessed valuation increased from \$1.13 m to \$1.20 m in 2018 (a 6% increase). This includes motor vehicle valuation.



1,198,699,771  
Total in 2017

## City Mill Levy

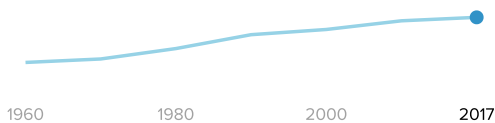
Estimated mill levy for 2019 is 30.15 (decrease of 1.682 mills). Includes 23.306 for the General Fund & 6.844 for the Debt Service Fund.



30.15  
Total in 2019

## Population

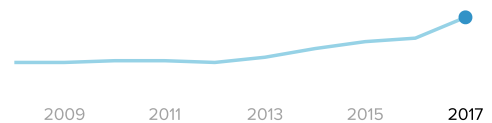
According to the 2010 Census, the median age is 37.4 years, is with an average of 2.48 persons per household and a population of 48,190.



53,553  
Total in 2017

## Johnson County Household Buying Income

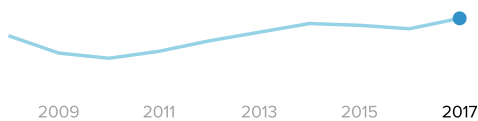
Effective Buying Income is an individual's disposable income, consisting of salary and wages, etc., less all government taxes,



73,053  
Total in 2017

## Retail Sales

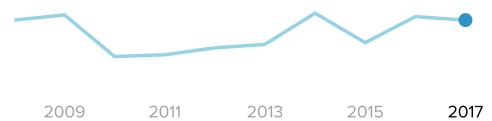
City sales tax rate is 9.35%. (City=1.375%; County=1.475%; State= 6.5%.) The City 1% is general operations and .375% is for parks & streets.



1,253,832,619  
Total in 2017

## New Businesses

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



537  
Total in 2017

**Assessed Value**

**Assessed Value and Appraised Value  
of All Taxable Tangible Property**

	Assessed Value Real Estate	Ratio of Assessed Value to Appraised Value	Appraised Value	Assessed Value Personal Property	Assessed Value State Assessed Utility	Assessed Value Motor Vehicle	Assessed Total
2008	853,642,326	15%	5,886,147,750	113,984,994	29,778,985	78,523,529	1,075,929,834
2009	829,743,292	16%	5,344,420,933	93,491,169	33,701,766	77,610,667	1,034,546,894
2010	765,361,859	15%	5,246,771,318	60,483,211	31,351,516	74,559,595	931,756,181
2011	768,176,024	15%	5,236,608,479	53,837,911	28,058,513	74,158,463	924,230,911
2012	771,570,637	15%	5,188,137,146	45,636,264	27,492,147	74,417,660	919,116,708
2013	793,950,131	14%	5,607,023,010	36,743,490	29,661,638	76,704,885	937,060,144
2014	849,596,067	15%	5,585,677,480	27,206,191	27,077,031	79,426,145	983,305,434
2015	924,106,434	15%	6,020,523,550	23,679,751	27,548,961	85,542,570	1,060,877,716
2016	989,935,596	16%	6,112,670,017	22,349,586	28,127,653	93,061,812	1,133,474,647
2017	1,053,541,388	15%	7,037,789,230	21,061,775	27,978,598	96,118,010	1,198,699,771

**Tax Levies**

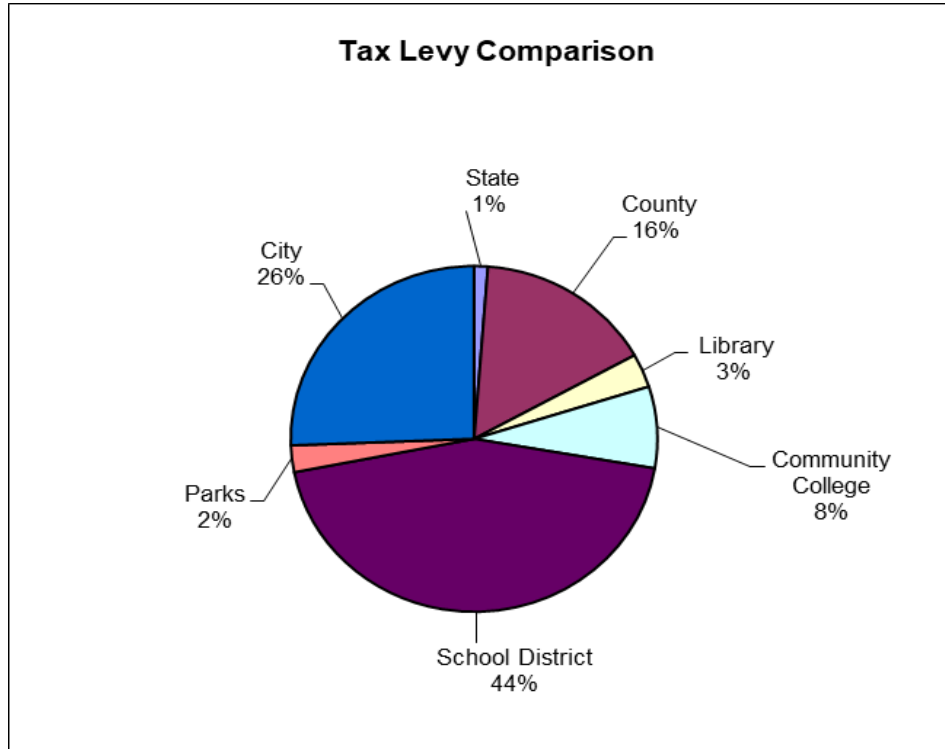
**City of Lenexa Tax Rates (Expressed in Mills)**

Levy Year	Budget Year	General	Debt Service	Total
2009	2010	17.433	9.141	26.574
2010	2011	17.467	9.159	26.626
2011	2012	20.473	9.162	29.635
2012	2013	20.496	9.172	29.668
2013	2014	21.028	8.685	29.713
2014	2015	23.066	8.699	31.765
2015	2016	21.875	9.932	31.807
2016	2017	23.891	7.937	31.828
2017	2018	23.891	7.941	31.832

**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
2009	2010	1.5	17.716	3.151	8.784	55.318	2.346	26.574	115.389
2010	2011	1.5	17.748	3.158	8.799	57.192	2.350	26.626	117.373
2011	2012	1.5	17.700	3.145	8.776	56.135	2.343	29.635	119.234
2012	2013	1.5	17.717	3.149	8.785	55.766	2.344	29.668	118.929
2013	2014	1.5	17.745	3.155	9.551	55.611	2.347	29.713	119.622
2014	2015	1.5	17.764	3.157	9.461	55.911	2.347	31.765	121.905
2015	2016	1.5	19.582	3.912	9.469	54.059	3.101	31.807	123.430
2016	2017	1.5	19.590	3.915	9.473	54.940	3.102	31.828	124.348
2017	2018	1.5	19.318	3.921	9.503	53.663	3.112	31.832	122.849

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





# Financial Overview

## Description of Accounts and Funds

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

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

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

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

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

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

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

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

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

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

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

FUND - SECTION – OBJECT

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

**FUND AND DEPARTMENT STRUCTURE:**

**BUDGETED FUNDS**

<b><i>Fund Type</i></b>	<b><i>Fund #</i></b>	<b><i>Fund Name/Department</i></b>
<b>General</b>	<b>01</b>	<b>General (Major Fund)</b> Governing Body Executive Communications Municipal Court City Clerk Finance Human Resources Enterprise Systems and Technology Legal Community Development Fire Police Emergency Management 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
	56	Orchard Corners CID
	57	Prairie Creek CID
	58	Quivira 95 CID
	59	Greystone Plaza CID
	61	City Center East CID #1
	62	City Center East CID #2
	63	I-35 & 95 <sup>th</sup> Street TIF
	64	SpringHill Suites CID
	65	Candlewood Suites CID
	66	Holiday Inn Express CID
<b>Enterprise</b>	80	Stormwater
	82	Rec Center

**NON-BUDGETED FUNDS**

<b><i>Fund Type</i></b>	<b><i>Fund #</i></b>	<b><i>Fund Name</i></b>
Special Revenue	03	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
Internal Service		
	86	Risk Management
	85	Health Plan
	87	Workers Compensation
Fiduciary		
	90	Pension Trust

**ACCOUNTING:**

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

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

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

The basis of budgeting is the same as the basis of accounting (*modified accrual* basis of accounting).



# 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 unpredictable revenue sources, and c) contingencies for unpredictable *expenditures* and emergencies (such as natural disasters).
- The reserve (unassigned *fund balance*) target for the *General Fund* will range from 30% to 35% of *budgeted* annual *General Fund* revenues.
- The reserve (*fund balance*) target for the *Debt Service Fund* will range from 10% to 20% of the annual principal and interest amounts due on outstanding *bonds* and temporary notes.
- The reserve (*fund balance*) target for the *Stormwater Fund* will range from 10% to 20% of *budgeted* annual *Stormwater Fund* revenues.
- The reserve (*fund balance*) target for the *Rec Center Fund* will range from 10% to 20% of *budgeted* annual *Rec Center Fund* revenues.
- The policy establishes reserve targets for a number of other city funds. These include the *Health Plan Fund*, the *Risk Management Fund*, the *Worker's Compensation Fund*, the *Tourism and Convention Fund*, and the *Special Alcohol Fund*.

The City Council adopted the current reserve policy in August 2017.

## **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 Administrator 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 November 2017.



### **PURCHASING POLICY:**

- A commodity or service should be obtained at the lowest cost possible consistent with the quality required to maintain efficient operation of city *departments*.
- When the Governing Body approves a level of *expenditures* for any given *department* that, in itself is not a permit to expend funds, unless the need exists, and the item is within the city *budget*.
- Purchases less than or equal to \$20,000 per occurrence may be approved by the appropriate *Administrative Team* member. Purchases totaling \$20,000.01 to \$75,000 per occurrence require approval by the City Administrator, Deputy City Administrator, 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 Administrator approved the purchasing policy in December 2017

### **CAPITAL ASSET POLICY:**

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

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

### **DEBT POLICY:**

- To provide for proper planning of *capital expenditures* and minimize the interest costs incurred on outstanding debt.
- When evaluating the issuance of debt, the City will consider; adherence to the approved Capital Improvement Program; potential for the debt-finance project (s) to create an increase in *assessed valuation* and/or sales tax revenue; the property tax or other revenue required to *fund* the annual *debt service* and any other facor the City believes are pertinent.
- The City will market any debt issues on a competitive basis, unless circumstances related to unusual credit quality, issue size, or market access create a need for anegotiated sale.
- The maximum maturity on *general obligation bonds, special obligatnoi bonds* and temporary notes shall not exceed the estimated usefel life of the capital item being financed or 10 to 15 years whichever is less.
- The maxiumum 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 Council adopted the current debt policy in December 2017.



# Budget Procedures

## **BUDGET ADOPTION**

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

## **BUDGET CONTROLS**

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

## **BUDGET AMENDMENT**

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

## **BUDGET PROCESS**

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

1. Budget Preparation Guidelines – The *budget* preparation guidelines were developed in February 2018 and included the following primary assumptions: a) maintaining or reducing the total *mill* levy for 2019, and b) an increase of 6% in the city's assessed *valuation*.
2. Budget Alternatives – Each *department* was directed to prepare and submit potential *budget* alternatives (additions and reductions) for consideration in the 2019 *budget* process.
3. City Administrator Review – The City Administrator reviewed the *department budget* alternatives and made preliminary decisions on the *budget* recommendation in April; these decisions were discussed with each *department* head. The City Administrator submitted a formal *budget* recommendation to the Governing Body in June.
4. Governing Body Review of Recommended Budget - Staff presented an overview of the 2019 recommended *budget* (along with an update of the city's multi-year financial models) on June 12<sup>th</sup> and June 26<sup>th</sup>, 2018. After a public hearing, the Governing Body formally adopted the *budget* at the August 7<sup>th</sup> Council meeting. Upon adoption of the *budget*, staff filed required *budget* forms with Johnson County prior to the August 25<sup>th</sup> deadline established by state law.

# ROAD TO THE BUDGET 2019

## JANUARY 2018

Budget calendar distributed

## FEBRUARY 2018

Budget forms/instructions

## MARCH 2018

- County Appraiser real property valuation update
- Departments verify position data
- Departments submit operating budget

## APRIL 2018

- City Administrator meets with departments
- Departments complete performance measures/ other budget information
- City Administrator final decisions on budget
- Finalize revenue estimates

## JUNE 2018

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

## JULY 2018

Publish public hearing notice

## AUGUST 2018

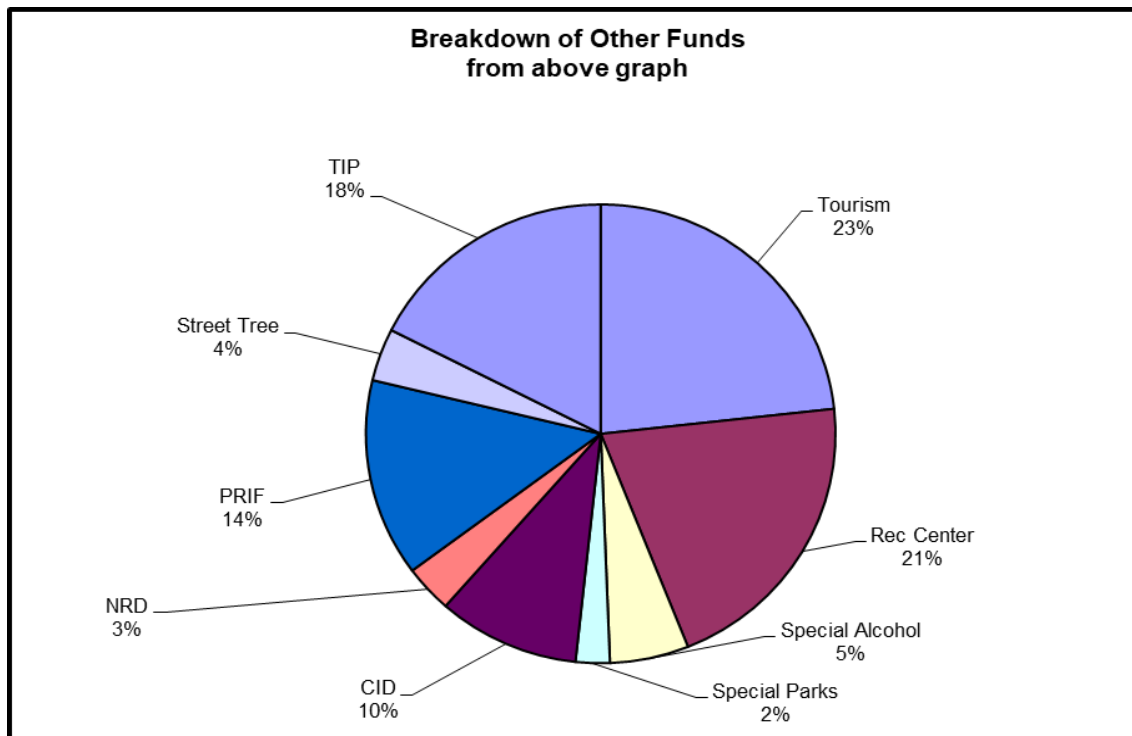
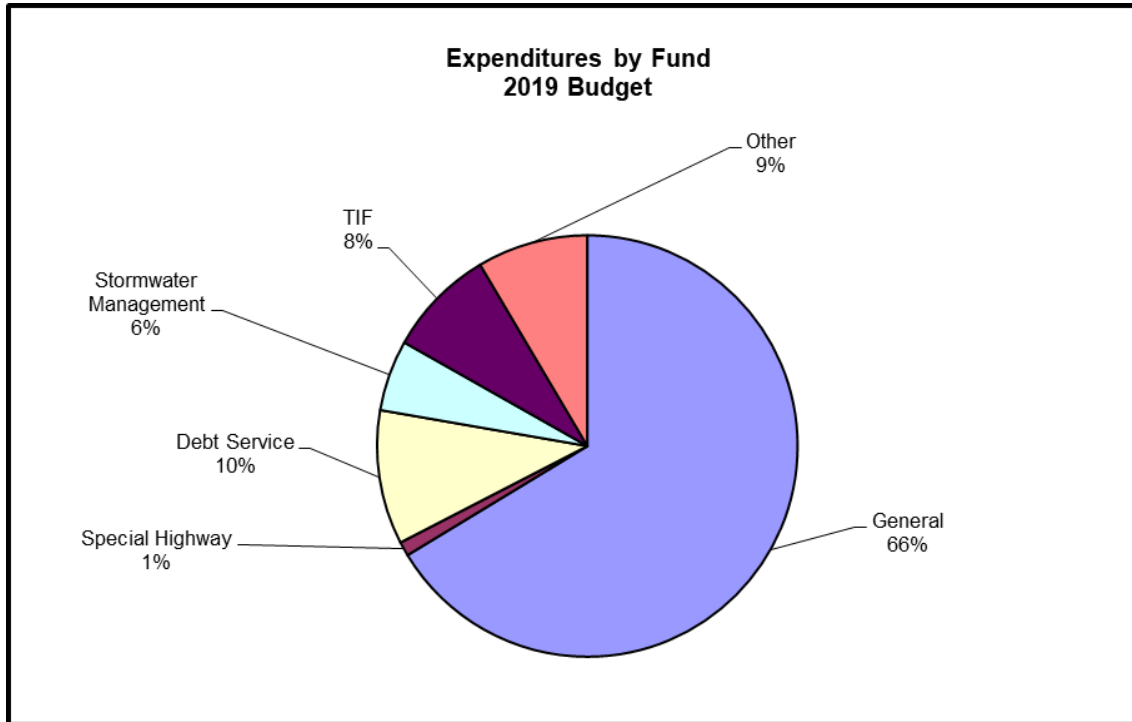
- Public hearing on budget
- Governing Body adopts budget
- Submit 2019 Adopted Budget to County & State

## OCTOBER 2018

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



# Budget Expenditures by Fund Graph



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



# Budget Summary by Year

Listed below are the *resources* and *expenditures* of all *budgeted* funds for the City of Lenexa. This includes General, *Debt Service*, *Enterprise* and *Special Revenue Funds*. For further detail into the 2019 *budget*, look on the following page for the funding sources and *expenditures* for each *fund* type.

	2016	2017	2018	2019
	<u>Actual</u>	<u>Actual</u>	<u>Revised Budget</u>	<u>Budget</u>
<b>Beginning Fund Balance</b>	\$45,050,520	\$50,084,622	\$52,529,715	\$44,214,330
<b>Revenues</b>				
Property Taxes	\$36,396,840	\$39,777,372	\$45,674,312	\$49,207,311
Non-Property Taxes	46,418,729	50,256,413	51,172,516	52,481,992
Licenses & Permits	2,578,292	2,815,664	1,884,500	2,427,500
Intergovernmental	45,173	1,677	0	0
Charges for Services	9,448,360	10,338,638	10,903,112	11,598,968
Fines & Forfeitures	1,263,438	1,014,651	1,311,000	1,311,000
Use of Money	749,044	777,681	1,100,301	1,568,944
Miscellaneous	231,131	255,812	395,205	672,927
Non-Revenue Receipts	80,799	644,128	61,000	61,000
Transfers In	1,564,842	6,085,227	343,450	523,204
<b>Total Revenues</b>	<b>\$98,776,649</b>	<b>\$111,967,263</b>	<b>\$112,845,396</b>	<b>\$119,852,846</b>
<b>Total Available Resources</b>	<b>\$143,827,169</b>	<b>\$162,051,885</b>	<b>\$165,375,111</b>	<b>\$164,067,176</b>
<b>Expenditures</b>				
Governing Body	\$204,988	\$198,734	\$248,826	\$253,817
Executive (includes Communications)	2,166,140	2,573,532	2,778,806	3,805,726
Municipal Court	538,352	550,638	599,734	606,396
Enterprise Systems & Technology	2,964,194	3,995,954	3,562,632	3,547,739
Finance	1,204,453	1,237,832	1,453,893	1,610,727
Legal	1,317,087	1,423,919	1,667,155	1,761,092
Human Resources	894,707	1,082,759	1,136,110	1,219,135
Community Development	3,776,099	4,024,901	4,306,788	4,653,542
Police	14,362,329	14,225,221	16,021,918	16,489,309
Fire	10,359,417	10,953,567	11,083,485	11,886,298
Emergency Management	0	0	127,725	156,917
Municipal Services	9,031,109	9,449,608	11,839,601	11,874,574
Parks & Recreation	5,737,318	7,285,044	8,977,002	9,778,843
Economic Development (TIF, CID)	2,931,639	4,052,078	9,186,360	11,027,915
Debt Service	17,039,567	17,357,178	17,261,433	16,109,098
Transfers	21,215,148	31,111,205	30,909,313	25,727,154
<b>Total Expenditures</b>	<b>\$93,742,547</b>	<b>\$109,522,170</b>	<b>\$121,160,781</b>	<b>\$120,508,282</b>
<b>Ending Fund Balance</b>	<b>\$50,084,622</b>	<b>\$52,529,715</b>	<b>\$44,214,330</b>	<b>\$43,558,894</b>

\*Total ending *fund balance* plus total *expenditures* for 2019 equals the adopted *budget*.



# Budget Summary by Fund

Listed below are the funding sources and *expenditures* for the 2019 *Budget* by *fund* type. In the 2019 *General Fund budget*, \$27.2 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>	\$27,292,206	\$4,115,387	\$2,528,953	\$10,277,785	\$44,214,331
<b>Revenues</b>					
Property Taxes	\$27,107,897	\$11,838,414	\$0	\$10,261,000	\$49,207,311
Non-Property Taxes	46,786,577	840,415	0	4,855,000	52,481,992
Licenses & Permits	2,367,500	0	60,000	0	2,427,500
Intergovernmental	0	0	0	0	0
Charges for Services	2,084,494	0	8,408,474	1,106,000	11,598,968
Fines & Forfeitures	1,311,000	0	0	0	1,311,000
Use of Money	1,410,944	113,000	45,000	0	1,568,944
Miscellaneous	315,110	0	418,817	0	733,927
Transfers In	160,000	0	363,204	0	523,204
<b>Total Revenues</b>	<b>\$81,543,522</b>	<b>\$12,791,829</b>	<b>\$9,295,495</b>	<b>\$16,222,000</b>	<b>\$119,852,846</b>
<b>Total Available Resources</b>	<b>\$108,835,728</b>	<b>\$16,907,216</b>	<b>\$11,824,448</b>	<b>\$26,499,785</b>	<b>\$164,067,177</b>
<b>Expenditures</b>					
Governing Body	\$253,817	\$0	\$0	\$0	\$253,817
Executive *	2,041,032	0	0	1,764,694	3,805,726
Municipal Court	606,396	0	0	0	606,396
Enterprise Systems & Tech.	3,547,739	0	0	0	3,547,739
Finance	1,610,727	0	0	0	1,610,727
Legal	1,761,092	0	0	0	1,761,092
Human Resources	1,219,135	0	0	0	1,219,135
Community Development	4,653,542	0	0	0	4,653,542
Police	16,283,309	0	0	206,000	16,489,309
Fire	11,886,298	0	0	0	11,886,298
Emergency Management	156,917	0	0	0	156,917
Municipal Services	9,883,126	0	1,991,448	0	11,874,574
Parks & Recreation	7,108,439	0	2,585,404	85,000	9,778,843
Economic Dev. (TIF, CID)	0	0	0	11,027,915	11,027,915
Debt Service	0	12,836,265	2,999,527	273,306	16,109,098
Transfers	20,531,953	611,000	1,719,116	2,865,085	25,727,154
<b>Total Expenditures</b>	<b>\$81,543,522</b>	<b>\$13,447,265</b>	<b>\$9,295,495</b>	<b>\$16,222,000</b>	<b>\$120,508,282</b>
<b>Ending Fund Balance</b>	<b>\$27,292,206</b>	<b>\$3,459,951</b>	<b>\$2,528,953</b>	<b>\$10,277,785</b>	<b>\$43,558,895</b>

Total ending *fund balance* plus total *expenditures* for 2019 equals the adopted *budget*.

\*Executive *Department* includes Communications.



# Budgetary Projections by Fund

Total projected *fund balances (reserves)* for all funds for the end of 2018 are \$44.2 million and the *general fund reserve* is \$27.3 million.

<b>FUND</b>	<b>Balance 1/1/2018</b>	<b>2018 Budgeted Revenue</b>	<b>2018 Budgeted Expenditures</b>	<b>Balance 12/31/2018</b>
General	\$32,949,048	\$78,175,645	\$83,832,487	\$27,292,206
Debt Service	5,836,831	12,149,166	\$13,870,610	4,115,387
Special Highway	360,861	1,434,560	\$1,434,560	360,861
Special Alcohol	492,475	256,556	\$256,556	492,475
Special Parks & Recreation	62,250	256,556	\$256,556	62,250
Tourism & Convention	1,488,143	1,760,000	\$1,760,000	1,488,143
Parks & Rec. Impact	1,470,612	440,000	\$440,000	1,470,612
Street Tree	431,779	55,000	\$55,000	431,779
TIP	1,902,628	498,000	\$498,000	1,902,628
Neighborhood Revitalization	167,341	300,000	\$300,000	167,341
City Center TIF	1,984,441	4,491,000	\$4,491,000	1,984,441
Mining TIF	5,160	1,678,000	\$1,678,000	5,160
Ridgeview Mining TIF	1,380,132	775,000	\$775,000	1,380,132
Orchard Corners CID	101,296	650,000	\$650,000	101,296
Prairie Creek CID	14,381	100,000	\$100,000	14,381
Quivira 95 CID	7,177	52,000	\$52,000	7,177
Greystone Plaza CID	8,946	60,000	\$60,000	8,946
City Center East #1 CID	9,429	42,000	\$42,000	9,429
City Center East #2 CID	82,292	90,000	\$90,000	82,292
I-35 & 95th Street TIF	295,152	1,204,000	\$1,204,000	295,152
Springhill Suites CID	9,439	44,000	\$44,000	9,439
Candlewood Suites CID	1,142	24,000	\$24,000	1,142
Holiday Inn Express CID	2,709	28,000	\$28,000	2,709
Stormwater Management	3,162,300	6,184,763	\$7,121,863	2,225,200
Rec Center	303,753	2,097,150	\$2,097,150	303,753
<b>Total</b>	<b>\$52,529,716</b>	<b>\$112,845,396</b>	<b>\$121,160,781</b>	<b>\$44,214,331</b>





# Budgetary Projections by Fund

Total projected *budgeted fund balances (reserves)* for all funds are \$43.6 million and the *general fund* reserve is \$27.3 million. Explanation for changes in *fund balances* are provided on the following page.

<b>FUND</b>	<b>Balance 1/1/2019</b>	<b>2019 Budgeted Revenue</b>	<b>2019 Budgeted Expenditures</b>	<b>Balance 12/31/2019</b>
General	\$27,292,206	\$81,543,522	\$81,543,522	\$27,292,206
Debt Service	4,115,387	\$12,791,829	\$13,447,265	3,459,951
Special Highway	360,861	\$1,435,000	\$1,435,000	360,861
Special Alcohol	492,475	\$266,000	\$266,000	492,475
Special Parks & Recreation	62,250	\$266,000	\$266,000	62,250
Tourism & Convention	1,488,143	\$1,760,000	\$1,760,000	1,488,143
Parks & Rec. Impact	1,470,612	\$475,000	\$475,000	1,470,612
Street Tree	431,779	\$85,000	\$85,000	431,779
TIP	1,902,628	\$546,000	\$546,000	1,902,628
Neighborhood Revitalization	167,341	\$300,000	\$300,000	167,341
City Center TIF	1,984,441	\$5,100,000	\$5,100,000	1,984,441
Mining TIF	5,160	\$2,639,000	\$2,639,000	5,160
Ridgeview Mining TIF	1,380,132	\$1,018,000	\$1,018,000	1,380,132
Orchard Corners CID	101,296	\$650,000	\$650,000	101,296
Prairie Creek CID	14,381	\$110,000	\$110,000	14,381
Quivira 95 CID	7,177	\$52,000	\$52,000	7,177
Greystone Plaza CID	8,946	\$70,000	\$70,000	8,946
City Center East #1 CID	9,429	\$60,000	\$60,000	9,429
City Center East #2 CID	82,292	\$90,000	\$90,000	82,292
I-35 & 95th Street TIF	295,152	\$1,204,000	\$1,204,000	295,152
Springhill Suites CID	9,439	\$44,000	\$44,000	9,439
Candlewood Suites CID	1,142	\$24,000	\$24,000	1,142
Holiday Inn Express CID	2,709	\$28,000	\$28,000	2,709
Stormwater Management	2,225,200	\$6,710,091	\$6,710,091	2,225,200
Rec Center	303,753	\$2,585,404	\$2,585,404	303,753
<b>Total</b>	<b>\$44,214,331</b>	<b>\$119,852,846</b>	<b>\$120,508,282</b>	<b>\$43,558,895</b>



# Budgetary Projections by Fund

## Explanation of Changes in Fund Balances

The following funds have projected changes in *fund balances* for FY 2018 and/or FY 2019: *General Fund*, *Debt Service Fund*, and *Stormwater Fund*. These changes are explained below.

**General Fund:** The *fund balance* of the *General Fund* is projected to decrease by \$5.7 million in FY 2018 due to one-time *transfers* to the Capital Improvement *Fund* to finance *capital projects* on a pay-as-you-go basis. The *transfers* are possible due to the *fund balance* being greater than the policy target at the end of FY 2017. There is no projected change in *fund balance* for FY 2019.

**Debt Service Fund:** The *fund balance* of the *Debt Service Fund* is projected to decrease by \$1.7 million in FY 2018 and \$0.7 million in FY 2019. These decreases occur in order to maintain a stable property *tax rate* in the *Debt Service Fund* for 2018 and to reduce the property *tax rate* in 2019. The *fund balance* is projected to be greater than the policy target in FY 2018 through FY 2023. By FY 2022, *Debt Service Fund revenues* are projected to slightly exceed *expenditures*.

**Stormwater Fund:** The *fund balance* of the *Stormwater Fund* is projected to decrease by \$0.9 million in FY 2018. This decrease occurs in order to maintain a stable stormwater service charge user fee in 2018. The *fund balance* is projected to be greater than the policy target in FY 2018 through FY 2023. By FY 2019, *Stormwater revenues* are projected to equal *expenditures*.



## Summary of Revenues and Expenditures by Fund

This table includes all *revenues by fund* for actual *fiscal year* 2016 through *budget year* 2019.

<b>Revenues by Fund</b>	<b>2016 Actual</b>	<b>2017 Actual</b>	<b>2018 Re-estimate</b>	<b>2019 Budget</b>
General	\$69,287,132	\$80,438,003	\$78,175,645	\$81,543,522
Debt Service	12,820,868	11,830,421	12,149,166	12,791,829
Special Highway	1,644,893	1,411,677	1,434,560	1,435,000
Special Alcohol	253,801	261,048	256,556	266,000
Special Parks & Recreation	253,801	261,048	256,556	266,000
Tourism & Convention	901,901	1,251,268	1,760,000	1,760,000
Parks & Rec. Impact	510,251	520,723	440,000	475,000
Street Tree	23,777	128,874	55,000	85,000
TIP	548,962	574,947	498,000	546,000
Neighborhood Revitalization	254,482	222,923	300,000	300,000
City Center TIF	2,231,345	3,239,682	4,491,000	5,100,000
Mining TIF	1,331,301	1,529,128	1,678,000	2,639,000
Ridgeview Mining TIF	733,927	917,384	775,000	1,018,000
Orchard Corners CID	510,439	482,756	650,000	650,000
Prairie Creek CID	71,408	85,785	100,000	110,000
Quivira 95 CID	42,482	40,359	52,000	52,000
Greystone Plaza CID	40,418	55,021	60,000	70,000
City Center East #1 CID	33,908	41,908	42,000	60,000
City Center East #2 CID	31,122	51,570	90,000	90,000
I-35 & 95th Street TIF	0	329,287	1,204,000	1,204,000
Springhill Suites CID	0	9,440	44,000	44,000
Candlewood Suites CID	0	1,142	24,000	24,000
Holiday Inn Express CID	0	2,709	28,000	28,000
Stormwater Management	7,250,429	6,830,561	6,184,763	6,710,091
Rec Center	0	1,449,599	2,097,150	2,585,404
	<b>\$98,776,649</b>	<b>\$111,967,263</b>	<b>\$112,845,396</b>	<b>\$119,852,846</b>



## Summary of Revenues and Expenditures by Fund

This table includes all *expenditures* by *fund* for actual *fiscal year* 2016 through *budget year* 2019. *Expenditures* by *fund* for FY2019 include projected December 31, 2019 *fund balances (reserves)*.

<b>Expenditures by Fund</b>	<b>2016 Actual</b>	<b>2017 Actual</b>	<b>2018 Re-estimate</b>	<b>2019 Budget</b>
General	\$66,691,416	\$79,915,843	\$83,832,485	\$108,835,728
Debt Service	12,968,392	13,219,693	13,870,614	16,907,216
Special Highway	1,626,199	1,405,139	1,434,560	1,795,861
Special Alcohol	217,365	225,681	256,556	758,475
Special Parks & Recreation	248,925	264,033	256,556	328,250
Tourism & Convention	788,578	961,552	1,760,000	3,248,143
Parks & Rec. Impact	-	777,994	440,000	1,945,612
Street Tree	21,811	90,031	55,000	516,779
TIP	210,000	195,000	498,000	2,448,628
Neighborhood Revitalization	340,456	124,784	300,000	467,341
City Center TIF	1,687,061	2,652,233	4,491,000	7,084,441
Mining TIF	1,330,828	1,525,106	1,678,000	2,644,160
Ridgeview Mining TIF	217,424	97,716	775,000	2,398,132
Orchard Corners CID	523,131	487,858	650,000	751,296
Prairie Creek CID	74,747	82,662	100,000	124,381
Quivira 95 CID	39,940	39,891	52,000	59,177
Greystone Plaza CID	38,011	54,609	60,000	78,946
City Center East #1 CID	35,179	40,462	42,000	69,429
City Center East #2 CID	215	186	90,000	172,292
I-35 & 95th Street TIF	0	34,135	1,204,000	1,499,152
Springhill Suites CID	0	0	44,000	53,439
Candlewood Suites CID	0	0	24,000	25,142
Holiday Inn Express CID	0	0	28,000	30,709
Stormwater Management	6,682,867	6,181,717	7,121,863	8,935,291
Rec Center Fund	0	1,145,846	2,097,148	2,889,157
<b>Total</b>	<b>\$93,742,545</b>	<b>\$109,522,171</b>	<b>\$121,160,781</b>	<b>\$164,067,177</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 2019 budget are \$34.6 million (assuming a 3.0% delinquency rate) as compared to \$34.0 million for the 2018 budget. To generate \$34.6 million in property tax revenue, an estimated mill levy of 30.579 mills is required for the 2019 budget. This includes 23.306 mills for the *General Fund* and 6.844 mills for the *Debt Service Fund*. This budget anticipates that the city's current property tax rate will decrease 1.682 mills to 30.150 for the 2019 budget. The city's assessed valuation, to which the property tax rate is applied, is estimated to increase from \$1.10 billion in 2018 to \$1.18 billion in 2019. This represents an increase of 7%. The estimated delinquency rate for property taxes is 3% in the adopted budget.

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

**SALES & USE TAX:** The city currently imposes a 1.375% sales tax rate, which includes a 1.000% general purpose levy and 0.375% to fund road and park maintenance, park facility upgrades and development. (In certain areas of the City, there is an additional 1% sales tax for *Community Improvement Districts*.) The 0.375% sales tax went into effect on Oct. 1, 2008 and generates approximately \$6.4 million annually in sales tax and use tax revenues. 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 \$18.3 million for 2019 an increase of 5.0% compared to the 2018 budget. *General Fund* county sales tax revenue is projected at \$9.7 million for 2019, an increase of 1.6% compared to the 2018 budget.

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.

### **FRANCHISE TAXES:**

Electric - Historically, the city was served by two electric providers however recently KCPL and Westar Energy have merged. 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 Kansas City Power & Light in 2009. Sometime in 2019 both companies will transition to a single company which will continue to pay the same franchise fee of 5%. 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 3.0% in 2019.

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

Gas - The city is served by two natural gas providers. Under their current franchise agreements, a franchise fee of 5% of gross receipts is collected by the provider and remitted to the city. Weather patterns and the wholesale cost of natural gas play a large role in the ultimate consumption of natural gas and total franchise fees collected. The franchise agreement with Atmos Energy was renegotiated and adopted in 2017. The second natural gas franchise with Kansas Gas Service was renegotiated and adopted in May 2011. The city adopted a Volumetric Rate Calculation Form in July 2008 pursuant to which both providers have collected franchise fees on the transport gas sold as a commodity by the company since January 1, 2009. The city annually determines the Volumetric Rate and adopts and amended Volumetric Rate Calculation Form. Weather patterns and the cost of natural gas have the most impact on gas consumption and franchise fees collected. Gas franchise taxes are projected to increase 27% for 2019 as compared to the 2018 budget based on current collections.

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

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

Telecommunications - The City of Lenexa has current franchises with eighteen telecommunications providers. The City renegotiated its franchise with Southwestern Bell Telephone Company and with Consolidated in 2009, which requires both companies to pay a 5% gross *revenues* franchise fee. Additionally, the city has been successful in negotiating and adopting franchises with several telecommunication providers and wireless service providers, and continues to seek franchises with other providers that are providing service in the city without a franchise. While the *revenues* anticipated from these small providers are not significant, it will provide a level playing field for all telecom providers in the community. Telecommunication franchise fees are projected to decrease slightly for 2019 compared to the 2018 *budget* based on historical collections.

**STORMWATER SERVICE CHARGE:** In 2000, the city developed a Stormwater Management Plan which called for a proactive approach to stormwater management issues within the city. This approach reduces flooding, improves water quality and builds community assets. To fund this plan the city established a stormwater management fee which is imposed on each residential and nonresidential developed property. The fee pays for operation and maintenance, costs of *capital improvements*, *debt service* associated with the stormwater management system and other costs included in the operating *budget*. This monthly service charge will remain constant in the 2019 *budget* at \$109 per equivalent dwelling unit (EDU). (Homeowners will pay \$109 annually.) Stormwater service charges are *budgeted* to increase 1.4% as compared to the original 2018 *budget* due to the growth in the number of EDU's.

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

**MOTOR VEHICLE EXCISE TAXES:** This is a tax collected by the county at the time of vehicle registration. The amount of tax is based on a statutory amount set for various classes of vehicles (based on original value and age) and is taxed according to the countywide average *tax rate* for the preceding year. Kansas statutes provides for the distribution of revenue for the vehicle tax among all taxing subdivisions. This *division* is made in proportion to the city's share of the prior year's total levy rate in which the vehicle has its tax origin. Vehicle tax revenue is proportionately allocated to each *fund* based on relative property taxes for the prior year. The County treasurer notifies the city of the estimated amount which it is to receive each year. Motor vehicle excise tax is estimated at \$3.16 million for 2019 an increase of 3.3%.

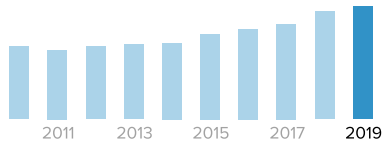
**REC CENTER MEMBERSHIP FEES:** In July of 2017, the city opened a new recreation center. This 100,000 square foot Rec Center facility features fitness equipment, an indoor pool, a jogging walking track that encompasses a full service fitness floor and two gyms for open play. A portion of the 3/8 cent sales tax went toward constructing the facility. The Lenexa Rec Center will cover operational costs through user fees. User fees include memberships, programs and rentals. Membership fees for 2019 are estimated at \$1.5 million.

# Major Revenue Sources Highlights

Listed below are the major revenues and the trends for each. The following pages includes analysis of the underlying trends.

## Property Taxes (in millions)

This is the largest source of revenue. Property taxes generated to fund the 2019 budget are \$34.6 million (assuming a 3% delinquency rate).



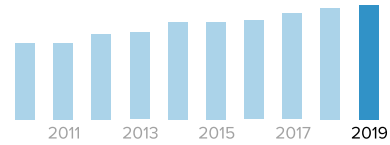
\$49.207

Total in 2019

Includes special assessment and tax increment financing property taxes.

## City Sales Tax (in millions)

Includes a 1.000% general purpose levy and a 0.375% to fund road & park maintenance, park facility upgrades and development. Total 1.375%.

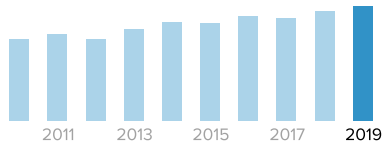


\$29.119

Total in 2019

## Franchise Taxes (in millions)

Includes franchise fees for electric, gas, cable and television. Franchise fee rates are 5% of gross receipts provided to the City.

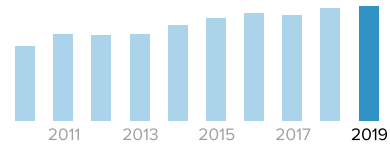


\$7.506

Total in 2019

## Compensating Use Tax (in millions)

Includes both City and County compensating use tax. Tax paid on merchandise purchased in other states and used/stored/consumed in Kansas.

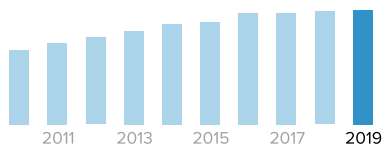


\$7.995

Total in 2019

## Stormwater Service Charge (in millions)

A stormwater management fee is imposed on each residential and non-residential property. The 2019 fee remains constant at \$109 per EDU.

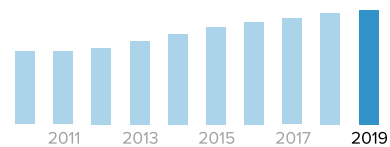


\$5.688

Total in 2019

## Motor Vehicle Excise Tax (in millions)

Tax collected by the County at time of motor vehicle registration.



\$3.157

Total in 2019



# Multi-Year Financial Forecast

## **INTRODUCTION**

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

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

The financial models are dynamic and change constantly as staff analyzes and adjusts assumptions. Overall, the models are tools that illustrate the impact of policy decisions and potential trends.

Key changes since the previous *budget* cycle include:

- Estimated *assessed valuation* increased by 7% for the 2019 *budget*.
- Sales tax collections are increasing (sales tax collections are projected to increase by 5% in 2019)
- Financial results were positive for 2017 (*General Fund revenues* exceeded *expenditures* and *transfers* by \$522,000).

The city's financial model continues to reflect structural balance (projected *revenues* equal to or exceed projected *expenditures*) in the *General Fund* and the *Stormwater Fund*.

## **PROPERTY TAX LIMIT CALCULATION**

The property tax limit calculation adopted by the State Legislature (effective for the 2018 *budget*) limits the rate of growth of property tax revenue to a five-year rolling average of the consumer price index (CPI). However, the approved legislation exempts a few key items from the calculation:

- *Bond* and interest payments (which are mostly accounted for in the city's *Debt Service Fund*).
- Increased *expenditures* above the CPI calculation for public safety (law enforcement, fire protection, and emergency medical services).
- *Expenditures* mandated by federal or state law with such mandates becoming effective on or after July 1, 2015.
- New real property improvements.
- Property which has changed in use.

The property tax limit calculation only applies to the *General Fund* since *bond* and interest payments are exempt from the tax limit calculation. The 2019 adopted *budget* includes a property *tax levy* less than the calculated property tax limit.

## **GENERAL FUND MODEL**

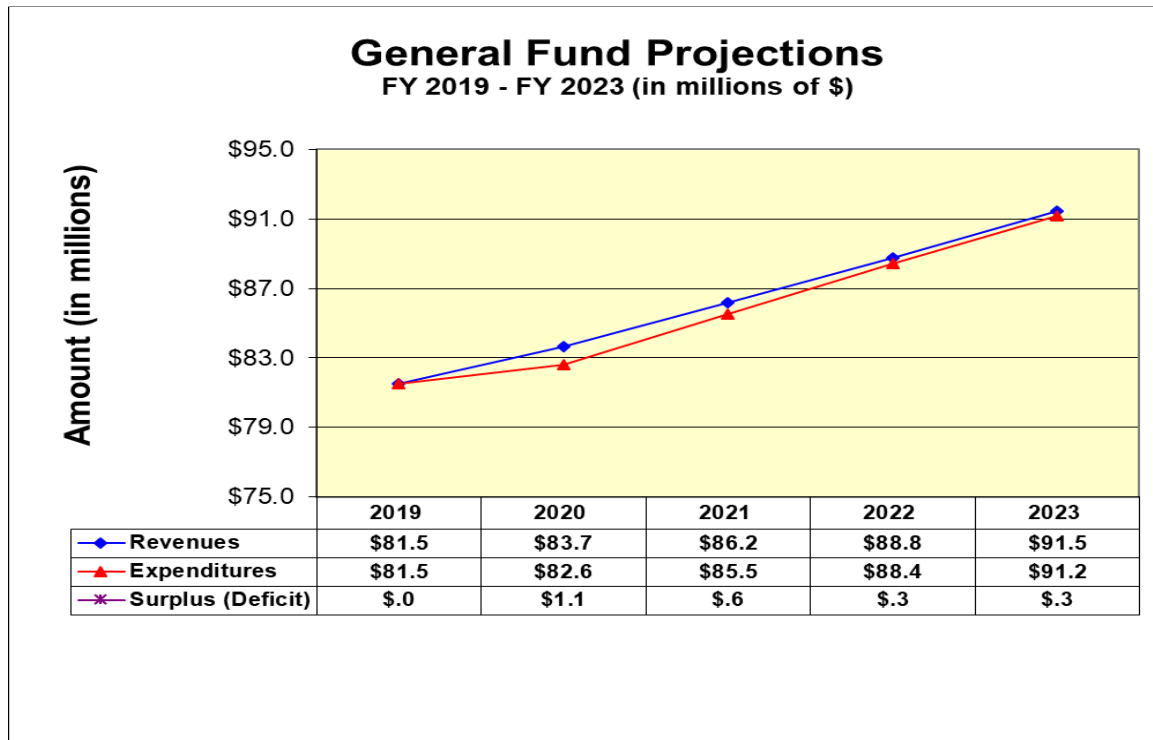
Earlier this year, staff presented preliminary *General Fund* projections through FY 2023. Staff has updated these projections to incorporate revised revenue estimates and the adopted expenditure *budget* for FY 2019. Staff has summarized the key financial model assumptions in the following table.



**Table #1: Financial Model Assumptions – General Fund**

	FY2019	FY2020	FY2021	FY2022	FY2023
Assessed Value % change	7%	5%	5%	4%	4%
Mill Levy	23.306	23.137	23.059	22.979	22.914
Total projected % change allowed for General Fund property tax revenue without an election	N/A	4.5%	4.5%	4%	4%
City Sales Tax % change (1.375% rate)	5%	3%	3%	3%	3%
County Sales Tax % change	2%	3%	3%	3%	3%
Personnel: % allocated for pay increases	4%	4%	4%	4%	4%
Personnel: \$ impact of change in staffing levels in General Fund	\$68,000 (add 0.95 FTE)	\$500,000 (add 5 to 7 FTEs)	\$400,000 (add 4 to 6 FTEs)	\$300,000 (add 3 to 5 FTEs)	\$300,000 (add 3 to 5 FTEs)
General Fund Transfer to Rec Center Fund	\$363,000	\$365,000	\$341,000	\$315,000	\$286,000
General Fund Transfer to Equipment Reserve Fund (equipment replacement) – in millions	\$1.7	\$1.7	\$1.7	\$1.6	\$1.5
General Fund Transfer to Capital Improvement Fund (pay as you go funding for CIP – funded from general revenue) – in millions	\$6.3	\$4.3	\$4.5	\$4.7	\$4.5

Due to the property tax limit calculation, the *General Fund mill levy* is projected to decline slightly during the forecast period. The following graph summarizes the revenue and expenditure projections for the *General Fund* in FY 2019 to FY 2023.



The *General Fund* financial model reflects structural balance (projected *revenues* equal or exceed projected *expenditures*) in all years of the five year forecast period.

### General Fund Reserve (Fund Balance) Information

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

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

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

Projections for the *General Fund* reserve are presented in the following table.

**Table #2: Projected Fund Balances for General Fund**

<b>Fiscal Year</b>	<b>Projected Ending Fund Balance (Reserve)</b>	<b>Ending Fund Balance %*</b>
2019	\$27.3 million	34%
2020	\$28.4 million	34%
2021	\$29.0 million	34%
2022	\$29.3 million	33%
2023	\$29.6 million	32%

\*The percentage shown is the percentage of projected annual *General Fund revenues*.

Based on the current projections, the city will be able to maintain a *fund balance* ranging from \$27 million to \$30 million over the forecast period (32% to 34% of estimated annual *General Fund revenues*). This level of *fund balance* will allow the city to proactively adjust to any revenue disruptions and also enhances the probability of maintaining the current credit ratings assigned by the rating agencies for the city’s general obligation debt.

### **DEBT SERVICE FUND MODEL**

Staff has updated the *Debt Service Fund* projections to incorporate revised revenue estimates and debt financing estimates of the projected Capital Improvement Program (CIP).

#### Model Assumptions

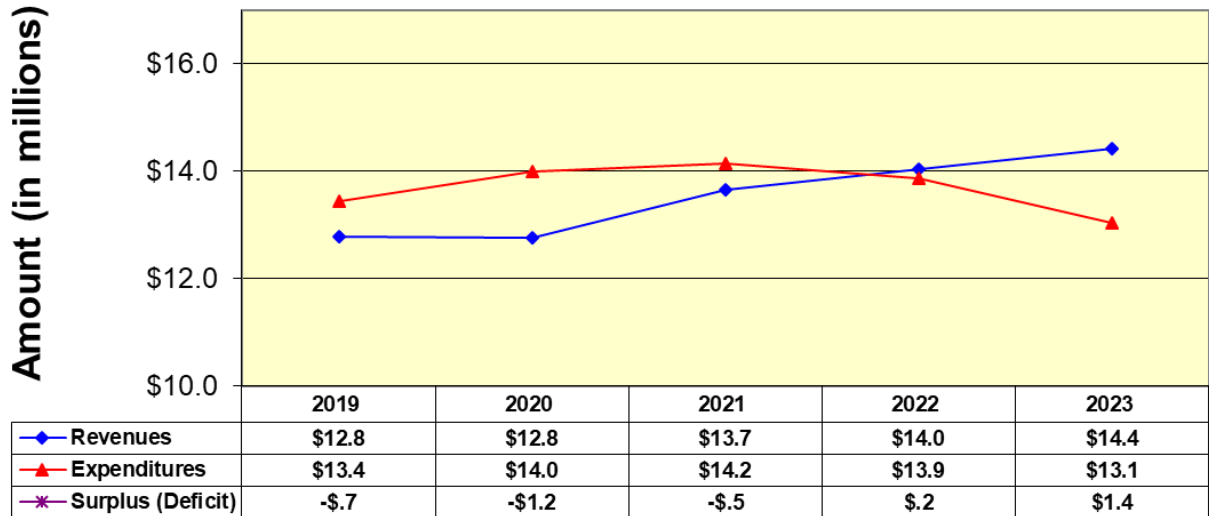
The *Debt Service Fund* projections are based on the same *assessed valuation* assumptions as used for the *General Fund*. The projections also assume the *Debt Service Fund mill* levy will be 6.844 mills in FY 2019 and 6.403 mills in FY 2020 through FY 2023.

*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. However, there are some projects that will be repaid over a period of greater than 10 years (for example, certain special benefit district debt is repaid over 15 or 20 years in accordance with existing development agreements).

The following graph summarizes the revenue and expenditure projections for the *Debt Service Fund* in FY 2019 to FY 2023.

## Debt Service Fund Projections

FY 2019 - FY 2023 (in millions of \$)



The *Debt Service Fund* financial model reflects a deficits ranging from \$0.5 million to \$1.2 million in FY 2019 through FY 2021. However, projected *revenues* exceed projected *expenditures* in FY 2022 and FY 2023.

The reserve target for the *Debt Service Fund* is a range of 10% to 20% of projected *expenditures*. The projected use of the *Debt Service Fund* reserve would decrease the reserve amount to \$1.8 million in 2021 (12% of *debt service expenditures*). In 2022, the reserve would begin to increase unless adjustments are made to the amount of property tax levied for *debt service* or for the amount of new debt issued for *capital projects*. During the five year forecast period, the reserve amount would exceed the 10% minimum reserve requirement (range of 12% to 26% of *debt service expenditures*).

### **STORMWATER FUND MODEL**

Staff has updated the *Stormwater Fund* projections to incorporate revised revenue estimates and debt financing estimates of the projected CIP.

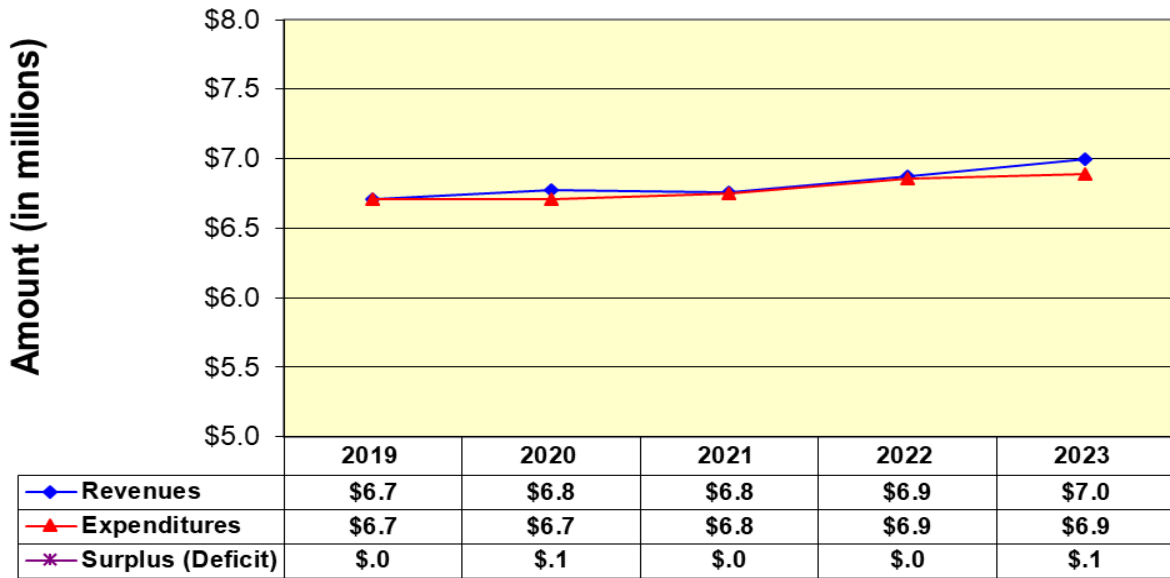
#### Model Assumptions

The *Stormwater Fund* revenue projections assume the annual service charge is \$109 per equivalent dwelling unit (EDU) in 2019 through 2023.

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 projected 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 2019 to FY 2023.

## Stormwater Fund Projections FY 2019 - FY 2023 (in millions of \$)



The Stormwater *Fund* financial model reflects structural balance in all years of the five year forecast period.

The reserve target for the Stormwater *Fund* is a range of 10% to 20% of projected stormwater *revenues*. During the five year forecast period, the reserve amount would equal or exceed the 10% minimum reserve requirement (range of 33% to 35% of stormwater *revenues*).

### **FINAL COMMENTS**

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



# Capital Improvement Program and Debt Management

**Annual Budget Document  
2019  
City of Lenexa  
January 1 - December 31**



# Capital Improvement Program

2018-2022 Capital Improvement Program – adopted December 19, 2017

## **WHAT IS A CAPITAL IMPROVEMENT PROGRAM?**

A capital improvement program 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 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. Common examples of capital improvement projects include the construction of roads and bridges, facility construction, and land acquisition. 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 goals as outlined in the official 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.
- 11) To provide for improvements in a timely and systematic manner.

#### ***HOW DOES CAPITAL SPENDING IMPACT THE OPERATING BUDGET?***

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

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

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

#### ***HOW IS THE CAPITAL IMPROVEMENT PROGRAM FORMULATED?***

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

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

#### ***HOW ARE CAPITAL IMPROVEMENTS FINANCED?***

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

Because most capital improvements involve the outlay of substantial funds, local government can seldom pay for these facilities through annual appropriations in the annual operating budget. Therefore, numerous techniques have evolved to enable local government to pay for capital improvements over a longer period of time rather than a single year. Most techniques involve the issuance of bonds in which a government borrows money from investors and pays the principal and interest over a number of years. Long-term debt is issued by the City of Lenexa in accordance with the city's debt policy. Brief definitions of financing techniques are listed below.

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

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

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

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

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

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

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

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





# Capital Improvement Program

## Sources and Uses of funding by year 2018-2022 Amended CIP

<u>Sources of Funding:</u>	<u>Prior Years</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>Totals</u>	<u>% share</u>
General Obligation Bonds	\$2,396,181	\$0	\$17,650,000	\$11,682,603	\$0	\$6,833,500	\$0	\$38,562,284	28%
Stormwater Bonds	\$0	\$1,994,000	\$5,344,000	\$1,037,391	\$2,657,500	\$1,385,600	\$0	\$12,418,491	9%
Special Benefit District Bonds	\$0	\$0	\$5,460,000	\$0	\$0	\$0	\$0	\$5,460,000	4%
General Fund Revenues	\$3,534,169	\$5,856,543	\$12,081,262	\$3,100,050	\$2,034,472	\$2,854,928	\$1,719,801	\$31,181,225	23%
Stormwater Revenues	\$0	\$650,878	\$1,300,000	\$1,325,000	\$1,225,000	\$1,025,000	\$1,025,000	\$6,550,878	5%
Excise Tax	\$0	\$763,400	\$2,116,449	\$0	\$931,500	\$0	\$0	\$3,811,349	3%
TIP Fees	\$0	\$196,805	\$274,050	\$287,100	\$300,150	\$157,200	\$0	\$1,215,305	1%
PRIF Fees	\$59,071	\$299,305	\$0	\$0	\$0	\$0	\$0	\$358,376	0%
3/8 cent sales tax	\$517,635	\$4,898,609	\$319,000	\$2,535,504	\$2,611,568	\$2,989,916	\$2,770,613	\$16,642,845	12%
County 1/4 cent sales tax	\$0	\$0	\$220,000	\$0	\$0	\$0	\$0	\$220,000	0%
Parks Revenues	\$266,624	\$450,000	\$0	\$25,000	\$25,000	\$25,000	\$25,000	\$816,624	1%
<b>Subtotal:</b>	<b>\$6,773,680</b>	<b>\$15,109,540</b>	<b>\$44,764,761</b>	<b>\$19,992,648</b>	<b>\$9,785,190</b>	<b>\$15,271,144</b>	<b>\$5,540,414</b>	<b>\$117,237,377</b>	<b>85%</b>



# Capital Improvement Program

## Sources and Uses of funding by year 2018-2022 Amended CIP

### External sources of funding:

Federal & State Grants	\$2,814,822	\$964,790	\$5,278,428	\$44,000	\$600,000	\$0	\$0	\$9,702,040	7%
CARS Program	\$0	\$0	\$1,158,000	\$1,014,000	\$0	\$0	\$0	\$2,172,000	2%
SMAC Program	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0%
Special Highway fund (gas tax)	\$0	\$1,282,800	\$1,324,780	\$1,324,780	\$1,324,780	\$1,324,780	\$1,324,780	\$7,906,700	6%
Other local funding	\$0	\$958,054	\$311,966	\$0	\$0	\$0	\$0	\$1,270,020	1%
<b>Total external sources of funding:</b>	<b>\$2,814,822</b>	<b>\$3,205,644</b>	<b>\$8,073,174</b>	<b>\$2,382,780</b>	<b>\$1,924,780</b>	<b>\$1,324,780</b>	<b>\$1,324,780</b>	<b>\$21,050,760</b>	<b>15%</b>
<b>Grand Total Sources of Funding:</b>	<b>\$9,588,502</b>	<b>\$18,315,184</b>	<b>\$52,837,935</b>	<b>\$22,375,428</b>	<b>\$11,709,970</b>	<b>\$16,595,924</b>	<b>\$6,865,194</b>	<b>\$138,288,137</b>	<b>100%</b>

<u>Uses of Funding:</u>	<u>Prior Years</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>Totals</u>	<u>% share</u>
Streets & Bridges	\$5,437,400	\$12,104,845	\$43,627,975	\$5,994,334	\$6,672,320	\$11,910,624	\$5,185,194	\$90,932,692	66%
Traffic	\$0	\$1,151,805	\$4,029,050	\$667,100	\$680,150	\$537,200	\$380,000	\$7,445,305	5%
Stormwater	\$42,113	\$4,057,355	\$4,938,532	\$2,337,391	\$3,857,500	\$2,385,600	\$1,000,000	\$18,618,491	13%
Facilities	\$22,600	\$1,483,963	\$8,240,400	\$1,694,000	\$500,000	\$300,000	\$300,000	\$12,540,963	9%
Parks	\$1,629,508	\$1,973,024	\$2,410,457	\$0	\$0	\$300,000	\$0	\$6,312,989	5%
Capital Equipment & Miscellaneous	\$0	\$0	\$1,275,197	\$0	\$0	\$1,162,500	\$0	\$2,437,697	2%
<b>Total Uses of Funding:</b>	<b>\$7,131,621</b>	<b>\$20,770,992</b>	<b>\$64,521,611</b>	<b>\$10,692,825</b>	<b>\$11,709,970</b>	<b>\$16,595,924</b>	<b>\$6,865,194</b>	<b>\$138,288,137</b>	<b>100%</b>



# Capital Improvement Program

## Year Capital Expenditures are Incurred

Prj No.	Project Title	Year Capital Expenditures are Incurred							Total
		Prior Years	Budget 2017	2018	2019	2020	2021	2022	
<b>STREETS/BRIDGES</b>									
60092	Pavement Management Program	0	8,100,000	3,223,189	5,784,334	4,872,200	4,977,124	5,085,194	32,042,041
60041	Bridge Maintenance	0	110,000	100,000	100,000	100,000	100,000	100,000	610,000
60005	K-10 & Lone Elm Interchange Design and ROW Acquisition	3,284,929	68,488	4,130,583	0	0	0	0	7,484,000
60081	Ridgeview Road - Prairie Star Parkway to 99th Street	406,922	214,938	21,590,591	0	0	0	0	22,212,451
60082	Ridgeview Road from K-10 north to 99th Street	1,699,589	879,775	8,429,126					11,008,490
60083	City Center Amenity Zone	45,960	1,007,244	173,514	0	0	0	0	1,226,718
60094	I-435 & 87th Street Parkway Landscaping	0	450,000	450,000	0	0	0	0	900,000
60100	99th Street & Clare Road	0	0	0	0	931,500	6,833,500	0	7,765,000
60095	Westbound 87th Street Right Turn Lane at Northbound I-435 Entrance Ramp	0	0	390,533	0	0	0	0	390,533
60099	95th Street & Santa Fe Trail Drive Intersection Improvements	0	0	74,990	110,000	768,620	0	0	953,610
New (60097)	Maurer Road Special Benefit District	0	511,000	3,889,000	0	0	0	0	4,400,000
New (60098)	Lone Elm Special Benefit District	0	763,400	1,176,449	0	0	0	0	1,939,849
	Subtotal	5,437,400	12,104,845	43,627,975	5,994,334	6,672,320	11,910,624	5,185,194	90,932,692
<b>TRAFFIC</b>									
60042	Street Lighting System Replacement	0	680,000	680,000	380,000	380,000	380,000	380,000	2,880,000
60093	LED Streetlight Conversion	0	275,000	2,725,000	0	0	0	0	3,000,000
60090	87th Street Traffic Signals - Scarborough to Winchester	0	196,805	274,050	287,100	300,150	157,200	0	1,215,305
New	Wayside Horn System	0	0	350,000	0	0	0	0	350,000
	Subtotal	0	1,151,805	4,029,050	667,100	680,150	537,200	380,000	7,445,305
<b>PUBLIC BUILDINGS</b>									
Fund 73	Facilities Improvements & Maintenance Fund	0	1,483,963	500,000	500,000	500,000	300,000	300,000	3,583,963
Fund 15	Community Center & Senior Center Improvements	22,600	0	370,400	44,000	0	0	0	437,000
80014	City Center Parking Structure (SMSD Aquatics Center)	0	0	1,150,000	1,150,000	0	0	0	2,300,000
80015	Municipal Service Center Fleet Facility	0	0	6,000,000	0	0	0	0	6,000,000
New	Public Safety Facility Study	0	0	220,000	0	0	0	0	220,000
	Subtotal	22,600	1,483,963	8,240,400	1,694,000	500,000	300,000	300,000	12,540,963



# Capital Improvement Program

## Year Capital Expenditures are Incurred

Prj No.	Project Title	Prior Years	Budget						Total
			2017	2018	2019	2020	2021	2022	
<b>PARKS</b>									
70012	Playground Equipment Replacement	1,132,335	47,000	319,000	0	0	300,000	0	1,798,335
70017	Park Entry Signage and Wayfinding	288,431	32,257	290,312	0	0	0	0	611,000
70021	Sar-Ko-Par Trails Park Improvements	79,154	1,821,895	572,965	0	0	0	0	2,474,014
70022	Renner Boulevard (91st to 93rd Street) Mixed Use Trail	29,565	21,895	312,380	0	0	0	0	363,840
70023	Lackman Road (Sar-Ko-Par to 95th & I-435) Mixed Use Trail	100,023	49,977	848,800	0	0	0	0	998,800
New	Pool Facility Needs Study	0	0	67,000	0	0	0	0	67,000
	Subtotal	1,629,508	1,973,024	2,410,457	0	0	300,000	0	6,312,989
<b>STORMWATER</b>									
90049	Traditional Stormwater Infrastructure Replacement	0	2,394,000	3,810,000	2,337,391	2,362,500	2,385,600	1,000,000	14,289,491
90046	Brookwood Place Stormdrainage Improvements	42,113	1,663,355	1,128,532	0	0	0	0	2,834,000
90050	Pflumm & College Stormwater Rehabilitation	0	0	0	0	1,495,000	0	0	1,495,000
	Subtotal	42,113	4,057,355	4,938,532	2,337,391	3,857,500	2,385,600	1,000,000	18,618,491
<b>MAJOR CAPITAL EQUIPMENT &amp; MISCELLANEOUS</b>									
85037	Command Post Replacement Vehicle	0	0	550,197	0	0	0	0	550,197
10 (2018)	Fire Engine/Pumper	0	0	725,000	0	0	0	0	725,000
10 (2021)	75' Elevated Stream/Aerial Ladder Apparatus	0	0	0	0	0	1,162,500	0	1,162,500
	Subtotal	0	0	1,275,197	0	0	1,162,500	0	2,437,697
	Total Cost Funded Projects	7,131,621	20,770,992	64,521,611	10,692,825	11,709,970	16,595,924	6,865,194	138,288,137



# 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 Capital Improvement Plan 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 2018-2022)**

The 2018-2022 CIP is built upon the Governing Body and Planning Commission's goals of delivering on past promises; improving the quality of life through infrastructure; and balancing the facilitation of growth with maintenance of current infrastructure. The CIP was prepared assuming a debt service property tax rate of 7.94 mills in FY 2018 through FY 2021. The CIP includes 33 funded projects for 2018-2021. The 2018-2022 CIP is \$100 million lower than the previous CIP due to the completion of several projects including: the Civic Center campus, 95<sup>th</sup> Street & I-35 Interchange, Lenexa Logistics North special benefit districts, and the Mill Creek Road special benefit district.. Capital expenditures totaling \$64.5 million have been planned for construction for the 2019 budget year. These projects will require \$12.7 million in city at large funding.

## **Pavement Management Program**

One of the Governing Body's six strategic goals is reinvestment. The 2019 budget supports this goal by allocating funding to infrastructure maintenance. The Pavement Management Program is money that is set aside in 2019 for the maintenance and repair of streets and highways. A total of \$5.8 million is allocated for the Pavement Management Program in 2019. Special Highway monies will fund approximately \$1.3 million; \$2.5 million will be funded from 3/8 cent sales tax (adopted in 2008); \$1 million from CARS (County Assisted Road System) funding; \$0.9 million from the General Fund and \$0.1 million from other funding sources (stormwater and parks).



# Capital Improvement Program

Listed below are all the projects slated for the 2019 construction year, the estimated cost and the operating budget impact for the year 2019.

## **Pavement Maintenance Program**

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

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

*Cost:* \$5,784,334

*Operating Budget Impact:* None

## **Bridge Maintenance**

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

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

*Cost:* \$100,000

*Operating Budget Impact:* None

## **95<sup>th</sup> & Santa Fe Trail Drive Intersection Improvements**

*Description:* Work will include southbound, eastbound and westbound right turn lanes, extending the storage length of the eastbound left turn lane, restricting an access drive to right-in/right-out to minimize conflicts, replace the traffic signal, ADA ramps and accessible pedestrian signals on all approaches, relocation of drive approach to minimize the conflicts through the intersection, and extension of a mixed use trail along the north side of the intersection.

*Justification:* There are currently several operational issues with this intersection. Heavy right turning movements cause excessive congestion and delay. Driveway access is too close to the intersection causing conflict that negatively impact the operation. One drive will be relocated and the other will be restricted to right-in/right-out. There are also no current accommodations for bicycles through the intersection.

*Cost:* \$110,000

*Operating Budget Impact:* Right of way purchase in 2019.

## **Street Lighting Replacement**

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

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

*Cost:* \$380,000

*Operating Budget Impact:* None

### **87<sup>th</sup> Street Traffic Signals**

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

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

*Cost:* \$287,100

*Operating Budget Impact:* \$2,000 per signal

### **Facilities Improvements and Maintenance Fund**

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

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

*Cost:* \$500,000

*Operating Budget Impact:* None

### **Community Center & Senior Center Improvements**

*Description:* A feasibility study to determine what amenities and programs should be offered at the Community and Senior Centers. It is anticipated that the study will identify necessary improvements to serve the community, especially in the area of ADA accessibility. These necessary renovations will be prioritized and phased over the next several years using the annual CDBG funds distributed to the City.

*Justification:* Senior and low income persons are the main focus of CDBG monies. These necessary renovations will be prioritized and phased over the next several years using the annual CDBG funds distributed to the City.

*Cost:* \$44,000

*Operating Budget Impact:* None

### **City Center Parking Structure (SMSD Aquatics Center)**

*Description:* Construction of a public parking structure to serve the new Shawnee Mission School District Aquatics Facility and the City Center development area.

*Justification:* The parking structure will provide additional public parking for the City Center development area, including City Hall and the Rec Center. The city will pay 50% of the cost of the parking structure and the Shawnee Mission School District will pay the remaining 50%.

*Cost:* \$1,150,000

*Operating Budget Impact:* None

### **Traditional Stormwater Infrastructure replacement**

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

*Justification:* The city has over 60 miles of corrugated metal pipe (CMP) allowed for stormwater infrastructure due to a previous storm drainage standard that Lenexa and many cities around the country employed for several decades. Lenexa no longer allows CMP for storm drainage infrastructure due to its susceptibility to corrosion. The city completed its first Condition Assessment of pipes and storm boxes in 2005 and watershed crews continually update the database. Numerous pipes and the catch basins that connect them are in need of immediate replacement. Others require ongoing proactive maintenance. This project addresses this significant issue in a systematic way over several years.

*Cost:* \$2,337,397

*Operating Budget Impact:* None



# Debt Management

## **DERIVATIVES**

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

## **CREDIT RATINGS**

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

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

Moody's Investors Service made the following comments:

- ◆ "The City of Lenexa, KS's (Aaa stable) credit profile is supported by the city's sizeable and growing tax base favorably located in Johnson County (Aaa stable), significant commercial presence and above-average wealth indices. The city's profile is further supported by solid financial operations characterized by a trend of operating surpluses and high operating reserves bolstered by outside liquidity. The profile also considers an above median debt burden for the rating category due to rapid growth, signifying the city's continued emphasis on economic development, and a low pension burden."

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

- ◆ "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 (FMA) technology;"
- ◆ "Very strong liquidity, with total government available cash at 77.6% of total governmental fund expenditures and 4.5x governmental debt service, and access to external liquidity we consider strong;"
- ◆ "Weak debt and contingent liability position, with debt service carrying charges at 17.1% of expenditures and net direct debt that is 145.5% of total governmental fund revenue, but rapid amortization, with 78.2% 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 2019 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 2019 consist of \$12.8 million in general obligation principal payments and interest payments
- The projected reserve in the 2019 budget is \$3.5 million or approximately 27% of budgeted annual debt service.

### Expenditure Information

Expenditure Category	FY 2016	FY 2017	FY 2018	FY 2018	FY 2019
	Actual	Actual	Original Budget	Revised Budget	Budget
Personal Services	\$0	\$0	\$0	\$0	\$0
Contractual Services	8,968	10,217	0	0	0
Commodities	0	0	0	0	0
Capital Outlay	0	0	0	0	0
Debt Service	12,959,424	13,209,476	13,751,910	13,179,614	12,836,265
Transfers	0	0	691,000	691,000	611,000
Reserves	0	0	3,059,202	0	3,459,951
<b>Total</b>	<b>\$12,968,392</b>	<b>\$13,219,693</b>	<b>\$17,502,112</b>	<b>\$13,870,614</b>	<b>\$16,907,216</b>



# Debt Service

## GENERAL OBLIGATION (G.O.) BONDS

Fiscal Year Ending	Debt Service Fund Principal	Debt Service Fund Interest	Stormwater Fund Principal	Stormwater Fund Interest	Tourism Fund Principal	Tourism Fund Interest	Capital Improvement Fund Principal	Capital Improvement Fund Interest	Total
2019	\$ 9,580,000	\$ 3,185,230	\$ 2,245,000	\$ 1,083,650	\$ 160,000	\$ 113,306	\$ 1,905,000	\$ 939,350	\$ 19,211,536
2020	9,750,000	2,772,604	2,350,000	973,084	165,000	110,107	2,000,000	844,100	18,964,895
2021	9,785,000	2,344,116	2,375,000	872,091	175,000	101,856	2,095,000	744,100	18,492,163
2022	9,005,000	1,962,066	2,405,000	771,041	180,000	93,106	2,140,000	702,200	17,258,413
2023	8,060,000	1,589,916	2,470,000	681,966	190,000	84,107	2,245,000	595,200	15,916,189
2024	5,385,000	1,290,900	2,535,000	607,394	200,000	78,406	2,360,000	482,950	12,939,650
2025	4,280,000	1,082,219	2,215,000	510,769	200,000	74,156	2,475,000	364,950	11,202,094
2026	3,285,000	927,544	2,030,000	435,656	205,000	69,657	2,600,000	241,200	9,794,057
2027	3,295,000	812,813	1,550,000	348,388	210,000	64,531	2,680,000	163,200	9,123,932
2028	2,860,000	698,563	1,025,000	276,637	215,000	58,231	2,760,000	82,800	7,976,231
2029	2,885,000	602,862	1,090,000	234,494	225,000	51,781			5,089,137
2030	3,005,000	509,562	895,000	193,075	230,000	45,032			4,877,669
2031	2,545,000	409,450	865,000	161,925	235,000	38,131			4,254,506
2032	2,630,000	325,375	805,000	131,663	250,000	31,081			4,173,119
2033	2,080,000	239,463	770,000	104,888	250,000	23,581			3,467,932
2034	1,975,000	167,200	590,000	78,713	260,000	16,081			3,086,994
2035	2,050,000	97,444	530,000	59,650	265,000	8,282			3,010,376
2036	250,000	25,038	425,000	42,369					742,407
2037	260,000	17,225	440,000	29,088					746,313
2038	270,000	8,775	455,000	14,788					748,563
<b>Total</b>	<b>\$ 83,235,000</b>	<b>\$ 19,068,365</b>	<b>\$ 28,065,000</b>	<b>\$ 7,611,329</b>	<b>\$ 3,615,000</b>	<b>\$ 1,061,432</b>	<b>\$ 23,260,000</b>	<b>\$ 5,160,050</b>	<b>\$ 171,076,176</b>



# 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 capital improvement program. 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 Capital Improvement Program (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  
 $\$ 12,836,265 / \$ 94,335,351 = 13.61\%$
- ◆ Property tax-supported debt service/total revenues  
 $\$ 12,836,265 / \$ 119,329,642 = 10.76\%$
- ◆ General Obligation Bonds and Temporary Notes/Statutory Debt Limit  
 $\$ 148,230,000 / \$ 359,609,931 = 41.2\%$  (The city's available debt capacity is 58.8%)
- ◆ Debt Service Fund  
2018 estimated mill levy rate (for 2019 budget) = 6.844

## **DEBT ISSUANCE FOR 2019**

The city estimates issuing \$12.7 million of general obligation bonds in 2019 to finance street, building and Stormwater CIP projects.

**General Debt Ratios**

Assessed Valuation (1)	\$1,298,462,819
Outstanding General Obligation Bonds	\$144,540,000
Outstanding General Obligation Notes Payable	\$3,690,000
Population (Estimate) (2)	53,553
Per Capita General Obligation Debt	\$2,768
Ratio of General Obligation Bonds to Assessed Valuation	11.13%
Overlapping Debt (3)	\$153,569,551
Direct and Overlapping Debt (4)	\$301,799,551
Per Capita Direct and Overlapping Debt	\$5,636
Ratio of Direct and Overlapping Debt to Assessed Valuation	23.24%

(1) Estimate as of June 2018, including motor vehicle assessed value as of December 2017.

(2) Census bureau estimate July 2017.

(3) Johnson County Debt as of December 2017, all other debt as of June 2017.

(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
2008	14,825,189	4,618,153	\$19,443,342	68,615,455	28.3%
2009	12,465,000	4,723,849	17,188,849	65,672,174	26.2%
2010	9,505,000	4,274,369	13,779,369	59,396,016	23.2%
2011**	7,645,000	3,044,899	10,689,899	54,488,962	19.6%
2012	6,560,000	2,864,634	9,424,634	59,206,165	15.9%
2013	7,694,131	2,896,593	10,590,724	61,415,135	17.2%
2014	8,402,296	2,700,335	11,102,631	61,207,063	18.1%
2015	8,562,875	2,765,375	11,328,250	64,538,872	17.6%
2016	11,110,612	4,472,882	15,583,494	70,611,302	22.1%
2017	11,690,300	4,691,068	16,381,368	58,946,588	27.8%

\*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
2008	46,900	1,075,929,834	107,580,000	10.00%	\$2,294
2009	47,996	1,034,546,894	101,845,000	9.84%	2,122
2010	48,190	931,756,181	104,275,000	11.19%	2,164
2011	48,326	924,230,911	100,675,000	10.89%	2,083
2012	48,448	919,108,323	106,205,000	11.56%	2,192
2013	49,394	937,060,144	103,905,000	11.09%	2,104
2014	50,344	983,305,903	117,185,000	11.92%	2,328
2015	51,042	1,060,877,716	163,505,000	15.41%	3,203
2016	52,488	1,133,474,647	144,500,000	12.75%	2,753
2017	53,553	1,198,699,771	144,540,000	12.06%	2,699

\* Assessed Valuation includes Motor Vehicle Assessed Value

\*\* Includes Special Assessments

**Legal Debt Margin**

Assessed value (includes motor vehicle)	\$1,198,699,771
Debt limit (30% of assessed value)	\$359,609,931
Bonded indebtedness:	
General obligation bonds	\$144,540,000
General obligation notes	<u>3,690,000</u>
Total debt	\$148,230,000
Legal debt margin	\$211,379,931

\* 2018 Assessed Valuation

Includes Motor Vehicle Assessed Valuation as of December 2017.

Bonded indebtedness as of December 2017.

**Overlapping Debt**

<u>Jurisdiction</u>	<u>Outstanding GO Debt*</u>	<u>Applicable to the City Percent</u>	<u>Amount</u>
Johnson County	\$312,063,100	11.10%	\$34,639,004
Park & Recreation District	1,215,000	11.10%	134,865
U.S.D. #232	139,615,000	4.32%	6,031,368
U.S.D. #233	523,901,157	11.49%	60,196,243
U.S.D. #512	341,795,000	15.38%	<u>52,568,071</u>
Total Estimated Overlapping Debt =			\$153,569,551

\* Johnson County Debt as of December 31, 2017, all other debt as of June 30, 2017.  
Excludes general obligation debt supported by revenues and revenue debt.



# Detail Expenditure by Fund

**Annual Budget Document  
2019  
City of Lenexa  
January 1 - December 31**



# Governing Body

GENERAL FUND – GOVERNING BODY – 01 (EXECUTIVE DEPARTMENT)

## Mission Statement

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

### Core Services

- Provide public policies that benefit the city's citizens and businesses

### Accomplishments for 2017

- Biennial citizen survey results from 2017 demonstrated that Lenexa citizens rate the quality of life and overall image of the city significantly higher than their counterparts in other Kansas City metropolitan cities and cities across the nation
- Maintained a strong financial position with triple-A ratings from credit rating agencies
- Opened the civic campus creating a place for residents to gather, play and shop as well participate in fitness, sports and aquatic activities year-round
- Kansas City Business Journal Capstone Award in the Community Impact category for the civic campus project
- Twelve projects underway or planned in Lenexa City Center

### Objectives for FY 2018/2019

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

### Future Opportunities/Issues

- Continue to be a forward-thinking organization to deliver exceptional public services to its 50,000+ residents
- Continue to attract new businesses and residents to the City of Lenexa



## Key Performance Measures

	FY 2016 Actual	FY 2017 Actual	FY 2018 Estimate	FY 2019 Budget
Objective: % of citizen survey respondents who are "satisfied" or "very satisfied" with Lenexa as a place to live is 90% or greater	96%	96%	96%	95%
Objective: % of citizen survey respondents who are "satisfied" or "very satisfied" with Lenexa as a place to raise children is 90% or greater	95%	95%	95%	95%
Objective: % of citizen survey respondents who are "satisfied" or "very satisfied" with Lenexa as a place to work is 75% or greater	81%	80%	80%	80%
Objective: % of citizen survey respondents who are "satisfied" or "very satisfied" with leadership of Lenexa elected officials is 75% or greater	72%	68%	68%	80%

## Expenditure Information

Expenditure Category	FY 2016 Actual	FY 2017 Actual	FY 2018 Original Budget	FY 2018 Revised Budget	FY 2019 Budget
Personal Services	\$129,993	\$130,192	\$140,826	\$140,826	\$145,817
Contractual Services	72,994	65,023	103,000	103,000	103,000
Commodities	2,001	3,518	5,000	5,000	5,000
Capital Outlay	0	0	0	0	0
Transfers	0	0	0	0	0
<b>Total</b>	<b>\$204,988</b>	<b>\$198,733</b>	<b>\$248,826</b>	<b>\$248,826</b>	<b>\$253,817</b>

## Major Budget Changes for FY 2019

- No major budget changes



# Executive

GENERAL FUND – EXECUTIVE DEPARTMENT - 01

## Mission Statement

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

### Core Services

- Professional management of the organization
- Promote economic development and redevelopment
- Guide all city departments in meeting governing body goals

### Accomplishments for 2017

- Completed the construction of City Hall, Rec Center, and Public Market and opened the new civic campus
- Relocated City Hall and Parks and Recreations administration offices to new campus
- Administered the first Community Development Block Grant program year
- Added an Information Technology Director and Communications Director to the Management Team
- Facilitated discussion to move forward the Ridgeview Road project to the design/build phase

### Objectives for FY 2018/2019

- Coordinate construction schedules for Shawnee Mission School District and Johnson County Library facilities in City Center
- Facilitate development at City Center and throughout the city
- Select new agenda and meeting management software
- Analyze impact and effectiveness of various incentive packages offered for new and infill development in the city
- Onboard a new City Clerk and Emergency Management Coordinator
- Keep Ridgeview Road project on schedule
- Facilitate 2040 visioning process
- Conduct repurposing study of former city hall facility and feasibility study of Police Department and Municipal Court facilities

### Future Opportunities/Issues

- Repurpose former city hall facility
- Repurpose Community and Senior Centers facilities in Old Town Lenexa
- Discover and implement innovative ways to attract new businesses and residents to Lenexa
- Ensure career opportunities through succession planning throughout the organization
- Update records management system

## Key Performance Measures

	FY 2016 Actual	FY 2017 Actual	FY 2018 Estimate	FY 2019 Budget
Objective: % of citizen survey respondents who are "satisfied" or "very satisfied" with the City Administrator and appointed staff leadership is 75% or greater	69%	68%	68%	75%
Objective: % of citizen survey respondents who are "satisfied" or "very satisfied" with the overall value received for their tax dollar is 75% or greater	77%	74%	74%	75%
Objective: % of citizen survey respondents who are "satisfied" or "very satisfied" with the quality of life in the community is 90% or greater	92%	92%	92%	90%

## Expenditure Information

Expenditure Category	FY 2016	FY 2017	FY 2018	FY 2018	FY 2019
	Actual	Actual	Original Budget	Revised Budget	Budget
Personal Services	\$724,888	\$763,592	\$783,120	\$783,120	\$808,004
Contractual Services	121,896	153,267	206,200	206,200	242,200
Commodities	2,245	5,972	6,200	6,200	6,200
Capital Outlay	0	0	0	0	0
Transfers	0	0	0	0	0
<b>Total</b>	<b>\$849,029</b>	<b>\$922,831</b>	<b>\$995,520</b>	<b>\$995,520</b>	<b>\$1,056,404</b>

## Major Budget Changes for FY 2019

- Increased funding for Johnson County Utility Assistance program
- Included funds for 2019 primary and general elections

## Staffing Executive

	FY 2016 Actual	FY 2017 Actual	FY 2018 Estimate	FY 2018 Revised	FY 2019 Budget
Administrative Assistant	.50	.50	.50	.50	.50
Assistant to the City Administrator	1.00	1.00	1.00	1.00	1.00
City Administrator	1.00	1.00	1.00	1.00	1.00
City Clerk	1.00	1.00	1.00	1.00	1.00
Deputy City Administrator	1.00	1.00	1.00	1.00	1.00
Office Coordinator	1.00	1.00	1.00	1.00	1.00
<b>Executive Total</b>	<b>5.50</b>	<b>5.50</b>	<b>5.50</b>	<b>5.50</b>	<b>5.50</b>



# Communications

GENERAL FUND – COMMUNICATIONS – 01 (EXECUTIVE DEPARTMENT)

## Mission Statement

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

### Core Services

- Create and implement strategic communication plans for city initiatives
- Support departments in their efforts to reach target audiences
- Publish citizen newsletter, TownTalk
- Manage city's social media accounts
- Manage city websites
- Coordinate media relations
- Manage e-newsletters
- Support internal employee communications
- Help create community engagement
- Promote Lenexa brand by using quality graphic design and photography

### Accomplishments for 2017

- Launched new mobile-friendly website and Public Market website
- Transitioned to mobile-friendly e-newsletters and increased number of recurring issues
- Strong social media presence (3 months of 1 million+ impressions)
- Integrated news stories into website (read by 33,295 members of the public)
- 6 TownTalk issues and special September to Remember issue
- Implemented strategic marketing plans for three new amenities (Rec Center, Public Market, Farmers Market)
- Helped coordinate September to Remember and ribbon cutting events
- Living Lenexa History video series
- Communicated about growing number of programs and events (78% increase)

### Objectives for FY 2018/2019

- Help ensure that accurate and timely information is promoted to stakeholders
- Share stories about a wide range of city projects and events
- Attract individuals to inaugural year of Farmers Market
- Engage residents in Vision 2040
- Further utilize news stories on website
- Produce high-quality products which reflect the Lenexa brand
- Provide timely and accurate information to employees
- Drive traffic to the Rec Center and the Public Market
- Foster relationships with local media

### Future Opportunities/Issues

- Automate / coordinate systems so information does not have to be entered in multiple places
- Growing e-publication distribution lists
- Further utilize video to share stories
- Creating long-term strategic marketing plans to engage stakeholders in the Rec Center, Public Market and Farmers Market

## Key Performance Measures

	FY 2016 Actual	FY 2017 Actual	FY 2018 Estimate	FY 2019 Budget
Objective: % of respondents who are satisfied with effectiveness of Lenexa's communications with the public is 75% or greater	81%	80%	80%	80%
Objective: % of respondents who are satisfied with effectiveness of the city newsletter is 80% or greater	90%	89%	89%	90%
Objective: Increased number of followers on main Lenexa Facebook page	9,257	10,617	11,000	11,500
Objective: Increased number of unique visitors to Lenexa.com	236,008	332,936	350,000	370,000

## Expenditure Information

Expenditure Category	FY 2016 Actual	FY 2017 Actual	FY 2018 Original Budget	FY 2018 Revised Budget	FY 2019 Budget
Personal Services	\$261,715	\$353,184	\$366,360	\$366,360	\$433,604
Contractual Services	99,673	260,337	176,885	176,885	194,885
Commodities	1,928	9,289	5,870	5,870	5,870
Capital Outlay	0	0	0	0	0
Transfers	0	0	0	0	0
<b>Total</b>	<b>\$363,316</b>	<b>\$622,810</b>	<b>\$549,115</b>	<b>\$549,115</b>	<b>\$634,359</b>

## Major Budget Changes for FY 2019

- Increase in advertising to support the Rec Center, career fairs, job openings, Public Market, Farmers Market, Parks programming, festivals and rentals

## Staffing Communications

	FY 2016 Actual	FY 2017 Actual	FY 2018 Estimate	FY 2018 Revised	FY 2019 Budget
Communications Director	0.00	0.00	0.00	1.00	1.00
Communications Manager	1.00	1.00	1.00	0.00	0.00
Communications Specialist	2.00	3.00	3.00	3.00	3.00
<b>Communications Total</b>	<b>3.00</b>	<b>4.00</b>	<b>4.00</b>	<b>4.00</b>	<b>4.00</b>



# Public Market

GENERAL FUND – PUBLIC MARKET – 01 (EXECUTIVE DEPARTMENT)

## Mission Statement

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

### 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 2017

- Completed construction of the Public Market, Kitchen, and four tenant spaces
- Executed leases with four anchor tenants
- Hosted several dozen special events from September to Remember to first-time Market-focused events
- Recruited and trained five new part-time employees
- Offered three dozen cooking classes
- Established Market operating procedures
- Passed state legislation to establish a Public Market Common Consumption Area
- Assisted the Legal department in condominiumizing the Public Market for taxation purposes
- Worked with Communications department to coordinate print, television, and social media advertising/outreach campaigns

### Objectives for FY 2018/2019

- Increase foot traffic to the Market
- Recruit and sign final anchor tenant
- Plan and coordinate more first-time Market-centered events
- Plan more consistent pop-up events and deals
- Implement a new mobile payment solution
- Coordinate marketing, promotions, and operations with the Lenexa Farmer's Market
- Evaluate cooking class structure and offerings
- Proactively market the Kitchen to the public as a rentable event space

### Future Opportunities/Issues

- Driving customer traffic to the Market
- Viability of Public Market cost recovery model
- National retail trends
- Coordination of events and joint opportunities with the Farmer's Market
- Staffing challenges for events coordination and planning
- Partnerships with local vendors, organizations, and businesses to use the Market as a place to gather on a regular basis
- Operational challenges of running a retail/food service facility with hours beyond normal office hours

## Key Performance Measures

	FY 2016 Actual	FY 2017 Actual	FY 2018 Estimate	FY 2019 Budget
Objective: Tenancy rate at Public Market is ≥ 75%	NA	70%	70%	≥75%
Objective: Visitors at Public Market is ≥50,000	NA	NA	≥50,000	≥50,000
Objective: Number of private rentals is ≥ 24	NA	12	≥ 24	≥ 24
Objective: Gross sales revenue for the Public Market vendors is ≥ \$2.5 million	NA	NA	≥\$1.0M	≥\$2.0M

## Expenditure Information

Expenditure Category	FY 2016 Actual	FY 2017 Actual	FY 2018 Original Budget	FY 2018 Revised Budget	FY 2019 Budget
Personal Services	\$54,167	\$121,373	\$165,432	\$165,432	\$185,269
Contractual Services	0	61,053	142,500	142,500	142,500
Commodities	0	13,622	7,500	7,500	7,500
Capital Outlay	0	42,512	15,000	15,000	15,000
Transfers	0	0	0	0	0
<b>Total</b>	<b>\$54,167</b>	<b>\$238,560</b>	<b>\$330,432</b>	<b>\$330,432</b>	<b>\$350,269</b>

## Major Budget Changes for FY 2019

- No major budget changes

## Staffing Public Market

	FY 2016 Actual	FY 2017 Actual	FY 2018 Estimate	FY 2018 Revised	FY 2019 Budget
Public Market Concierge	0.00	0.63	1.50	2.50	2.50
Public Market Manager	1.00	1.00	1.00	1.00	1.00
<b>Public Market Total</b>	<b>1.00</b>	<b>1.63</b>	<b>1.50</b>	<b>3.50</b>	<b>3.50</b>



# Municipal Court

GENERAL FUND – MUNICIPAL COURT – 01 (EXECUTIVE DEPARTMENT)

## Mission Statement

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

### 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 2017

- Initiated and assisted with several enhancements to the Court software (Incode). Improved online records by posting the weekly dockets and implemented text message notifications to remind defendants of upcoming court dates
- Continued to lead the Kansas Incode user group, participate as a pilot court for a state Incode interface, and accepted a request to be an early adopter of an Incode upgrade
- Welcomed and on-boarded new Judge
- Embraced change due to the move of City Hall which impacted the Courts daily operations. Worked with Police and Finance Departments on processing bank deposits and managing daily financial reconciliation documentation, and with the Police Department on processing mail and using city vehicles.
- Worked with the Police Department to implement security screening. Made logistical changes to keep the dockets and check-in process as smooth and efficient as possible

### Objectives for FY 2018/2019

- Integrate an agency to provide house arrest and other electronic monitoring services, as well as perform urinalysis to screen for alcohol and drug use by defendants
- Implement case flow changes to send outstanding debt to a private collection agency

### Future Opportunities/Issues

- Successfully manage the increasing complexity of cases
- Successfully manage the change in caseload as the city continues to develop and grow
- Successfully implement electronic reporting of criminal dispositions to the state



## Key Performance Measures

	FY 2016 Actual	FY 2017 Actual	FY 2018 Estimate	FY 2019 Budget
Objective: Violations filed	12,349	8,558	7,000	10,500
Objective: Clearance rate of charges is 100%	88%	100%	100%	100%
Objective: Defendants scheduled to appear for hearings	19,125	16,046	15,000	17,500
Objective: Amendments & tag fine reductions given by court clerks	415	282	200	350
Objective: Emails processed by Court clerks	5,063	6,408	6,500	7,000
Objective: Open record requests processed	669	674	750	800
Objective: Scheduled trials which are disposed is 70% or greater	59%	51%	60%	70%
Objective: Average age of case on payment docket is less than or equal to 6 months (age is measured from the date of conviction & may include time in warrant status)	7.3 months	8.5 months	8 months	7.5 months
Objective: Recidivism rate less than 20%; based on criminal history 2 years after case closure	17%	15%	15%	20%

## Expenditure Information

Expenditure Category	FY 2016 Actual	FY 2017 Actual	FY 2018 Original Budget	FY 2018 Revised Budget	FY 2019 Budget
Personal Services	\$442,277	\$473,002	\$491,490	\$491,490	\$498,152
Contractual Services	86,023	70,488	92,240	92,240	92,240
Commodities	10,052	7,147	16,004	16,004	16,004
Capital Outlay	0	0	0	0	0
Transfers	0	0	0	0	0
<b>Total</b>	<b>\$538,352</b>	<b>\$550,637</b>	<b>\$599,734</b>	<b>\$599,734</b>	<b>\$606,396</b>

## Major Budget Changes for FY 2019

- No major budget changes

## Staffing Municipal Court

	FY 2016 Actual	FY 2017 Actual	FY 2018 Estimate	FY 2018 Revised	FY 2019 Budget
Municipal Court Clerk	4.50	4.50	5.00	5.00	5.00
Municipal Court Manager	1.00	1.00	1.00	1.00	1.00
<b>Municipal Court Total</b>	<b>5.50</b>	<b>5.50</b>	<b>6.00</b>	<b>6.00</b>	<b>6.00</b>



# Transfers

GENERAL FUND – TRANSFERS – 03

## Activity Description

Transfers to other funds including the Capital Improvement Program and the Equipment Reserve Fund for efficient operation of the city; funding for personnel reserve.

### Objectives for FY 2018/2019

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

## Expenditure Information

Expenditure Category	FY 2016	FY 2017	FY 2018	FY 2018	FY 2019
	Actual	Actual	Original Budget	Revised Budget	Budget
Personal Services	\$0	\$0	\$500,000	\$500,000	\$1,000,000
Contractual Services	0	0	0	0	0
Commodities	0	0	0	0	0
Capital Outlay	0	0	0	0	0
Transfers	16,867,853	26,805,659	18,733,448	24,791,302	19,531,953
Reserves	0	0	26,134,082	0	27,292,206
<b>Total</b>	<b>\$16,867,853</b>	<b>\$26,805,659</b>	<b>\$45,367,530</b>	<b>\$25,291,302</b>	<b>\$47,824,159</b>

### Major Budget Changes for FY 2019

- Personnel reserve allocation is \$1,000,000
- Equipment reserve fund transfer equals \$1,700,000
- Facilities maintenance transfer equals \$500,000
- Transfer to Rec Center fund of \$363,204 to partially subsidize the Rec Center facility
- Allowance for TIF is \$1,837,000
- Capital Improvement Fund transfers equal \$15,131,749 consisting of: art funding \$22,000; capital projects \$15,109,749 (funded \$6,606,114 from 3/8 cent sales tax; \$1,677,256 from 1/4 cent county sales/use tax; \$500,000 from excise tax; and \$6,326,379 from general revenues
- General revenues include: \$2,872,000 (2.5 mills) for general capital projects; \$896,000 for the Pavement Management Program (0.78 mills); \$380,000 for street light replacement; and \$2,178,379 in unallocated funds



# Finance

GENERAL FUND – FINANCE - 10

## Mission Statement

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

### Core Services

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

### Accomplishments for 2017

- Completed 2016 CAFR, 2018 annual operating budget and 2018-2022 Capital Improvement Plan (CIP)
- Account for new Civic Campus (City Hall, Rec Center, Parking Garage) fixed assets along with furniture, fixtures and equipment
- Implemented new version of ADP time and attendance
- Updated cash receipts, investment, capital asset, overnight travel, day travel and purchasing policies
- Provided training on changes to purchasing and travel policy (including on line video presentation)

### Objectives for FY 2018/2019

- Prepare annual operating budget, CAFR and five-year CIP
- Prepare request for proposal for auditing services
- Research merchant card processes in order to streamline and gain efficiencies
- Review armored car services contract
- Hire and onboard a new Finance & Accounting Manager
- Implement new version of Munis financial system
- Implement GASB Statement 75, Accounting and Financial Reporting for Postemployment Benefits other than Pensions (OPEB)

### Future Opportunities/Issues

- Accounting for complex and numerous economic development projects
- Implementation of complex accounting standards
- Maintain structural balance for city's annual operating budget
- Property tax rates in relation to increasing home values

## Key Performance Measures

	FY 2016 Actual	FY 2017 Actual	FY 2018 Estimate	FY 2019 Budget
Objective: Difference between actual and budgeted collections of major revenues sources per fiscal year is 5% or less	1.5%	3.7%	5%	5%
Objective: % of employees paid through direct deposit or paycards is 100%	100%	100%	100%	100%
Objective: % of accounts payable payments paid through EFT is 60% or greater	37%	62%	65%	65%
Objective: % of accounts payable invoices paid through purchasing cards is 75% or greater	78%	78%	79%	80%

## Expenditure Information

Expenditure Category	FY 2016 Actual	FY 2017 Actual	FY 2018 Original Budget	FY 2018 Revised Budget	FY 2019 Budget
Personal Services	\$721,507	\$767,322	\$883,592	\$883,592	\$965,427
Contractual Services	467,083	458,112	548,300	548,300	632,300
Commodities	6,863	12,397	22,000	22,000	13,000
Capital Outlay	9,000	0	0	0	0
Transfers	0	0	0	0	0
<b>Total</b>	<b>\$1,204,453</b>	<b>\$1,237,831</b>	<b>\$1,453,892</b>	<b>\$1,453,892</b>	<b>\$1,610,727</b>

## Major Budget Changes for FY 2019

- Increase in contractual services for credit card processing fees and payroll processing fees due to higher volume of transactions

## Staffing Finance

	FY 2016 Actual	FY 2017 Actual	FY 2018 Estimate	FY 2018 Revised	FY 2019 Budget
Assistant Chief Financial Officer	1.00	1.00	1.00	1.00	1.00
Chief Financial Officer Finance & Accounting Manager	1.00	1.00	1.00	1.00	1.00
Senior Accountant	1.00	0.00	0.00	1.00	1.00
	4.00	4.00	5.00	4.00	4.00
<b>Finance Total</b>	<b>6.00</b>	<b>6.00</b>	<b>7.00</b>	<b>7.00</b>	<b>7.00</b>



# Human Resources

GENERAL FUND – HUMAN RESOURCES DEPARTMENT – 11

## Mission Statement

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

### 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 2017

- Scheduled and provided compliance training (Harassment, Workplace Violence, Family and Medical Leave, Fair Labor Standards Act, Safety and Ethics) for supervisors and employees
- Completed initial migration to current version of our ADP HRIS/Payroll software system
- Added behavioral health counseling to healthcare offerings for employees and dependents at LiveWell Health Center
- Continued efforts to develop a multi-phased plan to attract and retain a robust, qualified, and diverse pool of candidates for all entry-level positions
  - Online and social media advertising, radio and TV advertising, advertising in industry-specific and diversity-targeted publications
  - Improved applicant experience with website and ADP upgrades
  - Conducted a referral rally to incentivize current employees to refer people to apply for open positions,
    - Attended local and regional job fairs
    - Manned a recruitment booth at city-sponsored festivals and event
    - Developed recruitment videos
- Analyzed performance management needs and recommended implementation of new, comprehensive performance management system in 2018. The first step of the overall process – Coaching for Excellence training for supervisors – was begun this year and completed
- Re-formed and re-instituted city-wide Safety Committee
- Worked with Finance Department, internal investment committee and outside counsel to produce RFP to select investment advisor for City's defined contribution retirement plans (457b/401a)
- Worked with Parks & Recreation staff to recruit additional employees needed for new Recreation Center. Hired 140 more people in 2017 than in any previous complete calendar year.
- Conducted ergonomic assessments of new City Hall workstations
- City was selected as finalist for the 2017 Kansas City Business Journal Healthiest Employer Award for our health and wellness program
- Collaborated with the Kansas City Collegiate Admissions Professionals to conduct two education fairs for City employees
- Updated the following personnel policies: Educational Reimbursement, Developmental Trial Period, Modified Duty, Seasonal PTO Accrual, Corrective Action, Carrying a Concealed Weapon, Acceptable Use of Technology/Mobile Devices, Workers' Compensation Procedures, Non-Exempt Positions – Overtime, Recreation Program Discounts, and Family and Medical Leave
- Conducted research and prepared report for City Administrator regarding deficiencies in City's Compensation Plan
- Offered mental health first-aid training
- Completed mobile device training

## Objectives for FY 2018/2019

- Work with Finance Department, internal investment committee and external investment advisor to select single record keeper for City's defined contribution retirement plans (457b/401a)
- Develop structured hiring process for departments
- Develop and implement new on-the-job injury report
- Conduct diversity training
- Fully implement new Performance Management process
- Fully implement Performance, DocCloud, Reporting & Analytics and Recruitment modules in ADP
- Convert employee performance management to new format

## Future Opportunities/Issues

- Improve the diversity of our workforce
- Continue efforts toward a more seamless, intuitive employee experience
- Maintaining our culture and values in the face of our expanding and changing workforce

## Expenditure Information

Expenditure Category	FY 2016	FY 2017	FY 2018	FY 2018	FY 2019
	Actual	Actual	Original Budget	Revised Budget	Budget
Personal Services	\$669,401	\$731,049	\$788,858	\$788,858	\$864,985
Contractual Services	207,832	319,755	323,402	323,402	329,800
Commodities	17,474	31,955	23,850	23,850	24,350
Capital Outlay	0	0	0	0	0
Transfers	0	0	0	0	0
<b>Total</b>	<b>\$894,707</b>	<b>\$1,082,759</b>	<b>\$1,136,110</b>	<b>\$1,136,110</b>	<b>\$1,219,135</b>

## Major Budget Changes for FY 2019

- Increase in contractual services to cover HRIS costs due to larger number of employees

## Key Performance Measures

	FY 2016 Actual	FY 2017 Actual	FY 2018 Estimate	FY 2019 Budget
Objective: Frequency of Workers' Compensation claims is less than 1.50 per \$100 of payroll	0.36	1.38	1.61	1.50
Objective: Cost per hire – costs incurred on recruiting a new employee	\$287	\$360	\$298	\$325
Objective: Turnover rate for employees (excluding seasonal and temporary employees) is less than 10%	12.6%	8.9%	16.7%	10%
Objective: % of full-time employees participating in the Wellness Program is 75% or greater	96%	89%	89%	85%

## Staffing Human Resources

	FY 2016 Actual	FY 2017 Actual	FY 2018 Estimate	FY 2018 Revised	FY 2019 Budget
Benefits Assistant	0.00	1.00	1.00	1.00	1.00
Human Resources Assistant	1.75	1.00	1.00	1.30	1.30
Human Resources Director	1.00	1.00	1.00	1.00	1.00
Human Resources Manager	2.00	2.00	2.00	2.00	2.00
Human Resources Specialist	2.00	2.00	2.00	2.00	2.00
<b>Human Resources Total</b>	<b>6.75</b>	<b>7.00</b>	<b>7.00</b>	<b>7.30</b>	<b>7.30</b>

\*60% of one Human Resources Specialist position is charged to the workers compensation fund.



# Enterprise Systems & Technology

GENERAL FUND – ENTERPRISE SYSTEMS & TECHNOLOGY - 15

## Mission Statement

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

### 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 2017

- Design and build out the technology infrastructure at the new Civic Campus
- GIS environment server upgrade and service clean up
- Fire metrics and inspection application development
- Windows 10 and Office 2016 software upgrade for all city workstations
- EMC backup infrastructure hardware upgrade and configuration
- Network security penetration scans, phishing email tests, and end user training

### Objectives for FY 2018/2019

- Software development: Birthday Party forms, I Like Lenexa 3.0, and rebuild of 311 mobile application
- Migrate city email to Office 365 government cloud
- Server infrastructure replacement with a hyperconverged solution
- Continue to streamline GIS services and determine items that can be migrated to ArcGIS Online
- Research and implement two factor authentication

### Future Opportunities/Issues

- Research potential software replacement for different service request applications used throughout the city
- Data security is an ongoing concern - continue to train users, implement new hardware and software that assist in protecting our data



## Key Performance Measures

	FY 2016 Actual	FY 2017 Actual	FY 2018 Estimate	FY 2019 Budget
Objective: Open Service Requests	1,900	2,100	1,929	2,200
Objective: Number of supported users	491	510	569	600
Objective: Supported number of workstations	397	410	442	450
Objective: Supported number of servers	161	175	180	190

## Expenditure Information

Expenditure Category	FY 2016 Actual	FY 2017 Actual	FY 2018 Original Budget	FY 2018 Revised Budget	FY 2019 Budget
Personal Services	\$1,205,852	\$1,157,853	\$1,389,172	\$1,389,172	\$1,365,279
Contractual Services	1,367,583	1,726,036	1,668,660	1,668,660	1,677,660
Commodities	207,781	524,448	273,400	273,400	273,400
Capital Outlay	182,978	587,616	231,400	231,400	231,400
Transfers	0	0	0	0	0
<b>Total</b>	<b>\$2,964,194</b>	<b>\$3,995,953</b>	<b>\$3,562,632</b>	<b>\$3,562,632</b>	<b>\$3,547,739</b>

## Major Budget Changes for FY 2019

- No major budget changes

## Staffing Enterprise Systems & Technology

	FY 2016 Actual	FY 2017 Actual	FY 2018 Estimate	FY 2018 Revised	FY 2019 Budget
Database Administrator	1.00	1.00	1.00	1.00	1.00
EST Manager	1.00	1.00	1.00	0.00	0.00
GIS Analyst	1.00	1.00	1.00	1.00	1.00
GIS Specialist	1.00	1.00	1.00	1.00	1.00
Information Specialist	1.00	1.00	1.00	1.00	1.00
Information Technology Director	0.00	0.00	0.00	1.00	1.00
Network Administrator	1.00	1.00	1.00	0.00	0.00
Network Architect	0.00	0.00	0.00	1.00	1.00
Programmer Analyst	2.00	2.00	2.00	2.00	2.00
Sharepoint Administrator/Webmaster	1.00	1.00	0.00	0.00	0.00
Solution Center Analyst	2.00	3.00	3.00	3.00	3.00
Systems Administrator	1.00	1.00	2.00	1.00	1.00
Systems Engineer	1.00	1.00	1.00	1.00	1.00
<b>Enterprise System &amp; Technology Total</b>	<b>13.00</b>	<b>14.00</b>	<b>14.00</b>	<b>13.00</b>	<b>13.00</b>



# Legal

GENERAL FUND – LEGAL DEPARTMENT- 18

## Mission Statement

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

### Core Services

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

### Accomplishments for 2017

- Drafted legislation signed into Kansas law authorizing the creation of the City's Common Consumption Area
- Drafted and negotiated economic development agreements for a significant number of projects including, but not limited to, the new City Center library branch, the Shawnee Mission School District aquatics center, and the Kiewit acquisition of the Lexmark property
- Successfully defended several lawsuits and prosecuted an LLC for complex building and home construction code violations
- Completed multiple vendor leases and tenant improvement contracts for the Public Market's operation
- Successfully condominiumized the Lenexa City Hall including drafting condominium association documents and plats
- Assisted with the establishment of the City's new Foundation and made application for 501(c)(3) status
- Assisted with the Ridgeview Road Project including the land acquisition, construction contracts and contractor selection

### Objectives for FY 2018/2019

- Work with Community Development and the Fire Department to draft and adopt new Building and Fire Codes
- Strategize and work through issues related to new and expanded activity at the Civic Campus such as contracting, alcohol, taxes, vendor and First Amendment issues
- Handle work on several ongoing lawsuits as well as pending and new claims against the city
- Transition to the City's open records software platform to further ensure compliance with Kansas Open Records Act (KORA) and to achieve maximum governmental record transparency
- Continue ongoing and expected greenfield economic development work, as well as analyzing options for using zoning development codes to successfully achieve infill development
- Continue to work on staff training and succession planning

## Future Opportunities/Issues

- Analyze how the city will handle asset forfeiture cases in the future due to recent changes in Kansas law
- Address the legal implications arising from increased use of technology, cloud computing and social media as a means of doing city business including, but not limited to, data security, open record, open meeting, and First Amendment issues
- Provide training to Police Department employees on a broad range of legal issues impacting law enforcement in a changing political environment
- Assist with the redevelopment of the I-35 and 95th Street corridor
- Address challenges with prosecuting certain traffic and criminal infractions with a changing and growing Police department staff
- Continue to solicit and secure competitive and beneficial property and liability insurance lines on behalf of the city and explore other options such as self-insured retention
- Purchase and transition to a new Legal file database for better organization and file tracking

## Key Performance Measures

	FY 2016 Actual	FY 2017 Actual	FY 2018 Estimate	FY 2019 Budget
Objective: Number and type of contracts reviewed Complex/Standard Form	88/285	95/281	113/336	74/397
Objective: % of clearance rate for municipal court charges (i.e. number of charges closed/resolved as a percentage of the total number of charges filed for the same time period) are 95% or greater	99%	100%	88%	101%
Objective: Number of substantive economic development initiatives in which the City Attorney's office provided assistance	40	47	80	65

## Expenditure Information

Expenditure Category	FY 2016 Actual	FY 2017 Actual	FY 2018 Original Budget	FY 2018 Revised Budget	FY 2019 Budget
Personal Services	\$935,226	\$999,003	\$1,046,749	\$1,046,749	\$1,120,686
Contractual Services	380,177	422,419	608,970	608,970	628,970
Commodities	1,684	2,497	11,436	11,436	11,436
Capital Outlay	0	0	0	0	0
Transfers	0	0	0	0	0
<b>Total</b>	<b>\$1,317,087</b>	<b>\$1,423,919</b>	<b>\$1,667,155</b>	<b>\$1,667,155</b>	<b>\$1,761,092</b>

## Major Budget Changes for FY 2019

- Subscription services increase due to the purchase of a new Legal file tracking system

### Staffing Legal

	FY 2016 Actual	FY 2017 Actual	FY 2018 Estimate	FY 2018 Revised	FY 2019 Budget
<i>Legal:</i>					
Administrative Assistant	0.50	0.50	0.50	0.50	0.50
Assistant City Attorney	3.00	3.00	3.00	3.00	3.00
City Attorney	1.00	1.00	1.00	1.00	1.00
Deputy City Attorney	0.00	0.75	0.75	0.75	0.75
Legal Assistant	1.00	1.00	1.00	1.00	1.00
<i>Prosecution:</i>					
Assistant City Attorney	0.63	0.00	0.00	0.00	0.00
Legal Assistant	1.00	1.00	1.00	1.00	1.00
Prosecutor	1.63	1.63	1.63	1.63	1.63
<b>Legal Total</b>	<b>8.76</b>	<b>8.88</b>	<b>8.88</b>	<b>8.88</b>	<b>8.88</b>



# Community Dev.

GENERAL FUND – COMMUNITY DEVELOPMENT DEPARTMENT - 20

## Mission Statement

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

### 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 2017

- Reviewed and permitted a record \$420 million in total development activity
- Successfully administered new CDBG Minor Home Repair Program. Assisted 9 homeowners through an investment of over \$37,000.
- Launched Lenexa Public Market
- Successful review, approval, permitting, construction and inspection of several landmark projects – both public and private - at Lenexa City Center.
- Selected design-build team and commenced construction of Ridgeview Road (K10 Highway to Prairie Star Parkway) project

### Objectives for FY 2018/2019

- Continued successful management of record development pace
- Complete Ridgeview Road Project
- Adopt 2018 ICC Building and Fire Codes
- Complete Quivira Road Study
- Accomplish Complete Streets Study
- Manage new and on-going construction activity in Lenexa City Center
- Complete Vision 2040 Community Visioning Process

### Future Opportunities/Issues

- Pace of development activity
- Redevelopment opportunities and challenges
- Reduced state funding for local projects

## Key Performance Measures

	FY 2016 Actual	FY 2017 Actual	FY 2018 Estimate	FY 2019 Budget
Objective: % of citizen survey respondents who are "satisfied" or "very satisfied" with enforcement of city codes/ordinances is 75% or greater	71%	70%	70%	>75%
Objective: % of citizen survey respondents who are "satisfied" or "very satisfied" with how well the city is planning for growth is 75% or greater.	77%	73%	73%	>75%
Objective: % of service request open more than two days with no action taken	0.5%	0.6%	<1%	<1%
Objective: % of citizens who were satisfied with flow of traffic/congestion management	75%	69%	69%	>75%

## Expenditure Information

Expenditure Category	FY 2016	FY 2017	FY 2018	FY 2018	FY 2019
	Actual	Actual	Original Budget	Revised Budget	Budget
Personal Services	\$3,496,023	\$3,685,312	\$3,942,963	\$3,942,963	\$4,149,717
Contractual Services	263,015	317,421	335,750	335,750	425,750
Commodities	17,061	22,168	28,075	28,075	78,075
Capital Outlay	0	0	0	0	0
Transfers	0	0	0	0	0
<b>Total</b>	<b>\$3,776,099</b>	<b>\$4,024,901</b>	<b>\$4,306,788</b>	<b>\$4,306,788</b>	<b>\$4,653,542</b>

## Major Budget Changes for FY 2019

- Funding for building permit plan review software upgrades
- Additional consultant fees to perform a build out study

## Staffing Community Development

	FY 2016 Actual	FY 2017 Actual	FY 2018 Estimate	FY 2018 Revised	FY 2019 Budget
<i>Administration:</i>					
Administrative Support Assistant to the City Administrator	1.00	1.00	2.00	2.00	2.00
Community Development Director	1.00	1.00	1.00	1.00	1.00
Contract Specialist	1.00	1.00	1.00	1.00	1.00
Deputy Community Development Director	1.00	1.00	1.00	1.00	1.00
Licensing & Permit Technician	3.00	3.00	4.00	4.00	4.00
Licensing & Permit Supervisor	1.00	1.00	1.00	1.00	1.00
Planning Services Specialist	1.00	1.00	1.00	1.00	1.00
<i>Community Standards:</i>					
Community Standards Officer	2.00	2.00	2.00	2.00	2.00
Community Standards Officer (Seasonal)	0.67	0.67	0.67	0.67	0.67
Community Standard Supervisor	1.00	1.00	1.00	1.00	1.00
<i>Building Inspection:</i>					
Building Services Supervisor	1.00	1.00	1.00	1.00	1.00
Plans Analyst	1.75	2.00	2.00	2.00	2.00
Building Inspector	4.00	4.75	4.75	4.75	4.75
<i>Land Use Review:</i>					
Community Development Technician	1.00	1.00	1.00	1.00	1.00
Development Review Administrator	1.00	1.00	1.00	1.00	1.00
Planner	3.00	3.00	3.00	3.00	3.00
<i>Development Engineering:</i>					
Community Development Technician	1.00	1.00	1.00	1.00	1.00
Construction Inspector	4.75	4.75	4.75	4.75	4.75
Development Engineering / Construction Services Administrator	1.00	1.00	1.00	1.00	1.00
Field Engineer Superintendent	1.00	1.00	1.00	1.00	1.00
Pavement Management Coordinator	1.00	0.00	0.00	0.00	0.00
Right of Way Manager	1.00	1.00	1.00	1.00	1.00
Right of Way Technician	1.00	1.00	1.00	1.00	1.00
Staff Engineer/Project Manager	1.00	2.00	2.00	2.00	2.00
Traffic Engineer	1.00	1.00	1.00	1.00	1.00
Transportation Manager	1.00	1.00	1.00	1.00	1.00
<b>Community Development Total</b>	<b>39.17</b>	<b>40.17</b>	<b>42.17</b>	<b>42.17</b>	<b>42.17</b>



# Fire Department

GENERAL FUND - FIRE DEPARTMENT - 30

## Mission Statement

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

### Core Services

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

### Accomplishments for 2017

- Provided facilities & performance recommendations
- Implemented cancer risk reduction practices
- Installation of turnout gear washing machines
- Renewal Commission on Fire Accreditation International (CFAI) accredited status
- EMS system cardiac arrest survivability performance
- Replacement fire apparatus purchased
- Conducted market driven salary study
- Applied for grant funding for eligible portable radios
- Firefighter peer support mental health program
- Operations Officer development: Safety Officer training & credentialing
- Technology enhancements: PulsePoint, PowerDMS, unmanned aircraft system (UAS)
- Expanded intermodal swap loader capabilities
- Successful Citizens Fire Academy & open house events
- Support of high school public safety career programs
- On-going 2021 strategic plan accomplishments

### Objectives for FY 2018/2019

- Provided facilities & performance recommendations
- Implement market driven pay adjustments
- Implement annual firefighter medical & cancer screening
- Successful Insurance Services Office (ISO) Class 1 redetermination
- Annual accreditation compliance report submission and approval
- Cardiac monitor replacement selection
- Johnson County Interlocal Cooperation Agreement update
- Firefighter Development: Improved Fire apparatus operator training program
- Chief Officer development: Los Angeles Fire Department Leadership Program
- Continued grant application for mobile & portable radio replacement
- Community Development, Legal, Fire Department work toward adoption of 2018 Building & Fire Codes
- Community risk reduction positions: Credentialing & Certification Program
- Department standard operating procedure review
- Purchase of 2018 fire apparatus and in-service of 2017 fire apparatus
- Creation of retired members' recognition wall
- Technology enhancements: Motorola WAVE, TriTech Field Ops, Deccan Apparatus Deployment Analysis Module (ADAM) software, Lexipol Policy Management software
- Fire Station alerting system technology upgrades
- Fire Station security upgrades
- On-going 2021 strategic plan accomplishments



## Future Opportunities/Issues

- Continued advanced life support services & capabilities
- Continuous organizational improvement: CFAI accreditation model
- Robust succession planning program to ensure future leadership
- Continued intentional focus on organizational culture: open, honest, transparent communications
- Recruitment of a diverse workforce that mirrors the community
- Community engagement planned events & social media
- Monitor distribution/concentration to ensure effective response coverage
- Continued collaboration and partnerships with emergency response agencies

## Key Performance Measures

	FY 2016 Actual	FY 2017 Actual	FY 2018 Estimate	*FY 2019 Budget
Objective: Total incidents	5,681	5,913	6,000	6,100
Objective: 90 <sup>th</sup> percentile (1:00) EMS incident turnout time baseline performance 1 <sup>st</sup> unit	1:03	1:04	1:06	1:00
Objective: 90 <sup>th</sup> percentile (1:20) fire incident turnout time baseline performance 1 <sup>st</sup> unit	1:19	1:20	1:22	1:20
Objective: 90 <sup>th</sup> percentile (4:00) EMS incident travel time baseline performance 1 <sup>st</sup> unit	5:33	5:20	5:16	4:00
Objective: 90 <sup>th</sup> percentile (4:00) fire incident travel time baseline performance 1 <sup>st</sup> unit	5:41	5:32	5:33	4:00

\*FY 2019 data includes projections and established Lenexa Fire Department benchmarks (targets) for the east and central planning areas. Refer to the Lenexa Fire Department [Standards of Cover](#) for a detailed list of performance indicators.

## Expenditure Information

Expenditure Category	FY 2016 Actual	FY 2017 Actual	FY 2018 Original Budget	FY 2018 Revised Budget	FY 2019 Budget
Personal Services	\$9,866,017	\$10,418,709	\$10,401,063	\$10,401,063	\$11,134,626
Contractual Services	231,506	195,110	295,422	295,422	346,672
Commodities	261,894	339,748	327,000	327,000	330,000
Capital Outlay	0	0	60,000	60,000	75,000
Debt Service	0	0	0	0	0
Transfers	0	0	0	0	0
<b>Total</b>	<b>\$10,359,417</b>	<b>\$10,953,567</b>	<b>\$11,083,485</b>	<b>\$11,083,485</b>	<b>\$11,886,298</b>

## Major Budget Changes for FY 2019

- Additional funding to purchase and maintain ADAM predictive modeling tool
- Funding to Increase support position in the Fire Prevention division to full time
- Funding to purchase and maintain Lexipol policy and management software for customizable industry best practice and state-specific content and integrated training policy

### Staffing Fire

	FY 2016 Actual	FY 2017 Actual	FY 2018 Estimate	FY 2018 Revised	FY 2019 Budget
<i>Administration:</i>					
Customer Service Representative	1.00	1.00	1.00	1.00	1.00
Deputy Fire Chief	0.00	0.00	0.00	1.00	1.00
Fire Battalion Chief	1.00	1.00	1.00	1.00	1.00
Fire Chief	1.00	1.00	1.00	1.00	1.00
Fire Division Chief	1.00	1.00	1.00	0.00	0.00
<i>Training:</i>					
Fire Battalion Chief	1.00	1.00	1.00	1.00	1.00
Fire Captain	2.00	2.00	2.00	2.00	2.00
Fire Division Chief	1.00	1.00	1.00	1.00	1.00
<i>Operations:</i>					
Fire Battalion Chief	3.00	3.00	3.00	3.00	3.00
Fire Captain	15.00	15.00	15.00	15.00	15.00
Fire Division Chief	1.00	1.00	1.00	1.00	1.00
Firefighter/Fire Medic/Fire Lieutenant	57.00	61.00	64.00	64.00	64.00
<i>Planning:</i>					
Fire Captain	2.00	3.00	2.00	3.00	3.00
Fire Division Chief	1.00	1.00	1.00	1.00	1.00
Fire Lieutenant	2.00	2.00	1.00	0.00	0.00
Fire Prevention support	0.50	0.50	0.73	0.73	1.00
<b>Fire Total</b>	<b>89.50</b>	<b>94.50</b>	<b>95.73</b>	<b>95.73</b>	<b>96.00</b>



# Police

GENERAL FUND – POLICE DEPARTMENT – 35

## 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 2017

- Continued to develop and adapt our mission and goals with a strategic plan
- Emphasis of community policing to enhance community interaction and communication
- Continued positive working relationship with other city departments
- Continued emphasis on intelligence led policing
- Promote innovation and technology
- Emphasis on enhanced employee recruitment
- Enhancement of officer safety through training and acquisition of equipment
- Successful implementation of Unmanned Aerial Vehicle Program (UAV)
- Implementation of Data Driven Approach to Crime and Traffic Safety (DDACTS)
- Promotion of innovation and technology for added efficiency, criminal investigations and officer safety
- Paid internship program for college students which has been a highly successful program for hiring of interns after graduation

### Objectives for FY 2018/2019

- Continue to evaluate each position in the police department to ensure efficiency and quality of service
- Successful transition of Mental Health Co-Responder to a full time position
- Purchase new command post
- Purchase and implementation of new patrol car and body worn cameras
- Develop protocol for administration of opiate antidotes
- Recruitment of police officers with emphasis on maintaining the highest of standards in selection
- Continue to monitor the growth of the city and the deployment of manpower
- Conduct study of current police department/city hall campus to determine future growth opportunities
- Emphasis on community policing for community interaction and communication

## Future Opportunities/Issues

- Challenge of recruitment and retention of employees
- Continue emphasis on succession planning and training with a young work force
- Building capacity for the future
- Continued rise in mental health related calls for service
- Possible future change to county wide records management system
- Develop a plan for future expansion of the police department
- Backfilling specialized unit openings when manpower increases
- Provide quality field training to a larger number of new officers with new computerized field training software
- Maintaining a high level of service with growing community and low manpower

## Key Performance Measures

	FY 2016 Actual	FY 2017 Actual	FY 2018 Estimate	FY 2019 Budget
Objective: Total incidents handles	45,874	42,366	46,000	46,000
Objective: Total calls for service	22,274	21,223	21,000	21,000
Objective: Average non-emergency response times of 12 minutes or less	7.5	7.8	12	12
Objective: Average emergency response times of 5 minutes or less	5.1	5	5	5
Objective: % of citizen survey respondents who are "satisfied" or "very satisfied" with the quality of local police protection is 90% or greater	95%	94%	94%	90%

## Expenditure Information

Expenditure Category	FY 2016 Actual	FY 2017 Actual	FY 2018 Original Budget	FY 2018 Revised Budget	FY 2019 Budget
Personal Services	\$12,827,491	\$12,678,000	\$14,024,375	\$14,024,375	\$14,435,822
Contractual Services	905,173	913,789	1,275,203	1,275,203	1,302,535
Commodities	476,236	468,980	532,284	532,284	544,952
Capital Outlay	0	0	0	0	0
Transfers	0	0	0	0	0
<b>Total</b>	<b>\$14,208,900</b>	<b>\$14,060,769</b>	<b>\$15,831,862</b>	<b>\$15,831,862</b>	<b>\$16,283,309</b>

## Major Budget Changes for FY 2019

- Funding for additional training due to decreasing seniority and tenure level amongst patrol officers
- Additional funding for Patrol ammunition for training purposes

## Staffing Police

	FY 2016 Actual	FY 2017 Actual	FY 2018 Estimate	FY 2018 Revised	FY 2019 Budget
<i>Administration:</i>					
Administrative Support	1.00	1.23	1.23	1.23	1.23
Crime Analyst	1.00	1.00	1.00	1.00	1.00
Custodian	1.75	2.00	2.00	2.00	2.00
Database Administrator	1.00	1.00	1.00	1.00	1.00
Information Systems Specialist	2.00	2.00	2.00	2.00	2.00
Police Captain	1.00	1.00	1.00	1.00	1.00
Police Chief	1.00	1.00	1.00	1.00	1.00
Police Dispatcher	13.00	13.00	16.00	16.00	16.00
Police Major	2.00	2.00	2.00	2.00	2.00
Police Sergeant	2.00	2.00	2.00	2.00	2.00
Public Service Officer	10.00	10.00	10.00	10.00	10.00
Technical Services Manager	1.00	1.00	1.00	1.00	1.00
Technical Services Specialist	3.00	3.00	3.00	3.00	3.00
Unit Supervisors	5.00	5.00	5.00	5.00	5.00
Video Network Technician	1.00	1.00	1.00	1.00	1.00
Video Security Systems Administrator	0.00	1.00	1.00	1.00	1.00
<i>Investigation:</i>					
Administrative Support	1.00	1.00	1.00	1.00	1.00
Corporals/MPO/Officers	9.00	9.00	9.00	9.00	9.00
Police Investigative Specialist	0.00	0.00	0.00	2.00	2.00
Police Sergeant	1.00	1.00	1.00	1.00	1.00
<i>Patrol:</i>					
Animal Control Officer	3.00	3.00	3.00	3.00	3.00
Court Security Officer	1.00	1.00	1.00	2.00	2.00
Crime Analyst	0.00	0.00	0.00	0.00	0.00
Police Captain	4.00	4.00	4.00	4.00	4.00
Corporals/MPO/Officers	67.00	67.58	68.00	65.00	65.00
Police Equipment Technician	1.00	1.00	1.00	1.00	1.00
Police Major	1.00	1.00	1.00	1.00	1.00
Police Sergeant	9.00	9.00	9.00	9.00	9.00
<b>Police Total</b>	<b>142.75</b>	<b>144.81</b>	<b>148.23</b>	<b>148.23</b>	<b>148.23</b>



# Emergency Management

GENERAL FUND – EMERGENCY MANAGEMENT DEPARTMENT – 38

## Mission Statement

Develops, prepares, communicates an all-hazards preparedness program that includes a coordinated multi-agency response plan designed to protect the community from terrorist threats or attacks, major disasters, and other large scale emergencies occurring in the community.

### Core Services

- All-Hazards Plan Development and Training
- NIMS training and compliance documentation
- Continuity of Operations Plan (COOP) development and training
- Critical Infrastructure (materials, supplies, facilities, security, fuel, information systems) Assessment and Protection Plan Development
- Liaison with local, state, and federal agencies

### Objectives for FY 2018/2019

- Consolidate emergency management plan which is currently provided by various departments (Fire, Police & Municipal Services)
- Onboard new emergency manager

### Future Opportunities/Issues

- Establishing contacts within region
- Engaging community stakeholders
- Reviewing current emergency management plan

## Expenditure Information

Expenditure Category	FY 2016	FY 2017	FY 2018	FY 2018	FY 2019
	Actual	Actual	Original Budget	Revised Budget	Budget
Personal Services	\$0	\$0	\$107,160	\$107,160	\$145,352
Contractual Services	0	0	100	100	10,100
Commodities	0	0	465	465	1,465
Capital Outlay	0	0	20,000	20,000	0
Transfers	0	0	0	0	0
<b>Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$127,725</b>	<b>\$127,725</b>	<b>\$156,917</b>

### Major Budget Changes for FY 2019

- No major budget changes

## Staffing Emergency Management

	FY 2016 Actual	FY 2017 Actual	FY 2018 Estimate	FY 2018 Revised	FY 2019 Budget
Emergency Management Coordinator	0.00	0.00	1.00	1.00	1.00



# Municipal Services

GENERAL FUND – MUNICIPAL SERVICES DEPARTMENT - 40

## Mission Statement

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

### Core Services

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

### Accomplishments for 2017

- Timely response to snow and severe weather events
- Pavement management program treated approximately 140 lanes miles of streets
- Dumpster day recycled material:
  - 8.9 tons of e-waste
  - 17.13 tons of scrap metal
- 275 streetlights converted to LED
- Facilities completed 1,106 work orders
- Fleet completed 2,684 work orders/repairs
- Street division placed 4,549 tons of asphalt for in-house street repairs and projects
- Street division assisted with pavement management program by completing base repairs
- 913 potholes repaired

### Objectives for FY 2018/2019

- Start construction of new fleet facility
- Continue succession planning for key leadership positions in the department
- ROW maintenance
- Continue to maintain a high level of vehicle and equipment readiness during new fleet building construction
- Manage a successful pavement management program
- Enhance community outreach
- Emergency management training for staff
- Complete the traffic sign retro-reflectivity project

### Future Opportunities/Issues

- Facilities staff learn and adjust to new buildings and mechanical systems
- Parking garage maintenance
- Keeping up to date on the new technologies in the auto industry; aluminum body panels, alternative fuels, and new emission standards
- Maintenance of aging facilities and infrastructure
- Utility cost
- Hiring of qualified staff

## Key Performance Measures

	FY 2016 Actual	FY 2017 Actual	FY 2018 Estimate	FY 2019 Budget
Objective: % of fleet operational at all times is 90% or greater	92%	90%	90%	92%
Objective: % of citizen survey respondents who are "satisfied" or "very satisfied" with snow removal on major city streets is 90% or greater	89%	89%	89%	90%
Objective: % of citizen survey respondents who are "satisfied" or "very satisfied" with maintenance of traffic signals is 85% or greater	87%	89%	89%	85%
Objective: % of citizen survey respondents who are "satisfied" or "very satisfied" with maintenance of city streets is 85% or greater	82%	86%	86%	90%
Objective: % of citizen survey respondents who are "satisfied" or "very satisfied" with maintenance of city buildings is 85% or greater	82%	90%	90%	90%
Objective: % of citizen survey respondents who are "satisfied" or "very satisfied" with the adequacy of city street lighting is 80% or greater	79%	75%	75%	85%

## Expenditure Information

Expenditure Category	FY 2016 Actual	FY 2017 Actual	FY 2018 Original Budget	FY 2018 Revised Budget	FY 2019 Budget
Personal Services	\$3,722,814	\$3,954,001	\$4,238,021	\$4,238,021	\$4,393,126
Contractual Services	2,173,993	2,182,910	2,770,550	2,770,550	3,231,050
Commodities	1,413,289	1,463,842	2,334,480	2,334,480	2,184,950
Capital Outlay	63,251	176,495	480,000	480,000	74,000
Transfers	0	0	0	0	0
<b>Total</b>	<b>\$7,373,347</b>	<b>\$7,777,248</b>	<b>\$9,823,051</b>	<b>\$9,823,051</b>	<b>\$9,883,126</b>



## Major Budget Changes for FY 2019

- Reallocating existing budgeted funds to handle increase cost of maintenance agreements for the new civic campus buildings
- Additional funds for installation and maintenance of carbon monoxide & diesel monitoring systems in 5 fire stations

### Staffing Municipal Services

	FY 2017 Actual	FY 2016 Actual	FY 2018 Estimate	FY 2018 Revised	FY 2019 Budget
<i>Administration:</i>					
Administration Support	2.00	2.00	2.00	2.00	2.00
Asset Management Technician	1.00	0.70	0.70	0.70	0.70
Asset Systems Coordinator	0.50	0.20	0.20	0.20	0.20
Assistant Municipal Services Director*	1.00	1.00	1.00	1.00	1.00
Municipal Services Director*	1.00	1.00	1.00	1.00	1.00
Pavement Management Technician	1.00	1.00	1.00	1.00	1.00
Construction Inspector	0.00	0.00	1.00	1.00	1.00
<i>Operations:</i>					
Maintenance Worker	16.00	16.00	16.00	16.00	16.00
Street Foreman	4.00	4.00	4.00	4.00	4.00
Street Superintendent	1.00	1.00	1.00	1.00	1.00
<i>Traffic:</i>					
Traffic Maintenance Worker	1.00	0.00	0.00	0.00	0.00
Traffic Sign Technician	1.00	1.00	1.00	1.00	1.00
Traffic Signal Technician	2.00	3.00	3.00	3.00	3.00
Traffic Superintendent	1.00	1.00	1.00	1.00	1.00
<i>Facilities:</i>					
Administration Support	1.00	1.00	1.00	1.00	1.00
Facilities Foreman	1.00	1.00	1.00	1.00	1.00
Facilities Maintenance Technician	4.00	4.75	5.00	5.00	5.00
Facilities Manager	1.00	1.00	1.00	1.00	1.00
<i>Fleet Maintenance:</i>					
Body Mechanic	1.00	1.00	1.00	1.00	1.00
Equipment Mechanic	6.00	6.00	6.00	6.00	6.00
Fleet Superintendent	1.00	1.00	1.00	1.00	1.00
Fleet Supervisor	1.00	1.00	1.00	1.00	1.00
Parts Specialist	1.00	1.00	1.00	1.00	1.00
<b>Municipal Services Total</b>	<b>49.50</b>	<b>49.65</b>	<b>50.90</b>	<b>50.90</b>	<b>50.90</b>

\*20% of the Municipal Services Director and 15% of the Assistant Municipal Services position are funded by the Stormwater Fund.



# Parks & Recreation

GENERAL FUND – PARKS & RECREATION DEPARTMENT – 50

## Mission Statement

Lenexa Parks and Recreation strengthens 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 2017

- Successful opening of the Lenexa Rec Center and Commons
- Successful civic engagement during September to Remember events
- Developed and implemented numerous new recreational programs for all age groups (pre-school through seniors)
- Performed in-house improvements to Renner Boulevard roundabouts (landscaping and irrigation)
- Landscape renovation to 87<sup>th</sup> St. Parkway median between Pflumm and Quivira
- Debut of Community Orchestra with three performances and 80 musicians
- New City Hall Art Gallery opened with the Lenexa Artists' Show (30 artists, 50 pieces)
- Developed a department-wide financial assistance program for all ages
- Completed Phase 2 of the Monument Sign program
- Landscape improvements to I-35/95<sup>th</sup> Street
- Holiday lighting program expanded to include civic campus

### Objectives for FY 2018/2019

- Complete the Sar-Ko-Par Trails and Pavilion Improvements project
- Install two major public art pieces on civic campus (*Body Politic* and *Splash*)
- Foster partnerships with the Johnson County Library, Shawnee Mission School District and the Johnson County Parks & Recreation District
- Develop procedural guidelines for the Lenexa Foundation
- Stage successful inaugural year of the Farmers Market
- Complete Community/Senior Center repurposing study
- Complete aquatic facility study
- Playground replacements (5)
- Manage special events effectively including the Art Fair in the new location at the Civic Center Campus
- Secure sponsorships for various special events and programs

## Future Opportunities/Issues

- Funding for Parks Master Plan improvements (pool renovations, new trails and connections, trail maintenance and future park improvements)
- Increased need to manage communications to the public through a variety of methods
- Managing special events in an increasingly busy schedule of events
- Address needed resources to manage existing and additional responsibilities
- Parks and Recreation Service Center – develop a compound to house vehicles and equipment adjacent to facility
- Succession planning
- Staffing – recruitment/retention of qualified staff and manage the increased work load and expectations

## Key Performance Measures

	FY 2016 Actual	FY 2017 Actual	FY 2018 Estimate	FY 2019 Budget
Objective: % of citizen survey respondents who are “satisfied” or “very satisfied with the quality of parks/recreation programs & facilities is 90% or greater	95%	95%	95%	94%
Objective: % of citizen survey respondents who are “satisfied” or “very satisfied with the maintenance of parks is 93% or greater	94%	94%	94%	94%
Objective: % of citizen survey respondents who are “satisfied” or “very satisfied with the number of parks is 85% or greater	91%	90%	90%	90%
Objective: % of citizen survey respondents who are “satisfied” or “very satisfied the number of athletic programs (youth/adult) is 75% or greater	64% / 60%	71% / 67%	71% / 67%	75% / 75%
Objective: % of citizen survey respondents who are “satisfied” or “very satisfied with the quality of biking/walking trails is 80% or greater	88%	83%	83%	87%

## Expenditure Information

Expenditure Category	FY 2016 Actual	FY 2017 Actual	FY 2018 Original Budget	FY 2018 Revised Budget	FY 2019 Budget
Personal Services	\$4,225,134	\$4,294,690	\$4,832,996	\$4,832,996	\$5,038,994
Contractual Services	868,425	1,050,983	1,195,132	1,195,132	1,292,723
Commodities	585,971	637,176	760,320	760,320	738,816
Capital Outlay	35,977	36,816	36,406	36,406	37,906
Transfers	0	0	0	0	0
<b>Total</b>	<b>\$5,715,507</b>	<b>\$6,019,665</b>	<b>\$6,824,854</b>	<b>\$6,824,854</b>	<b>\$7,108,439</b>

## Major Budget Changes for FY 2019

- Additional funds for caulking on Indian Trails pool deck
- Funding to add variable concierge positions for City Hall rentals
- Additional \$65,000 for Thompson Barn lighting replacement project

## Staffing Parks & Recreation

	FY 2016 Actual	FY 2017 Actual	FY 2018 Estimate	FY 2018 Revised	FY 2019 Budget
<i>Administration:</i>					
Administration Support	1.00	1.00	1.00	1.00	1.00
Assistant Parks & Recreation Director	1.00	1.00	0.00	0.00	0.00
Community Center Director	1.00	0.00	0.00	0.00	0.00
Concierges	0.00	0.00	0.00	0.00	0.38
Customer Service Manager	0.00	0.00	1.00	1.00	1.00
Customer Service Representative	2.75	3.00	2.00	2.00	2.00
Customer Service Supervisor	1.00	1.00	1.00	1.00	1.00
<i>Parks &amp; Recreation</i>					
Deputy Director	0.00	0.00	1.00	1.00	1.00
Parks & Recreation Director	1.00	1.00	1.00	1.00	1.00
<i>Maintenance:</i>					
Administration Support	1.00	1.00	1.00	1.00	1.00
Crew Leader	5.00	5.00	5.00	5.00	5.00
Irrigation Technician	1.00	1.00	1.00	1.00	1.00
Maintenance Worker	17.00	17.00	18.00	18.00	18.00
Parks Superintendent	1.00	1.00	1.00	1.00	1.00
Parks Supervisor	3.00	3.00	3.00	3.00	3.00
Seasonal Maintenance Worker	5.57	5.57	6.20	6.20	6.20
<i>Support Services:</i>					
Custodian	10.52	12.32	13.77	13.77	13.77
Support Services Supervisor	1.00	1.00	1.00	1.00	1.00

<i>Programs:</i>					
Program					
Assistant/Receptionist	0.25	0.25	0.00	0.00	0.00
Recreation Program					
Coordinator	1.75	1.75	0.00	0.00	0.00
Recreation Superintendent	1.00	1.00	1.00	1.00	1.00
Recreation Supervisor	3.00	2.50	4.00	4.00	4.00
<i>Thompson Barn:</i>					
Concierges	1.53	1.53	1.53	1.53	1.53
<i>Farmer Market:</i>					
Farmers Market Attendant	0.00	0.03	0.41	0.41	0.41
<i>Programs:</i>					
Camp Counselors	0.00	0.00	0.58	0.58	0.58
Camp Director	0.00	0.58	0.58	0.58	0.00
<i>Programs Nature:</i>					
Recreation Supervisor	1.00	1.00	1.00	1.00	1.00
<i>Swimming Pools:</i>					
Aquatics Specialist	0.00	0.42	0.50	0.50	0.50
Coaches	1.75	1.75	1.75	1.75	1.75
Swimming Pool Seasonal Workers	8.58	8.58	8.58	8.58	8.58
<b>Parks &amp; Recreation Total</b>	<b>71.70</b>	<b>73.28</b>	<b>76.90</b>	<b>76.90</b>	<b>76.70</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

## Expenditure Information

Expenditure Category	FY 2016	FY 2017	FY 2018	FY 2018	FY 2019
	Actual	Actual	Original Budget	Revised Budget	Budget
Personal Services	\$0	\$0	\$0	\$0	\$0
Contractual Services	0	0	0	0	0
Commodities	0	0	0	0	0
Capital Outlay	0	0	0	0	0
Transfers	1,626,199	1,405,139	1,434,560	1,434,560	1,435,000
Reserves	0	0	354,323	0	360,861
<b>Total</b>	<b>\$1,626,199</b>	<b>\$1,405,139</b>	<b>\$1,788,883</b>	<b>\$1,434,560</b>	<b>\$1,795,861</b>

### Major Budget Changes for FY 2019

- No major changes - \$1,435,000 is allocated for the pavement management program



# Special Alcohol

SPECIAL ALCOHOL FUND - 26

## Fund Description

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

### Core Services

- Alcoholism prevention
- Drug abuse awareness and education

## Expenditure Information

Expenditure Category	FY 2016 Actual	FY 2017 Actual	FY 2018 Original Budget	FY 2018 Revised Budget	FY 2019 Budget
Personal Services	\$0	\$0	\$0	\$0	\$0
Contractual Services	128,375	130,000	160,000	160,000	170,000
Commodities	25,054	34,452	30,056	30,056	36,000
Capital Outlay	0	0	0	0	0
Transfers	63,937	61,229	66,500	66,500	60,000
Reserves	0	0	457,108	0	492,475
<b>Total</b>	<b>\$217,366</b>	<b>\$225,681</b>	<b>\$713,664</b>	<b>\$256,556</b>	<b>\$758,475</b>

### Major Budget Changes for FY 2019

- \$130,000 for Drug & Alcoholism Council
- \$40,000 funding for the Mental Health Co-Responder
- \$60,000 for DARE officer's salaries (transferred to General Fund)
- Funding of \$36,000 for DARE equipment and supplies



# Special Parks & Recreation

SPECIAL PARKS & RECREATION FUND - 27

## Fund Description

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

### Core Services

- Funding for parks capital improvement projects

## Expenditure Information

Expenditure Category	FY 2016 Actual	FY 2017 Actual	FY 2018 Original Budget	FY 2018 Revised Budget	FY 2019 Budget
Personal Services	\$0	\$0	\$0	\$0	\$0
Contractual Services	0	0	0	0	0
Commodities	0	0	0	0	0
Capital Outlay	0	0	0	0	0
Transfers	248,925	264,033	256,556	256,556	266,000
Reserves	0	0	65,235	0	62,250
<b>Total</b>	<b>\$248,925</b>	<b>\$264,033</b>	<b>\$321,791</b>	<b>\$256,556</b>	<b>\$328,250</b>

### Major Budget Changes for FY 2019

- Transfer of funds to parks and recreation capital projects increases due to additional revenue from liquor taxes





# Tourism & Convention

TOURISM AND COVENTION FUND - 28

## Fund Description

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

### Core Services

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

## Expenditure Information

Expenditure Category	FY 2016	FY 2017	FY 2018	FY 2018	FY 2019
	Actual	Actual	Original Budget	Revised Budget	Budget
Personal Services	\$11,324	\$11,151	\$38,591	\$38,591	\$35,377
Contractual Services	547,848	553,395	562,748	562,748	562,748
Commodities	0	0	2,400	2,400	2,400
Capital Outlay	0	100,000	0	0	864,169
Debt Service	206,406	274,006	276,506	276,506	273,306
Transfers	23,000	23,000	879,755	879,755	22,000
Reserves	0	0	1,198,428	0	1,488,143
<b>Total</b>	<b>\$788,578</b>	<b>\$961,552</b>	<b>\$2,958,428</b>	<b>\$1,760,000</b>	<b>\$3,248,143</b>

### Major Budget Changes for FY 2019

- \$220,000 for the Convention & Visitor's Bureau
- \$335,000 for Lenexa Economic Development Council
- \$22,000 for art purchases
- \$45,526 for Legler Barn operations
- \$273,306 for debt service payments on the City Center East Conference Center

## Staffing Legler Barn

	FY 2016 Actual	FY 2017 Actual	FY 2018 Estimate	FY 2018 Revised	FY 2019 Budget
Customer Service Representative	0.50	0.50	0.50	0.50	0.50



# Parks & Recreation Impact Fee

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

## Fund Description

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

### Core Services

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

## Expenditure Information

Expenditure Category	FY 2016	FY 2017	FY 2018	FY 2018	FY 2019
	Actual	Actual	Original Budget	Revised Budget	Budget
Personal Services	\$0	\$0	\$0	\$0	\$0
Contractual Services	0	9,600	0	0	0
Commodities	0	9,902	0	0	0
Capital Outlay	0	10,000	0	0	0
Transfers	0	748,492	440,000	440,000	475,000
Reserves	0	0	1,727,883	0	1,470,612
<b>Total</b>	<b>\$0</b>	<b>\$777,994</b>	<b>\$2,167,883</b>	<b>\$440,000</b>	<b>\$1,945,612</b>

### Major Budget Changes for FY 2019

- Transfer of funds to parks and recreation capital projects increases due to additional revenue from development activity



# Street Tree

STREET TREE FUNDS – 43, 44, 45

## Fund Description

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

### Core Services

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

## Expenditure Information

Expenditure Category	FY 2016	FY 2017	FY 2018	FY 2018	FY 2019
	Actual	Actual	Original Budget	Revised Budget	Budget
Personal Services	\$0	\$0	\$0	\$0	\$0
Contractual Services	0	0	0	0	0
Commodities	21,811	90,031	55,000	55,000	85,000
Capital Outlay	0	0	0	0	0
Transfers	0	0	0	0	0
Reserves	0	0	392,938	0	431,779
<b>Total</b>	<b>\$21,811</b>	<b>\$90,031</b>	<b>\$447,938</b>	<b>\$55,000</b>	<b>\$516,779</b>

### Major Budget Changes for FY 2019

- Increase expenditures on street tree due to increased development activity



# Transportation Improvement Plan

TRANSPORTATION IMPROVEMENT PLAN FUNDS – 46,47,48

## Fund Description

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

### Core Services

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

## Expenditure Information

Expenditure Category	FY 2016 Actual	FY 2017 Actual	FY 2018 Original Budget	FY 2018 Revised Budget	FY 2019 Budget
Personal Services	\$0	\$0	\$0	\$0	\$0
Contractual Services	0	0	0	0	0
Commodities	0	0	0	0	0
Capital Outlay	0	5,000	0	0	0
Transfers	210,000	190,000	498,000	498,000	546,000
Reserves	0	0	1,522,681	0	1,902,628
<b>Total</b>	<b>\$210,000</b>	<b>\$195,000</b>	<b>\$2,020,681</b>	<b>\$498,000</b>	<b>\$2,448,628</b>

### Major Budget Changes for FY 2019

- 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 85<sup>th</sup> Street on the north, 98<sup>th</sup> 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 receive a 75% rebate for 10 years

## Expenditure Information

Expenditure Category	FY 2016 Actual	FY 2017 Actual	FY 2018 Original Budget	FY 2018 Revised Budget	FY 2019 Budget
Personal Services	\$0	\$0	\$0	\$0	\$0
Contractual Services	340,456	119,084	300,000	300,000	300,000
Commodities	0	5,700	0	0	0
Capital Outlay	0	0	0	0	0
Transfers	0	0	0	0	0
Reserves	0	0	69,202	0	167,341
<b>Total</b>	<b>\$340,456</b>	<b>\$124,784</b>	<b>\$369,202</b>	<b>\$300,000</b>	<b>\$467,341</b>

### Major Budget Changes for FY 2019

- No major budget changes



# City Center TIF

CITY CENTER TIF DISTRICT FUND - 51

## Fund Description

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

### Core Services

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

## Expenditure Information

Expenditure Category	FY 2016 Actual	FY 2017 Actual	FY 2018 Original Budget	FY 2018 Revised Budget	FY 2019 Budget
Personal Services	\$0	\$0	\$0	\$0	\$0
Contractual Services	0	0	0	0	0
Commodities	0	0	0	0	0
Economic Development	907,351	1,700,266	4,468,545	4,468,545	5,074,500
Transfers	779,711	951,967	22,455	22,455	25,500
Reserves	0	0	1,396,992	0	1,984,441
<b>Total</b>	<b>\$1,687,062</b>	<b>\$2,652,233</b>	<b>\$5,887,992</b>	<b>\$4,491,000</b>	<b>\$7,084,441</b>

### Major Budget Changes for FY 2019

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



# Mining TIF District

MINING TIF DISTRICT FUND – 53

## Fund Description

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

### Core Services

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

## Expenditure Information

Expenditure Category	FY 2016	FY 2017	FY 2018	FY 2018	FY 2019
	Actual	Actual	Original Budget	Revised Budget	Budget
Personal Services	\$0	\$0	\$0	\$0	\$0
Contractual Services	0	0	0	0	0
Commodities	0	0	0	0	0
Economic Development	1,327,815	1,521,711	1,669,610	1,669,610	2,625,805
Transfers	3,013	3,395	8,390	8,390	13,195
Reserves	0	0	1,137	0	5,160
<b>Total</b>	<b>\$1,330,828</b>	<b>\$1,525,106</b>	<b>\$1,679,137</b>	<b>\$1,678,000</b>	<b>\$2,644,160</b>

### Major Budget Changes for FY 2019

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



# Ridgeview Mining TIF

RIDGEVIEW MINING TIF FUND – 54

## Fund Description

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

### Core Services

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

## Expenditure Information

Expenditure Category	FY 2016 Actual	FY 2016 Actual	FY 2018 Budget	FY 2018 Budget	FY 2018 Budget
Personal Services	\$0	\$0	\$0	\$0	\$0
Contractual Services	0	0	0	0	0
Commodities	0	0	0	0	0
Economic Development	0	97,716	771,125	771,125	1,012,910
Transfers	217,424	0	3,875	3,875	5,090
Reserves	0	0	560,464	0	1,380,132
<b>Total</b>	<b>\$217,424</b>	<b>\$97,716</b>	<b>\$1,335,464</b>	<b>\$775,000</b>	<b>\$2,398,132</b>

### Major Budget Changes for FY 2019

- 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	FY 2016	FY 2017	FY 2018	FY 2018	FY 2019
	Actual	Actual	Original Budget	Revised Budget	Budget
Personal Services	\$0	\$0	\$0	\$0	\$0
Contractual Services	0	0	0	0	0
Commodities	0	0	0	0	0
Economic Development	512,395	482,979	643,500	643,500	643,500
Transfers	10,736	4,879	6,500	6,500	6,500
Reserves	0	0	106,397	0	101,296
<b>Total</b>	<b>\$523,131</b>	<b>\$487,858</b>	<b>\$756,397</b>	<b>\$650,000</b>	<b>\$751,296</b>

### Major Budget Changes for FY 2019

- 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	FY 2016	FY 2017	FY 2018	FY 2018	FY 2019
	Actual	Actual	Original Budget	Revised Budget	Budget
Personal Services	\$0	\$0	\$0	\$0	\$0
Contractual Services	0	0	0	0	0
Commodities	0	0	0	0	0
Economic Development	73,157	81,835	99,000	99,000	108,900
Transfers	1,590	827	1,000	1,000	1,100
Reserves	0	0	11,257	0	14,381
<b>Total</b>	<b>\$74,747</b>	<b>\$82,662</b>	<b>\$111,257</b>	<b>\$100,000</b>	<b>\$124,381</b>

### Major Budget Changes for FY 2019

- CID reimbursement increases due to sales tax growth within the CID district



# 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	FY 2016	FY 2017	FY 2018	FY 2018	FY 2019
	Actual	Actual	Original Budget	Revised Budget	Budget
Personal Services	\$0	\$0	\$0	\$0	\$0
Contractual Services	0	0	0	0	0
Commodities	0	0	0	0	0
Economic Development	39,220	39,492	51,480	51,480	51,480
Transfers	720	399	520	520	520
Reserves	0	0	6,710	0	7,177
<b>Total</b>	<b>\$39,940</b>	<b>\$39,891</b>	<b>\$58,710</b>	<b>\$52,000</b>	<b>\$59,177</b>

### Major Budget Changes for FY 2019

- No major budget changes



# Greystone Plaza CID

GREYSTONE PLAZA CID FUND – 59

## Fund Description

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

### Core Services

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

## Expenditure Information

Expenditure Category	FY 2016	FY 2017	FY 2018	FY 2018	FY 2019
	Actual	Actual	Original Budget	Revised Budget	Budget
Personal Services	\$0	\$0	\$0	\$0	\$0
Contractual Services	0	0	0	0	0
Commodities	0	0	0	0	0
Economic Development	37,146	54,063	59,400	59,400	69,300
Transfers	865	546	600	600	700
Reserves	0	0	8,534	0	8,946
<b>Total</b>	<b>\$38,011</b>	<b>\$54,609</b>	<b>\$68,534</b>	<b>\$60,000</b>	<b>\$78,946</b>

### Major Budget Changes for FY 2019

- CID reimbursement increases due to new retail establishments opening within the CID district



# City Center East #1 CID

CITY CENTER EAST #1 CID FUND – 61

## Fund Description

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

### Core Services

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

## Expenditure Information

Expenditure Category	FY 2016	FY 2017	FY 2018	FY 2018	FY 2019
	Actual	Actual	Original Budget	Revised Budget	Budget
Personal Services	\$0	\$0	\$0	\$0	\$0
Contractual Services	0	0	0	0	0
Commodities	0	0	0	0	0
Economic Development	34,555	40,057	41,580	41,580	59,400
Transfers	624	405	420	420	600
Reserves	0	0	7,982	0	9,429
<b>Total</b>	<b>\$35,179</b>	<b>\$40,462</b>	<b>\$49,982</b>	<b>\$42,000</b>	<b>\$69,429</b>

### Major Budget Changes for FY 2019

- CID reimbursement increases due to sales tax growth within the CID district



# 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 Ignite restaurant.

### Core Services

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

## Expenditure Information

Expenditure Category	FY 2016	FY 2017	FY 2018	FY 2018	FY 2019
	Actual	Actual	Original Budget	Revised Budget	Budget
Personal Services	\$0	\$0	\$0	\$0	\$0
Contractual Services	0	0	0	0	0
Commodities	0	0	0	0	0
Economic Development	0	0	89,100	89,100	89,100
Transfers	215	186	900	900	900
Reserves	0	0	30,907	0	82,292
<b>Total</b>	<b>\$215</b>	<b>\$186</b>	<b>\$120,907</b>	<b>\$90,000</b>	<b>\$172,292</b>

### Major Budget Changes for FY 2019

- No major budget changes



# I-35 & 95th Street TIF

I-35 & 95<sup>th</sup> 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 95<sup>th</sup> Street.

### Core Services

- Reimbursing the developer for eligible costs associated with the I-35 and 95<sup>th</sup> Street development

## Expenditure Information

Expenditure Category	FY 2016	FY 2017	FY 2018	FY 2018	FY 2019
	Actual	Actual	Original Budget	Revised Budget	Budget
Personal Services	\$0	\$0	\$0	\$0	\$0
Contractual Services	0	0	0	0	0
Commodities	0	0	0	0	0
Economic Development	0	33,964	1,197,980	1,197,980	1,197,980
Transfers	0	171	6,020	6,020	6,020
Reserves	0	0	0	0	295,152
<b>Total</b>	<b>\$0</b>	<b>\$34,135</b>	<b>\$1,204,000</b>	<b>\$1,204,000</b>	<b>\$1,499,152</b>

### Major Budget Changes for FY 2019

- The first TIF distribution for Project Plan #1 (northwest corner of 95<sup>th</sup> Street and Quivira) occurred in 2017; estimated reimbursements from TIF revenues increased in 2018 due to Project Plan 4 (city landscaping improvements for I-35 and 95<sup>th</sup> Street interchange), which covers the entire TIF district.
- 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 portion of the

### Core Services

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

## Expenditure Information

Expenditure Category	FY 2016	FY 2017	FY 2018	FY 2018	FY 2019
	Actual	Actual	Original Budget	Revised Budget	Budget
Personal Services	\$0	\$0	\$0	\$0	\$0
Contractual Services	0	0	0	0	0
Commodities	0	0	0	0	0
Economic Development	0	0	43,560	43,560	43,560
Transfers	0	0	440	440	440
Reserves	0	0	0	0	9,439
<b>Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$44,000</b>	<b>\$44,000</b>	<b>\$53,439</b>

### Major Budget Changes for FY 2019

- CID was effective on July 1, 2017
- 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 the portion of the

### Core Services

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

## Expenditure Information

Expenditure Category	FY 2016	FY 2017	FY 2018	FY 2018	FY 2019
	Actual	Actual	Original Budget	Revised Budget	Budget
Personal Services	\$0	\$0	\$0	\$0	\$0
Contractual Services	0	0	0	0	0
Commodities	0	0	0	0	0
Economic Development	0	0	23,760	23,760	23,760
Transfers	0	0	240	240	240
Reserves	0	0	0	0	1,142
<b>Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$24,000</b>	<b>\$24,000</b>	<b>\$25,142</b>

### Major Budget Changes for FY 2019

- CID was effective on October 1, 2017
- 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 portion of the

### Core Services

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

## Expenditure Information

Expenditure Category	FY 2016	FY 2017	FY 2018	FY 2018	FY 2019
	Actual	Actual	Original Budget	Revised Budget	Budget
Personal Services	\$0	\$0	\$0	\$0	\$0
Contractual Services	0	0	0	0	0
Commodities	0	0	0	0	0
Economic Development	0	0	27,720	27,720	27,720
Transfers	0	0	280	280	280
Reserves	0	0	0	0	2,709
<b>Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$28,000</b>	<b>\$28,000</b>	<b>\$30,709</b>

### Major Budget Changes for FY 2019

- CID was effective on October 1, 2017
- No major budget changes



# Stormwater

STORMWATER FUND - 80

## 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 BMP's 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 2017

- Installed 6,726 native plants in new and existing storm water facilities and streams with plants grown in greenhouse from seeds collected in the field
- Continued to grow the prescribed burning program
- Removed 99 bags of trash from streams and BMP's
- Removed 1.022 cubic yards of sediment and debris by sweeping streets
- Continued to use of volunteers to assist with stream cleaning, plant installation, seed collection and weed removal for a total of 98 hours
- Inspected 37,525 feet of pipe
- Implemented our storm box lining program with designed and built in house trailer mounted unit

### Objectives for FY 2018/2019

- Continue to respond to citizen requests related to stormwater maintenance and repair
- Inspect, maintain, construct, and manage stormwater assets to ensure integrity and function
- Coordinate pipe replacement program with pavement management program
- Implement a dredging program for ponds and wetlands
- Utilize compost from leaf removal program
- Implement an improved pollution prevention and good housekeeping program
- Continue effort of improving our education and outreach programs

### Future Opportunities/Issues

- Maintenance of existing and additional Best Management Practices (BMP's) and infrastructure
- City center stormwater maintenance
- Corrugated metal pipe replacement
- Increased regulations on stormwater
- Hiring qualified staff
- Community outreach

## Key Performance Measures

	FY 2016 Actual	FY 2017 Actual	FY 2018 Estimate	FY 2019 Budget
Objective: % of citizen survey respondents who are "satisfied" or "very satisfied" with the quality of the city's stormwater/runoff management is 80% or greater	84%	78%	78%	85%

## Expenditure Information

Expenditure Category	FY 2016 Actual	FY 2017 Actual	FY 2018 Original Budget	FY 2018 Revised Budget	FY 2019 Budget
Personal Services	\$1,277,182	\$1,266,077	\$1,636,175	\$1,636,175	\$1,648,698
Contractual Services	101,931	77,680	172,195	172,195	176,150
Commodities	64,889	76,664	133,180	133,180	137,600
Capital Outlay	213,760	246,939	75,000	75,000	29,000
Debt Service	3,864,769	3,863,479	4,078,915	3,805,313	2,999,527
Transfers	1,160,336	650,878	1,300,000	1,300,000	1,719,116
Reserves	0	0	827,016	0	2,225,200
<b>Total</b>	<b>\$6,682,867</b>	<b>\$6,181,717</b>	<b>\$8,222,481</b>	<b>\$7,121,863</b>	<b>\$8,935,291</b>

## Major Budget Changes for FY 2019

- Debt service and transfers are adjusted to incorporate stormwater projects funded in FY 2018-2022 Capital Improvement Program

## Staffing Stormwater

	FY 2016 Actual	FY 2017 Actual	FY 2018 Estimate	FY 2018 Revised	FY 2019 Budget
<i>Maintenance (Municipal Services):</i>					
Asset Management Technician	0.00	0.30	0.30	0.30	0.30
Asset Systems Coordinator	0.50	0.80	0.80	0.80	0.80
<i>Assistant to the Municipal Services</i>					
Director	0.00	0.00	1.00	1.00	1.00
Maintenance Worker	11.00	11.00	12.00	12.00	12.00
Maintenance Foreman	2.00	2.00	2.00	2.00	2.00
Superintendent	1.00	1.00	1.00	1.00	1.00
<i>Administration (Community Development):</i>					
Erosion Control Inspector	1.00	1.00	1.00	1.00	1.00
Project Manager	1.00	1.00	1.00	1.00	1.00
Stormwater Specialist					
<b>Stormwater Total</b>	<b>17.50</b>	<b>18.10</b>	<b>20.10</b>	<b>20.10</b>	<b>20.10</b>



# Rec Center

REC CENTER FUND – 82

## Mission Statement

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

### Core Services

- Offer a variety of quality programs and services for all ages 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 2017

- Successful charter membership drive including 261 members the first day
- Charter member pre-opening: 2,304 visits in 13 days. Provided member benefit and staff training opportunity.
- July 31 – Opened to the public
- Procurement of all fitness-related equipment and furniture
- Hosted numerous pre-opening events
- Developed facility rules, regulations, procedures, etc.
- Successful onboarding and training of staff
- 233 birthday parties hosted
- Developed maintenance and repair schedules for facility/equipment
- Ended 2017 with 6,068 members, exceeded original pro forma
- Revenue recovery – 94% cost recovery first full five months of operation

### Objectives for FY 2018/2019

- Increase recreational programming
- Develop master plan for facility events across calendar year to assist with member engagement and overall community mission
- Develop Green Clean Policy for all facilities
- Survey members seeking feedback
- Successful summer state licensed day camp offering
- Ongoing communication with the public regarding programs
- Achieve 97% cost recovery in 2019

### Future Opportunities/Issues

- Continued effort towards 100% recovery of operational expenses with user revenue
- Plan for capital replacement needs
- Ensure the equipment replacement fund remains healthy to assist with member retention and engagement
- Team building to promote collaboration and avoid burnout
- Continued efforts towards programming, concession and pro shop revenues as part of overall revenue strategy
- Staff recruitment. Heavy reliance upon variable staff (lifeguards, customer service reps, child watch and facility attendants)

## Key Performance Measures

	FY 2016 Actual	FY 2017 Actual	FY 2018 Estimate	FY 2019 Budget
Objective: % of citizen survey respondents who are "satisfied" or "very satisfied" with the quality of Rec Center facilities is 93% or greater	N/A	93%	93%	93%
Objective: % of citizen survey respondents who are "satisfied" or "very satisfied" with the quality of Rec Center fitness equipment options is 85% or greater	N/A	85%	85%	85%
Objective: % of citizen survey respondents who are "satisfied" or "very satisfied" with quantity of Rec Center program options is 87% or greater	N/A	87%	87%	87%
Objective: % of citizen survey respondents who are "satisfied" or "very satisfied" with the quality of Rec Center programs and services is 85% or greater	N/A	85%	85%	85%
Objective: % of citizen survey respondents who are "satisfied" or "very satisfied" with the cleanliness of Rec Center facilities is 93% or greater	N/A	93%	93%	93%
Objective: % of citizen survey respondents who are "satisfied" or "very satisfied" with the Rec Center usage pricing options to the value received is 75% or greater	N/A	75%	75%	75%

## Expenditure Information

Expenditure Category	FY 2016 Actual	FY 2017 Actual	FY 2018 Original Budget	FY 2018 Revised Budget	FY 2019 Budget
Personal Services	\$0	\$867,339	\$1,471,550	\$1,471,550	\$1,862,476
Contractual Services	0	175,093	448,993	448,993	489,493
Commodities	0	103,414	151,605	151,605	208,435
Capital Outlay	0	0	25,000	25,000	25,000
Debt Service	0	0	0	0	0
Transfers	0	0	0	0	0
Reserves	0	0	0	0	303,753
<b>Total</b>	<b>\$0</b>	<b>\$1,145,846</b>	<b>\$2,097,148</b>	<b>\$2,097,148</b>	<b>\$2,889,157</b>

### Major Budget Changes for FY 2019

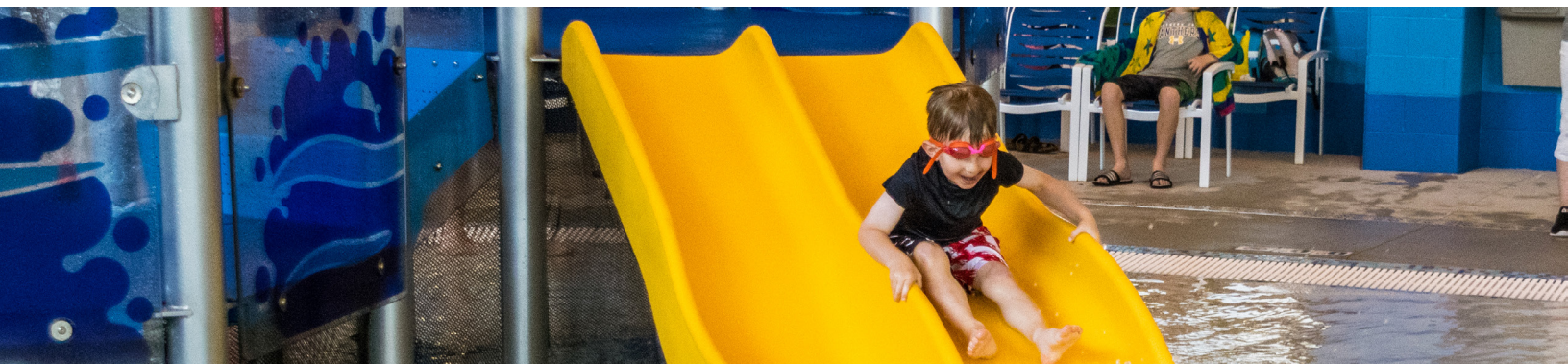
- Additional funds for lifeguard salaries (2018 allocation was not budgeted sufficiently)
- Convert 2 variable welcome desk staff to part time positions
- Funding for youth camps (covered by additional fees)
- Projected General Fund transfer to the Rec Center Fund is \$363,000 in 2019 (budget amount for 2018 is \$232,000)

## Staffing Rec Center

	FY 2016 Actual	FY 2017 Actual	FY 2018 Estimate	FY 2018 Revised	FY 2019 Budget
<i>Administration:</i>					
Assistant Rec Center Manager	0.00	0.92	1.00	0.50	0.50
Attendants	0.00	0.00	3.75	3.75	3.75
<i>Customer Service</i>					
Representatives	0.00	3.21	5.50	5.50	5.90
Customer Service Supervisor	0.00	0.83	1.00	1.00	1.00
Program Coordinator	0.00	0.25	0.00	0.00	0.00
Rec Center Manager	0.00	1.00	1.00	1.00	1.00
<i>Facilities:</i>					
Facilities Maintenance					
Technician	0.00	0.67	1.00	1.00	1.00
Parks Maintenance Workers	0.00	0.67	1.00	1.00	1.00
<i>Support Services:</i>					
Custodian	0.00	2.28	3.92	3.92	3.92
<i>Rentals &amp; Events:</i>					
Assistant Rec Center Manager	0.00	0.00	0.00	0.50	0.50
Attendants	0.00	0.00	0.85	0.85	0.85
<i>Enrichment:</i>					
Attendants/Counselors	0.00	5.60	2.58	2.58	4.50
Camp Director	0.00	0.00	0.00	0.00	0.58
Recreation Supervisor	0.00	0.00	0.00	0.50	0.50
Program Instructors	0.00	2.24	0.69	0.69	1.65

<i>Sports:</i>					
Attendants	0.00	0.00	2.94	2.94	2.94
Recreation Supervisor	0.00	0.00	0.75	0.25	0.25
<i>Aquatics:</i>					
Aquatics Specialist	0.00	0.42	0.50	0.50	0.50
Lifeguards	0.00	8.50	13.39	13.39	13.39
Pool Managers	0.00	1.13	1.83	1.83	1.83
Recreation Supervisor	0.00	0.50	0.50	0.50	0.50
<i>Fitness:</i>					
Attendants	0.00	0.00	1.55	1.55	1.55
Program Instructors	0.00	0.00	2.58	2.58	2.58
Recreation Supervisor	0.00	0.83	0.75	0.75	0.75
<b>Rec Center Total</b>	<b>0.00</b>	<b>29.05</b>	<b>47.08</b>	<b>47.08</b>	<b>50.94</b>





# Non-Budgeted Funds

**Annual Budget Document  
2019  
City of Lenexa  
January 1 - December 31**



# Non-Budgeted Funds

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

03 *Lenexa Foundation Fund*

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

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

To account for monies transferred from the General Fund and any other city funds for the purpose of financing authorized capital improvement projects and expenditures for machinery and equipment. Included in the 2019 budget is a \$15,131,749 transfer to this fund and is distributed as follows:

<b>3/8 Cent Sales Tax:</b> This sales tax will be used for parks/civic projects and the Pavement Maintenance Program.	\$6,606,114
<b>1/4 Cent County Sales/Use Tax:</b> This sales tax will be used for public safety projects.	\$1,677,256
<b>Capital Projects:</b> These monies will be added to the 2017-2021 CIP to help fund various capital projects.	\$6,826,379
<b>Art Projects:</b> These monies will be added to the CIF to help fund the purchase of art for the City.	\$22,000

15 *Grants*

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

20 *Law Enforcement Trust Fund*

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

21 *Legal Trust Fund*

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

73 *Facilities Maintenance Fund*

To account for monies transferred from the General Fund and Capital Improvement Fund and reserved for repairs to city buildings. In the 2019 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 2019 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 worker's compensation plan for employees.
- 90 *Pension Trust Fund*  
To account for the accumulation of resources for pension benefit payments from the City's Defined Benefit Pension Plan.



# Appendix

**Annual Budget Document  
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# Glossary

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

**CAPITAL ASSETS** - Assets of significant value and having a useful life of several years, also called fixed assets. Capital assets includes land, improvements to land, easements, buildings, building improvements, vehicles, machinery, equipment, art and infrastructure. All land will be capitalized, infrastructure will be capitalized if it is valued over \$300,000 and has a useful life of greater than 5 years, and items other than land or infrastructure will be capitalized if it is valued over \$10,000 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 Johnson County to serving low- to moderate-income residents throughout the County.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

**ENTERPRISE FUND** - An enterprise fund is used to account for the acquisition, operation, and maintenance of governmental facilities and services that are predominately self-supporting through user charges. The city currently has no enterprise funds.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

**INTERFUND TRANSFERS** - Amounts transferred from one fund to another.

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

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

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



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

**KORA** – Kansas Open Records Act

**KOMA** – Kansas Open Meetings Act

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

**U.B.C.** - Uniform Building Code

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

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

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

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