

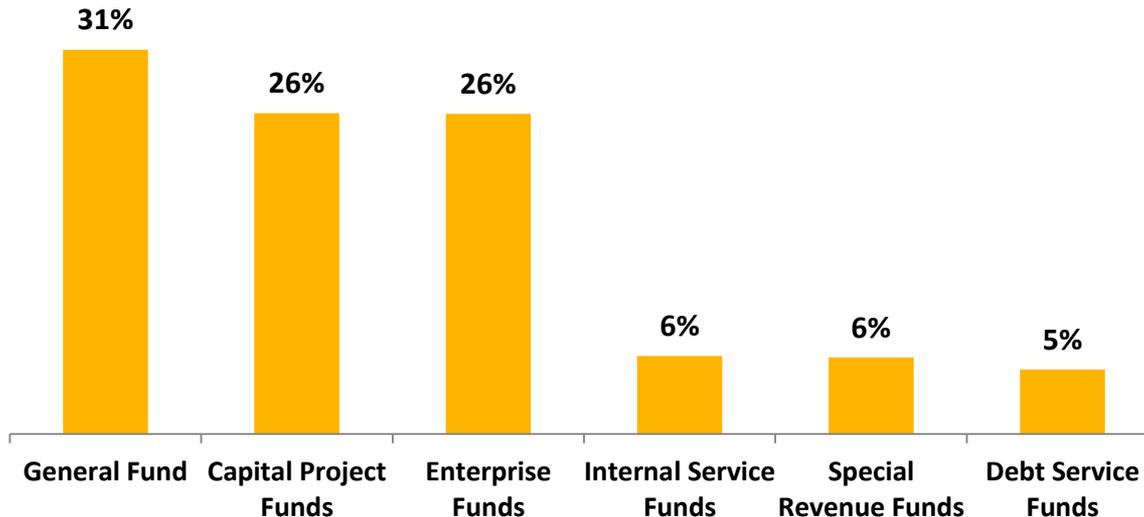
City of Lee's Summit

Proposed Annual Budget

Fiscal Year 2017-2018

Total Request All Funds

Fund Type	FY17 Budget	FY18 Proposed
General Fund	64,397,020	67,190,459
Special Revenue Funds	16,876,385	13,366,470
Debt Service Funds	11,127,863	11,244,005
Capital Project Funds	45,812,629	56,091,029
Enterprise Funds	56,046,838	55,986,791
Internal Service Funds	14,158,623	13,660,025
Total Proposed Expenditure	208,419,359	217,538,780



Explanation of Funds

- **General Fund** – Provides funds for departments that don't have a dedicated revenue stream
- **Special Revenue Funds** – Used to account for revenues and expenses that have special legal or regulatory provisions (ex: TIF & CID funds)
- **Debt Service Funds** – Records financial transactions specifically tied to the issuing and repayment of debt (2 funds: GO Debt & Parks Debt)
- **CIP Funds** – Source of funding for capital projects that have revenues from additional sales and property tax levies
- **Enterprise Funds** – Expenses are funded from service and consumption charges instead of taxes (ex: Water Utilities, Airport)
- **Internal Service Funds** – Funding is received from all departments for services (ex: ITS, Fleet, CBS)

General Fund

Departments:

- Administration
- Development Services
- Finance
- Fire
- Law
- Municipal Court
- Police
- Public Works

Primary Funding Sources:

- Property Tax: \$0.9093 of AV; total City levy is \$1.5398
- Sales Tax: 1% of all sales; total rate is 7.850% in Jackson and 8.225% in Cass County
- Franchise Tax: A gross receipts tax on utilities for use of right of way:
 - Electric: 7%
 - Natural Gas: 7%
 - Telephone: 7%
 - Cable: 5%

General Fund Revenues

	FY17	FY18	Change from FY17	
	Budget	Requested	\$	%
Property Tax	19,341,788	20,508,192	1,166,404	6.03%
Sales Tax	15,136,358	16,197,424	1,061,066	7.01%
Franchise Tax	13,524,887	13,037,427	-487,460	-3.60%
Motor Vehicle Tax	3,364,508	3,671,162	306,654	9.11%
Other Taxes	332,640	324,597	-8,043	-2.42%
Fines and Forfeitures	1,412,986	1,405,838	-7,148	-0.51%
Licenses and Permits	1,786,379	2,411,880	625,501	35.02%
Intergovernmental	826,253	1,008,067	181,814	22.00%
Charges for Services	5,271,476	7,570,459	2,298,983	43.61%
Investment Earnings	64,103	56,845	-7,258	-11.32%
Other	1,494,400	1,659,600	165,200	11.05%
Transfers In	954,515	1,004,515	50,000	5.24%
Total	63,510,293	68,856,006	5,345,713	8.42%

Considerations:

- Property Tax: Actual CY16 assessed values; preliminary CY2017
- Sales Tax: Termination of Chapel Ridge TIF
- Schedule of Fees
- Economic Development, and permit revenue

General Fund Expenditures

	FY17	FY18	Change from FY17 Budget	
	Budget	Request	\$	%
Personnel Services	43,489,284	45,806,645	2,317,114	5.33%
Supplies for Resale	235,000	245,000	10,000	4.26%
Other Supplies, Services, and Charges	9,486,986	10,181,400	694,414	7.32%
Repairs and Maintenance	1,398,571	1,485,895	87,324	6.24%
Utilities	1,738,634	1,734,766	-3,868	-0.22%
Fuel and Lubricants	564,153	556,097	-8,056	-1.43%
Miscellaneous	341,790	236,825	-104,965	-30.71%
Capital Outlay	675,000	54,902	-620,098	-91.87%
Interdepartment Charges	5,899,392	6,314,969	415,577	7.04%
Transfers Out	568,210	573,961	26,164	4.60%
Total	64,397,020	67,190,459	2,793,439	4.34%

Personnel Services:

- Anticipates 10% increase in Health Insurance
- Full-year implementation of IAFF Agreement
- \$2 million set aside for wage adjustments

Other Supplies & Services:

- \$150,000 UDO Recodification
- \$1.9m Municipal Billing Expenses
- \$1.5m PILOT Disbursement

Strategic Initiatives

- Safety
 - MARRS
 - Police: HIDTA
 - Fire: +1 FTE
- Education
 - Partnership with Missouri Innovation Campus
- Transportation
 - CIP Projects
 - Completion of Airport runway construction
- Health and Human Services
 - CDBG
- Infrastructure
 - Stormwater programs in CIP
 - Water Utility reorganization
- Economic Development
 - UDO Recodification
 - LCRA
- Culture and Arts
 - Cultural Arts Manager

Compensation and Benefit Study

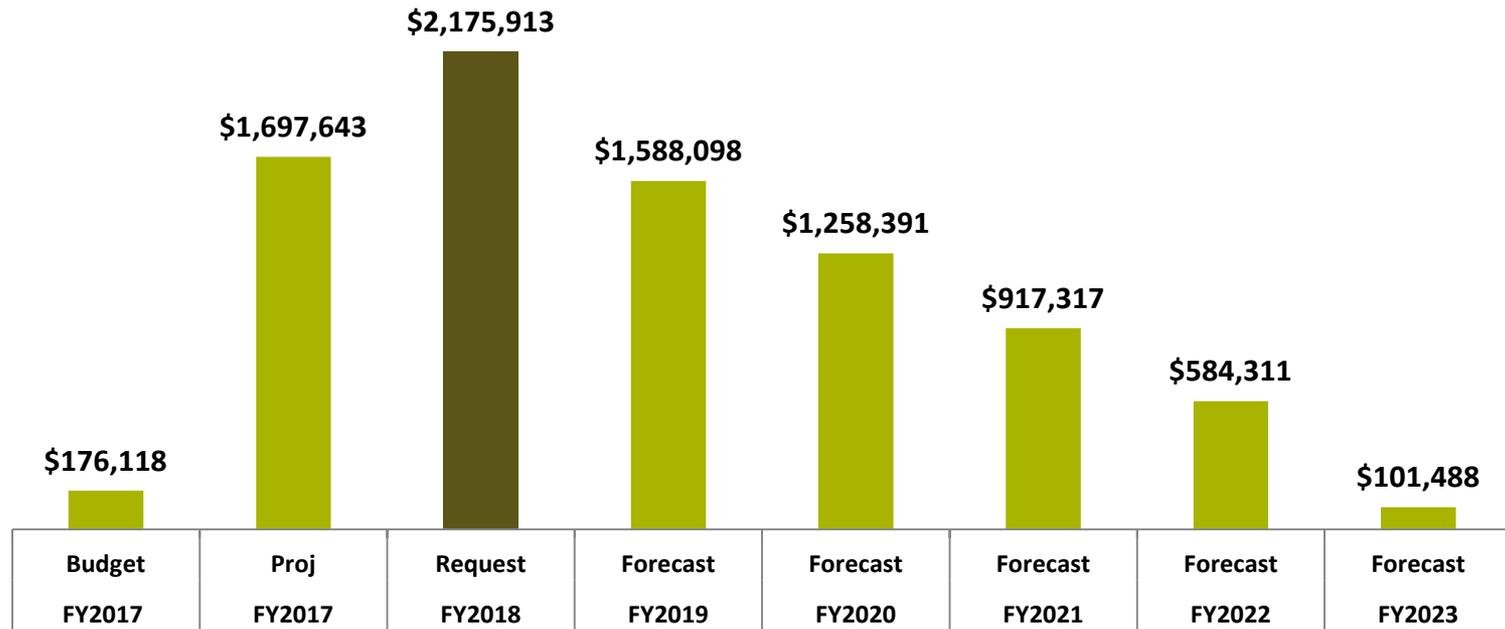
- Priority: Identify funding for wage adjustments
- Management Team has worked to identify \$2 million
- Funds are yet to be appropriated

Compensation and Benefit Study

Timeline

- June 1 or 8: Present to City Council draft comp philosophy
- June 8 or 15: Present to City Council final comp philosophy and final report
- Bring forward budget amendment for implementation

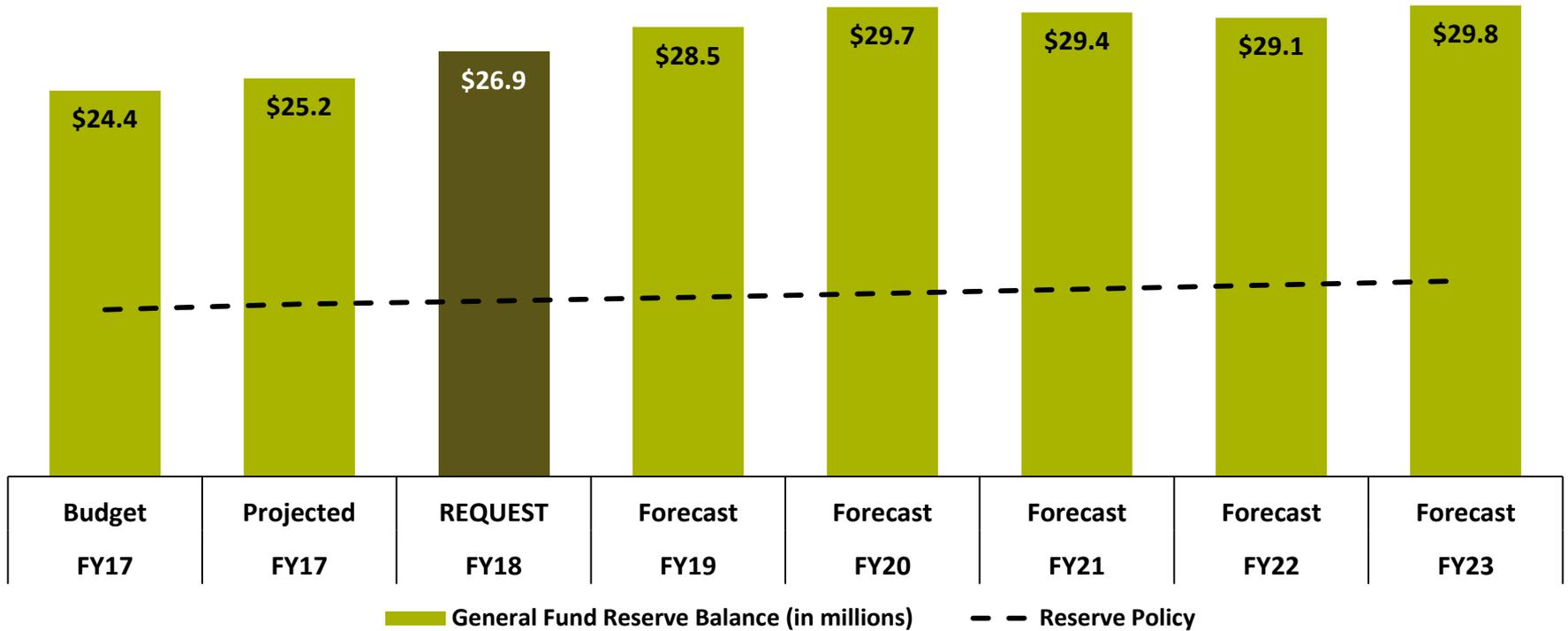
General Fund Five-Year Model



General Fund	FY2017 Budget	FY2017 Proj	FY2018 Request	FY2019 Forecast	FY2020 Forecast	FY2021 Forecast	FY2022 Forecast	FY2023 Forecast
Total Revenue	63,510,293	66,348,243	68,856,006	69,712,054	70,871,304	72,070,417	73,331,476	74,499,413
Total Operating Exp.	63,334,175	64,650,600	66,680,093	68,123,957	69,612,913	71,153,100	72,747,165	74,397,925
Net Operating Budget	176,118	1,697,643	2,175,913	1,588,098	1,258,391	917,317	584,311	101,488
One-Time Exp.	887,995	1,622,995	510,367	0	0	0	0	0
Total Budget Surplus/(Deficit)	(711,877)	74,648	1,665,546	1,588,098	1,258,391	917,317	584,311	101,488



Projected GF Reserve Balance (in \$millions)



Remainder of FY18 Budget

Special Revenue Funds

Special Revenue Funds	FY17 Budget	FY18 Proposed
Parks & Recreation Fund	3,272,170	3,312,717
Gamber Center	474,121	492,863
Legacy Park Community Center	1,812,530	1,928,492
Summit Waves	641,685	638,386
Cemetary Trust Fund	231,034	225,597
Business & Industry Fund	374,455	398,544
Entitlement Fund	369,229	395,011
VAWA Grant Fund	57,000	212,000
PSERP	42,961	0
Total	7,275,185	7,603,612

Capital Project Funds

Capital Project Funds	FY17 Budget	FY18 Proposed
Airport	9,931,000	8,921,000
Bridges, Streets, Signals	24,726,000	15,999,000
Capital Equipment Replacement	629,831	225,531
Facilities	0	13,000,000
Parks Construction	2,360,000	1,900,000
Water & Sewer Construction	5,610,000	6,516,000
Total	43,256,831	46,561,531

TIF & TDD Funds

TIF & TDD Funds	FY17 Budget	FY18 Proposed
SummitWoods East TIF	5,895,297	2,646,876
I470 Business Center TIF	457,200	850,639
Longview Farm TIF	317,065	17,001
Longview TDD	31,721	334,212
Ritter Plaza TIF	183,114	126,622
Todd George/50 Hwy TIF	1,191,283	1,755,508
Chapel Ridge TIF	1,525,520	0
Total	9,601,200	5,730,858

Enterprise & Internal Service Funds

	FY17	FY18
Enterprise Funds	Budget	Proposed
Water/Sewer Fund	40,237,585	40,860,382
Airport Fund	9,766,197	11,462,427
Solid Waste Management	4,562,341	2,111,171
Harris Park Community Center	1,480,717	1,552,812
Total	56,046,838	55,986,791

	FY17	FY18
Internal Service Funds	Budget	Proposed
Central Building Services	1,668,059	1,737,262
Fleet Operations	5,744,190	5,163,561
ITS Services	4,870,227	4,082,428
Short Term Disability Fund	39,533	38,015
Unemployment Trust Fund	32,262	32,262
Claims and Damages Reserve Fund	875,000	845,625
Work Comp Self-insurance	939,352	1,034,191
Health Insurance Reserve Fund	0	726,680
Total	14,168,623	13,660,025



Debt Service Funds

	FY17	FY18
Debt Service Funds	Budget	Proposed
General Obligation Debt	8,394,503	8,519,600
Park COP Debt	2,733,360	2,724,405
Total	11,127,863	11,244,005

Next Steps

- **May 1:** Regular Finance & Budget
- **May 2:** Notice of Public Hearing due by noon
- **May 8:** Special Finance & Budget (if needed)
 - Continued discussion of FY18 Budget
- **May 15:** Special Finance & Budget (if needed)
 - Continued discussion of FY18 Budget
- **May 18:** City Council Meeting – Public Hearing
- **June 1:** City Council Meeting – Vote on Ordinance