



CITY MANAGER'S BUDGET MESSAGE

April 30, 2018

Mayor and City Council,

The fiscal year 2018-2019 (FY19) budget that has been prepared for you is one that has been crafted in an environment where strategic thinking is necessary to develop new opportunities. Like most municipalities throughout the country, Lee's Summit faces difficult challenges regarding the sustainable delivery of high quality municipal services. Lee's Summit is not immune to shrinking revenues and increased costs. This environment creates uncertainty in how problems are to be solved and the priority in which they are addressed. Nowhere is this more evident or personalized for Lee's Summit than it is regarding compensation and benefits for City employees. No challenge is greater for us right now than finding a sustainable solution to address lagging compensation and wages for those serving our community.

As an organization, and through this budget, we have the responsibility to work through these challenges and begin implementing solutions. What makes Lee's Summit different than most cities, and a city earning high accolades such as "Best Place to Live" in the state of Missouri, "America's 50 Best Cities to Live", and "10 Happiest Mid-Sized Cities in America", is the community's ability to discuss, strategize, plan, and rally support for its toughest problems. The citizens of this community, our elected officials, stakeholders in the educational institutions, Chamber of Commerce, Economic Development Council, Downtown Main Street, Velocity, and city staff can positively collaborate to turn opportunities into positive outcomes.

1. Budget Request

In the FY19 Budget, and in future budgets, City staff works to allocate resources to best support the delivery of municipal services. The City has approximately 70 different funds, each categorized by purpose. We are proposing a total budget expenditure of \$200,182,524. This includes all proposed funding for daily operations, capital improvements, debt service, internal service, and enterprise operations.

Total Proposed Budget		
Fund Type	FY18 Budget	FY19 Proposed
General Fund	67,190,459	71,050,067
Special Revenue Funds	13,366,470	7,706,295
Debt Service Funds	11,244,005	11,528,908
Capital Project Funds	56,345,533	45,616,881
Enterprise Funds	55,986,791	49,421,912
Internal Service Funds	13,660,025	14,858,461
Total Proposed Expenditure	217,793,284	200,182,524

CITY MANAGER'S BUDGET MESSAGE

General Fund: This fund includes budgets for 10 departments that provide the mission critical services to our residents such as police and fire protection, street maintenance, planning, codes, municipal court, and general administration of the City.

Special Revenue Funds: These funds include Parks, grants, tax increment financing (TIF), and transportation development district (TDD) funds. These funds are used to account for the proceeds of specific revenue sources (other than expendable trust or major capital project) requiring separate accounting because of legal or regulatory provisions or administrative actions.

Debt Service Funds: The City utilizes two funds to record the receipt and disbursement of monies used to repay principal and interest charges on city-issued debt. The General Obligation Debt Service Fund and Park COP Debt Service Fund are used to account for the annual retirement of bonds issued since 2003.

Enterprise Funds: The City's enterprise funds hold the budgets for departments that operate in business-type activities. These funds rely on revenues generated from sales of materials or services. The enterprise funds include budgets for Water Utilities, Solid Waste, and Airport activities.

Internal Service Funds: The City uses internal service funds, or Proprietary Funds, to account for its fleet of vehicles and equipment, information technology systems, central building services, and trust funds. The internal service departments allocate costs for the reimbursement of services to other departments.

Citizen Based Strategic Planning

Proposed in this budget is funding to begin a citizen based strategic planning process. The community has benefited from previous citizen strategic plans in 1999 and again in 2007. The 1999 plan, entitled 'Lee's Summit 21st Century' was developed with assistance from the National Civic League and provided a foundational document that guided the City through its decision making process. The 1999 plan was organized into four key performance areas (KPAs) which included Development, Education & Culture, Health & Safety, and Preservation. The Implementation Committee was chaired by Dr. Robert (Bud) Hertzog and Nancy Blackwell. The 1999 plan had a noticeable and long lasting impact on the community. It's legacy and reputation made it known as the 'bricks and mortar' plan which guided and enabled much needed investment in physical infrastructure.

The 2007 plan, entitled 'Lee's Summit 360° Charting Tomorrow' (LS360), was commissioned by the Mayor and City Council and facilitated by the National Civic League. The plan was developed through collaboration with 163 stakeholders and many more citizens from the community. The Implementation Committee was led by Jon Ellis and Vicky Cundiff. The 2007 plan had six KPAs which included Education, Economic Development, Health & Human Services, Local Government, Quality of Life, and Transportation. The 2007 plan was essential to the growth and maturity of the community. To this day,

CITY MANAGER'S BUDGET MESSAGE

the City's robust network of Boards, Commissions, and Task Forces, still carry and have implemented the citizens goals which is seen in policies, processes, procedures, and initiatives.

The Lee's Summit community has very much embraced strategic planning and engagement. We believe this to be a strength of the community and a distinguishable trait that differentiates Lee's Summit from the pack.

Also included in this budget is funding to redesign the City's annual budget process. As resources become scarcer and needs more prevalent, it is imperative to utilize a more transparent and qualitative financial planning process. Upon approval of the FY19 budget, staff will begin transitioning to the Priority Based Budgeting methodology. With this framework, it will be easier for our elected officials and staff to match resources to needs. Simply, if every initiative or effort is a priority, then nothing is a priority.

2. Review of Financial Condition – General Fund

In 2017, the City of Lee's Summit achieved a triple A (AAa) credit rating from Moody's Investor Service. According to Moody's, "the upgrade to Aaa reflects the city's historical trend of strong fiscal management and healthy reserve position. The rating also considers the city's large and growing tax base favorably located in the Kansas City, MO metropolitan area; strong resident income levels, and manageable debt and pension burdens."

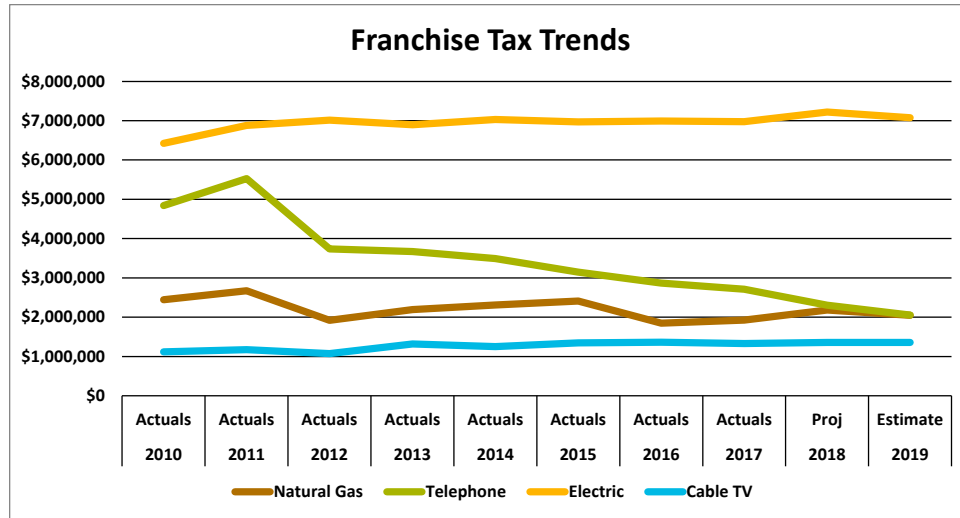
Much like a person's individual credit rating, this achievement will allow for lower interest rates on City issued debt thereby allowing more money to be invested in the community. It is estimated that this rating will save the City approximately \$150k in interest expenses. While this should be celebrated, improvement can be made by revising the City's general fund reserve balance ordinance. From a balance sheet perspective, our elected officials should consider increasing the reserve balance minimum to help protect the City during a financial crisis or natural disaster. The reserve balance calculation that occurs on July 1 of each year does not fully illustrate the financial condition from a cash standpoint.

General Fund	FY2017 Budget	FY2017 Actual*	FY2018 Budget	FY2019 Forecast	FY2020 Forecast	FY2021 Forecast	FY2022 Forecast	FY2023 Forecast
Total Revenue	63,510,293	66,876,874	68,856,006	71,564,506	72,569,724	73,622,430	74,848,342	75,931,537
Total Operating Exp.	63,334,175	64,087,657	66,877,978	69,795,503	71,366,921	73,004,075	74,719,223	76,518,217
Net Operating Budget	176,118	2,789,217	1,978,028	1,769,003	1,202,803	618,354	129,119	(586,679)
One-Time Exp/Rev.	887,995	1,520,908	1,983,300	932,334	0	0	0	0
Total Budget Surplus/(Deficit)	(711,877)	1,268,309	(5,272)	836,669	1,525,033	940,584	129,119	(586,679)

Additionally, the triple A rating (AAa) does not imply a perfect financial condition. Instead, it is a high mark that requires strong fiscal management for continual achievement.

CITY MANAGER'S BUDGET MESSAGE

A continuing trend from past fiscal years is the long-term deterioration of franchise taxes, the third-largest revenue source, will continue to be a concern. The cause of this deterioration is as a result of new technologies and efficiencies. The demise of traditional land-line phone and more energy-efficient homes are contributors to the reduction of this revenue. Traditional methods of revenue collection may continue to produce declining outcomes, and modern approaches will need to be pursued.



As internet sales continues to represent an increasing portion of economic activity, the lack of a Use Tax places Lee's Summit-based retailers at a competitive disadvantage. Staff is recommending the consideration of a use tax as a potential long-term solution similar to the recently-approved Motor Vehicle Sales Tax.

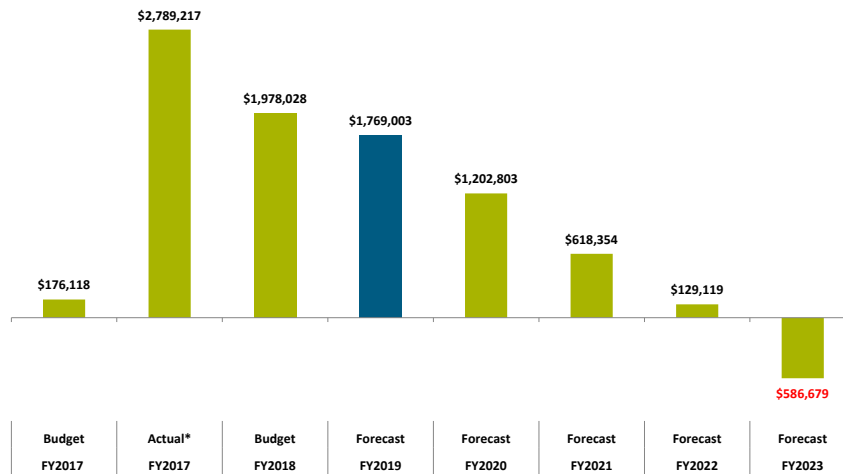
A new concern becoming apparent in FY19 is the diminished capacity in ambulance fees. As EMS costs increase, the City is unable to recover those costs through fees and charges as most service charges are capped and restricted by medicare/Medicaid.

On the expense side, health insurance continues to be a major uncontrolled expense for operating funds. Holmes & Murphy, the City's health insurance broker, has advised the City to expect 9% annual increases for health insurance costs. That increase amounts to nearly \$700k in new costs every year to the general fund. To protect funding set aside for future wage adjustments a 7% increase has been budgeted for FY19 with the goal of reducing health insurance expense.

Until these trends are reversed, the financial strain will limit the City's ability to make new investments in personnel and service delivery. Although it is expected that the general fund will return significant savings to the reserve balance, this is primarily attributed to delayed appropriation of monies set aside for the implementation of the compensation study, marginal revenue growth, and cost avoidance for City supplies. A majority of the savings returned to the fund balance is one time in nature and should not be counted on to sustain ongoing expenses.

CITY MANAGER'S BUDGET MESSAGE

General Fund Net Operating Budget

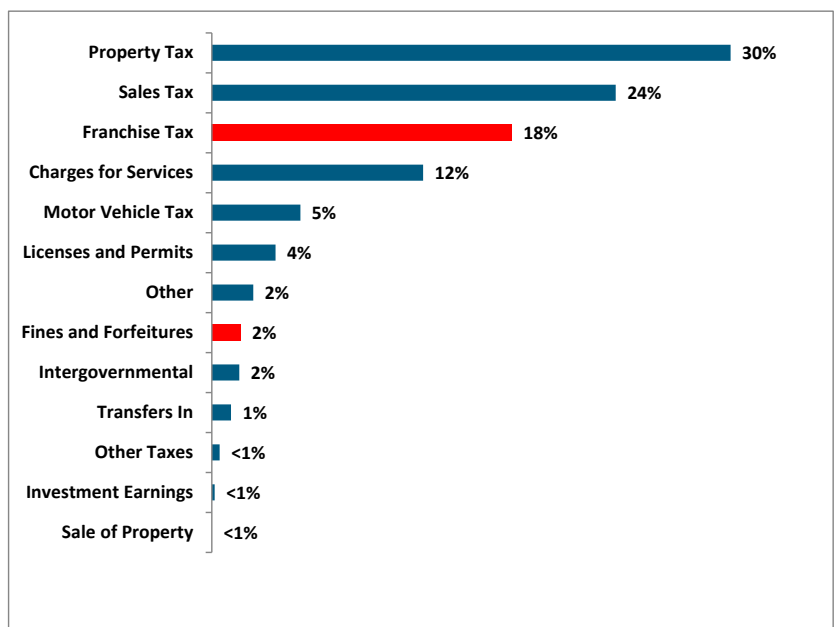


3. General Fund Overview

In FY19, General Fund revenue estimates total \$71,564,506 which will be used to fund an operating budget of \$69,795,503. The proposed budget also includes one-time, special project expenses of \$1,254,564. The proposed budget also carries forward the approximately \$1.6m remaining from the \$2 million set aside for the implementation of wage adjustments as a result of the Compensation and Benefit Study.

General Fund Revenues

Property Tax: FY19 estimates a 3.77% increase in Property Taxes over the previous fiscal year (FY18) actual amounts. The increases are reflected as a result of an increase in our assessed value in calendar year 2017 in Jackson and Cass Counties as well as a preliminary calendar year 2017 assessed value estimate supplied by Jackson County. FY19 Projections estimate 2% growth in Jackson County property tax receipts to total additional revenue of approximately \$327k. Also included is an increase in payment in lieu of tax (PILOT) revenues that total



CITY MANAGER'S BUDGET MESSAGE

approximately \$493k or 26% of which most will pass through to the other taxing jurisdictions.

Sales Tax: General Fund sales tax revenue is a net figure of the gross 1% sales tax receipts less sales tax redirection from Economic Activity Taxes (EATs) generated within Tax Increment Financing (TIF) projects in Lee's Summit. Following a robust year of growth in the sales tax, FY19 revenue projections assume 2% growth in gross receipts following nearly a 7.85% increase in the current year. This projection is supported by forecasted population growth and available housing units.

Franchise Tax: As discussed previously, this revenue is received from utility providers who attain access to the City's right of way for the commercial purposes to deliver private services. Franchise tax revenues from electric and natural gas are largely dependent on weather and consumption of these utilities. Natural Gas estimates assume the two year average for FY18 and FY19. This results in a slight decrease of \$62k or 3% from the FY18 budget. Telephone franchise tax continues to be the single greatest revenue threat for general fund operations. For FY19, telephone franchise tax is estimated to decrease an additional 9%. From FY13 to present, telephone franchise tax has shrunk 44% or \$1.6m. Network data transmission has been exempted from a user's telephone bill and this revenue stream is in long-term decline. In total, franchise tax revenue is expected to decrease \$506,877 (-4.0%) from FY18 budgeted revenue.

	FY18	FY19	Change from FY18	
	Budget	Requested	\$	%
Property Tax	20,508,192	21,664,477	1,156,285	5.64%
Sales Tax	16,197,424	16,868,252	670,828	4.14%
Franchise Tax	13,037,427	12,530,550	-506,877	-3.89%
Motor Vehicle Tax	3,671,162	3,694,490	23,328	0.64%
Other Taxes	324,597	322,690	-1,907	-0.59%
Fines and Forfeitures	1,405,838	1,199,105	-206,733	-14.71%
Licenses and Permits	2,411,880	2,655,300	243,420	10.09%
Intergovernmental	1,008,067	1,148,065	139,998	13.89%
Charges for Services	7,570,459	8,826,224	1,255,765	16.59%
Investment Earnings	56,845	120,000	63,155	111.10%
Other	1,659,600	1,730,838	71,238	4.29%
Sale of Property	0	0	0	-
Transfers In	1,004,515	804,515	-200,000	-19.91%
Total	68,856,006	71,564,506	2,708,500	3.93%

Charges for Service: On February 11, 2016, City Council passed Ordinance No. 7815, which establishes a 50% cost recovery rate for EMS service. As a result of this change, EMS charges for service is expected to increase net revenue by \$293,717 or 8.3% in FY19.

General Fund Expenditures

The FY19 budget is a transitional one as the organization welcomes a new Mayor and Councilmembers. The challenge though remains the same which is to maximize the scarce resources provided by taxpayers and residents of the community in the most efficient manner possible. In FY19, the total proposed budget expenditure of the General Fund is \$71,050,068, a 5.74% increase over the current fiscal year. As we describe in the following paragraphs, we are balancing the needs to continue our current level of municipal services with the desire to create an attractive workplace environment and meet the needs of a growing community.

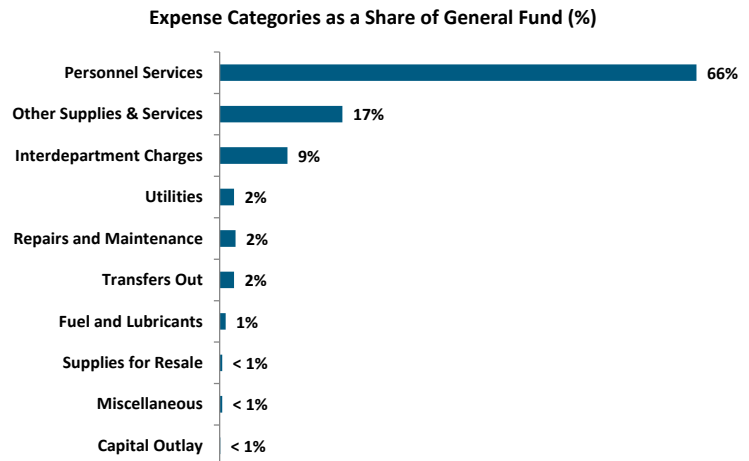
CITY MANAGER'S BUDGET MESSAGE

Personnel Services: This category of expense accounts for costs associated with employees' compensation and benefits. As a service organization, our largest expense is for those who provide our municipal services such as accountants, police officers, fire fighters, and other dedicated professionals. Like past fiscal years, the health insurance expense continues to be one of the most

	FY18	FY19	Change from FY18 Budget	
	Budget	Request	\$	%
Personnel Services	45,806,645	46,924,867	1,118,222	2.44%
Supplies for Resale	245,000	255,500	10,500	4.29%
Other Supplies, Services, and Char	10,181,400	11,915,524	1,734,124	17.03%
Repairs and Maintenance	1,485,895	1,551,709	65,814	4.43%
Utilities	1,734,766	1,749,764	14,998	0.86%
Fuel and Lubricants	556,097	512,803	-43,294	-7.79%
Miscellaneous	236,825	103,950	-132,875	-56.11%
Capital Outlay	54,902	135,000	80,098	145.89%
Interdepartment Charges	6,314,969	6,402,753	87,784	1.39%
Transfers Out	573,961	1,498,198	924,237	161.03%
Total	67,190,460	71,050,068	3,859,608	5.74%

challenging operational concerns. In FY19, the City has budgeted for a 7%, or \$713k, increase for this expense. If nothing is done to control this cost, it will erode the City's ability to meet service expectations and provide compensation adjustments. Additionally, FY19 includes a full year cost of the cost of living adjustment given in FY18 to core general employees. To recap, the cost of living adjustment was given in anticipation of the results of the compensation and benefit study. In the FY18 budget, approximately \$2.0m was set aside to fund implementation of the study. However, implementation costs significantly exceeded the \$2.0m amount. Following the cost of living adjustment, approximately \$1.6m remains to be allocated for wage adjustments.

Other Supplies and Services: This category of expense accounts for those associated with daily operations such as good, services, supplies, contractual expense, and many other items. Two major line item expenses reside in this category, the EMS insurance adjustment and the Payment in Lieu of Taxes (PILOT) expense. In FY19, PILOT expense has increased \$461k which is remitted to the other taxing jurisdictions. The largest increase in this category comes from the



EMS Insurance adjustment. For FY19, this expense is expected to increase \$1.9m as it becomes more difficult to collect fees for services as a result of medicare/Medicaid caps on charges. Overall this category in the proposed budget is increasing \$1.7m, or 17.03%.

4. Enterprise and Internal Service Funds

Enterprise and internal service funds receive revenues from user fees and charges directly from internal and external customers. These funds are not directly supported by tax revenue, but by charges to City departments and users. Included in these funds are Water Utilities, Airport, Harris Park as enterprise

CITY MANAGER'S BUDGET MESSAGE

funds and Fleet Management, Central Building Services, and Information Technology Services as internal service funds.

Enterprise Funds	FY18	FY19	Change from FY18	
	Budget	Proposed	\$	%
Airport Fund	11,462,427	2,223,687	-9,238,740	-80.60%
Harris Park Community Center	1,552,812	1,454,992	-97,820	-6.30%
Solid Waste Management	2,111,171	2,551,752	440,581	20.87%
Water/Sewer Fund	40,860,382	43,191,481	2,331,099	5.71%

Water Utilities is responsible for providing clean, safe drinking water to the City with the exception of two areas served by other water districts. The department purchases treated water from Independence and Kansas City to serve over 35,000 residential, commercial, and irrigation accounts. Similarly, the department operates and maintains facilities to collect wastewater from its customers so that it is conveyed to Little Blue Valley Sewer District for treatment. The department provides sanitary sewer service to approximately 32,500 accounts.

The **Airport** provides general management and administration of resources to operate, maintain, market, and promote the airport which operates two runways and eight taxiways, totaling 166,044 square yards of pavement, and 23 buildings.

Resource Recovery Park: Following the privatization of landfill services, the City will provide oversight to the City's contractor ensure compliance with state laws and the delivery of services. The City will also provide project management for the delivery and construction of a trash transfer station.

Internal Service Fund	FY17	FY18	Change from FY17	
	Budget	Proposed	\$	%
Central Building Services	1,668,059	1,737,262	69,203	4.15%
Claims & Damages Reserve Fund	875,000	845,625	-29,375	-3.36%
Fleet Operations	5,744,190	5,163,561	-580,629	-10.11%
ITS Services	4,870,227	4,082,428	-787,799	-16.18%
Short Term Disability Fund	39,533	38,015	-1,518	-3.84%
Unemployment Trust Fund	32,262	32,262	0	0.00%
Work Comp Self-Insurance	929,352	1,034,191	104,839	11.28%

Information Technology Services (ITS) provides central management of information technology resources and initiatives for the entire organization. Key projects to be led by ITS for the upcoming fiscal year include replacement of the City's document management system and police records systems.

Fleet Management provides oversight and management of the City's motor vehicle and equipment fleet, including administration of the Vehicle and Equipment Replacement Program (VERP), motor pool, maintenance and repair services, acquisition and disposal of the City's fleet units. Key work done in this arena includes expanding capabilities to doing repairs in-house thereby reducing maintenance costs for the City. Additionally, utilizing funding identified in the current fiscal year, fleet will be continuing the effort to relocate the central fueling station behind City Hall alleviating functional and environmental concerns.

CITY MANAGER'S BUDGET MESSAGE

Central Building Services (CBS) provides oversight and management of the City's facilities including administration of the Building and Equipment Replacement Program (BERP), project management, facility maintenance services and custodial services programs, as well as maintenance and repair services for excess properties and leased facilities. CBS will coordinate the following maintenance projects in FY19.

- Roof Replacement – Fire Department Headquarters
- Parking Stalls and Drive Replacement – City Hall
- Hot water tank replacement – City Hall
- Repair of south apron concrete – Maintenance Facility
- Roof Repair and HVAC Maintenance - Airport

5. Capital Improvement Plan

The 2019-2023 Capital Improvement Plan (CIP) has been divided into eight major categories, plus the Public Works and Water Utilities programs. The total estimated cost of all projects included in the five-year plan is \$314,775,000.

Capital Project Funds	FY18 Budget	FY19 Proposed
Airport	8,921,000	6,003,000
Bridges, Streets, Signals	15,999,000	21,810,616
Capital Equipment Replacement	225,531	1,008,000
Facilities	13,000,000	0
Parks Construction	1,900,000	2,835,000
Water & Sewer Construction	6,516,000	8,460,000
Total	46,561,531	40,116,616

All funding sources that may be used for various capital improvements are reviewed each year. Much of the work to develop the CIP focuses on the balancing of available resources with the identified capital needs. Consideration must be given to factors such as annual revenue projections from various sources, restrictions on the uses of certain funds, legal limitations on debt capacity, and City policies relative to project funding. For budgeting purposes, the first year's funding is included in the annual budget with the subsequent years funding added to each future annual budget respectively. In FY19, major CIP projects receiving funding include:

- Colbern Road – M350 to Douglas St
- Streetlights – Shenandoah Dr.
- Stormwater Improvements and Streambank stabilization

6. Workforce and Expansion Requests

Workforce, or employee counts, is described as a ratio of full-time equivalents (FTE) where one full-time employee is estimated to work 2,080 hours annually, or 2,912 hours for certain Fire Department

CITY MANAGER'S BUDGET MESSAGE

personnel. In the FY19 Budget, the workforce includes 427 full-time positions and 97 part-time positions with approximately 1,000 dedicated professionals employed by the City of Lee's Summit.

Fund	Full-time Equivalents (FTE)			Change from FY18	
	FY17	FY18	FY19	Count	%
General Fund	539.58	548.10	551.98	3.88	0.71%
Parks & Recreation	110.89	111.54	109.45	-2.09	-1.87%
Water Utilities	60.50	62.50	62.46	-0.04	-0.06%
Airport	7.46	9.16	8.46	-0.70	-7.64%
Solid Waste	1.00	1.00	1.60	0.60	60.00%
CBS	10.62	8.62	8.12	-0.50	-5.80%
Fleet	9.12	9.12	9.12	0.00	0.00%
ITS	27.76	28.05	28.13	0.08	0.29%
Total	766.93	778.09	779.32	1.23	0.16%

Each year departments are asked to submit expansion requests for consideration of funding in the annual budget. An expansion request is a new expenditure that is to be made in an effort to enhance services, increase efficiency, or improve the working environment. For a growing community, it is common for these needs to be in excess of available resources. The City of Lee's Summit is in this position and must carefully consider each new request as well as the current needs of the organization. Previously, many of the unfunded expansion items listed below were delayed in an effort to help provide sustainable funding for wage enhancements. Understanding this is the most important priority for the organization; new FY19 expansion requests will remain unfunded until we find solutions that could include a combination of these two factors:

- a. Adjust current levels of service or programs to create ongoing cost savings
- b. Continue finding revenue enhancements opportunities

We will work with the Mayor and Council to find the right solutions to fund the most critical expansion needs.

Previously Unfunded Department Expansion Requests				
Department	Type	Description	FY18 Cost	Recurring Cost
Fire	Personnel	Communications Specialist (4 FTE)	\$205,709	\$205,109
Fire	Personnel	Captain of Training (2nd FTE)	\$81,036	\$76,469
Fire	Personnel	Administrative Assistant	\$49,736	\$48,455
Fire	Personnel	EMS Assistant Chief	\$109,638	\$104,829
Fire	Personnel	Captain of Prevention	\$85,496	\$83,690
Fire	Personnel	Battalion Chief of Planning	\$101,354	\$96,697
ITS	Personnel	Applications Administrator	\$84,047	\$79,567
ITS	Personnel	System Administrator	\$97,417	\$93,217
Police	Personnel	Animal Control Officer	\$53,056	\$51,636
PW Operations	Capital	Shop fan installation	\$36,000	\$0
Total			\$903,489	\$839,669
Cost to General Fund			\$903,489	\$839,669

CITY MANAGER'S BUDGET MESSAGE

FY19 Submitted Expansion Requests				
Department	Type	Description	FY19 Cost	Recurring Cost
Development Services	Personnel	Building Inspector	\$110,798	\$79,253
Development Services	Personnel	Senior Engineering Inspector conversion	\$25,927	\$25,882
Development Services	Personnel	Secretary PT contract	\$4,973	\$0
Fire Department	Personnel	Communications Specialist (x6)	\$343,860	\$333,330
Fire Department	Personnel	Battalion Chief, EMS	\$105,724	\$103,918
Fire Department	Vehicle	Ambulance VERP Upgrade to 4x4	\$4,500	\$0
Fire Department	Capital	Lucas Device, AED for reserve command vehicle	\$15,775	\$0
Fire Department	IT	Toughbooks (x2)	\$10,700	\$3,000
Fire Department	Vehicle	Vehicle for Support Services	\$21,000	VERP
Police Department	Personnel	Lead Detention Officer (reclassify)	\$2,441	\$2,441
Police Department	Personnel	Police Officer (Traffic Enforcement)	\$65,233	\$59,152
Public Works	Capital	Rate Study for Stormwater Utility	\$375,000	\$0
Public Works	Vehicle	Sedan VERP Upgrade to F150	\$5,221	VERP
Water Utilities	Capital	Acoustic leak correlation equipment	\$32,000	\$0
Water Utilities	Personnel	Seasonal Laborers (x2)	\$10,710	\$10,410
Water Utilities	Capital	Timekeeping system	\$9,500	Yes
Water Utilities	Vehicle	Utility Trailer	\$9,000	\$400
Airport	Personnel	Line Attendant .5 FTE increase	\$15,969	\$15,639
Airport	Personnel	Line Attendant 1 FTE increase	\$23,710	\$45,271
Airport	Capital	De-icing Equipment	\$10,450	\$10,450
Airport	Capital	Improvements to Hangar 1 HVAC	\$12,373	\$0
Airport	Capital	Circulating Fan for Hangar 1	\$11,789	\$0
Airport	Capital	Hangar 1 Electronic Gate Opener	\$15,155	\$0
Airport	Capital	Window and door awnings for Hangar 1	\$10,000	\$0
Fleet	Personnel	Mechanic	\$53,366	\$47,965
Fleet	IT	Computers (x3)	\$5,500	MERP
Fleet	Capital	Truck post lifts	\$25,000	\$0
Total			\$1,335,674	\$737,111
Cost to General Fund			\$1,249,304	\$711,912

7. Summary

As an organization and community, we should be proud of the ability to grow, deliver high quality municipal services, and maintain fiscal responsibility. This would not be possible without our Finance Director, Conrad Lamb. The FY19 budget is the last budget for Mr. Lamb to help guide and prepare. In 1982, the year in which Mr. Lamb started work for the City as Assistant Finance Director, the annual budget totaled approximately \$4,028,369. Today, the budget has grown to nearly \$71,000,000. Mr. Lamb has helped guide the City of Lee's Summit during three decades of incredible growth. During this time his leadership provided a very stable and solid footing for our future. I hope that Mr. Lamb is



CITY MANAGER'S BUDGET MESSAGE

remembered by this organization and by the community as someone whose legacy is hard to beat. I have heartfelt appreciation for Mr. Lamb and all of the staff who work to serve the citizens of Lee's Summit. With this great team of staff, elected officials, and citizens, we can find solutions to the problems of today and tomorrow.

We must work through the compensation issues facing the City in a manner as to not jeopardize the reliability and dependability of municipal services. As City Manager, I am committed to serving the City Council in its efforts to find solutions for this challenging issue. This budget has allocated funds in a manner to best meet the service needs of the community. I look forward to continued dialogue and discussion to improve and enhance the City of Lee's Summit's municipal services.

Sincerely,

A handwritten signature in black ink, appearing to read 'Stephen Arbo', written in a cursive style.

Stephen Arbo
City Manager