

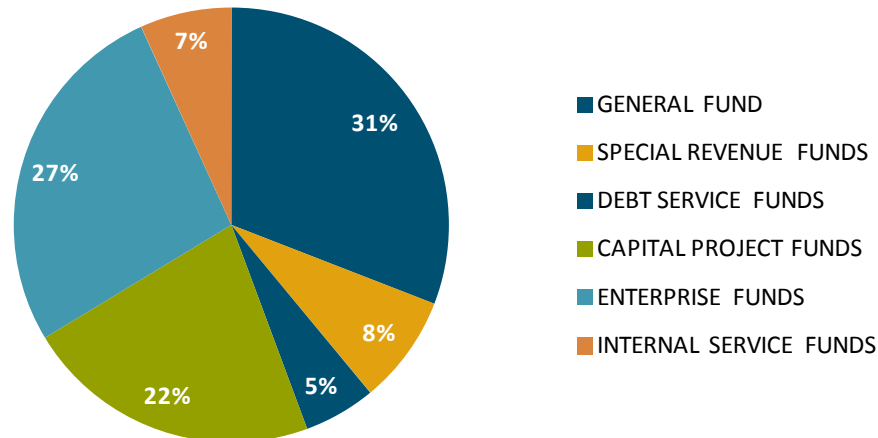


City of Lee's Summit  
Proposed Annual Budget  
2016-2017 (FY17)

## Total Request All Funds

Total Budget		
FUND	FY16 Budget	FY17 Proposed
GENERAL FUND	\$ 61,185,805	\$ 64,397,020
SPECIAL REVENUE FUNDS	\$ 21,672,789	\$ 16,876,385
DEBT SERVICE FUNDS	\$ 14,653,548	\$ 11,127,863
CAPITAL PROJECT FUNDS	\$ 24,292,376	\$ 45,812,629
ENTERPRISE FUNDS	\$ 47,059,856	\$ 56,046,838
INTERNAL SERVICE FUNDS	\$ 14,013,080	\$ 14,158,623
<b>TOTAL PROPOSED EXPENDITURES</b>	<b>\$ 182,877,454</b>	<b>\$ 208,419,359</b>

### FY17 Budget Request



# 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

## Home to:

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

## Primary Funding Sources:

Property Tax: \$0.9213 of assessed value (total City levy is \$1.5540)

Sales Tax: 1% of all sales, total rate is 7.725% for Jackson Co, 8.225% for Cass Co.

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 5 Yr Model

- See Attachment



# General Fund Revenues

Account	FY16	FY16	FY17	Change from FY16 Budget		Change from FY16 Projected	
	Budget	Projected	Requested	\$	%	\$	%
Property Taxes	18,770,513	18,982,478	19,341,788	571,275	3.0%	359,310	1.9%
Sales Taxes	14,690,702	14,793,912	15,136,358	445,656	3.0%	342,446	2.3%
Franchise Taxes	13,640,847	13,426,414	13,524,887	-115,960	-0.9%	98,473	0.7%
Motor Vehicle Taxes	3,397,624	3,562,099	3,364,508	-33,116	-1.0%	-197,591	-5.5%
Other Taxes	331,239	325,438	332,640	1,401	0.4%	7,202	2.2%
Fines & Forfeitures	1,532,144	1,521,137	1,412,986	-119,158	-7.8%	-108,151	-7.1%
Licenses & Permits	1,655,673	1,662,398	1,786,379	130,706	7.9%	123,981	7.5%
Intergovernmental	979,021	680,390	826,253	-152,768	-15.6%	145,863	21.4%
Charges for Services	3,566,230	3,617,306	5,271,476	1,705,246	47.8%	1,654,170	45.7%
Investment Earnings	0	50,000	64,103	64,103		14,103	28.2%
Other	1,557,065	1,521,065	1,494,400	-62,665	-4.0%	-26,665	-1.8%
Transfers In	1,066,302	975,746	954,515	-111,787	-10.5%	-21,231	-2.2%
<b>Total</b>	<b>61,187,360</b>	<b>61,118,383</b>	<b>63,510,293</b>	<b>2,322,933</b>	<b>3.8%</b>	<b>2,391,910</b>	<b>3.9%</b>

## Key Assumptions:

- **Property Tax** – Assumes new growth of 300 homes, inflationary adjustment of 1.5% for added AV of \$15m
- **Sales Tax** – 2.5% increase above FY16 Projections, opening of new big box retail mid year and other development (\$193k net new sales)
- **Franchise Tax** – Negative or flat growth. 16% decrease in Telephone, 2 yr avg for Natural Gas
- **Motor Vehicle** – Assumes continuation of sales tax
- **Charges for Service** - EMS Service cost 50% recovery fee change (net increase of \$588k from FY16 Projected)



# General Fund Expenditures

Account	FY16	FY16	FY17	Change from FY16 Budget		Change from FY16 Projected	
	Budget	Projected	Requested	\$	%	\$	%
Personal services	42,372,284	42,208,103	43,489,285	1,117,001	2.6%	1,281,182	3.0%
Supplies for resale	141,000	201,000	235,000	94,000	66.7%	34,000	16.9%
Other supplies, services & charges	8,237,357	8,529,276	9,486,983	1,249,626	15.2%	957,707	11.2%
Repairs and maintenance	1,383,654	1,338,015	1,398,571	14,917	1.1%	60,556	4.5%
Utilities	1,707,842	1,708,022	1,738,634	30,792	1.8%	30,612	1.8%
Fuel and lubricants	696,139	553,120	564,153	-131,986	-19.0%	11,033	2.0%
Miscellaneous	148,390	119,818	341,790	193,400	130.3%	221,972	185.3%
Capital Outlay	0	0	675,000	675,000		675,000	
Interdepartment charges	5,479,125	5,479,125	5,899,392	420,267	7.7%	420,267	7.7%
Transfers out	1,020,014	1,020,014	568,210	-451,804	-44.3%	-451,804	-44.3%
<b>Total</b>	<b>61,185,805</b>	<b>61,156,493</b>	<b>64,397,018</b>	<b>3,211,213</b>	<b>5.2%</b>	<b>3,240,525</b>	<b>5.3%</b>

## Key Assumptions:

### Personnel Services:

- Increase for 2% merit pay adjustment
- 6% increase Health Insurance Premium Rate
- Hiring of 9 new EMS professionals
- Based on current collective bargaining agreements

### Other Supplies/Services:

- \$172k increase in Dev Reimbursements
- \$95k for additional Election (Charter)
- \$1.03m increase in EMS bad debt

### Miscellaneous:

- \$200k – City Wide special projects

### Capital Outlay:

- \$675k – Ambulance Equipment



# Strategic Initiatives

## Issue Identification List

Topic	Priority	Safety	Dependability/ Reliability	Community Expectations	Financial Source
Fire Ambulance Expansion	Q1	X	X	X	Ambulance Fees/General Fund
Downtown Performance Venue	Q1			X	G.O. Bond Issue/Gen. Fund?
Public Safety Radio Upgrade	Q1	X	X	X	G.O. Bond Issue
Public Facility Connectivity	Q1	X	X		General Fund/G.O. Bond Issue
Transportation/MoDOT (50 & N 291)	Q1	X	X	X	TDD/CID/LCRA/TIF/GO Bond/Fund Loan
Vehicle Fuel Management System	Q1	X	X		General Fund - Capital
Park Sales Tax Renewal	Q1		X	X	Sales Tax Vote
Auto Sales Tax Renewal	Q1	X	X	X	Sales Tax Vote - Aug. 2016
Stormwater -Regulatory Compliance	Q1			X	General Fund
Capital Improvement Fund Allocation	Q1	X	X	X	Capital Improvement Sales Tax
Market Center of Ideas	Q1			X	Public Incentives?/Private Investment





# Expansion Items

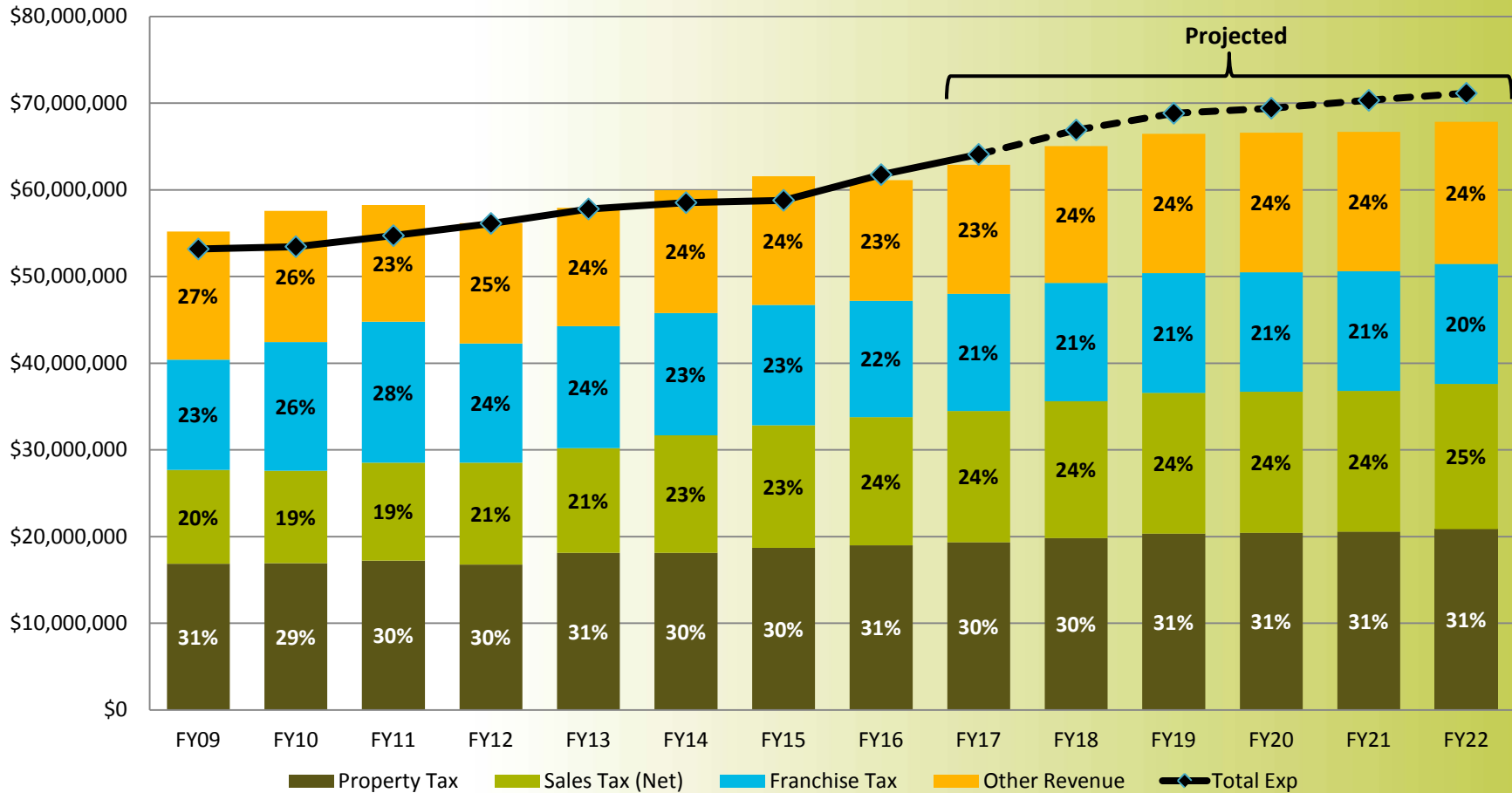
FY17 Expansion Items			
Capital Equipment			
<u>Department</u>	<u>Item</u>		<u>\$Impact</u>
Fleet	Oil Burning Furnace		12,000
Airport	Purchase of Leased Diesel Fuel System		2,050
ITS	ITS Software Projects		204,995
Other			
Public Works	Environmental Outreach		8,000
Law	Outside Legal and Other Resources		50,000
*Personnel Changes			
Reclassified Positions:			
<u>Department</u>	<u>Current Position Title</u>	<u>New Position Title</u>	<u>\$Impact</u>
Airport	Line Attendant Supervisor	Assistant Airport Manager	4,252
Airport	Line Attendant PT	Line Attendant FT	19,776
Finance	Procurement Contract Compliance	Deputy Director of Finance	21,731
Public Works	Senior Engineering Technician	Lead Engineering Technician	5,465
ITS	Senior GIS Analyst	GIS Coordinator	3,600
ITS	Inventory and Records Specialist	Administrative Assistant	2,000
ITS	Sr Network Administrator	ITS Operations Supervisor	5,000
Fleet	Mechanic	Mechanic/Parts Specialist	3,500
Admin	Communications Director	Public Relations Professional	-
Admin	City Communications Officer	Communications Strategist	-
Police	Evidence and Property Tech	Police Systems Manager	29,000
New Positions:			
Airport	Airport Intern		5,000
Development Center	Development Technician		77,838
ITS	Database Administrator		103,000
ITS	System Support Specialist		60,000
ITS	Web Specialist		58,800
<b>Total Impact:</b>			<b>676,007</b>
<b>Total General Fund Impact:</b>			<b>498,211</b>

\* Amounts Include Benefit Costs



# Projected FY17 Financial Condition

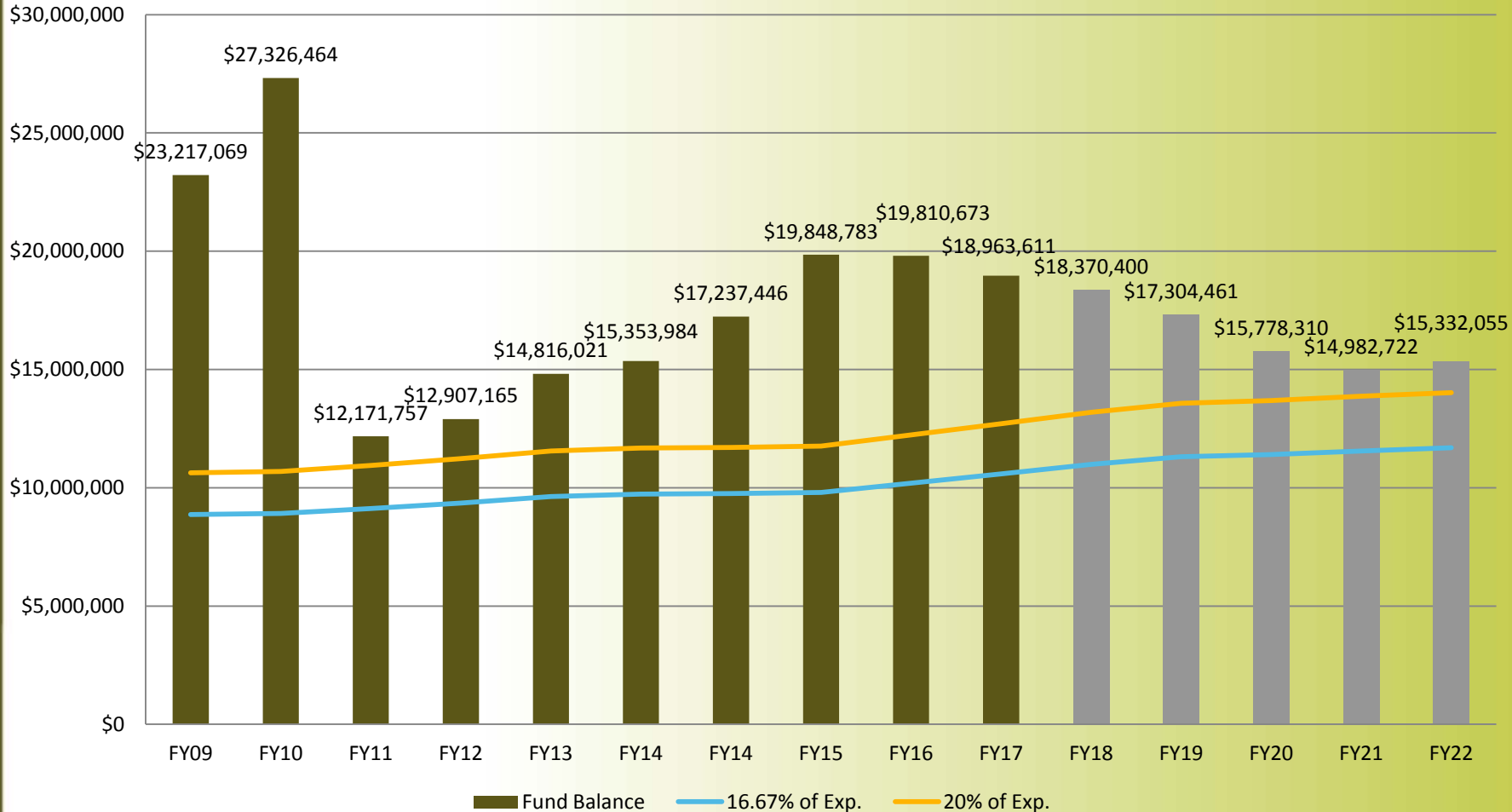
## General Fund Revenues by Source (without EMS revenue fee change)





# Projected GF Reserve Balance

## General Fund Year End Balance



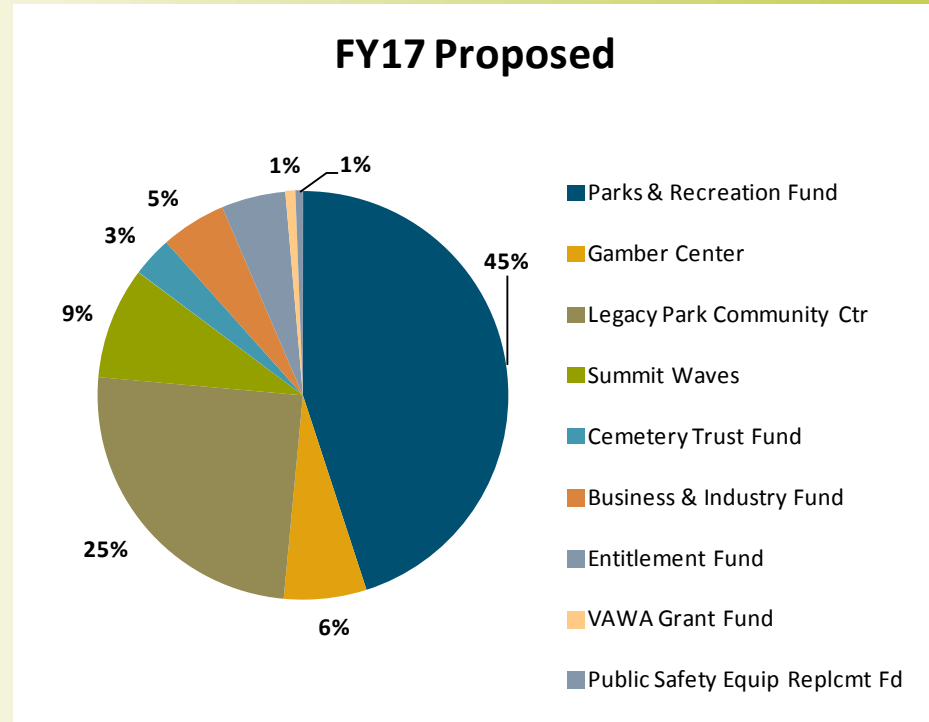
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Remainder of the FY17 Budget



# Special Revenue Funds

Special Revenue Funds		
	FY16 Budget	FY17 Proposed
Parks & Recreation Fund	3,207,072	3,272,170
Gamber Center	458,725	474,121
Legacy Park Community Ctr	1,809,755	1,812,530
Summit Waves	590,401	641,685
Cemetery Trust Fund	238,698	231,034
Business & Industry Fund	328,502	374,455
Entitlement Fund	372,008	369,229
VAWA Grant Fund	152,167	57,000
Public Safety Equip Replcmt Fd	332,366	42,961
<b>Total</b>	<b>7,489,693</b>	<b>7,275,185</b>

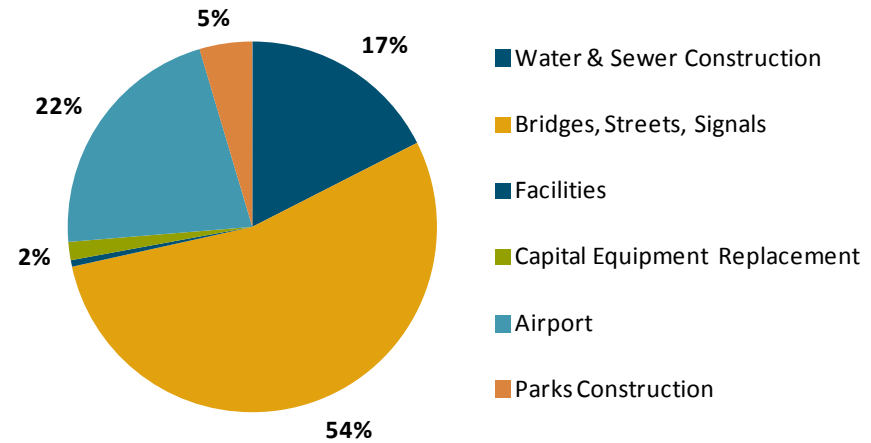




# Capital Project Funds

Capital Project Funds		
	FY16 Budget	FY17 Proposed
Water & Sewer Construction	5,957,376	7,998,628
Bridges, Streets, Signals	12,330,000	24,726,000
Facilities	0	260,000
Capital Equipment Replacement	678,000	733,000
Airport	3,043,000	9,931,000
Parks Construction	2,225,000	2,100,000
<b>Total</b>	<b>24,233,376</b>	<b>45,748,628</b>

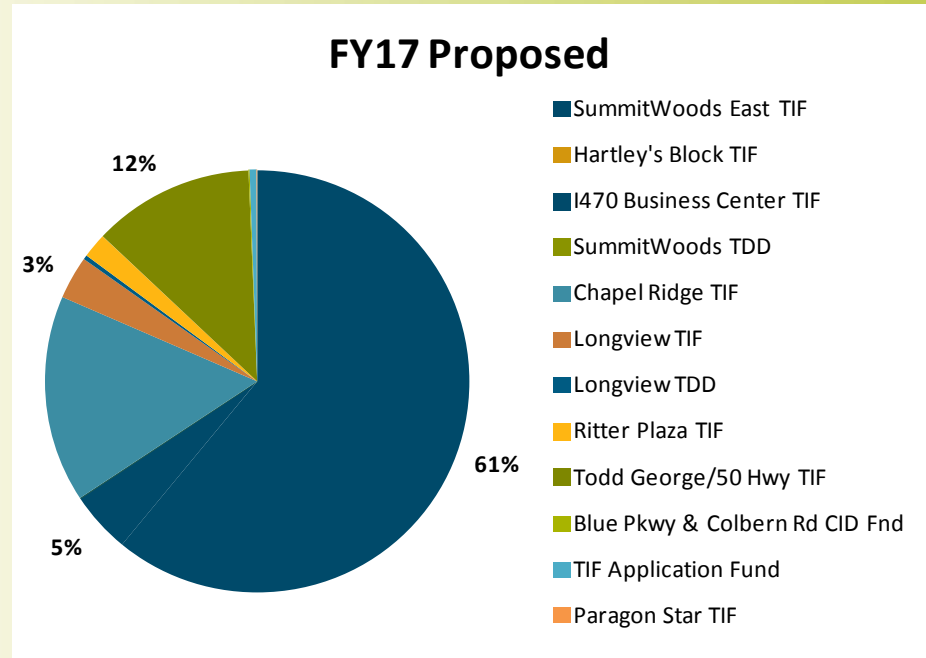
### FY17 Proposed





# TIF & TDD Funds

TIF & TDD Funds		
	FY16	FY17
	Budget	Proposed
SummitWoods East TIF	2,450,605	5,895,297
Hartley's Block TIF	295,243	0
I470 Business Center TIF	562,800	457,200
SummitWoods TDD	23,000	0
Chapel Ridge TIF	1,680,499	1,525,520
Longview TIF	431,371	317,065
Longview TDD	37,342	31,721
Ritter Plaza TIF	266,316	183,114
Todd George/50 Hwy TIF	8,435,920	1,191,283
Blue Pkwy & Colbern Rd CID Fnd	9,000	9,000
TIF Application Fund	50,000	50,000
Paragon Star TIF	0	5,001
<b>Total</b>	<b>14,242,096</b>	<b>9,665,201</b>



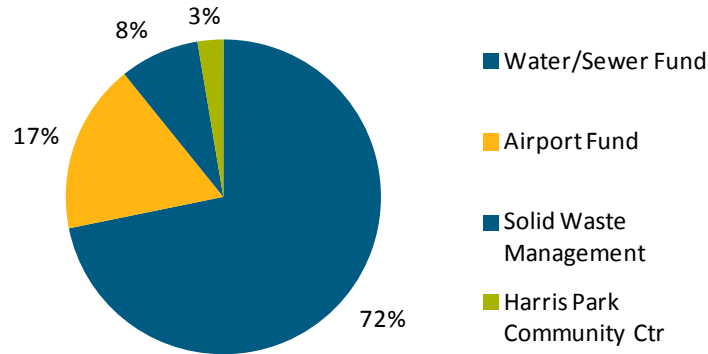


# Enterprise & Internal Service Funds

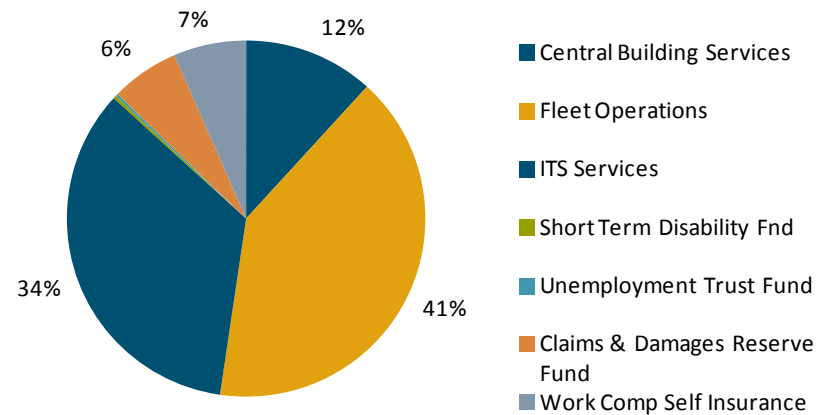
Enterprise Funds		
	FY16	FY17
	Budget	Proposed
Water/Sewer Fund	37,464,516	40,237,585
Airport Fund	4,934,852	9,766,197
Solid Waste Management	3,083,688	4,562,341
Harris Park Community Ctr	1,576,799	1,480,717
<b>Total</b>	<b>47,059,855</b>	<b>56,046,838</b>

Internal Service Funds		
	FY16	FY17
	Budget	Proposed
Central Building Services	1,599,552	1,668,059
Fleet Operations	6,228,659	5,744,190
ITS Services	4,314,721	4,870,227
Short Term Disability Fnd	33,533	39,533
Unemployment Trust Fund	32,262	32,262
Claims & Damages Reserve Fund	875,000	875,000
Work Comp Self Insurance	929,352	929,352
<b>Total</b>	<b>14,013,080</b>	<b>14,158,623</b>

**FY17 Proposed**



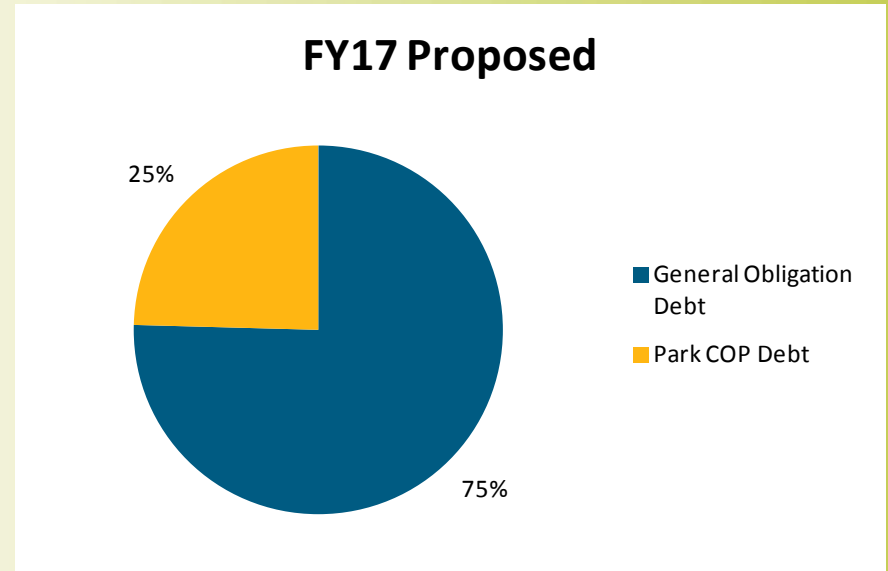
**FY17 Proposed**





## Debt Service Funds

Debt Service Funds		
	FY16 Budget	FY17 Proposed
General Obligation Debt	11,091,013	8,394,503
Park COP Debt	3,562,535	2,733,360
<b>Total</b>	<b>14,653,548</b>	<b>11,127,863</b>



## Next Steps:

- June 2nd – Proposed ordinance for consideration by Council

April 2016	
April 2016	Department budget meetings with City Manager conclude
April 2016	Annual Report to City Council (TBD)
<b>April 4, 2016</b> 6:00 PM	<b>Regular F&amp;B Cmt Meeting:</b> Agenda: Dashboards
<b>April 25, 2016</b> 6:00 PM	<b>Special F&amp;B Cmt Meeting:</b> Agenda: Presentation of City Manager's proposed FY17 Budget
May 2016	
May 2, 2016	Notice of public hearing due by noon
<b>May 2, 2016</b> 6:00 PM	<b>Regular F&amp;B Cmt Meeting:</b> Agenda: Continued Discussion of FY17 Budget
<b>May 9, 2016</b> 6:00 PM	<b>Special F&amp;B Cmt Meeting: (If needed)</b> Agenda: Continued review of City Manager's proposed budget
<b>May 16, 2016</b> 6:00 PM	<b>Special F&amp;B Cmt Meeting: (If needed)</b> Agenda: Continued review of City Manager's proposed budget
<b>May 19, 2016</b> 6:15 PM	<b>City Council Meeting: PUBLIC HEARING</b>
June 2016	
<b>June 2, 2016</b>	<b>City Council Meeting: Vote on Ordinance</b>