

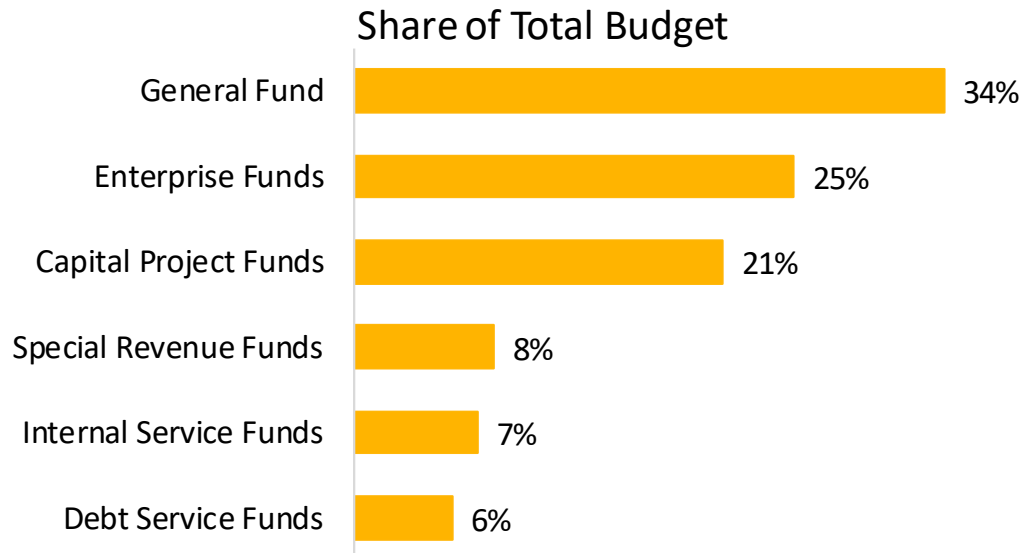
# City of Lee's Summit

Proposed Budget

Fiscal Year 2019-2020

# Total Request All Funds

	FY19 Budget	FY20 Proposed
General Fund	\$71,050,067	\$77,380,952
Special Revenue Funds	\$13,106,602	\$18,335,151
Capital Project Funds	\$40,216,615	\$49,043,302
Debt Service Funds	\$11,528,908	\$12,800,275
Enterprise Funds	\$49,421,913	\$57,697,847
Internal Service Funds	\$15,042,837	\$16,183,845
<b>Total Proposed Expenditures</b>	<b>\$200,366,942</b>	<b>\$231,441,372</b>



# 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

# General Fund Departments

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

# General Fund Revenues

(updated from March 2019 F&BC meeting)

	2018 Actuals	2019 Budget	2019 Proj	2020 Forecast	Change from FY19 Budget		Change from FY19 Proj	
					\$	%	\$	%
Property Taxes	21,177,380	21,664,477	21,983,424	22,706,099	1,041,622	4.81%	722,675	3.29%
Sales Tax	16,402,094	17,121,276	17,809,477	18,438,350	1,317,074	7.69%	628,873	3.53%
Franchise Tax	13,425,420	12,530,550	12,892,717	12,625,326	94,776	0.76%	-267,391	-2.07%
Motor Vehicle Taxes	3,704,598	3,694,490	3,683,787	3,694,164	-326	-0.01%	10,377	0.28%
Other Taxes	319,617	322,690	310,610	295,174	-27,516	-8.53%	-15,436	-4.97%
Fines and Forfeitures	1,201,591	1,199,105	1,147,106	1,159,690	-39,415	-3.29%	12,584	1.10%
Licenses and Permits	2,762,581	2,655,300	2,727,300	2,685,440	30,140	1.14%	-41,860	-1.53%
Intergovernmental	891,502	1,148,065	1,148,065	1,310,965	162,900	14.19%	162,900	14.19%
Charges for Services	7,731,488	8,826,224	8,901,187	9,374,305	548,081	6.21%	473,118	5.32%
Materials and Fuel Sales	830	0	1,860	2,000	2,000	N/A	140	7.53%
Investment Earnings	98,394	120,000	334,334	330,000	210,000	175.00%	-4,334	-1.30%
Other	1,890,067	1,730,838	1,740,105	2,139,500	408,662	23.61%	399,395	22.95%
Sale of Property	108,233	0	0	0	0	0.00%	0	0.00%
Transfers In	791,112	804,515	804,515	906,097	101,582	12.63%	101,582	12.63%
<b>Total</b>	<b>70,504,907</b>	<b>71,817,530</b>	<b>73,484,487</b>	<b>75,667,110</b>	<b>3,849,580</b>	<b>5.36%</b>	<b>2,182,623</b>	<b>2.97%</b>

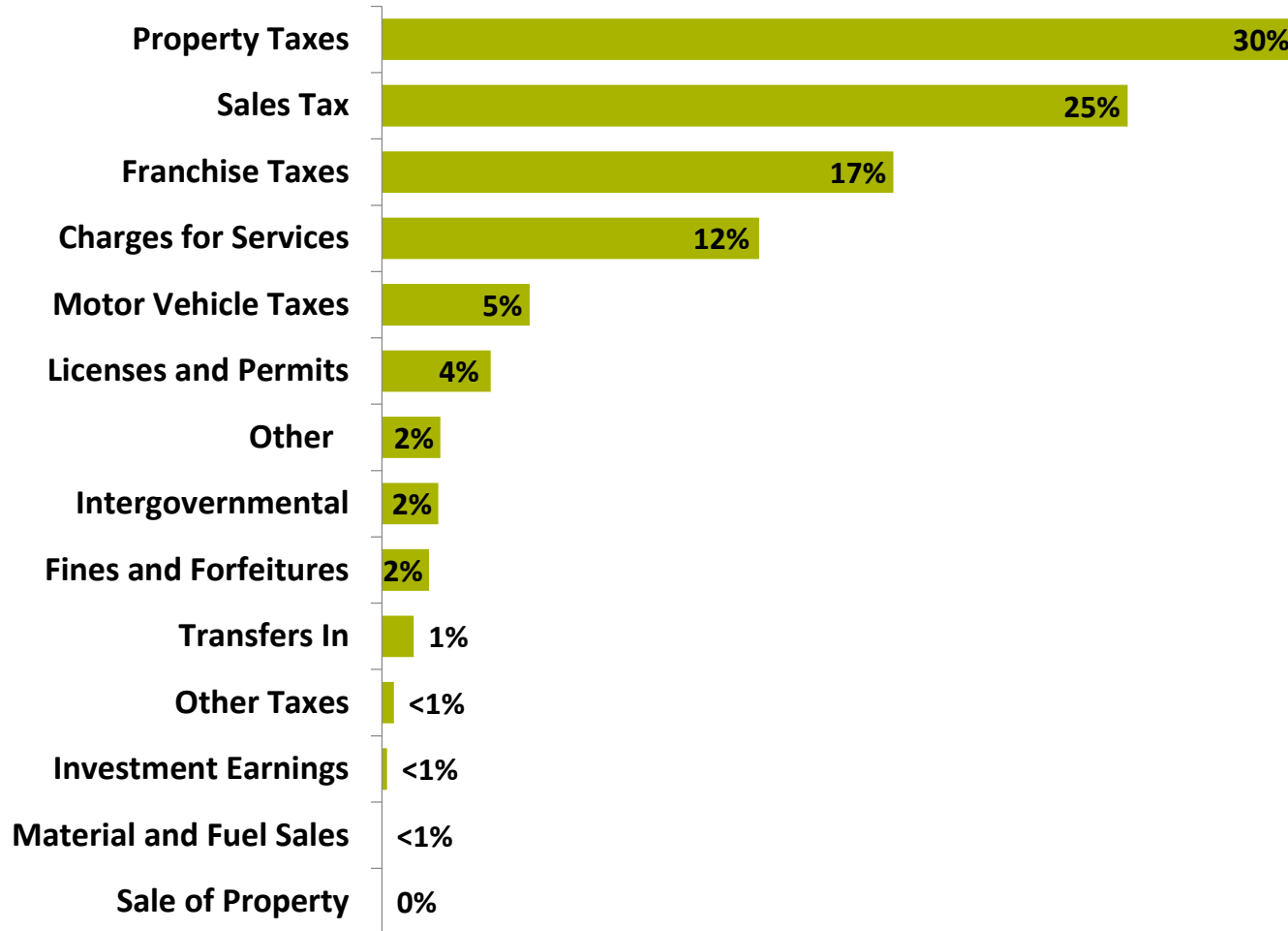
## Updated as a result of new information:

- Motor Vehicle Sales Tax (+\$45,529)
- Sales Tax > EATs (-\$33,068)
- Charges for Service > Special Detail (+\$60,000)
- Investment Earnings (+\$50,000)
- Transfer In from Water (+\$35,000 for G&A; +\$20,000 for PW services)

## New revenues added:

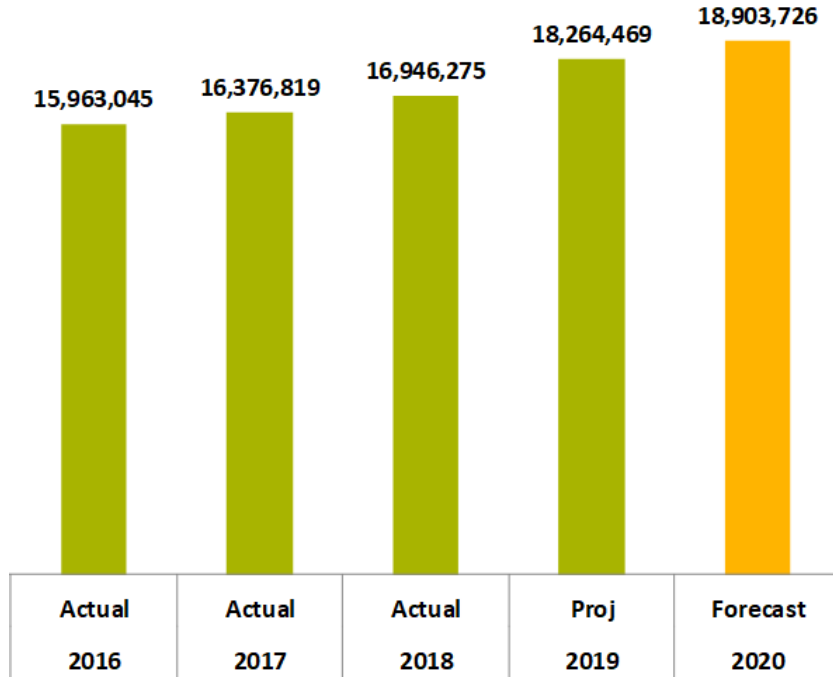
- Other > GEMT reimbursement (+\$450,000)
- Other > Legal/ Economic Development reimbursement (+\$250,000)
- Transfer In from Airport (+\$26,582)
- Transfer In from Water (G&A Audit cost share) (+\$40,000)

# Overview of Revenues

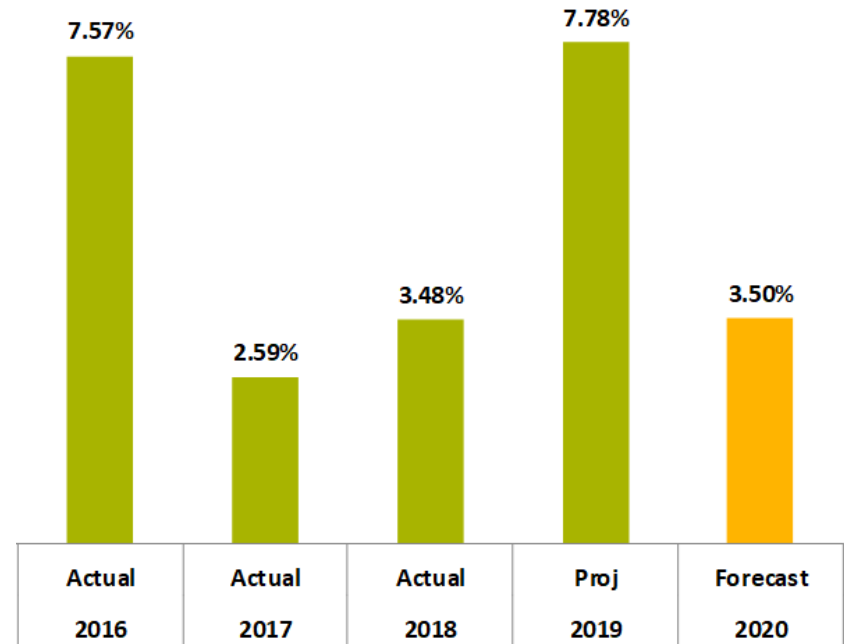


# Sales Tax

## Gross Revenue

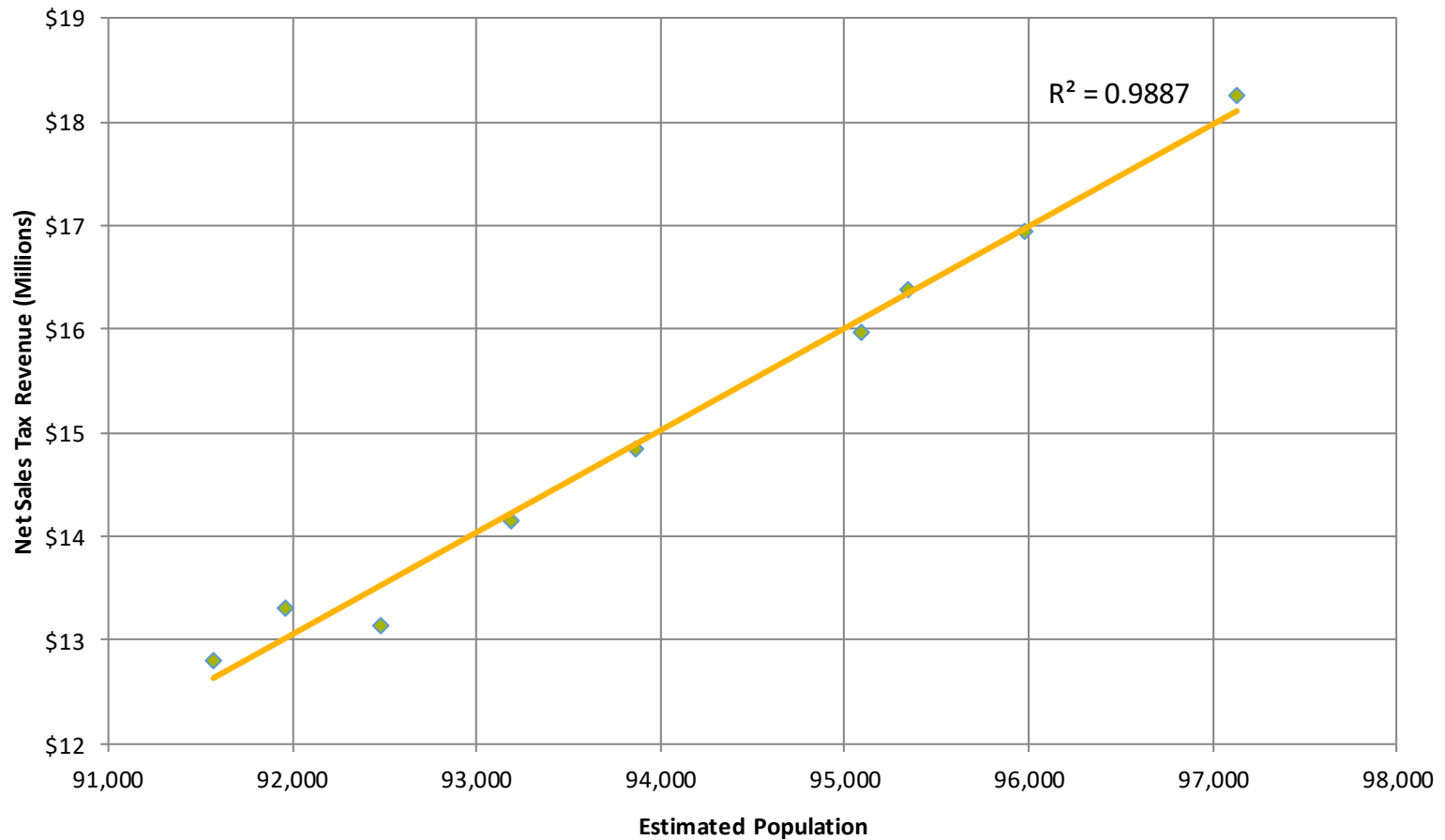


## Growth Rate Over Prior Year

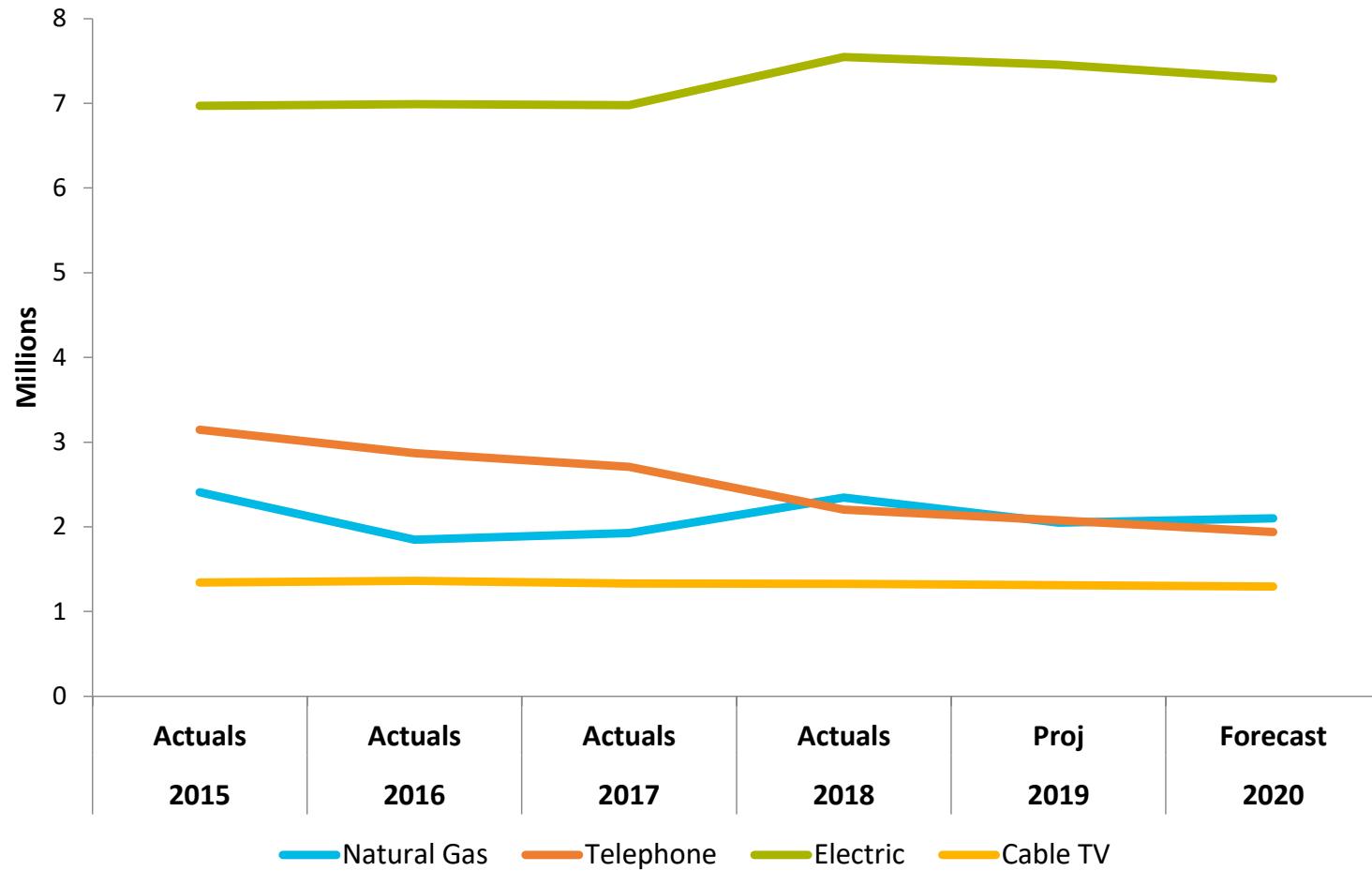




# Population vs. Sales Tax (2011-2019)

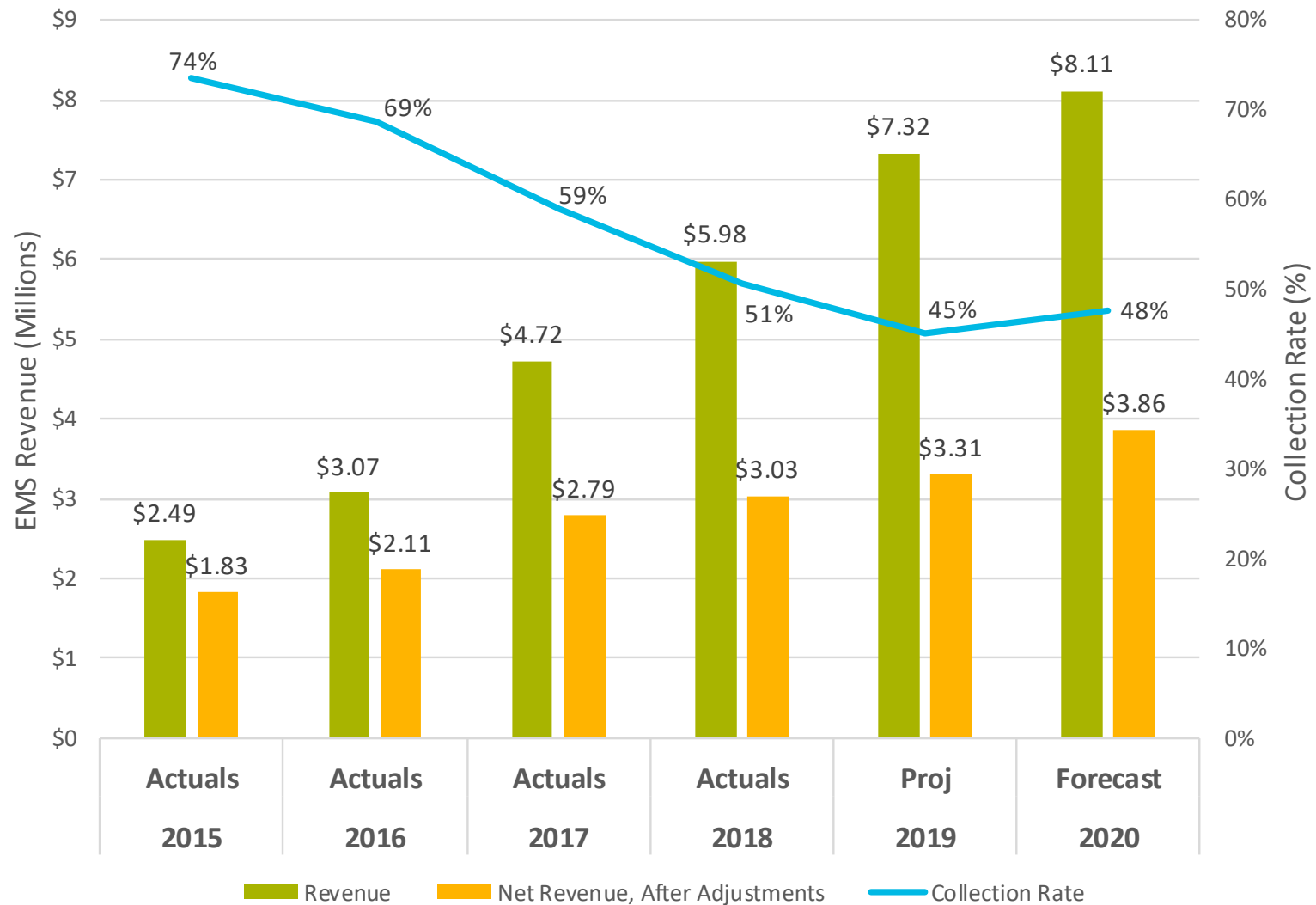


# Franchise Tax Trends



# EMS Revenues and Expenses

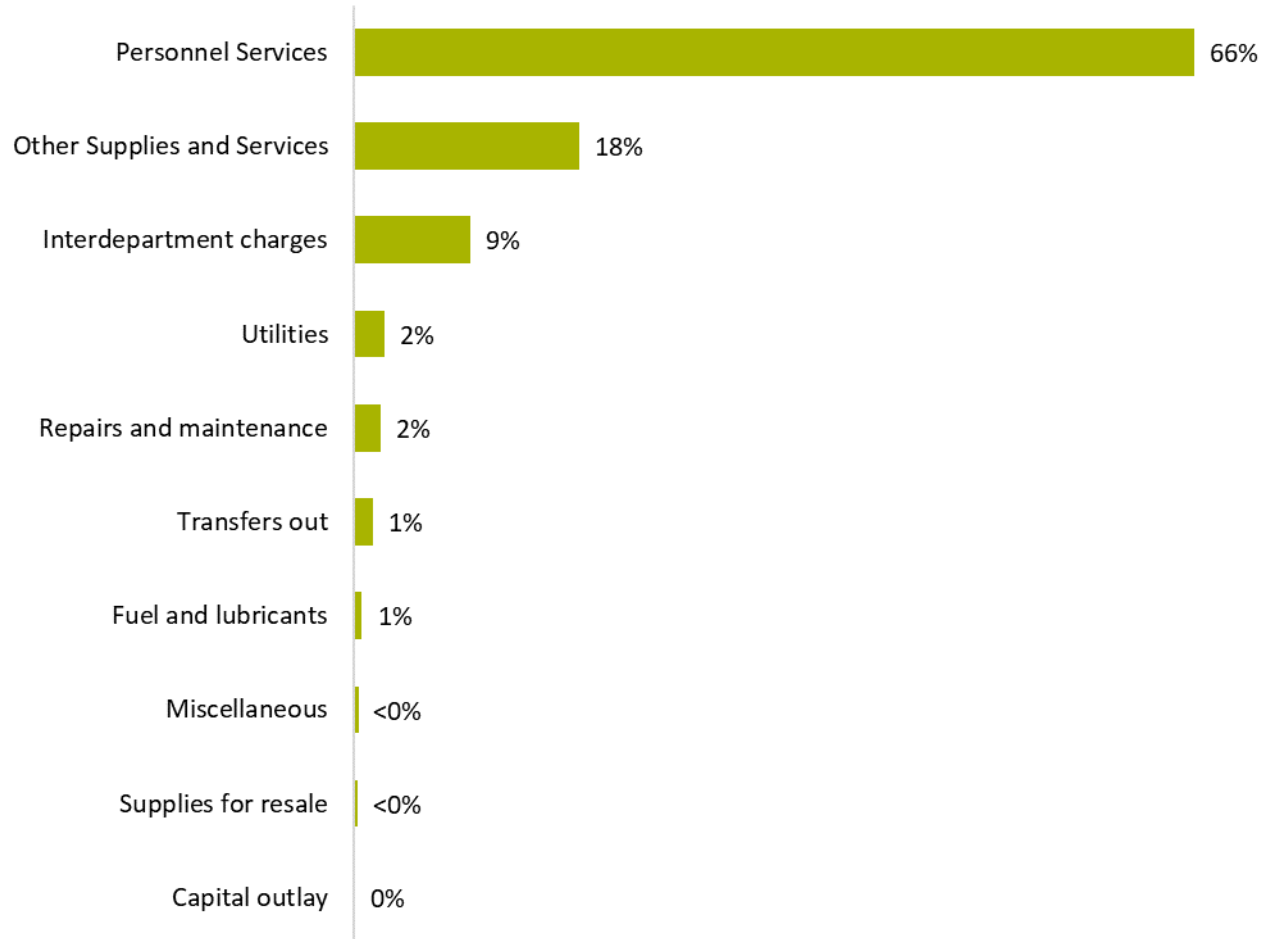
(includes GEMT expense and reimbursement)



# General Fund Expenses

	2018	2019	2019	2020	Change from FY19 Budget		Change from FY19 Proj	
	Actuals	Budget	Proj	Proposed	\$	%	\$	%
Personnel Services	46,415,801	46,924,867	49,051,989	51,055,513	4,130,646	8.80%	2,003,524	4.08%
Supplies for resale	230,768	255,500	255,500	255,500	0	0.00%	0	0.00%
Other supplies, services and charges	10,450,576	11,915,524	12,707,999	13,709,103	1,793,579	15.05%	1,001,104	7.88%
Repairs and maintenance	1,505,535	1,551,710	1,650,854	1,592,536	40,826	2.63%	-58,318	-3.53%
Utilities	1,758,053	1,749,764	1,753,444	1,843,618	93,854	5.36%	90,174	5.14%
Fuel and lubricants	461,251	512,803	508,163	479,059	-33,744	-6.58%	-29,104	-5.73%
Miscellaneous	48,007	103,950	105,750	258,800	154,850	148.97%	153,050	144.73%
Capital outlay	293	135,000	171,000	0	-135,000	-100.00%	-171,000	-100.00%
Interdepartment charges	5,940,395	6,402,753	6,402,753	7,043,254	640,501	10.00%	640,501	10.00%
Transfers out	2,041,527	1,498,198	1,498,198	1,143,569	-354,629	-23.67%	-354,629	-23.67%
<b>Total</b>	<b>68,852,206</b>	<b>71,050,069</b>	<b>74,105,650</b>	<b>77,380,952</b>	<b>6,330,883</b>	<b>8.91%</b>	<b>3,275,302</b>	<b>4.42%</b>

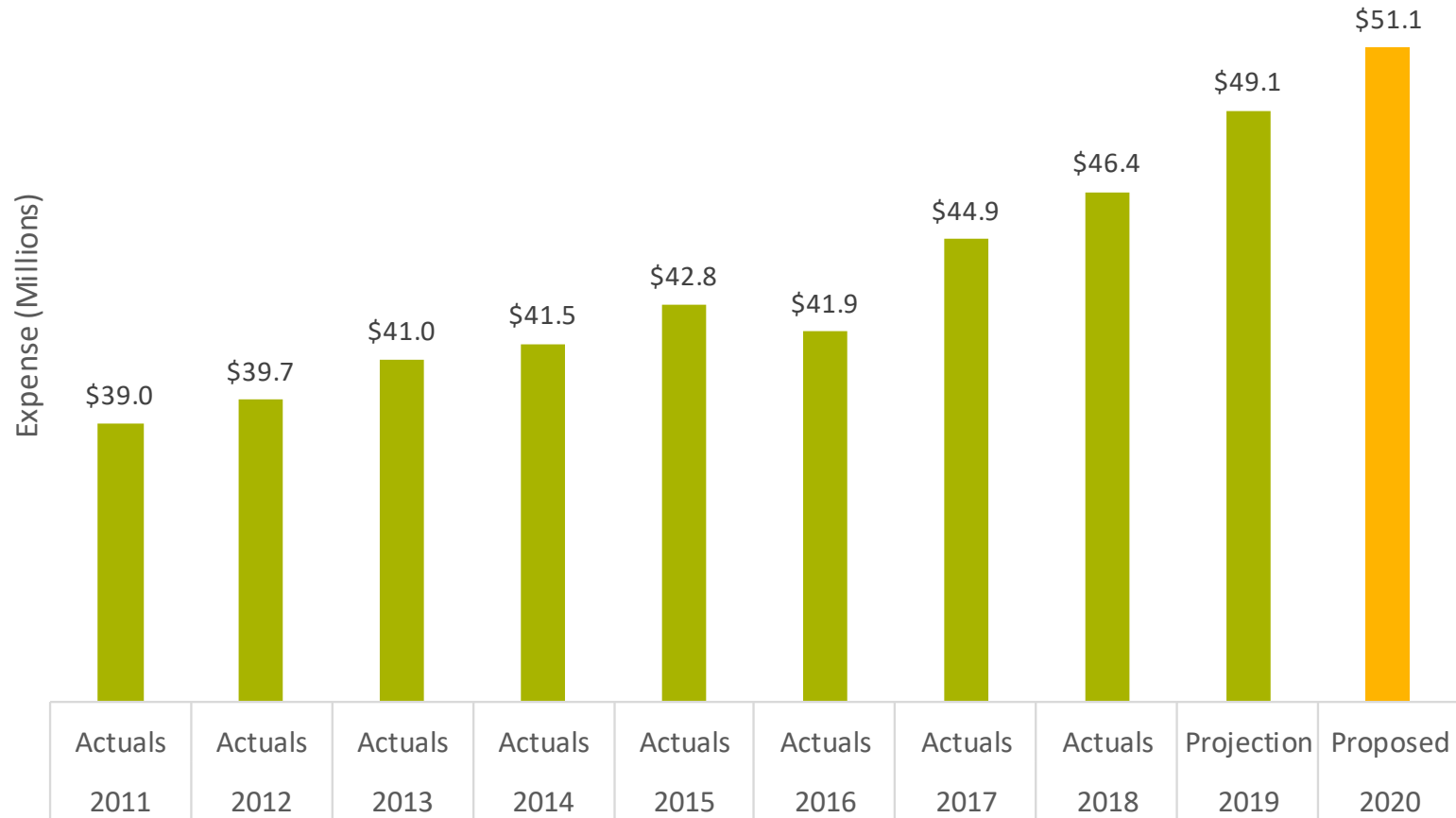
# Overview of Expenditures



# Personnel Services

- FY20 will be the first full fiscal year where the compensation changes will be in effect.
- In addition, FY20 will also have the following compensation enhancements:
  - step plan movement through salary schedule as established by the labor agreements.
  - 3% merit increase pool for Core-General employees.

# General Fund Personnel Services



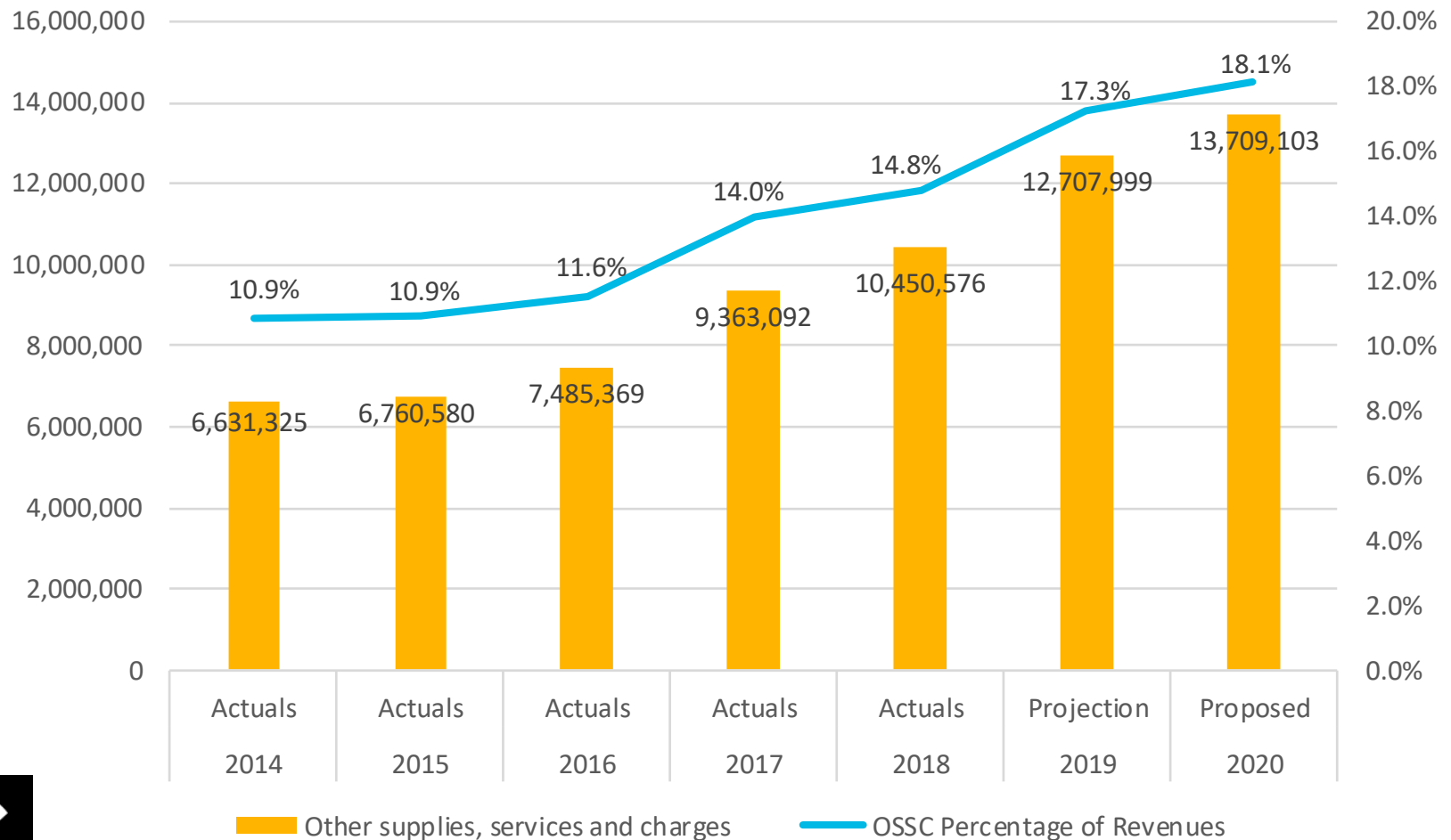
# General Fund Workforce

	2018 Budget	2019 Budget	2020 Proposed	Difference FY19
Administration	27.98	30.29	30.43	0.14
Pub. Wks./Engineering	42.25	42.25	42.00	-0.25
Law Enforcement	205.50	206.50	206.50	0.00
Fire/Ems Services	154.00	154.00	155.00	1.00
Finance	22.00	22.00	22.00	0.00
Legal Services	10.51	10.50	10.88	0.38
Municipal Court	11.38	11.96	10.90	-1.06
PW Operations Division	33.80	33.80	33.80	0.00
Development Services*	40.68	40.67	41.42	0.75
<b>General Fund Total</b>	<b>548.10</b>	<b>551.97</b>	<b>552.93</b>	<b>0.96</b>

\*FY18 and FY19 Development Services includes employee totals for both Development Services and Planning and Special Projects.



# Other Supplies, Services, and Charges (Totals and Percentage of Revenues)



# Other Supplies, Services, and Charges

Major Expense Line Items (non-discretionary)

- Insurance Adjustment (EMS billing): \$3,000,000
- Bad Debt Expense (EMS billing): \$940,000
- Digitech (EMS billing fees): \$180,000
- PILOT Disbursement: \$2,502,465
- Jackson County Collection Fee: \$371,089
- Development Agreement Reimbursement: \$140,000
- Prisoner Expense: \$180,000
- Insurance Expenses (Property, Liability, Broker Fees, Insurance Claims): \$617,791

# Net Income

General Fund	2020
	Proposed
Total Revenues	\$75,667,110
Total Operating Expenses	\$75,667,029
<hr/>	
Net Operating Budget	\$81
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Additional One Time Expenses	\$1,713,921
Total Budget (with One Time)	\$77,380,950

# One-Time Expenses

- Personal Protective Equipment (Fire): \$174,471
- Election Cost: \$135,000
- Comprehensive Plan Update: \$500,000
- Transfer to PSERP (MARRS Tower Mod): \$220,000
- Transfer to PSERP (Fire Station 3): \$562,850
- Transfer to ITS (Questica budget software): \$80,000
- Traffic Signal and Signage: \$24,500
- Public Works APWA Accreditation: \$17,100

# Issues and Challenges Addressed In Budget

- Compensation Improvements
- Reduced Pay Compression
- Efficiencies achieved through reorganization (Long Range Planning became a part of Development Services)
- Departments rolled back OSSC expense category to FY19 Budget levels or lower (exception Finance due to large non-discretionary items)
- Credit Card Convenience Fees

# Emerging Issues and On-going Challenges

## Revenues

- Increased reliance on sales tax growth
- Cost recovery for EMS (even though revenue is growing so are the expenses associated with it).
- Declining Franchise Tax
- Motor Vehicle Taxes have plateaued.

## Expenses

- Health Insurance cost containment
- Improvement to Revenue Collection Systems for EMS/Fire Dispatching
- Fixed costs continue to consume larger portion of budget (OSSC and wages)
- Meet best practice standards with limited resources
- Expansion Requests

# Expansion Requests

Will be reviewed at  
May 20 F&BC meeting.

Previously Unfunded Department Expansion Requests					
Fund	Department	Type	Description	FY19 Cost	Recurring Cost
General Fund	Fire	Personnel	Battalion Chief, EMS	\$110,989	\$108,647
General Fund	Fire	Personnel	Captain of Training (2nd FTE)	\$81,036	\$76,469
General Fund	Fire	Personnel	EMS Assistant Chief	\$109,638	\$104,829
General Fund	Fire	Personnel	Captain of Prevention	\$87,552	\$85,710
General Fund	Fire	Personnel	Battalion Chief of Support Services	\$110,989	\$108,647
General Fund	ITS	Personnel	Applications Analyst	\$84,478	\$80,478
General Fund	ITS	Personnel	System Administrator	\$86,398	\$80,478
General Fund	Police	Personnel	Lead Detention Officer (reclassification)	\$7,326	\$7,326
General Fund	Police	Personnel	Police Officer (Traffic Enforcement)	\$68,453	\$60,830
General Fund	Police	Personnel	Animal Control Officer	\$58,141	\$58,141
<b>Total</b>				<b>\$614,326</b>	<b>\$590,257</b>
<b>Cost to General Fund</b>				<b>\$614,326</b>	<b>\$590,257</b>

FY20 Department Expansion Requests					
Fund	Department	Type	Description	FY20 Cost	Recurring Cost
General Fund	Administration-Cultural Arts	General	Cultural Arts programming expansion	\$25,189	\$25,189
General Fund	Development Services	Capital	Vehicle upgrade from 2-wheel to 4-wheel drive (x2)	\$6,446	\$200
General Fund	Development Services	Personnel	GIS Technician	\$72,125	\$70,525
General Fund	Development Services	Personnel	Data Analyst	\$73,490	\$71,540
General Fund	Finance	Personnel	Procurement Contract Compliance Officer	\$84,466	\$84,466
General Fund	Fire	Capital	AeroClave (x2)	\$29,000	\$0
General Fund	Fire	Capital	Lucas devices (x5)	\$76,250	\$9,725
General Fund	Fire	Capital	National Fire Operations Reporting System (NFORS)	\$5,000	\$8,000
General Fund	Fire	Capital	Rescue 3 apparatus, equipment, and supplies	\$437,884	\$56,260
General Fund	Fire	Capital	Staff cars (x3)	\$78,000	\$6,543
General Fund	Fire	Capital	Training and burn props	\$1,000,000	\$0
General Fund	Fire	Personnel	Deputy Chief	\$133,988	\$131,146
General Fund	Fire	Personnel	Firefighter Paramedic (x9)	\$633,772	\$603,109
General Fund	ITS	Capital	WhatsUp Gold license expansion	\$15,375	\$0
General Fund	ITS	Capital	Backup uninterruptible power supply (UPS)	\$7,262	\$0
General Fund	Police	Capital	Crime Scene Van	\$10,500	-\$3,100
General Fund	Police	Personnel	Shelter Attendant-Animal Control	\$56,419	\$56,419
General Fund	Police	Personnel	CIU Detective (x2)	\$138,740	\$123,939
General Fund	Police	Personnel	Communication Specialist (x2)	\$128,050	\$128,050
General Fund	PW Engineering	Personnel	Right-of-Way Coordinator (reclassification)	\$6,997	\$6,997
General Fund	PW Operations	Capital	F-150 Truck	\$25,000	\$1,816
General Fund	PW Operations	Capital	Envirosight Quickview Camera	\$20,000	\$0
General Fund	PW Operations	Personnel	Assistant Manager of PW Operations (reclassification)	\$37,681	\$37,681
General Fund	PW Operations	Personnel	PWO Contract Manager (reclassification)	\$0	\$0
Water/ Sewer Fund	Water Utilities	Capital	Meter Test Bench	\$84,372	\$0
Water/ Sewer Fund	Water Utilities	Capital	Ford F-150 Work Truck	\$24,000	\$3,444
Water/ Sewer Fund	Water Utilities	Personnel	Senior Staff Engineer	\$114,243	\$111,543
Water/ Sewer Fund	Water Utilities	Personnel	Inventory Maintenance Technician	\$60,990	\$59,140
<b>Total</b>				<b>\$3,385,239</b>	<b>\$1,592,632</b>
<b>Cost to General Fund</b>				<b>\$3,101,634</b>	<b>\$1,418,505</b>

Totals for Previously Unfunded and FY20 Department Expansion Requests					
<b>Total</b>				<b>\$3,999,565</b>	<b>\$2,182,889</b>
<b>Cost to General Fund</b>				<b>\$3,715,960</b>	<b>\$2,008,762</b>

# Prioritized Actions

- Consider additional revenue sources:
  - Use Tax
  - Sales Tax
- Improve cost recovery for Dispatch and EMS billing
- Priority Based Budgeting
- Realignment of resources to Strategic Plan's priorities and outcomes



# Draft Strategic Plan Elements

1. Balanced Economic Development
2. Strong Neighborhoods with Housing Choices
3. Cultural and Recreational Amenities
4. Inclusive Community Engagement
5. Community Health and Wellbeing
6. Collaborative Relations with Education Partners
7. Proactive Infrastructure Development



# Remainder of FY20 Budget

# Special Revenue Funds

<b>Special Revenue Funds</b>	<b>FY19 Budget</b>	<b>FY20 Proposed</b>
Parks and Recreation Fund	\$3,445,435	\$3,615,724
Gamber Center	\$445,671	\$425,730
Legacy Park Community Center	\$1,927,353	\$2,085,352
Summit Waves	\$625,834	\$674,344
Cemetery Trust Fund	\$203,219	\$204,873
Longview Community Center	\$0	\$1,362,821
Business and Industry Fund	\$574,044	\$631,544
Entitlement Fund	\$354,780	\$406,232
VAWA Grant Fund	\$130,000	\$150,000
PSERP	\$0	\$782,850
<b>Total</b>	<b>\$7,706,336</b>	<b>\$10,339,470</b>

# TIF and TDD Funds

<b>TIF and TDD Funds</b>	<b>FY19 Budget</b>	<b>FY20 Proposed</b>
SummitWoods East TIF	\$2,500,000	\$3,825,399
I470 Business Center TIF	\$1,061,275	\$946,360
Summit Woods TDD	\$11,000	\$0
Longview Farm TIF (old TIF)	\$342,000	\$1,602,310
Longview TDD	\$33,000	\$33,000
Ritter Plaza TIF	\$126,622	\$196,347
Todd George/50 Hwy TIF	\$1,326,369	\$1,392,239
LS Sports Complex TIF	\$0	\$26
<b>Total</b>	<b>\$5,400,266</b>	<b>\$7,995,681</b>

# Capital Project Funds

	FY19	FY20
Capital Project Funds	Budget	Proposed
Water Tap Fund	\$2,088,000	\$2,534,147
Sewer Tap Fund	\$230,000	\$700,000
Water Construction	\$3,797,000	\$5,074,000
Sewer Construction Fund	\$2,345,000	\$5,345,000
WU Equipment Replacement	\$1,008,000	\$874,000
Airport Construction	\$6,003,000	\$4,901,000
Capital Imprvmt Sales Tax	\$13,143,000	\$14,578,000
R&B Excise Tax	\$0	\$1,200,000
Road & Bridge Improvement	\$8,294,616	\$8,140,616
Park Development Fund	\$2,835,000	\$5,600,110
TIF Application Fund	\$99,999	\$96,429
US50/Rte 291 S Intrch Bonds	\$373,000	\$0
<b>Total</b>	<b>\$40,216,615</b>	<b>\$49,043,302</b>

# Debt Service Funds

	FY19	FY20
Debt Service Funds	Budget	Proposed
General Obligation Debt	\$8,253,908	\$8,305,275
Park COP Debt	\$3,275,000	\$4,495,000
<b>Total</b>	<b>\$11,528,908</b>	<b>\$12,800,275</b>

# Enterprise Funds

	FY19	FY20
<b>Enterprise Funds</b>	<b>Budget</b>	<b>Proposed</b>
Water/Sewer Fund	\$43,191,482	\$49,796,730
Airport Fund	\$2,223,687	\$2,396,350
Solid Waste Management	\$2,551,752	\$4,004,638
Harris Park Community Ctr	\$1,454,992	\$1,500,129
<b>Total</b>	<b>\$49,421,913</b>	<b>\$57,697,847</b>

# Internal Service Funds

	FY19	FY20
Internal Service Funds	Budget	Proposed
Central Building Services	\$1,932,320	\$2,110,750
Fleet Operations	\$6,076,783	\$7,377,284
ITS Services	\$4,819,697	\$4,171,381
Short Term Disability Fnd	\$35,233	\$31,074
Unemployment Trust Fund	\$49,727	\$30,792
Claims & Damages Reserve Fund	\$940,866	\$982,000
Work Comp Self Insurance	\$1,188,211	\$1,480,564
<b>Total</b>	<b>\$15,042,837</b>	<b>\$16,183,845</b>



# Next Steps

## **April 22: Department Presentations**

- Administration
- Law Department
- Municipal Court
- Police Department
- Public Works-Engineering
- Public Works-Operations
- Airport
- Solid Waste
- Information Technology Services

## **April 29: Department Presentations**

- Finance
- Fire Department
- Development Services
- Central Building Services
- Fleet
- Water/ Sewer
- Parks and Recreation

# Next Steps (continued)

- **May 20: Finance and Budget Committee**
  - Department Expansion Requests
- **June 4: City Council Meeting**
  - First Reading of FY20 Budget Ordinance
  - Public hearing
- **June 18, 2019: City Council Meeting**
  - Second Reading of FY20 Budget Ordinance