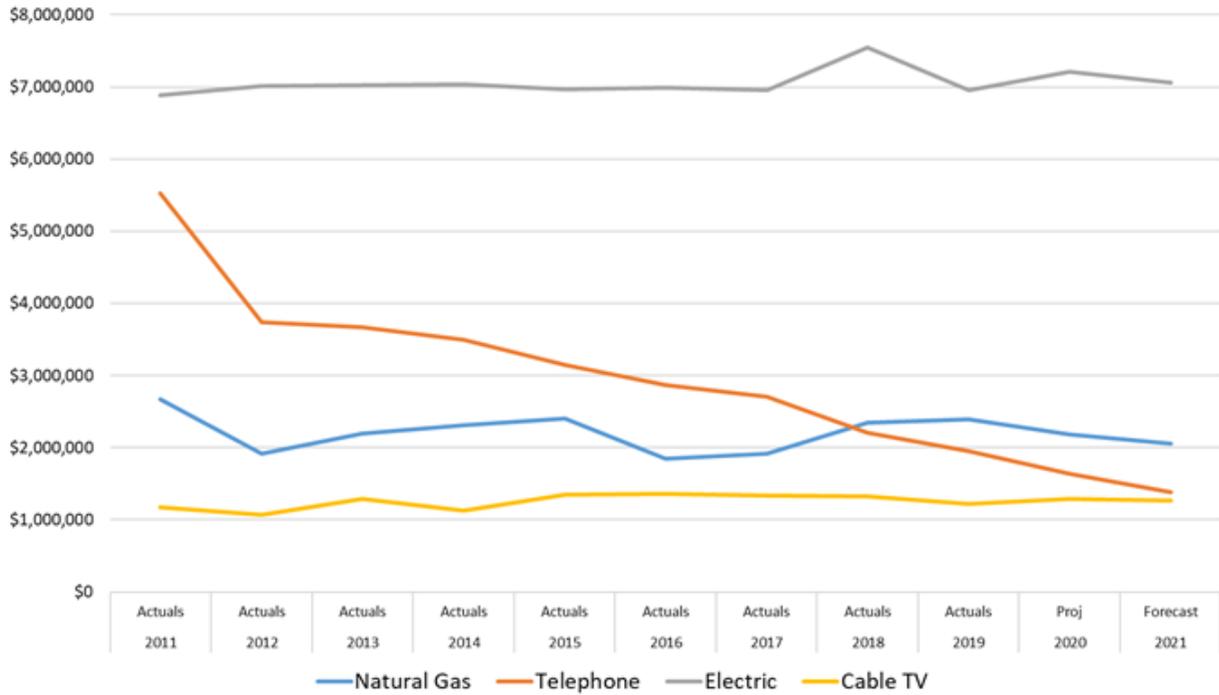


Key Points to Support Consideration of Debt Levy Transfer to General Fund Levy

**A. Long-Term Revenue of Franchise tax (Approximately \$4M decrease in 10 year period).**



**B. Contractual commitments regarding step increases for FOP, IAFF, and IAM.**

Fraternal Order of Police (FOP)

FOP represented employees move steps every other year on their position anniversary date.

Position	Avg Step % Increase
Police Officer	7.13%
Police Sergeant	5.81%

International Association of Firefighters (IAFF)

IAFF represented employees move steps every year on their position anniversary date.

Position	Avg Step % Increase
Firefighter	3.55%
Firefighter-Paramedic	3.17%
Fire Engineer	3.64%
Fire Engineer-Paramedic	3.30%
Fire Captain	3.19%
Fire Captain-Paramedic	2.96%
Communications Specialist	4.26%
Lead Communications Specialist	4.26%

International Association of Machinists (IAM)

IAM represented employees move steps every year on the first full pay period of the fiscal year.

Position	Avg Step % Increase
Custodian	2.02%
Meter Technician	2.38%
Meter Specialist	1.89%
Mechanic	2.37%
Operator	2.28%
Skilled Operator	1.74%
Senior Operator	1.78%
Utility Worker	2.28%
Utility Specialist I	1.74%
Utility Specialist II	1.78%

**C. Continued cost increases in LAGERS and Health Insurance**

LAGERS rates. From FY20 to FY21, the LAGERS rates increased for all position types (General, Police, and Fire). The LAGERS rates are also scheduled to increase by 1% for all position types from FY21 to FY22. (The below table summarizes those changes.)

Position Type	FY20	FY21	FY22
General	9.6%	10.6%	11.6%
Police	13.5%	13.8%	14.8%
Fire	11.9%	12.3%	13.3%

Insurance rates. The following table was provided by Anita last year when Council asked questions about historical insurance rates. (As a reminder, for calendar year 2021 we budgeted insurance rates to increase by approximately 10% and I believe that the actual increase was approximately 9.6% over the prior year.)

	2014	2015	2016	2017	2018	2019	2020
Total Combined Monthly	650	\$640,556	\$658,375	\$709,450	\$756,121	\$845,318	\$861,319
Total Combined Annual		\$7,686,675	\$7,900,498	\$8,513,403	\$9,073,452	\$10,143,811	\$10,521,913
\$ Annual Increase			\$213,823	\$612,905	\$560,049	\$1,070,359	\$192,017
% Annual Increase			2.8%	7.8%	6.6%	11.8%	1.9%

- D. Market adjustments for Core Employees – Approximately 63% of Core employees are compensated below the market mid-point.**
- E. Compression of Core Employee Compensation – as improvements are made to the market conditions, such as elevating pay compensation ranges, it creates a compression between recent hire and long-term tenure employees.**
- F. Public Safety Communication Specialists Expansion Needs – recent audit findings.**

- G. Fire Department “2019 Standard of Cover,” indicates a need for additional personnel today and for future growth.**
- H. LSPD Blueprint – Protecting Lee’s Summit’s Future, indicates a need for additional personnel today and for future growth.**
- I. Other General Fund supported operations, will continue to grow to meet the community demands.**
- J. Personnel Training and Development continues to increase due to higher community expectations, liability concerns, and desire to better serve the citizens.**