

City of Leavenworth 2021 Adopted Budget



Adopted by the Leavenworth City Commission on August 12th, 2020

City of Leavenworth, Kansas
100 N. Fifth St.
Leavenworth, Kansas

Table of Contents

<u>Introduction</u>	3-31
• <u>Mission Statement</u>	3
• <u>List of Elected and Executive Team</u>	4
• <u>GFOA Budget Award</u>	5
• <u>Budget Staff</u>	6
• <u>Submission Letter/ Budget Message</u>	7
• <u>Summary of Changes between Proposed and Adopted Budget</u>	14
• <u>Organizational Chart</u>	15
• <u>Community Profile</u>	16
• <u>Community Focus</u>	30
<u>Financial Overview</u>	35-155
• <u>Financial Overview</u>	35
• <u>Fund Structure</u>	37
• <u>Budget Process</u>	43
• <u>Total Budgeted Resources</u>	52
• <u>Budgeted Expenditures</u>	72
• <u>Fund Balance</u>	79
• <u>Long-Term Financial Plan</u>	81
• <u>Capital Outlay</u>	125
• <u>Debt Service</u>	137
<u>Departmental Budget Information</u>	155-332
• <u>Schedule of Positions</u>	155
• <u>Fund Summaries</u>	109
• <u>Five Year Capital Improvement Plan</u>	247
<u>APPENDICES:</u>	316-320
• <u>APPENDIX A- FINANCIAL POLICIES AND PROCEDURES MANUAL</u>	317
• <u>APPENDIX B- State Budget Forms</u>	319
• <u>Appendix C-GLOSSARY of Terms</u>	321
• <u>Appendix D- Glossary of Acronyms</u>	331

Mission Statement

The ongoing mission of the City Government of Leavenworth, Kansas is to protect and maintain the health, safety, and general welfare of the Leavenworth community. All representatives of the Leavenworth city government will carry out this mission on a daily basis within the parameters of all fiscal resources available and in a fair and equitable manner for all individuals who live in, work in, conduct commerce in, and visit the City of Leavenworth.

City of Leavenworth, Kansas
List of Elected and Appointed Officials
October 1, 2020

<u>Elected Officials</u>	<u>Position</u>	<u>Term Expires</u>
Myron "Mike" Griswold	Mayor	2021
Nancy Bauder	Mayor Pro Tem	2023
Camalla Leonhard	Commissioner	2023
Jermaine Wilson	Commissioner	2021
Mark Preisinger	Commissioner	2021

<u>Appointed Officials</u>	<u>Position</u>	<u>Length of Service</u>
Paul Kramer	City Manager	11 years
David Waters	City Attorney	3 years
Taylour Tedder	Assistant City Manager	4 years
Melissa Bower	Public Information Officer	9 years
Lona Lanter	Human Resources Directors	17 years
Carla Williamson	City Clerk	7 years
Ruby Maline	Finance Director	4 years
Steve Grant	Director of Parks & Community Activities	18 years
Michael McDonald	Director of Public Works	33 years
Pat Kitchens	Police Chief	30 years
Gary Birch	Fire Chief	7 years
Julie Hurley	Director of Community Development	6 years



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of Leavenworth
Kansas**

For the Fiscal Year Beginning

January 1, 2020

Christopher P. Morill

Executive Director

Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to City of Leavenworth, Kansas, for its Annual Budget for the fiscal year beginning January 1, 2020. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as a financial plan, as an operations guide, and as a communications device.

This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

Staff Responsible for the 2021 Adopted Budget Include:



Paul Kramer, City Manager



Taylour Tedder, Assistant City Manager



Ruby Maline, Finance Director



Brandon Mills, Deputy Finance Director



Karen Parker, Senior Accountant



Stephanie Alexander, Accountant I



Carla Williamson, City Clerk



Melissa Bower, Public Information Officer



July 3, 2020

Mayor and City Commission
City of Leavenworth
Leavenworth, Kansas

Dear Mayor and Commissioners:

The City of Leavenworth Management Team is pleased to present the 2021 Operating Budget and 2021-2025 Capital Improvements Program (CIP). The two budget processes were combined in 2019 to provide the Commission and residents of Leavenworth with a clearer comprehensive view of total city resources and expenditures. The change also reflects the interconnectivity between the budgets.

I. OPERATING BUDGET

The 2021 Operating Budget is balanced, as required by law, and builds on the City's goal to provide high-quality services while maintaining sound financial standing. The budget contains revenue and expenses for all City funds and includes a "pass-through" levy as mandated by the Library Ordinance. The City supported portion of the mill levy is essentially flat from 26.898 in 2020 to 26.902 in 2021, and there is a slight increase from 4.83 to 4.904 in the Library funds.

The 2021 Operating Budget was crafted in the most fiscally uncertain period in recent history. The historic COVID-19 pandemic devastated the national economy, left 40 million people unemployed, and created both immediate and future budget implications. However, for all of the hardships created by the pandemic related to the City's financial resources, the most challenging aspect is setting a 2021 Operating Budget before there is any indication how the economy will respond in the next 6-18 months.

The Management Team has evaluated economic trends, data available, City Commission priorities and adopted goals, public discourse and feedback, staff recommendations and many other factors while drafting the operating and capital budgets. The following issues, in context of their relation to available resources, were discussed at length in development of the 2021 budget:

- The effect of flat or negative sales tax growth on projects, initiatives and priorities.
- Funding and implementing a public transit program in 2021.
- Ensuring that the conservative budgeting and spending practices directed by the Commission to reach and surpass budget reserve goals are not squandered due to economic turmoil.
- Continuing the implementation of the City employee classification and compensation program to invest in the recruitment, development and retention of employees.
- Employee health/welfare and retirement expenses.
- How to account for potential positive economic news that occurs after the adoption of the budget.

General Fund

The City's General Fund accounts for core municipal functions and services such as Police, Fire, Parks and Recreation, Public Works, Planning and Administration. This is an operating budget focused primarily on revenues coming and going in a particular fiscal year. The primary revenue streams that support the General Fund budget are: 1) Sales and Use Taxes; 2) Property Taxes; 3) Charges for Services; 4) Fines and Forfeitures; and 5) Franchise Fees. Fluctuations in these revenue streams affect how the City is able to pay for and maintain core services.

Revenue Highlights

- The City experienced an increase in initial assessed valuation from \$219,502,504 in 2020 to \$228,946,404 in 2021 – an increase of 4.0%.
- Total sales tax revenues in the Tax Funds and court fines and fees are budgeted to remain flat at the 2020 levels. The only budgeted revenue increase is property tax (\$317,868). Several revenue sources are expected to decrease, including the most substantial declines in state and county gas tax (-\$133,500), franchise fees (-\$195,290) and interest income (-\$50,000).

The General Fund includes a budgeted reserve of \$3,014,100, which is available to support unanticipated expenses or underperforming revenues. The 2021 budgeted reserve represents 27.1%, which is still well above the City's reserve target of 16.67%. The ending reserve position on Dec. 31, 2019 was 27%, which the Management Team has worked to keep stable through the pandemic of 2020 and the uncertainty of 2021. While budgeting use of reserves in a national recession is common, the Management Team has not elected to change the reserve position at this time. As was reinforced in our 2020 review by Moody's Investor Services, a stable and healthy reserve is critical to maintaining the City's Aa2 bond rating.

Expense Highlights

- The Community Center and Parks and Recreation have been moved from the Operating Budget to the CIP, as the decrease in budgeted revenue left insufficient resources for these functions.
- City contributions to the Police and Fire KP&F State Pension system and the KPERS State Pension system for all City employees saw an \$18,243 increase for 2021.
- Health insurance costs are budgeted to increase 8% (which would equate to \$169,381), although the exact amount is unknown at this time.
- The 2021 portion of the 5-year phased implementation of the employee classification and compensation study of \$123,218.

The 2021 employee compensation plan recommendation is to include a 2.5% across the board increase for employees, implemented mid-year. The compensation plan is in line with those being provided by most municipalities in the region. When combined with the classification and compensation allocation, the City remains competitive in the region for employee investment.

Other budgets included

It is again useful to consider the 2021 budget document as consisting of four separate budgets: Library Funds, Federal Grant Funds, Non-Tax Funds and Tax Funds.

Library

The Library Ordinance establishes a mill rate not to exceed 3.75 mills to support Library operations. For 2021, the Library's submitted budget requires all 3.75 mills, which generates \$858,569 for 2021 operations. Additionally, there is a second levy for the Library Employee Benefits Fund (EBF). That levy

fluctuates based on cost and the 2021 request is 1.154 mills, which will generate \$264,228. The library also receives other (motor vehicle and delinquent taxes) funding.

Federal Grant Funds

The City receives grants each year for Planters II, Section 8, Community Development, and Comprehensive Improvements Assistance Program (CIAP) activities. The 2021 Planters II expense budget remained the same while personnel expenses increased \$12,822 over 2020. Increases in expenditures are due to increased health insurance and the 2.5% pay increase. Other areas were reduced to keep the fund at the same level as the 2020 budget. The financial condition of the fund is stable. The 2021 Section 8 Fund expense budget include a \$5,359 increase in personnel costs, but mostly stays the same as 2020.

The 2021 Community Development Block Grant funds are estimated to increase to \$342,514. Due to COVID-19, there is estimated to be a \$200,000 carryover. Of that total budget, \$83,168 may be used for administrative purposes; the balance, or \$459,346, is used for a variety of community projects in accordance with CDBG guidelines.

The CIAP Fund (Planters II Capital Fund) was established to account for federal grants received each year for repairs and renovations to the Planters II facility. The Fund will begin 2021 with a balance of \$86,449 while federal grant revenue of \$145,880 is budgeted for the year. Thus, total resources in 2021 are \$232,329 and are budgeted for building improvements. This is lower than 2020 due to the completion of the extensive building maintenance project (replacing all the water/sewer pipes).

Non-Tax Funds

These funds derive their financial support from sources other than ad valorem taxes. Expense budget levels for these Funds are generally dependent upon the availability of revenue generated through the pursuit of the Fund's activity. For example, the Sewer Fund expense budget is dependent upon funds generated from the sale of sewer services.

The 2021 expense base budget for this group of Funds increases \$31,825 or 0.14%, to \$23,489,500. This increase is due to project completions which began in 2019 and were completed during 2020 such as the RFCC Stone replacement in CIP Sales Tax (-\$769,544); the reduction of activities due to COVID-19 in CVB (-\$74,899); the capital projects from streets (-\$429,431); but mostly due to increased activity in the storm water fund.

	<u>2020</u>	<u>2021</u>
CVB Fund	917,281	842,382
Probation Fund	222,798	328,536
Streets	2,460,302	2,030,871
Eco Development Fund	942,230	1,251,660
CIP Sales Tax	4,045,366	3,179,316
County Wide Sales Tax	3,162,019	3,535,436
Sewer	6,126,264	5,735,268
Refuse/Refuse Restricted	2,656,336	2,598,581
Storm Water Fund	1,100,000	2,106,210
Auto TIF Fund (Zeck)	980,544	943,165
Hotel TIF Fund	537,451	639,304
Home Depot TIF Fund	307,084	298,771
	<u>\$23,457,675</u>	<u>\$23,489,500</u>

The 2021 Streets Fund operating budget increases \$15,978, or 1.3%, from the 2020 budget due to increases in personnel costs. A transfer to capital projects is budgeted at \$744,745 (FFE funds). There is an anticipated subsidy transfer from the General Fund of \$133,500 due to reduced funding from State and County Highway Gas Tax Funds. These revenues were reduced due to COVID-19 ramifications.

The Convention and Visitor's Bureau Fund was established in 2014 to account for the receipt of transient guest tax revenue that had previously been accounted for in the General Fund. The Fund began 2020 with \$411,993 and an additional \$550,000 in revenue was budgeted during 2021. The increase in revenues is related to anticipated revenues from the City festival and a reduction of revenues from transient guest tax due to COVID-19. Budgeted expenses are \$736,298, which includes funding for the City festival. Operating Reserves are budgeted at \$106,084 to be available should other projects become identified. The 2021 expense budget is \$278,333 higher than 2020, due to increases in grant payouts, promotional activities, the City festival, and professional services.

The 2021 Sewer Fund budget is \$125,962 higher than 2020; long-term financing analysis of the fund indicates that a utility rate increase of 3% will be required for expenditures at the sewer plant and will generate an additional \$110,054 in utility revenue this year. This increase is necessary for the replacement of the UV lamps and to help offset the lost revenues from the Fort (estimated to be -\$60,000), V.A. (estimated to be -\$57,500), and USP (-\$27,900).

The 2021 Refuse Fund long-term financing analysis indicates that a utility rate increase will not be required for 2021. The increase in budget for the Refuse Fund includes the mowing and erosion control expenses of the landfill, which were in the Refuse Restricted fund. The current funding level allows for the vehicle replacement schedule to be maintained and for operating reserves requirement to be met.

The 2021 Refuse Restricted Fund is consolidated with the Refuse Fund; a transfer of \$9,545 to the Refuse Fund will close the fund. Budgeted 2021 expenditures include \$15,000 mowing and erosion control activities.

The Home Depot Tax Increment Fund was established to account for the receipt and distribution of funds received from Home Depot as required by the tax increment financing agreement initiated in 2003. It is estimated that approximately \$298,771 will be paid to Home Depot in accordance with the agreement. The agreement expires Sept. 1, 2021. Sales taxes collected after Sept. 1, 2021 will be available for City operations.

Two additional TIF funds were added to account for the collection and distribution of funds as required by tax increment financing agreements with Zeck Ford, First City Hotels, and Home 2 Suites Hotel. Zeck Ford TIF fund is anticipated to have \$938,165 paid out and the Hotel TIF funds are anticipated to have \$639,304 paid out.

Bond and Interest Fund

The 2021 Bond and Interest Fund expense budget decreases \$625,871 due to decreased debt service payments. Budgeted 2021 payments consisted of principal of \$2,870,000 and interest of \$513,891. New debt payment for 2021 includes principal of \$130,000 and interest of \$50,000 for the 2020 general improvements bonds and principal of \$130,000 and interest of \$50,000 for the fire truck. These are estimates based on current market data and subject to change. The budgeted amount also reflects the retirement of debt, which offsets the amount added in 2020. The increase in mills is because some of the debt retirement was related to CIP and County wide, so their transfers went down.

Assessed Valuation

Based upon information recently received from the County Clerk, the City of Leavenworth experienced an increase in assessed valuation from \$219,502,504 to \$228,946,404. This is about a 4.0% increase in assessed valuation; however, tax abated property values are \$3,536,616 (about 1.5%).

	2020 Budget	2021 Budget	Variance
Real Property	\$202,828,770	\$211,835,038	\$9,006,310
Personal Property	3,894,684	3,698,081	-\$196,603
State Assessed Utilities	12,779,050	13,412,332	633,282
Total	\$219,502,504	\$228,946,404	\$9,443,900

Ad Valorem Taxes

The following table illustrates the 2021 ad valorem tax levy (prior to the delinquency rate calculation) required by each City Fund.

Fund	2020 Budget	2021 Budget	Variance
General Fund	\$3,675,224	\$3,942,569	6.80%
Recreation	449,291	414,022	-7.84%
Bond & Interest	1,676,576	1,780,810	5.85%
Fire Pension	90,028	9,278*	-89.7%
Police Pension	13,317	12,673	-4.84%
Subtotal - City	5,964,746	6,159,352	3.2%
Library Fund	823,143	858,569	4.10%
Library Employee Benefits	237,167	264,228	10.2%
Subtotal - Library	1,063,310	1,122,797	5.3%
Total	\$ 6,964,746	\$7,282,149	4.40%

****The Fire Pension obligations are known, and there is an unnecessarily high reserve level in that fund, therefore we will reduce the 2021 expense in a one-time move to reduce the reserve level.***

Mill Levies

The table below illustrates the 2021 mill levy rate for each City Fund requiring ad valorem tax support given the assessed valuation data provided by the County Clerk.

Fund	2020 Budget	2021 Budget	Variance
General Fund	16.743	17.220	.477
Recreation	2.047	1.808	-0.239
Bond & Interest	7.638	7.778	0.140
Fire Pension	0.410	0.041	-0.369
Police Pension	0.061	0.055	-0.006

Subtotal – City	26.899	26.902	0.003
	2020	2021	
Fund	Budget	Budget	Variance
Library Fund	3.750	3.750	0.000
Library Employee Benefits	1.080	1.154	0.074
Subtotal - Library	4.830	4.904	0.148
Total	31.728	31.806	0.078

I. CAPITAL IMPROVEMENTS BUDGET (CIP)

The CIP is comprised of three sources: 1) ¼ of the City’s local sales tax, 2) The City’s portion of the countywide sales tax, and 3) General Obligation Bonds issued by the City for the road maintenance program. The CIP is allocated for a number of bond financed and pay-as-you-go projects, buildings, equipment needs, operating transfers and infrastructure items. Projects included in the CIP are prioritized by staff evaluation of operations, equipment, building and infrastructure conditions along with Commission priorities and direction. Although the CIP represents a five-year-look-ahead, the program is evaluated on a yearly basis to offer the most flexibility to the Commission and the community.

Tiered approach

The non-pavement management portion of the CIP is fully funded by sales tax, and therefore is subject to the full uncertainty created by the COVID-19 pandemic. For the 2020 budget, approximately \$400,000 of projects have been delayed, and for the 2021 budget, the revenues are budgeted flat. However, the Management Team worked to create a program whereby if second half 2020 revenue and/or 2021 revenues are more positive than expected, alternative projects could move forward. The resulting CIP funds “Tier 1” projects to include public safety and infrastructure immediately and creates multiple tiers of properties to be approved as revenue allows. Therefore, although Tier 2 projects are presented as 2022 projects, it is our hope that many of them will be possible in 2021.

2021 CIP Highlights Include

- Funding for the City’s portion of a public transit grant program.
- The inclusion of \$650,000 of CIP sales tax funds to go along with the \$1.35 million in GO bonds to maintain the 2021 road expenditure program to \$2 million.
- Additional storage for the Police Department’s video footage.
- Budgeting for the replacement of the 1992 Fire Department Aerial Truck.
- The replacement of two (2) Police patrol vehicles, one (1) detective vehicle, one (1) Animal Control van and a replacement of the Police K-9.
- Ongoing debt allocations for the Business and Technology Park, Thornton and 10th Avenue street projects, the Animal Control facility and three (3) Fire Trucks.
- The replacement of the playground equipment structure at Dougherty Park (Tier 2).

Conclusion

The recommended 2021 Operating Budget and 2021-2025 CIP reflect a cautious approach to the fluctuations in the local, state and federal economy due to the COVID-19 pandemic. The recommended

budget proposes to invest heavily in the City's infrastructure, to invest in employee development and workforce stabilization while making modest enhancements in parks and recreation, community resources and City capabilities with a flat mill rate. Additionally, careful consideration of expenses in the previous few years has allowed the City to reach a stable reserve position.

As with any budget process, certain areas were selected for enhancements, while others that were equally affected by cuts in previous years remained unchanged. We hope the proposed budget matches the goals and expectations of the residents of Leavenworth and the City Commission.

We appreciate the support of the staff in the preparation and presentation of the City Manager's recommended 2021 Operating Budget and 2021-2025 CIP and we look forward to reviewing its contents with the City Commission.

Sincerely,

A handwritten signature in black ink, appearing to read "P. Kramer".

Paul Kramer
City Manager

A handwritten signature in black ink, appearing to read "Ruby Maline".

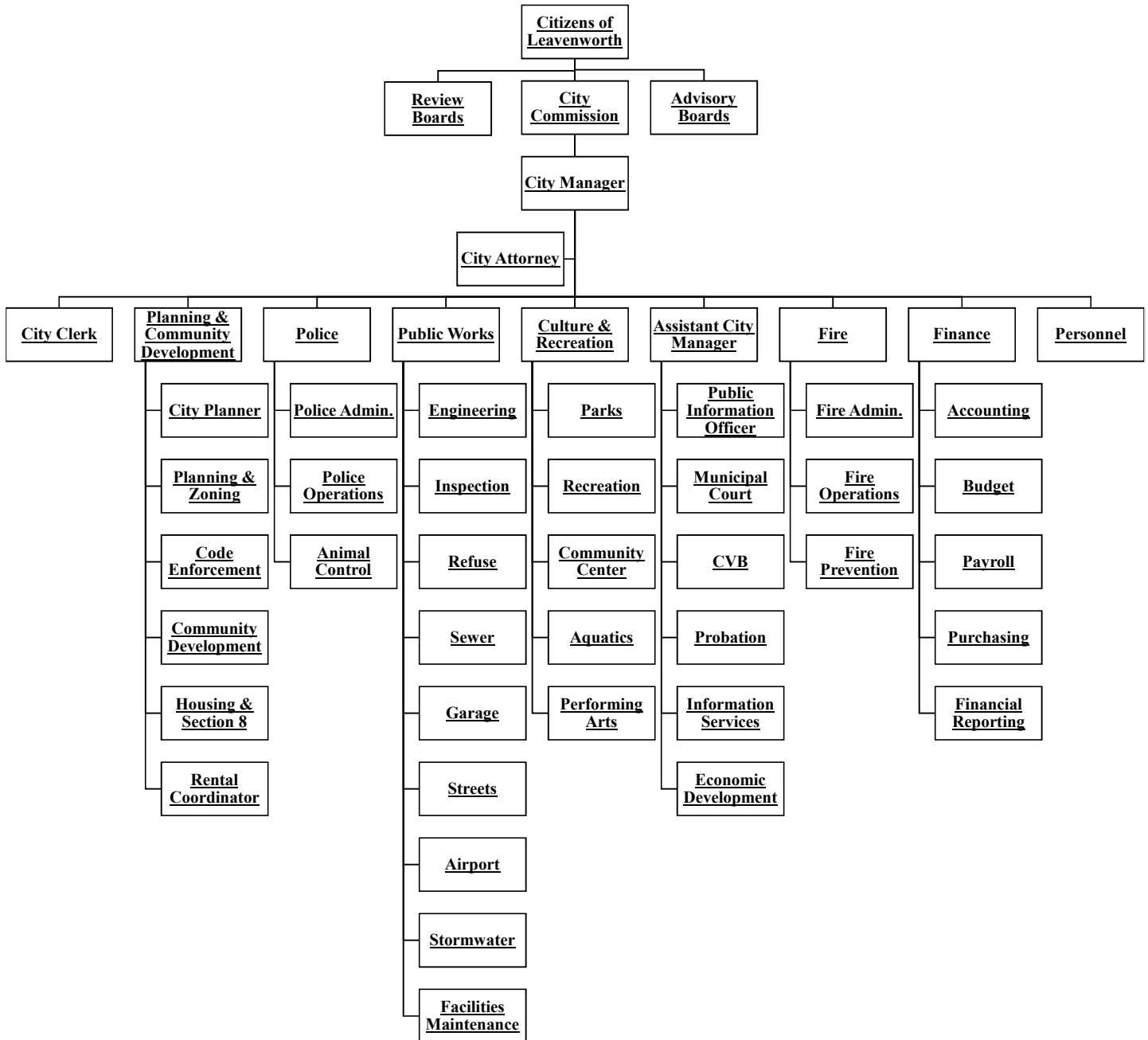
Ruby Maline
Finance Director

Summary of Changes between Proposed and Adopted Budget

Subsequent to the adoption of the 2021 budget, the following events occurred which will have an impact on the 2021 budget:

- The health insurance rate increase was budgeted and adopted at 8%; negotiations lowered the increase to 6.5%. The budget was not amended to reflect this change.
- Subsequent to the adoption of the budget, the City was awarded \$6,757,039 in Federal CARES Act funding. The funding reimbursed the City for its COVID-related expenses. Additionally, the 2020 City budget did not suffer revenue losses as severely as others did in the region. This allowed the City Commission to direct City staff to create a Community Grant fund to provide aid to community organizations and businesses to help offset the COVID-related impact on these organizations and businesses. The City amended the 2020 in order to allocate these funds. The City anticipates amending the 2021 budget to continue to provide relief to the community.
- In October of 2020, the Police Department vacated 1 full time records clerk position and added 1 full time kennel attendant position in the Animal Control department. This change will be reflected on the 2022 schedule of positions rather than the 2021 schedule of positions because the budget was adopted before the change was made.
- The 2021-2025 CIP plan (which is funded by sales tax) was also impacted by the relatively stable revenue stream in 2020. At the onset of the pandemic, several 2020 capital projects were delayed because of the uncertainty of revenues. These projects were added to the 2021-2025 CIP plan. The following projects were completed in 2020 and therefore, will be removed from the 2021-2025 CIP:
 - Equipment Spreader \$17,339
 - Equipment Spreader \$10,336
 - Library Landscaping \$15,000

City of Leavenworth Organizational Chart



Community Profile

The City of Leavenworth, Kansas is located on the west bank of the Missouri River in the Dissected Till Plains region of North America's Central Lowlands on land that was originally inhabited by the tribes of the Delaware, Kansa, and Osage peoples. Four small tributaries of the Missouri River flow eastward through the city, Quarry Creek, Corral Creek, Three Mile Creek, and Five Mile Creek. The City's water source comes from the Missouri River.

Leavenworth is 28 miles northwest of Kansas City, Missouri and 45 miles northeast of Topeka, Kansas, 145 miles south-southeast of Omaha, and 165 miles northeast of Wichita, at the intersection of US Route 73 and Kansas Highway 92. The City has a population of 34,967 and covers an area of approximately 24.06 square miles.

Fort Leavenworth, built in 1827, was originally named Cantonment Leavenworth by Colonel Henry Leavenworth. For several decades, the fort played an important role in keeping the peace between the various Indian tribes and the settlers moving west. Many Leavenworth city streets are named after local Indian tribes.

While Fort Leavenworth was separate from the city until annexation in 1977, the two are interdependent on each other and their histories are inextricably intertwined. The City provides additional housing, shopping, recreational, and cultural amenities that are not available on base. In addition to the military personnel, the Fort provides thirty-six percent of civilian employment.

Fort Leavenworth is home to the Combined Arms Center, the intellectual center of the Army; the U.S. Army Command and General Staff College; National Simulation Center and the Army Corrections Complex. Leavenworth is home to the University of Saint Mary, the Dwight D. Eisenhower Veterans Affairs Medical Center, and the Leavenworth Federal Penitentiary.

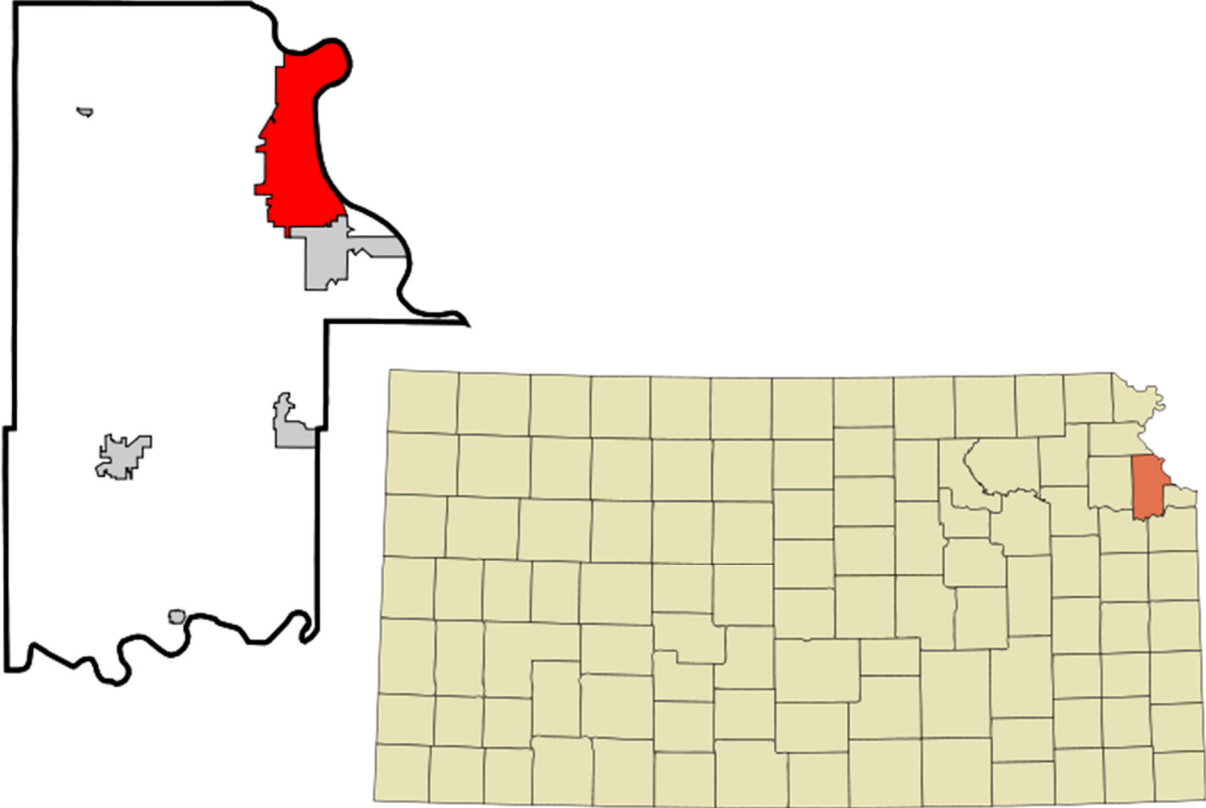
Leavenworth has a small town, historic atmosphere with access to the amenities of a larger city. In addition to the large federal presence and large private employers such as Hallmark Cards, the Leavenworth community is home to many smaller, family-owned businesses. The 28-blocks of downtown Historic Leavenworth still contains many of the buildings that were present in the early 1900's. Vintage homes are scattered throughout the community.

The City grew south of and in support of the fort, was established in 1854, and was incorporated by the first Kansas territorial legislature in 1855. The City was the first city incorporated in the Kansas Territory, hence its' motto: First City of Kansas. American history identifies Leavenworth for its key role as a supply base for settlers going west. The City was home to freight companies, meat packers, provisioners, stove makers, and furniture manufacturers. As the city grew, factories and businesses flourished and stately homes were built to house the families whose wealth grew as the city grew. Leavenworth was the industrial center of Kansas and of the west. The city has a historic wayside walking and driving tour commemorating the notable events and locations in the community.

Leavenworth also became known as a refuge for African-American slaves fleeing the slave state of Missouri, with the help of Abolitionists. In the years preceding the Civil War, Leavenworth frequently had physical confrontations between anti- and pro-slavery factions.

In April 1858, the Leavenworth Constitution was adopted for the State of Kansas in Leavenworth. The constitution was never officially recognized by the federal government, but was considered the most radical constitution drafted for the new western territories because it included freed African-Americans as citizens.

The following map shows the Location of Leavenworth County in Kansas and the City of Leavenworth within Leavenworth County.



Land Use

The City of Leavenworth is made up of 15 zoning districts. These zoning districts can be divided into three groups: residential, commercial, and industrial. The residential group is made up of all parcels zoned for the intent of use for habitable dwellings. The commercial group is all parcels zoned with the intent to operate a business for profit. An industrial group is a group made up of zoned areas for industrial uses. Land in Leavenworth is made up of 76.6% of the residential group, 6.9% of the commercial, and industrial make up 9.29% of the land use. Leavenworth has several federal and state entities that make up a portion of city limits; these entities are not included in the three groups since they are considered government's properties and are therefore tax-exempt.

Federal Presence

As mentioned earlier, the City has a strong federal presence, which includes Fort Leavenworth, home to the U.S. Army Combined Arms Center and the U.S. Army Command and General Staff College, School of Military Studies, the Center for Army Leadership, the Combat Studies Institute, the Combined Arms Directorate, the Center for Army Lessons learned, and the Mission Command Center of Excellence.

The Fort has been continuously occupied by the U.S. Army since its inception in 1827. The original purpose of the fort was to protect settlers on the Santa Fe Trail. The fort also played a key role in both the Mexican and Civil Wars. In 1854, it was the temporary capital of the Kansas Territory. There are two National Cemeteries located in Leavenworth. One of these, the Fort Leavenworth National Cemetery is located on the Fort itself. Today, Fort Leavenworth is a major economic driver of the community. Providing roughly 11,000 military, civilian, and Department of Defense jobs, an average daily post population of 21,111, and an estimated \$2.4 billion economic impact to the city and the region.

In addition to Fort Leavenworth, the U.S. Department of Veteran's affairs operate the Dwight D. Eisenhower Veterans Affairs Medical Center. The other National Cemetery, the Leavenworth National Cemetery is located on the grounds behind the Veteran's Affairs Medical Center.

There are several prisons also located in Leavenworth and the immediate surrounding area. The United States Federal Penitentiary was built in 1903, along with its satellite prison camp, and the Federal Bureau of Prisons operates both. In 2020, the Federal Bureau of Prisons announced construction of a \$360 million new prison in Leavenworth. Ground breaking is scheduled for mid-late 2021. The United States Disciplinary Barracks, which is the military's only maximum-security facility is located on the fort and the Midwest Joint Regional Correctional Facility, are both military facilities. The Corrections Corporation of America on behalf of the United States Marshals Service privately operates the Leavenworth Detention Center. The Kansas Department of Corrections in Lansing, Kansas, operates the Lansing Correctional Facility, which is a neighboring city. These facilities provide strong financial stability to the City.

Education

Primary and secondary

Two public school districts provide educational services to local citizens. Fort Leavenworth, Unified School District (USD) 207, has three elementary schools and one junior high school on the Fort. The high school students attend USD 453, the City of Leavenworth's school district. USD 453 operates four elementary schools, one middle school, Leavenworth Virtual School (LVS), Educational Center, and Leavenworth High School. Leavenworth High School boasts the very first Junior Reserve Officer Training Corps (JROTC). Leavenworth Virtual School is an internet-based school for kindergarten through eighth grade students.

There are also two private schools, Xavier Elementary school for students in pre-kindergarten through eighth grade and St. Paul Lutheran School for students in pre-kindergarten through eighth grade.

Colleges and Universities

The University of Saint Mary is a four-year private Catholic university located in Leavenworth, other higher education opportunities in Leavenworth includes a Kansas City Kansas Community College satellite campus and a University of Kansas satellite campus.

Educational Attainment (Ages 25 and over)	
High School or higher	91.3%
Bachelor's degree or higher	31.0%
Master's degree or higher	34.5%
Graduate or Professional Degree	14.6%
Doctorate	2.0%

2018 American Community Survey/U.S. Census Bureau

Economy and Growth

Leavenworth is a prime middle class community with a sound business base in the Kansas City Metropolitan area.

The cost of living in Leavenworth is 83.1% of the national average (or 16.9% lower than the national average).

New Business or Expansion in Leavenworth (past year) includes:

- Information from the Leavenworth County Development Corporation: job creation and retention of 133 jobs, \$16.5 million capital investment, and \$1,744,052 million saved in grants, loans and tax savings last year.

- Census tract in an economically challenged area was designated as a Federal Opportunity Zone by the Governor in 2019. The area begins at Metropolitan and 4th Street west to 7th Street. The program will provide an economic incentive for investors/developers to defer and reduce capital gains tax when the gain is invested in an opportunity zone and maintained for at least five years. Additional tax incentives are available for investments held for 7 to 10 years.
- University of Kansas has continued to increase their presence in Leavenworth and began offering classes in the fall of 2018.
- Several small businesses have opened in various areas of the city ranging from Chiropractor, entertainment businesses, restaurants, and more.
- Small business grants provided to businesses in amounts ranging from \$5,000 to \$15,000 for improvements to their facilities and facades.

✚ The military presence also demands additional housing options. Multi-family housing additions in Leavenworth (last four years) include:

- Stove Factory Lofts, 401 S. 2nd St., redevelopment of five former industrial buildings in heart of downtown, 184 units open, ballroom event space, active construction since Fall 2013 with phased openings, \$28.2 million in capital investment with over \$11 million federal and state historic tax credits. Project is complete and occupancy remains at a high level.
- Former Immaculata high school, located at 600 Shawnee St. is being re-developed into a long term and short term boutique hotel under the Trademark by Wyndham flag.
- Four high quality hotels (Hampton Inn, Towne Place Suites, Fairfield Inn, and Home2 Suites) have all been completed in the downtown area.
- Construction of 120+ single family residences began in the 20th and Eisenhower vicinity including maintenance provided homes.

Governmental Structure

Leavenworth is a legally constituted city of the First Class and the county seat of Leavenworth, County. The City is within Kansas's 2nd U.S. Congressional District, the 5th District of the Kansas Senate, and the 40th, 41st, and 42nd districts of the Kansas House of Representatives.

The City is empowered to levy a property tax on both real and personal properties located within its boundaries. It is also empowered by state statute to extend its corporate limits by annexation, which occurs periodically when deemed appropriate by the governing body.

The City operates under the commission-manager form of government and has since 1969. Policymaking and legislative authority are vested in the City Commission, which consists of five commissioners elected at large on a non-partisan basis by the general population. The commission elections are held every two years. Three of the commissioners are elected at each election. The two highest vote totals receive a four-year term and the third highest vote total receives a two year term. Each year the Commission selects the Mayor from amongst themselves.

In comparison to the federal government, the City Commission performs the legislative function; the Municipal Court performs the judicial function; and the City Manager and city staff perform the executive function.

The Commission is responsible for passing ordinances, adopting the annual budget and capital improvement program, appointing committees, and hiring the City Manager. The City Manager is responsible for carrying out the policies and ordinances of the City Commission, overseeing the day-to-day operations of the City, and appointing the heads of the City's departments.

The City's financial reporting entity includes all the funds of the primary government (the City of Leavenworth) and of its component unit-the Public Library. A component unit is a legally separate entity for which the primary government is financially accountable.

The City provides a full range of services, including:

- Public safety: police and fire protection, animal control, and parking enforcement.
- Public Works: sewer, refuse, storm water management, building inspection, airport, and the construction and maintenance of streets, storm water, bridges, and other infrastructure.
- Housing and urban development: code enforcement, rental coordinator, and a range of housing and community development programs supported by federal grants.
- Culture and recreation: parks, recreation, library, community center, aquatic center, farmers market and performing arts.
- Community and economic development: planning and zoning and economic development activities.
- General government: Commission, City Manager, Legal, Municipal Court, Contingency, Airport, Civil Defense, City Clerk, Human Resources, Finance, General Revenue (Gen Gov't), Information Technology

Media

- The City of Leavenworth is in the Kansas City metropolitan area for radio and television markets, however, Fox News affiliate, KKLO radio station is licensed to broadcast from Leavenworth and KQRC radio station is also licensed to the City but broadcasts from Mission, Kansas. There are approximately 30 AM and FM radio stations that broadcast in the Leavenworth area.
- There are approximately fourteen television stations that broadcast in the Leavenworth area. Channel 2 is the channel the City uses to broadcast live Commission meetings and other City related public announcements.
- *The Leavenworth Times* is the city's daily newspaper and is published by Gannett Co., Inc. Gannett Co., Inc, also publishes *The Fort Leavenworth Lamp*. The Leavenworth Lamp is a weekly newspaper covering local military news, on contract with the U.S. Army.

Medical and Health Facilities

Area medical facilities provide a full range of services including general health care, preventive health care, dental and vision, behavioral and counseling, dialysis, long-term care facilities, hospice care, rehabilitative care, and surgical care. These facilities provide in excess of 1,355 jobs.

In addition to medical facilities for the civilian population, the Dwight D. Eisenhower Veteran's Affairs Medical Center is located in Leavenworth City limits and there is a medical care facility located on the Fort.

Financial and Banking Institutions

Currently, there are seven banks in Leavenworth with thirteen locations. The following summary of deposit report is as of June 2020, the most recent data available (in Hundred of Thousands):

Armed Forces Bank	\$44,800
Citizen's Savings and Loan Association	\$109,459
Commerce Bank	\$124,675
Country Club Bank	\$100,819
Exchange Bank & Trust	\$59,611
Mutual Savings Association	\$104,450
The Citizens National Bank	\$4,233

Source: FDIC Bank Ratings

Transportation Facilities

Leavenworth's location in the Kansas City metropolitan area provides advantageous commercial transportation. The intermodal park in Edgerton, Kansas is just a few minutes away and hosts railway shipments, trucking shipments, and is an inland port access to ocean shipping.

The Kansas City International (KCI) airport is located twenty minutes from Leavenworth. In addition, the City has a joint-use agreement with the Department of the Army for the use of Sherman Army Airfield located on the Fort. The airfield is approximately one-mile north of the city and while it is a military airfield, civilian access is unlimited.

As mentioned earlier, Leavenworth is located at the intersection of U.S. Highway 73, Kansas Highway 92, and Kansas Highway 7. It is within a few minutes of U.S. Interstates 70, 435, and 35. Highways 29 and 45 are with a few minutes on the Missouri side of the river.

Distance to Major Cities	
City	Driving Distance (in Miles)
Chicago	525
Dallas	554
Des Moines	209
Kansas City	28
Little Rock	454
Minneapolis	452
Oklahoma City	351
Omaha	174
St. Louis	281
Topeka	63
Tulsa	253
Wichita	201

Culture and Recreation

The City of Leavenworth enjoys a multi-cultural and religious diversity due to its military and international military heritage.

The Leavenworth Parks and Recreation Department maintains a system of more than twenty-five parks, and an aquatic center, as well as, the Riverfront Community Center. The community center

offers an indoor cardio facility, an indoor pool, gymnasium, and an excellent event venue. In 2010, private donations provided funding for an off-leash dog park near the VA Medical Center.

The Leavenworth Public Library offers many programs such as meeting rooms, technology services, elementary and teen gaming, and interlibrary loan programs, in addition to specialty programs for children, teens, adults, and seniors.

The River City Community Players provides year-round plays and musicals at the Performing Arts Center.

The City is home to several museums such as:

- The Richard Allen Cultural Center (contains items and artifacts from African-American pioneers and members of the military and collections of 1870-1920 photos from the Mary Everhard Collection).
- C.W. Parker Carousel Museum (features carousel horses and three complete carousels that can be ridden)
- National Fred Harvey Museum (created the world's first chain of restaurants and hotels in association with the Atchison, Topeka, & Santa Fe railroad).
- First City Museum (many different collections and displays of Leavenworth history)
- Carroll Mansion Museum
- Fort Leavenworth Frontier Army Museum

Leavenworth has an historic shopping district that includes artisan shops, antique shops, bakeries, restaurants, a brewery, farmers market, and many other points of interest. A result of the military and international military presence is the variety of cuisine offered in local restaurants.

In addition to the many cultural and recreational opportunities in Leavenworth, its proximity to the Kansas City metropolitan area enhances the City's quality of life. There are many professional sports venues, such as baseball, football, soccer, hockey, and racing. Kansas City also has many museums, art galleries, performing arts venues, restaurants, shopping, farmers market, micro-breweries, and of course, the zoo.

Demographics

Population

Census	Population	Percent change
1860	7,429	-
1870	17,873	140.6%
1880	16,546	-7.4%
1890	19,768	19.5%
1900	20,735	4.9%
1910	19,363	-6.6%
1920	16,912	-12.7%
1930	17,466	3.3%
1940	19,220	10.0%
1950	20,579	7.1%
1960	22,052	7.2%
1970	25,147	14.4%
1980	33,656	33.8%
1990	38,495	14.4%
2000	35,420	-8.0%
2010	35,251	-0.5%
Estimated 2020	35,967	1.0%

U.S. Decennial Census

Population by Gender	
Male	53.9%
Female	46.1%

U.S. Census Bureau

Ethnic Composition	
White alone	66.5%
African-American	14.4%
Hispanic or Latino	9.1%
Two or more races	5.8%
Other	2.0%
Asian	1.7%
American Indian and Alaska Native	0.7%
Native Hawaiian and Other Pacific Islander	0.1%

U.S. Census Bureau

Ethnic Composition	
Persons under 18	24.9%
Persons 65 years and over	11.8%

U.S. Census Bureau

Climate

Average Climate Conditions	
January	74F high/-17F low
July	110F high/45F low
Average precipitation	42.97 inches
Average snowfall	16.1 inches
Average precipitation days	89.7 days
Average snowy days	7.9 days
Elevation	840 feet

National Weather Service; The Weather Channel

Household Data	
Median age	34.8 years
Average household size	2.55
Average family size	3.15

U.S. Census Bureau

Crime Indices Per 1,000	
Violent crime	8.6
Non-violent crime	36.7
Total Crime Index	41.5

Kansas Bureau of Investigation 2018 annual report

Families below Poverty Level	9.8%
Individuals below Poverty Level	12.9%

Median Housing Price	\$124,200
Home ownership rate	54.4%

HUD CPD Maps

Unemployment Comparison	
City of Leavenworth	6.7%
State of Kansas	6.9%
U.S.	8.4%

August 2020 U.S. Bureau of Labor Statistics and Kansas Department of Labor

City of Leavenworth, Kansas
Principal Property Taxpayers
December 31, 2019

Taxpayer	2019			2010		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
WESTAR ENERGY	\$ 7,539,167	1	3.8%	\$ 3,502,276	4	1.8%
CORRECTIONS CORP	\$ 6,721,648	2	3.4%	\$ 9,654,825	1	4.9%
WAL-MART REAL EST	\$ 3,254,511	3	1.6%	\$ 4,346,176	2	2.2%
KANSAS GAS SERVIC	\$ 2,301,368	4	1.2%	\$ 1,964,162	6	1.0%
MDG-LEAVENWORTH L	\$ 1,774,895	5	0.9%	\$ -	0	0.0%
ZECK BROTHERS	\$ 1,725,797	6	0.9%	\$ -	0	0.0%
DEVELOPMENT INC	\$ 1,674,654	7	0.8%	\$ 2,571,786	5	1.3%
HALLMARK MARKETIN	\$ 1,639,861	8	0.8%	\$ 3,792,288	3	0.0%
CEREAL INGREDIENTS	\$ 1,555,873	9	0.8%	\$ -	-	0.0%
PRIME HEALTHCARE	\$ 1,528,700	10	0.8%	\$ -	0	0.0%
TPS LEAVENWORTH	\$ 1,418,650	-	0.7%	\$ -	0	0.0%
STOVE FACTORY LOFTS	\$ 1,234,504	-	0.6%	\$ -	0	0.0%
	-	-	-	\$ -	0	0.0%
	-	-	-	\$ -	0	0.0%
	<u>\$ 32,369,628</u>		<u>16.3%</u>	<u>\$ 25,831,513</u>		<u>13.2%</u>

Source: Leavenworth County Clerk

City of Leavenworth, Kansas
Principal Employers
December 31, 2019

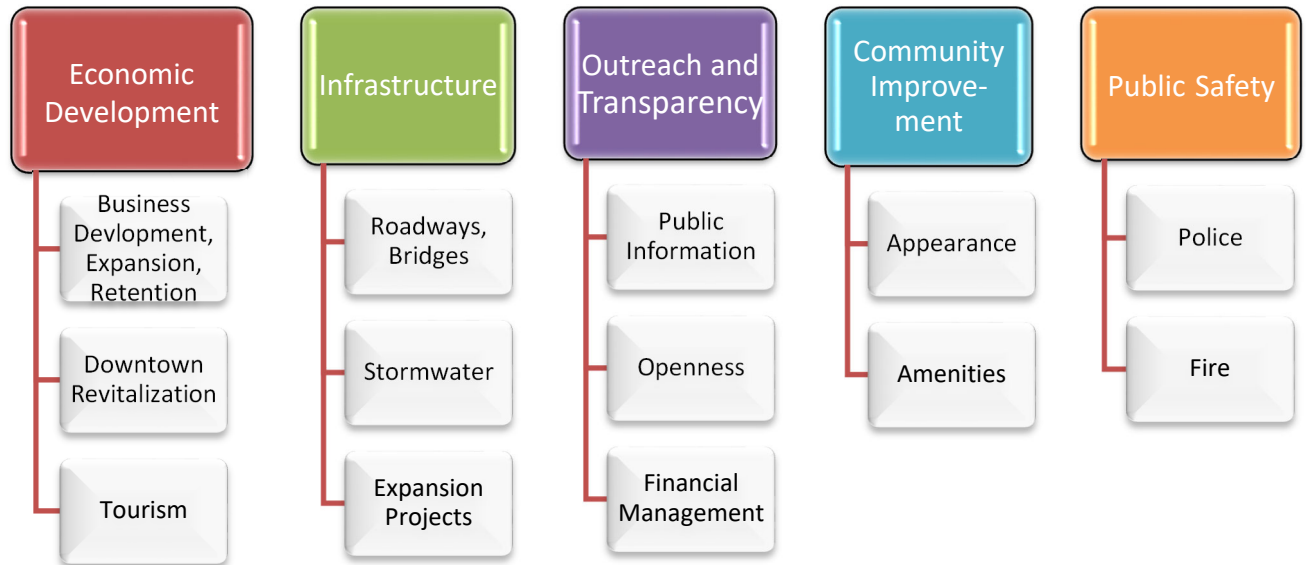
Taxpayer	2019			2010		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Fort Leavenworth	8,821	1	55.7%	8,043	1	29.8%
Veterans Administration	685	2	4.3%	600	4	4.6%
Leavenworth USD #453	630	3	4.0%	996	2	3.3%
Leavenworth County	405	4	2.6%	370	8	2.1%
Veterans Administration- Consolidated Pati	400	5	2.5%	N/A	-	-
Leavenworth Federal Penitentiary	355	6	2.2%	390	6	2.2%
Walmart Supercenter	350	7	2.2%	N/A	-	2.1%
Northup-Grumman	345	8	2.2%	700	5	3.0%
Hallmark Cards, Inc.	300	9	1.9%	320	3	1.8%
City of Leavenworth	267	10	1.7%	N/A	-	2.0%
St. John's Hospital	120	-	-	280	10	3.6%
Capital Electric	-	-	-	326	9	1.8%
Cushing Memorial Hospital	235	-	-	350	7	1.9%
	<u>12913</u>		<u>0.793253743</u>	<u>12375</u>		<u>58.2%</u>

Source: Kansas Statistical Abstract
Leavenworth County Development Corporation

Community Focus

2020-2021 Commission Goals

During the 2020-2021 goal setting session, the Commission identified the following categories of goals for staff to budget for and pursue during the 2021 budget process:



These are a combination of short-term and long-term goals used in the development of the 2021 budget.

Economic Development

The specific goals for economic development includes:

Business Development, Expansion, and Retention

- Pursuing businesses for inclusion in the new Business and Technology Park
- Continue to lobby for federal funding for the new medium-security prison and increased funding for the existing federal prison
- Actively pursue a grocery store for North Leavenworth
- Exploring projects and innovations for entrepreneurs and transitioning veterans

Downtown Revitalization

- Work to reduce the number of unoccupied and/ or abandoned buildings using available tools, methods and incentives
- Plan/pursue future northeast area TIF improvement projects (and other incentives)

Tourism

- Boost travel demand through industry events and extending invitations for conferences and other meetings
- Support local and destination transportation efforts for the city
- Concentrate on specific markets to include social, military, education, religious, athletic, arts, ethnic groups, and group tours, etc.
- Identify projects and programs to reinvest transient guest tax funds

Infrastructure

Specific infrastructure goals includes:

Roadways and Bridges

- Create a long term arterial street plan
- Explore options for streetscape improvements
- Pursue improvements to roadways, landscaping and amenities on the west side of the Centennial Bridge
- Support projects and improvements that lead to annexation

Storm Water

- Review the implementation of the funding source for storm water projects
- Implement storm water maintenance program with transparent reporting, outreach and updates.

Sewer

- Develop comprehensive long term fee structure

Outreach and Transparency

Public Information

- Performance measurement tools to determine the effectiveness of providing city services
- Streamline registration, reservation, and payment processes for all services

Openness

- Make Development Regulations available online
- Include section on City website to post upcoming bids
- Issue the RFQ for the 2030 Comprehensive Land plan

Financial Management

- Update the Investment Policy
- Establish a uniform cash management policy and procedures
- Create Grant Management Policy
- Prepare long-term financial policy that incorporates the long-term capital improvement plan to help establish the structure and issuance of debt

Community Improvement

The specific goals for community improvement are:

Community Appearance

- Implement rental property program and collect relevant data
- Continue to include city funding source for blight removal
- Engage in partnerships to benefit look, perception and quality of life in the City
- Adopt the 2018 International Property Maintenance Code
- Determine options to focus on perpetually blighted properties, including all legal opportunities available to the City Commission
- Review status of adopt-a-park program to identify the level of activity at adopted parks and to pursue groups - community service organizations, churches, and other groups – to adopt every park in the City Leavenworth.

Community Amenities

- Update and improve amenities at less-used city parks to spur growth and use
 - Increase youth participation in sports
- Streamline registration, reservation, and payment process for Parks and Recreation
- Support partnerships to continue increased use of Havens Park

Public Safety

Police

- Address recent trend in domestic violence incidents
- Engage in target initiatives to reduce crime in high risk areas
- Continue to focus on community engagement
- Develop training and reporting with technological advancements for crime analysis and mapping
- Develop a program for unmanned aerial drones (2 drone pilots and a supervisor)
- Continue active shooter training
- Make state funding of mental health facilities a top legislative priority.

Fire

- Explore the replacement of Fire Station #3
- Adopt the 2018 International Fire Code

Financial Overview

As of December 31, 2019, the City of Leavenworth has received the Government Finance Officers' Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting for twenty-five consecutive years for its Comprehensive Annual Financial Report (CAFR). The City has submitted its 2019 CAFR to the GFOA for review.

Additionally, the City received the Government Finance Officers' Association (GFOA) Distinguished Budget Presentation Award for the second time for its 2020 Budget. The City will submit its 2021 budget to the GFOA for review.

Effective financial management involves oversight from several people within the organization, as well as, strong internal controls. Financial policies help strengthen internal controls by providing guidelines for daily operations, decisions, and long-term financial planning. These policies are designed to ensure financial stability, provide adequate funding for services, and to maintain public facilities.

Financial policies are developed by the Finance staff, reviewed by the City Manager and are approved by the City Commission to ensure the City is functioning in a financially responsible manner and is prepared for changes in economic conditions. Once in place, financial policies need to be reviewed and updated on a regular basis to ensure that they are still relevant to the organization's activities and processes.

The Commission has reviewed and approved the following policies:

February 2017: The Commission approved an **Economic Development Incentive Policy**, which identifies types of incentives the City will offer and the eligibility requirements for each type of incentive. The policy also identifies the methods of evaluation used for each project to determine eligibility. This policy encourages consistency in the application of economic development incentives.

March 2017: The City's **Budget Policy** formalizes the City's commitment to a balanced budget, a fund-type of budget format that provides three years of applicable revenues and expenditures presented in financial statement manner. The City's basis of budgetary accounting conforms to Kansas Cash Basis Budget Laws.

March 2017: The City's **Budgetary Reserve Policy** was previously approved in December 2003. The policy addressed reserves only for the General Fund and established that goal as 8.33% of annual General Fund expenditures. The new policy incorporates the GFOA recommended minimum of two months of revenues or expenditures as the City's minimum reserve levels and includes the CIP Sales Tax, County Wide Sales Tax, Sewer, and Refuse

Funds. The new policy specifies the acceptable uses of excess unassigned reserve balances, mandates periodic reviews and updates, as necessary.

March 2017: The City Commission adopted Charter Ordinance 56, which became effective March 1, 2016, exempting the City from the provisions of K.S.A. 13-1024a related to paying for infrastructure improvements. This was the first step toward implementing a debt management policy, which the Commission adopted in March 2017. The City's current **Debt Management Policy** addresses debt limitations, and includes specific ratios, which the City will not exceed, debt structures, post-issuance disclosures, when the City will issue debt, and the repayment schedule. The policy also mandates periodic review and updates as necessary.

March 2017: Prior to the adoption of the current **Revenue Control Policy**, the City only had informal policies. The current Revenue Control policy addresses segregation of revenue related duties; revenue diversification that reduces the impact of short-term fluctuations in a revenue source; reviewing and updating the effect of fluctuations in property values and mill levies; identifying and obtaining additional revenue sources, and using forecasting and revenue ratios to identify whether rates and user fees are adequate.

September 2019: In September of 2019, the City Commission approved the current purchasing policy, which the City utilizes. Since adoption, there have been changes in operations and purchasing that have made aspects of the policy obsolete. In addition, items previously omitted have been added. At the request of the Commission, Finance staff revised the policy. They include increasing the threshold for construction bonds, changes to the Affirmative Action procedure, the addition of Request for Information policies, and ethics section.

October 2020: In October 2020, the Commission approved a revised Investment Policy in order to expand the types of investments the City may participate in to include Certificates of Deposit Registry Service (CDARS)-type of investments. It also identifies other additional types of allowable investments. The main objectives of safety, liquidity, yield, and local investments remain unchanged, as do collateralization requirements and other internal control measures.

During 2020-2021, the Finance staff will propose the following policies: Cash Management, Capital Planning, and Grant Management for consideration and approval by the Commission. Summaries of these policies can be found on page 317.

Fund Structure

The City of Leavenworth has established several funds that are organized in accordance with generally accepted accounting principles (GAAP) for reporting purposes. The activities of each fund are accounted for by providing a separate self-balancing set of accounts that includes assets, liabilities, fund balance, revenues, and expenditures. The City has the following types of budgeted funds:

General Fund: The general fund is the main operating fund of the city, which accounts for all financial resources not accounted for or reported in another fund. The majority of the City's current operations are financed by the general fund.

Special Revenue Funds: These funds account for revenues derived from specific sources that are designated for particular functions or activities. The City budgets the following special revenue funds:

- **Recreation Fund:** This fund is used to account for cultural and recreational activities of the City. Its resources are generated from ad valorem property taxes, sales taxes, and user fees.
- **Economic Development Fund:** This fund is used to account for the City's economic development activities. Its resources are generated from a 15% allocation of the County Wide sales tax.
- **Special Highway Fund:** This fund accounts for the activities of the street department and derives its revenues mostly from a state fuel tax.
- **CIP Sales Tax Fund:** This fund accounts for the activities related to the ½-cent permanent sales tax dedicated for capital improvements.
- **County Wide Sales Tax Fund:** This fund accounts for the receipt and disbursement of sales tax revenues resulting from a one-cent County Wide sales tax enacted by Leavenworth County.
- **Convention & Visitors Bureau:** This fund accounts for the activities of the tourism department. Revenues consist of transient guest taxes for the promotion of tourism and conventions.
- **Probation Services Fund:** This fund accounts for the Probation Department. Resources are generated from 1/3 of the state liquor tax allocation and user fees.
- **Business & Technology:** This fund accounts for the activities of maintaining the Business & Technology Park.
- **Community Grant Program:** This fund accounts for the activities associated with the mitigation of COVID-19 in the community.

Debt Service Funds: The debt service fund is used to account for the receipt of revenues and disbursement of principal and interest on the outstanding debt. Resources come from property taxes and transfers from other funds related to specific projects.

Enterprise Funds: These funds are used to account for operations that are financed and operated in a manner similar to private business enterprises. Budgeted enterprise funds include:

- **Sewer Fund:** This fund accounts for all activities necessary to provide sewer services to the citizens.
- **Refuse Fund:** The refuse fund accounts for activities necessary to provide refuse collection and disposal services to the citizens.
- **Storm Water Fund:** This fund accounts for the activities related to the impact fee dedicated for storm water capital improvements.

Fiduciary Funds: These funds are collected and held on behalf of others and are not available for use in support of the City's activities. The City budgets the following types of fiduciary funds:

- **Pension funds:** These funds are used to report resources that are held in trust for members and their dependents related to pensions. The City provided and administered a single-employer defined pension plan for police officers and firefighters. The plan was established by ordinance in 1945. In 1971, the City affiliated with the Kansas Police and Firemen's Retirement System (KP&F). At that time, the plan became closed to new entrants. All members were given the option of joining KP&F or remaining with the City Plan. The General Fund absorbs all administrative costs. As of June 30, 2020, the plan consists of four (4) beneficiaries. The City budgets for the following Pension Plans:
 - **Fire Pension:** This fund accounts for the activities related to the payment of pension benefits to retired firefighters and/or their dependents. Revenue supporting this activity comes from ad valorem property taxes.
 - **Police Pension:** This fund accounts for the activities related to the payment of pension benefits to retired police officers and/or their dependents. Revenue supporting this activity comes from ad valorem property taxes.
- **Agency funds:** This type of fiduciary fund accounts for resources held by the City in a custodial capacity, on behalf of its component unit, the Leavenworth Public Library and the various TIF districts. The City budgets for the following Agency funds:
 - **Leavenworth Public Library:** This fund accounts for the levying, collecting, and disbursement of ad valorem property taxes in support of the

library activities. Current City Ordinance limits the mill to 3.75 for the Library general operations.

- **Library Employee Benefit Fund:** This fund accounts for the levying, collecting and disbursement of ad valorem property taxes related to the payment of employee benefits such as Kansas Public Employee Retirement System (KPERS), health insurance and other employee benefits in support of the Leavenworth Public Library employees. There are no constraints upon levying the necessary millage to support the library employee benefits.
- **Tax Increment Fund-Auto Incentives :** This fund accounts for the transactions related to automotive sales economic development incentives. Revenues come from a portion of the City sales tax, CID's, and property tax abatements on the improvements above the base year valuations.
- **Tax Increment Fund-Hotels Incentives:** This fund accounts for the transactions related to Hotel economic development incentives. Revenues come from property tax abatements on the improvements above the base year and in late 2017, a CID established specifically for the First City Hotel.
- **Tax Increment Fund - Retail Incentives:** This fund accounts for the receipt and disbursement of sales tax revenues related to the 2001 tax increment-financing project and any future retail related TIF districts.

While the City maintains Capital Project Funds, they are not required to be budgeted by State statutes, but are required to report actual expenditures. The City budgets them for internal control purposes and they are reported in the Comprehensive Annual Financial Report (CAFR.)

The City also maintains funds that are funded by federal funds that are not required to be budgeted by State Statutes. These funds are also required to report actual expenditures to the state and are budgeted for internal control purposes. They are reported in the Comprehensive Annual Financial Report (CAFR.)

In addition to the fund types mentioned above, the City's fund structure includes **departments**, which is a group of related operations within a functional area; **divisions**, which are segments within a department that are assigned specific operations; **categories**, which are classifications of specific revenues and expenditures; and **account lines**, which are specific revenue and expenditure types.

The revenue structure used in the City's budgeting and accounting system is by fund, function, department, division, category, and object. The revenue object number designates a specific revenue source that is applied consistently throughout the funds. The expenditure structure is set up similar to the revenue structure. The expenditure object number designates a specific expenditure type that is applied consistently throughout the funds.

Fund, Department, and Division Structure:

<u>Budgeted Funds</u>	<u>Fund #</u>	<u>Department</u>	<u>Division</u>
General Fund	1101	Administration	Commission City Manager Legal Municipal Court Contingency Airport Civil Defense City Clerk Human Resources Finance General Revenue (Gen Gov't) Information Technology City Wide Code Enforcement
		Police	Police Admin Police Operations Police Dispatch Animal Control
		Fire	Fire Admin Fire Suppression Fire Prevention
		Public Works	Engineering Buildings and Grounds Library Maintenance Inspections Street Lighting Garage Service Center
		Comm & Ec Dev.	Planning & Zoning Rental Coordinator Program

Fund, Department, and Division Structure (continued):

<u>Budgeted Funds</u>	<u>Fund #</u>	<u>Department</u>	<u>Division</u>
Special Revenue:			
	2113	Administration	Conv & Visitor's Bureau (CVB)
	2117	Administration	Probation
	2304	Public Works	Street & Alley Maint. Traffic Control
	2502	Parks & Recreation	Recreation Aquatics Performing Arts Parks Riverfront Park Community Center Community Center Maintenance
	2603	Comm & Ec Dev	Economic Development
	2618	Comm & Ec Dev	Business & Tech Park
	2905	CIP Sales Tax	Capital Improvements
	2906	County-Wide S. Tax	Capital Projects
Enterprise Funds:			
	4340	Public Works	Sewer
	4344		Refuse
	4346		Refuse Restricted
	4941		Storm Water Capital Projects
Debt Service	5820	Debt Service	Debt Service
Fiduciary Funds:			
	8180	Administration	Fire Pension
	8182		Police Pension
Agency Funds:			
	8510	Administration	Library
	8512	Administration	Library Employee Benefit
	8607	Economic Develop	TIF-Auto Incentives
	8608	Economic Develop	TIF-Hotels Incentives
	8609	Economic Develop	TIF-Retail Incentives

The relationships between City funds and functions are shown in the matrix below:

Funds	Function							
	Gen. Gov't	Public Safety	Public Works	Culture & Rec.	Housing & Urban Dev	Debt Serv.	Public Utilities	Com & Eco Dev.
General Fund	*	*	*		*	*		*
Parks & Rec				*				
Economic Development						*		*
Street			*					
Streets Capital Projects			*					
CIP Sales Tax	*	*	*	*	*	*	*	*
County Wide Sales Tax	*	*	*	*	*	*	*	*
TIF-Zeck								*
TIF-Hotels						*		*
TIF-Home Depot								*
CVB	*			*				*
Probation	*							
Bus/Tech Pk								*
Debt Service						*		
Sewer						*	*	
Refuse							*	
Refuse Restricted							*	
Storm Water			*			*		
Pension Funds		*						
Agency Funds				*				

Budget Process

Development

Preparing and adopting an annual budget is the most important responsibility of the Commission and its management team. A budget is an operating plan that identifies likely sources and uses of resources and helps assess the effect they have on the City's financial position.

Benefits of budgeting includes:

- Providing the authority to levy taxes
- Providing spending authority
- Implementing Commission policies and priorities
- Providing an opportunity to monitor and adjust activities as necessary
- Acknowledging and complying with legislative requirements
- Helps focus on future operations

The City of Leavenworth's budget process is a cooperative effort between the City Commission, City Manager, Finance, and Department Directors. In June 2020, the Commission met with the City Manager and each Department Director to establish the goals for 2021. These goals, discussed in more detail in the section on Community Focus are the basis for the 2021 budget. The goals focused on the following activities:

- Economic development
- Community improvement
- Public Safety
- Infrastructure
- Outreach and Transparency

Budget phases

- Goal setting session with the Commission
- Budget Committee review of parameters for revenues and expenditures
- Finance Department review and analysis of revenues; forecast revenue projections and open the budget application for department requests
- Budget Committee review of requests with Department Directors
- Review department requests and outside entity requests with Commissioners
- Finance Department update results, publish the notice of public hearing
- Hold public hearing and adopt the budget
- Transmit the approved budget to the County for certification

Budget Calendar

Kansas Statutes require that the governing body must notify the public and conduct a public hearing for the purpose of answering questions of taxpayers about the budget. The public hearing is an opportunity for citizens to have input into the budget. The Notice of Public hearing must be published along with a summary of the proposed budget at least ten days prior to the public hearing.

2021 Budget Calendar:

March 30 th , 2020	Department Directors begin budget requests
April 30 th , 2020:	Department requests are due to Finance
June 2 nd , 2020:	Goal Setting Session with Commission ¹
June 8 st - 12 th 2020:	Department meetings with City Manager and Finance
July 3 rd 2020:	Budget Books to Commission
July 10 2020:	Department meetings with Commissioners
July 22, 2020:	Publish the Notice of Public Hearing
August 11, 2020:	Public Hearing and adoption of the 2020 Budget
August 25, 2020:	2021 Adopted budget to the County Clerk

Budget Amendment Process

The level of budgetary control is at the fund level. Expenditures cannot legally exceed the appropriated fund amount. Municipalities are authorized by K.S.A. 79-2929a to amend budgets to spend money, not in the original budget. The additional expenditures must be made from existing revenues and cannot require additional tax levies. Before amending the budget, revenues should be analyzed to ensure the revenue source is included in the budget. A budget amendment is not required if the receipt comes from a source exempt by statute from the budget law. Federal and state grants do not require a budget amendment.

If a budget amendment is necessary, there must be a notice of public hearing similar to the original budget process. Ten days after public hearing notice has been published, the public hearing is held and the governing body may approve the amendment. Amendments to the budget can be made throughout the year, but all budget amendments that are going to be made must be completed by December 31st of the current year.

¹ Commission Goal Setting session was originally scheduled for March 27th. Due to COVID-19, it was moved to June 2nd. Finance Staff aligned the budget to the goals of the Commission. The public hearings are open to all citizens of Leavenworth.

Basis of Budgeting

The City budgets according to Kansas cash basis budget laws (K.S.A. 10-1116), which requires that cash be on hand before incurring an obligation. The City maintains its financial system in such a manner that ensures compliance with those laws and with generally accepted accounting principles (GAAP). Kansas budget law requires that the annual budgeted resources and uses be balanced, but allows the use of un-appropriated cash carryover to balance the budget, if necessary. However, the City is committed to maintaining an acceptable minimum reserve level. Therefore, only the portion of unrestricted cash balances that exceeds the minimum reserve level identified in the City's Budgetary Reserve Policy will be used to offset shortfalls between anticipated revenues and expenditures.

The annual budget is a line item budget that shows anticipated revenues and expenditures by fund, function, department, division, category, and object. The budget document itself, contains the prior year (2019) actuals, current year (2020) estimates, and the adopted budget for the 2021 year.

Kansas budget law requires that the General Fund, Special Revenue funds, Debt Service funds, and certain Enterprise funds be budgeted, unless exempted by specific statute. Statutory exemptions exist for all Capital Project funds, Fiduciary funds, certain Special Revenue funds, and certain Proprietary funds. The City budgets ten governmental funds, four enterprise funds, and eight fiduciary funds. The budgeted governmental funds do not include three capital project funds, five grant funds, and two fiduciary fund (although they are budgeted internally to show compliance with federal grant requirements and for internal control purposes) which are included in the audited annual financial statements.

The following table shows the City funds, some of which are budgeted and some of which are not:

<p>Budgeted Governmental Funds:</p> <ul style="list-style-type: none"> General Fund Debt Service Fund Recreation Fund Special Highway Fund Economic Development Fund Convention & Visitors Fund Probation Fund CIP Sales Tax County Wide Sales Tax Business & Technology Fund Community Grant Fund 	<p>Budgeted Enterprise Funds:</p> <ul style="list-style-type: none"> Sewer Fund Refuse Fund Refuse Restricted Fund Storm Water Fund
---	---

<p>Budgeted Fiduciary Funds:</p> <ul style="list-style-type: none"> Fire Pension Fund Police Pension Fund Library Fund (Agency Fund) Library Employee Benefit Fund (Agency Fund) TIF-Auto (Agency Fund) TIF-Hotels (Agency Fund) TIF-Retail (Agency Fund) 	<p>Unbudgeted Governmental Funds:</p> <ul style="list-style-type: none"> Capital Improvement Fund Capital Project Fund Streets Capital Project Fund Planters II Fund Section 8 Housing Fund Community Development Special Project Fund Police Seizure Fund Police Grants Fund 	<p>Unbudgeted Fiduciary Fund:</p> <ul style="list-style-type: none"> Special Park Gift Fund Park Foundation
--	--	---

While Capital Projects funds are not required to be budgeted, City staff prepares and presents a separate five-year capital project plan to the City Commission for approval every year. The Capital Improvement Plan is included in this document on page 247.

Basis of Accounting

Although the budget is prepared in accordance with Kansas cash basis budget laws, the annual reports for the governmental funds are prepared using the modified accrual basis of accounting. Revenues are recognized when they become measurable and available to pay current liabilities. All other revenues are recognized when received in cash, except that revenues material in amount that have been earned but not received during the current period are accrued, and revenues received in advance are deferred. Revenues susceptible to accrual include sales taxes, property taxes, use taxes, franchise fees, interest income.

Expenditures are recognized when the liability is paid, except for accrued sick and vacation leave, which is treated as an expenditure when paid. Principal and interest on general long-term debt is recognized when due.

Enterprise funds are reported on an accrual basis. This method recognizes revenues when earned and expenses are recorded when the liability is incurred.

Differences between the basis of budgeting and the basis of accounting include:

- Compensated absences-are adjusted annually through the accrual process but are not budgeted. They are usually absorbed by employee turnover when paid out.
- Debt repayments-principal and interest are budgeted as an expense, but at year end the principal portion of the liability is adjusted.
- Depreciation- is a non-cash expense, which is not budgeted but is recorded as an accrual at year end in the proprietary funds.
- Encumbrances are recorded as a reserve of fund balance on a modified accrual basis but are recorded as a reserve of budgeted funds on a budget basis.
- Revenue accruals- at year end tax revenues are accrued when they become collectible but are usually collected during the coming year. The accruals are adjusted so the effect is twelve months of revenue matching twelve months of budget.

The City has received the GFOA Certificate of Achievement for Excellence in Financial Reporting for the year ended December 31, 2018, which is the 25th consecutive year the City has received this prestigious award. The 2019 CAFR has been submitted for review.

The City has received the GFOA Distinguished Budget Presentation Award Program for the 2020 Budget.

Basis of Reporting

Department Directors have access to their department financial information at all times and are responsible for monitoring their budget status and notifying Finance of corrections or unseen events that will require budget changes. In addition, Finance reviews the entire organization's budget to actuals on a monthly basis. The Finance Director reports monthly to the City Manager. Financial reports are made available to the Commission upon request, but no less than semi-annually.

2021 Summary of All Budgeted Funds

City of Leavenworth, Kansas
Adopted Budget Summary

	Governmental Funds				Enterprise Funds		Totals
	General Fund Major	Debt Svc Fund Major	Non-Major Funds	Fiduciary Funds Non-Major	Public Utilities Major		
Revenues							
Total Taxes	\$ 15,916,777	\$ 2,026,490	\$ 8,333,861	\$ 1,313,551	\$ -	\$ -	\$ 27,590,679
Total Intergovernmental	\$ 86,648	\$ -	\$ 1,142,106	\$ -	\$ -	\$ -	\$ 1,228,754
Total Licenses and Permits	\$ 457,333	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 457,333
Total Charges for Services	\$ 2,539,757	\$ -	\$ 834,322	\$ -	\$ 8,563,853	\$ -	\$ 11,937,932
Total Miscellaneous	\$ 360,361	\$ -	\$ 426,894	\$ 5,000	\$ 8,000	\$ -	\$ 800,255
Total Special Assessments	\$ 43,963	\$ 73,810	\$ -	\$ -	\$ -	\$ -	\$ 117,773
Total Revenues	\$ 19,404,839	\$ 2,100,300	\$ 10,737,183	\$ 1,318,551	\$ 8,571,853	\$ -	\$ 42,132,726
Expenditures							
Total Personnel	\$ 15,082,850	\$ -	\$ 2,973,127	\$ 152,674	\$ 2,342,389	\$ -	\$ 20,551,040
Total Contractual Svc	\$ 3,339,524	\$ -	\$ 3,618,424	\$ 1,275,915	\$ 2,769,872	\$ -	\$ 11,003,735
Total Commodities	\$ 987,041	\$ -	\$ 502,045	\$ -	\$ 831,392	\$ -	\$ 2,320,478
Total Capital Outlay	\$ 38,305	\$ 200,400	\$ -	\$ -	\$ 3,438,837	\$ -	\$ 3,677,542
Total Debt Repayment	\$ -	\$ 3,383,891	\$ 98,978	\$ -	\$ 981,204	\$ -	\$ 4,464,073
Total Reserves	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Expenditures	\$ 19,447,720	\$ 3,584,291	\$ 7,192,574	\$ 1,428,589	\$ 10,363,694	\$ -	\$ 42,016,868
Net Revenues Over (Under) Expenditures	\$ (42,881)	\$ (1,483,991)	\$ 3,544,609	\$ (110,038)	\$ (1,791,841)	\$ -	\$ 115,858
Other Financing Sources and (Uses):							
Transfers In	\$ 3,197	\$ 1,483,991	\$ 1,628,632	\$ -	\$ 9,545	\$ -	\$ 3,125,365
Transfers Out	\$ (133,500)	\$ -	\$ (6,401,368)	\$ -	\$ (9,545)	\$ -	\$ (6,544,413)
Bond Proceeds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Other Financing Sources (Uses)	\$ (130,303)	\$ 1,483,991	\$ (4,772,736)	\$ -	\$ -	\$ -	\$ (3,419,048)
Net Increase (Decrease) in Cash Balance *	\$ (173,184)	\$ -	\$ (1,228,127)	\$ (110,038)	\$ (1,791,841)	\$ -	\$ (3,303,190)
Beginning Cash Balance	\$ 3,135,354	\$ 361,513	\$ 3,438,659	\$ 636,038	\$ 3,993,955	\$ -	\$ 11,565,519
Ending Cash Balance	\$ 2,962,170	\$ 361,513	\$ 2,210,532	\$ 526,000	\$ 2,202,114	\$ -	\$ 8,262,329
% Change	-5.52%	0.00%	-35.72%	-17.30%	-44.86%	-	-28.56%

Notes on the One Year Summary of Financial Sources and Uses

* For the ad valorem tax funds, 1.2% delinquency rate was calculated for purposes of establishing the mill but the reason for this is to compensate for the estimated change in the collection rate.

Transfers In/Out do not balance because some of the transfers are between non-budgeted funds.

Kansas Statutes require that the budget be balanced so sources and uses must match, but the statutes also allows unencumbered cash to be used to offset shortfalls between revenues and expenses.

General Fund:

Due to the COVID-19 pandemic, 2020 revenues were anticipated to be lower than originally budgeted, especially sales tax, which is 45% of General Fund. Operating revenues, and 2021 sales taxes were budgeted to be flat, which results in a 5.52% reduction of fund balance. However, 2020 sales tax distributions are 2.1% higher than 2019, indicating we may have underestimated sales tax revenues through the end of 2020 and for 2021. If this trend holds true, the General Fund will not experience a 5% reduction of reserves.

Debt Service Fund:

(1) The budgeted amount is planned so that the reserve level stays the same.

Non-Major Funds:

(1) In 2019, the City began a new City Festival, which was funded from excess CVB reserves. In 2020, the event was scaled down considerably due to COVID -19. It is anticipated that 2021 will have the same results as 2019 because it will be the same as starting over again.

(2) Based on projections from the travel and tourism industry, it will be 2023 before it recovers from the impact of the pandemic.

(3) The City Probation Department provides probation services for several cities in Leavenworth County. The City allocates the cost of those services to other cities based on their caseload. Subsequent to establishing the allocation of services, one City withdrew from the agreement, but it was too late in the budget process to notify other cities that the ratio had changed, so the City of Leavenworth decided to fund the difference from reserves.

(4) In the Streets Fund, the amount in the Capital Reserve line is dedicated for infrastructure and, therefore, not available for operations. The COVID-19 shutdown resulted in fewer people traveling, which had a negative impact on the revenues generated for street operations. The transfer from General Fund is intended to offset the shortfall of revenues and operating expenditures.

(5) The reserve amount of \$744,745 is from FFE (federal funds exchange); is restricted for capital projects; and is not available for operations. In 2021, those monies are budgeted to be moved to a capital project fund along with \$374,000 from the miscellaneous revenues budget, which represents the amount of 2021's distribution of FFE monies.

Fiduciary Funds:

(1) The City budgets four (4) fiduciary funds-2 of which are actually agency funds. The Agency Funds are the Library and Library Employee Benefit Funds. The Library is a discretely presented component

unit of the City and by ordinance, the City is required to levy ad valorem property taxes on behalf of the Library. These revenues are not available for City operations.

(2) The City budgets two (2) pension funds that are supported by ad valorem property taxes. The Police and Fire Pension plans were established in 1945 to provide retirement benefits for police officers and firemen. In 1971, the City became affiliated with the State police and fire retirement system (KP&F); current members were given the option to join the State retirement system or stay with the City; however, no new personnel could enter this plan. There are currently three active members. There are several years of reserves in those funds because the City has historically levied enough property taxes to fund the annual payments. Since the goal was to keep the levy flat, and because there are excessive reserves in these two funds, the 2021 budget reduced the levy for these two funds by 0.375 and will draw on reserves to make up the difference.

Enterprise Funds:

(1) The Enterprise funds include the Sewer Fund, Refuse Fund, and Stormwater Fund. The revenue sources are user fees and an impact fee. The Sewer Fund (Wastewater Treatment Plant) provides services to the Veteran's Hospital (VA), Fort Leavenworth, and the United States Penitentiary (USP). In the past three years, the revenues from the VA has declined due to some conservation efforts and system efficiencies that reduce the materials that flow into the City's treatment system. Within the past two years, changes at the Fort and USP have also led to efficiencies that reduce the flow into the City's system, thereby reducing revenues.

(2) The Sewer Fund needed a 6% rate increase to keep reserve levels consistent, however, due to the impact of COVID-19 on residents, the Commission opted only to raise rates by 3%. Therefore, for 2021, the sewer fund reserves are anticipated to decline by 3%.

(3) Due to COVID-19, the City took advantage of extremely low-interest rates and refunded the outstanding bonds paid by the sewer fund. The refundings were structured so that the interest savings were recognized upfront. This saved the City about \$44,000 in the 2021 budget.

(4) The Stormwater Fund shows the largest change in reserve level at (70%). This is due specifically to capital projects that were started in 2020 but won't be finished until 2021. Additionally, the City issued bonds to pay for two projects in 2020, and the first bond payment will be in 2021.

(5) The largest increase in reserve levels is in the Refuse Fund. In 2017, based on the long-term financial plan, the City began gradually raising refuse rates because landfill rates were increasing and the Great Recession had put the vehicle replacement plan significantly behind schedule.

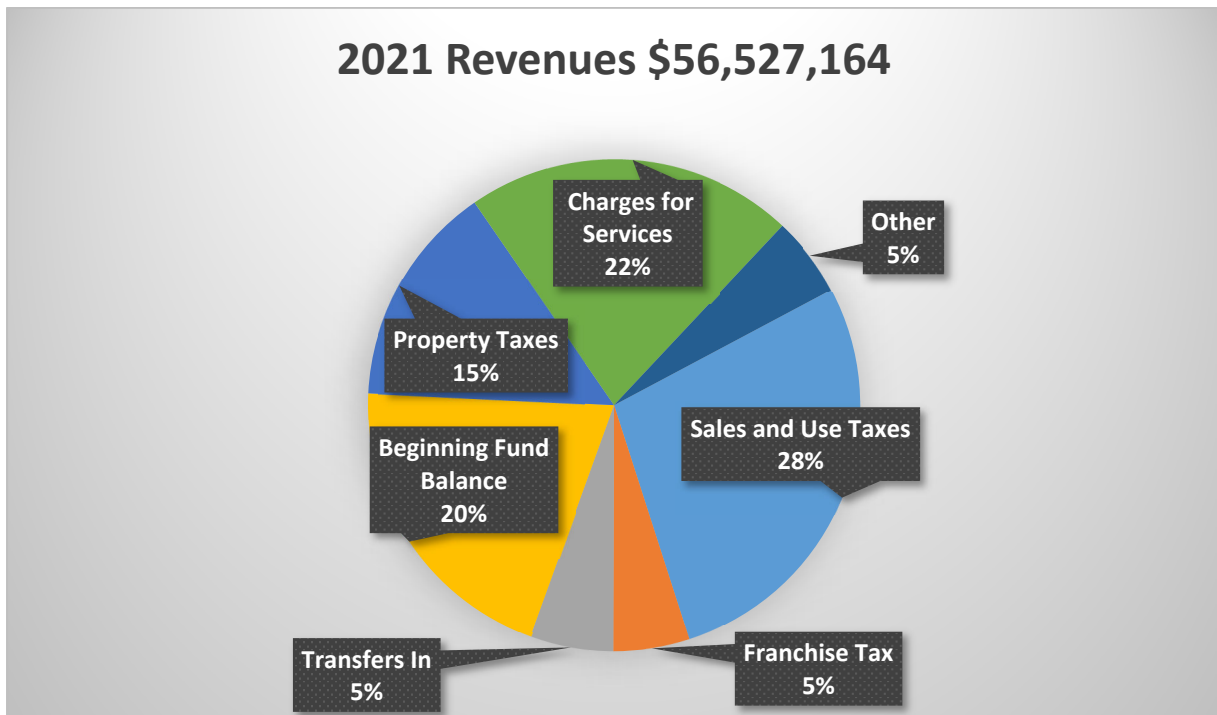
In 2018, in response to the county landfill rates doubling, the City went out to bid for landfill services. The savings was significant (almost \$20 per ton.) The City purchased two new refuse trucks (one in 2018 and one in 2020) and plans to replace the third truck in 2022. The increase in reserves is for the purchase of the third truck in 2022 and to meet the reserve level to the Commission approved level in the Reserve policy. This also allowed the City keep the refuse rates the same in 2021 as they were in 2020.

(6) In the early 1990's the City closed its landfill and the EPA mandated the City to implement remediation activities. At that time, the City established a separate fund to track those activities. However, the Refuse Fund transfers monies to pay for those activities. In recent years, the requirements of maintaining the landfill have decreased, and there is no need to maintain a separate fund to track those activities as long as they are adequately documented in the Refuse Fund. Therefore, 2021 reflects the closure of the Refuse Restricted Fund and the consolidation of those activities into the Refuse Fund.

(7) The 2021 Refuse budget also reflects the implementation of phase I of the Commission goal to enhance and improve the recycling center.

Total Budgeted Resources

The City's total resources for 2021 is \$ 56,527,164. Of this amount, \$3.1 million comes from Interfund Transfers, and \$11.5 million comes from prior years' funds, \$15,073,759 comes from sales and use taxes, \$12,337,572 comes from Charges for Services, \$8,360,731 comes from property taxes. While the City receives revenue from various sources, seventy-five percent of revenue is collected into one of six main funds: The General Fund, the Sewer Fund, Debt Service Fund, County-Wide Sales Tax, CIP Sales Tax, and Refuse Fund. The following chart shows the City's total 2021 budgeted revenues by source and the percentage of total revenues each source represents:



Of the many sources of revenues available to the City, the four primary sources are Sales Taxes, Charges for Services, Property Taxes, and Franchise Taxes, in that order.

Sales and Use Taxes:

Sales Taxes are taxes paid on the sales of specific goods and services. Use taxes are sales tax on purchases made outside of the state of residence for taxable items that will be used, stored, or consumed in the state of residence of the purchaser. No tax was collected in the state of purchase. In June 2018, the Supreme Court overturned a 1992 ruling that exempted internet sales from collecting sales tax and gave states the authority to collect sales taxes on e-commerce companies just as they do any other retailer, whether they have a physical presence in the state or not. It is estimated that cities and counties in Kansas could benefit from an additional \$32 million per year. Proponents note that it is not an additional tax; it is just collecting what is already due. Those opposed state that it would negatively impact small businesses that rely heavily on e-commerce.

The Kansas legislature adopted legislation designed to comply with the requirements of the Streamlined Sales Tax Project. The Streamlined Sales Tax Project is a combined effort among states and businesses to establish uniformity in states' sales tax laws and addresses concerns related to merchants collecting and remitting sales tax on remote sales. Retailers are required to use destination-based sourcing to identify sales taxes to collect and remit on their sales.

Currently, sales and use taxes are the City's leading source of revenue at twenty-eight percent. It is also the most susceptible to fluctuations due to economic conditions, which makes it difficult to project. The large federal presence from the Fort, Dwight D. Eisenhower Veteran's Medical Center, the military disciplinary barracks, and the U. S. Federal Penitentiary stabilizes this source's revenues.

The State of Kansas caps all cities' sales tax rate at 2%. The City of Leavenworth's sales tax rate is 2%. In 1977, the Commission passed Ordinance 6393 that created the original permanent ½ percent sales tax. In 1984, Ordinance #26 passed, increasing the sales tax by another permanent ½ percent. In 2014, the citizens voted to increase the City sales tax by another one percent to stabilize the property tax levies (Ordinance #7943). Community Improvement Districts (CIDs) located within the City are allowed to and charge an additional amount above the City's two percent sales tax. However, those revenues are not available for operations. Therefore, they are only included in this discussion because the City receives and disburses those taxes to the recipient.

There are several TIF districts also located within the City, which receive rebates of a portion of the sales tax their business generates. These are also not available for operations. Therefore, they are only part of this discussion because the City receives and disburses those taxes to the recipient. These economic development incentives are discussed in more detail on page 64 of this document.

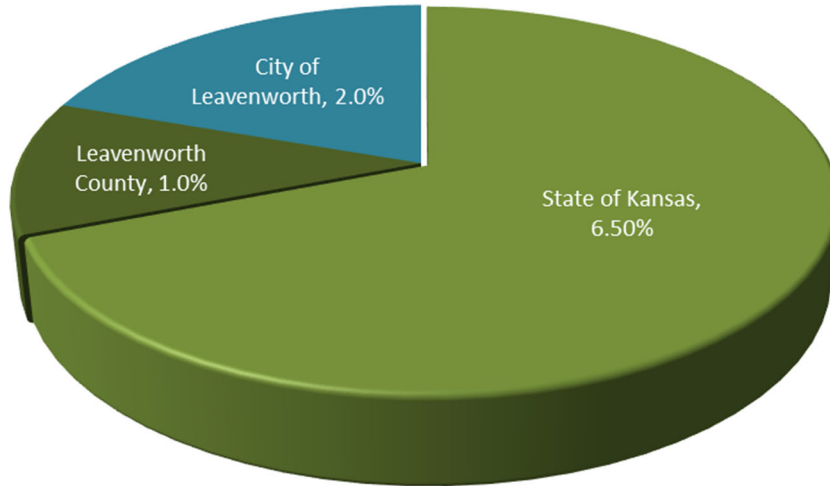
In 2015, the citizens passed the ballot for one percent County Wide sales tax. The City receives a portion of the County-Wide sales tax, as does each City within Leavenworth County. The Commission approved Charter Ordinance 54, which specifies how the City's portion of the County-Wide sales tax will be used.

The allocation of County Wide sales taxes is based on a formula of population and levied taxes. As mentioned earlier, in 2014, residents of the City of Leavenworth passed a permanent one percent sales tax to stabilize property tax levies. In 2015, the City reduced property tax mill rates by 21 mills. This reduction in mill rates

resulted in a significant reduction (\$4.0 million) of the amount of property taxes levied, which reduced the amount of County Wide sales tax the City receives.

The overall sales tax rate for the City, excluding the CID's, is shown below:

Overall Sales Tax Rate - 9.50%



The City's portion of the sales tax rate is 2.0 percent and is earmarked as follows:

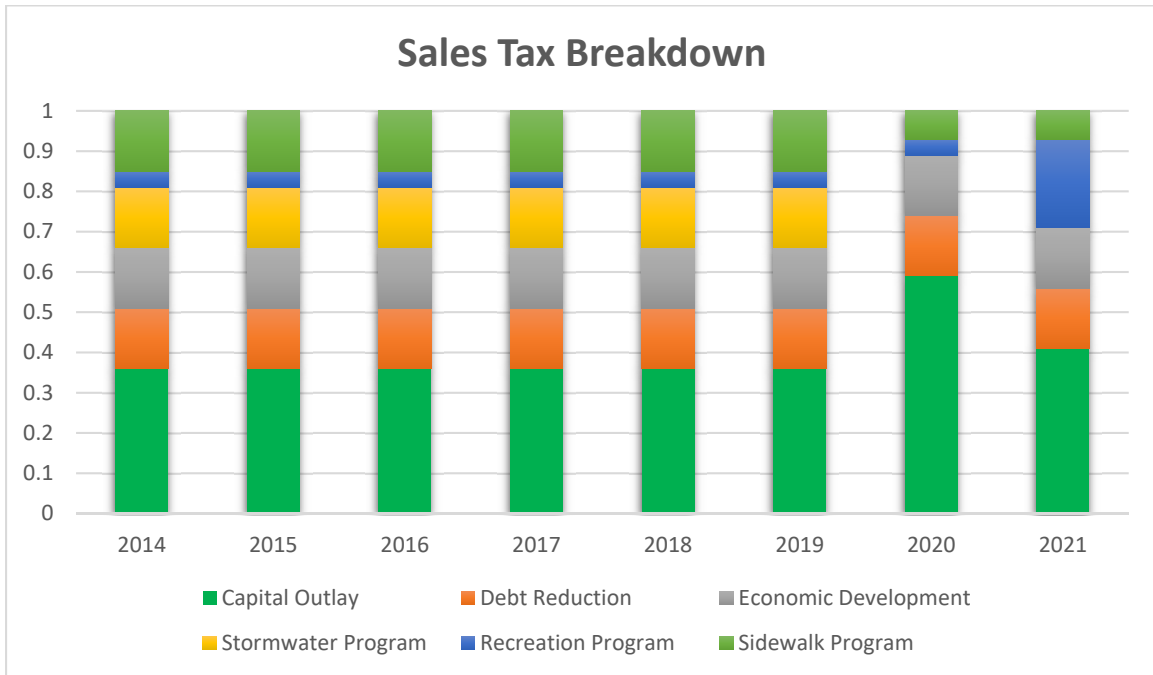
General Sales Taxes In Leavenworth		
<u>Purpose</u>	<u>Rate</u>	<u>End Date</u>
General Operations	1.75	Ongoing
Recreation Operations	.16	Ongoing
Capital Outlay	.09	Ongoing
TOTAL	2.00	

In addition to the general operations and capital outlay supported by general sales taxes, there are five programs funded by the County-Wide sales tax, in accordance with Charter Ordinance

54. The Ordinance specifies that 15.0 percent must be allocated for debt service. It also specifies what else it can be used for but does not state the percentage of allocation. Beginning in 2020, the allocations will be:

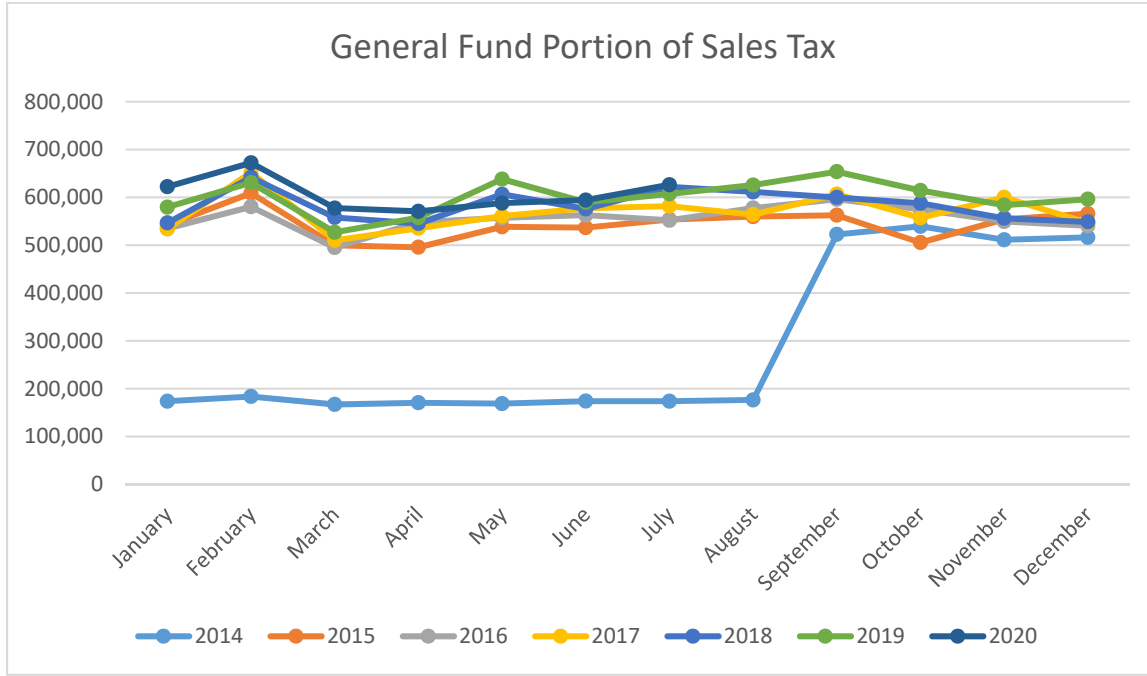
County Wide Sales Taxes In Leavenworth		
<u>Purpose</u>	<u>Rate</u>	<u>End Date</u>
Debt Reduction	.15	2035
Sidewalk Program	.07	2035
Economic Development	.15	2035
Capital Outlay	.63	2035
TOTAL	1.00	

The following graph shows the breakdown between resources available for operations and capital projects.

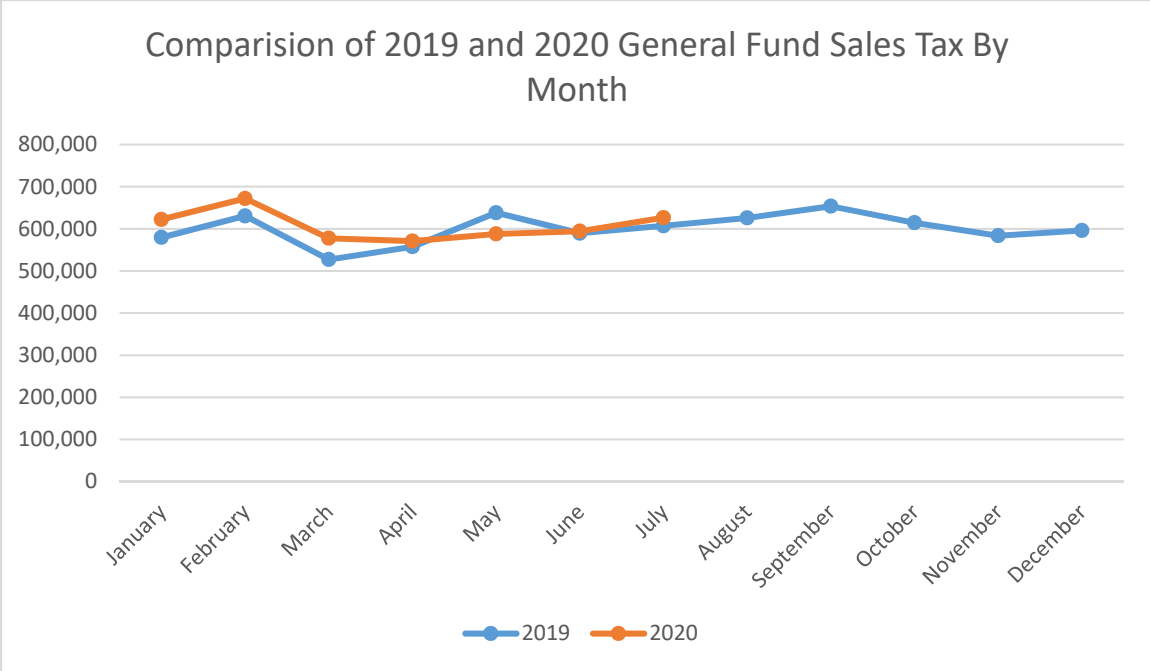


The 2021 budget includes \$15,896,832 of sales tax; of that amount, \$1,165,590 is related to TIF incentives and not available for operations. The 2021 estimates are based on annualized actuals received through August 2020. The 2021 estimates are based on flat revenue projections.

The graph below shows the trend of sales tax receipts since 2014. Prior to August of 2014, the sales tax rate was one (1) percent. However, the monthly fluctuations are still within the overall trends. 2015 through 2017 shows the same monthly trends as 2014 until October. Subsequent years show the same activity throughout the year.



The following chart shows the relationship between 2019 actuals and the higher levels of the 2020 year to date actuals while showing the same trends. The sales taxes for January and February were significantly higher for 2018 and 2019. The drop off was still apparent in March, but receipts didn't drop off as significantly in 2020 as they did in 2019. However, the City experienced a significant reduction in sales tax collection in April and May as a result of COVID-19. As of October 1st, the City sales tax collection has increase approximately 2.06 percent year-to-date. However, due to the economic uncertainty, the City is projecting a 2.6 percent increase in sales collection for 2020.

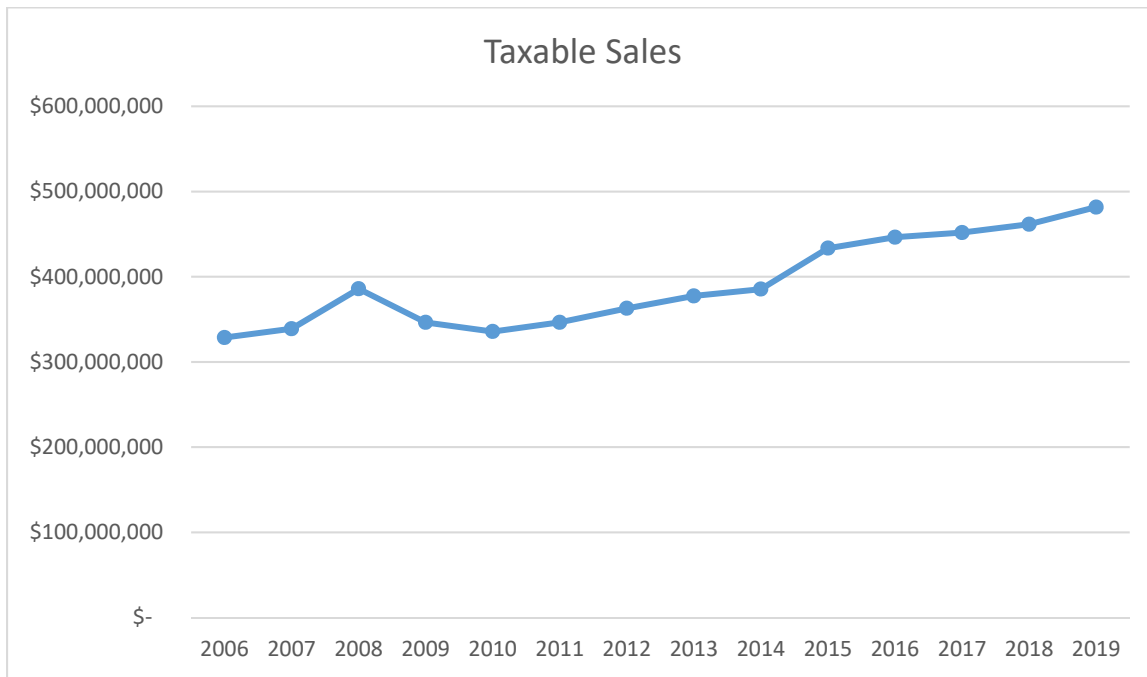


Taxable retail sales peaked in 2008, steadily declined through 2010, then began steadily increasing in 2011. Between 2014 and 2015, taxable retail sales increased sharply. This is coincidental to the additional one-cent sales tax and most likely relates to the construction of two new hotels. Since then, taxable retail sales have steadily increased, though at a slower rate. Considering the totals also include costs of inflation, not all the growth is due to increased volume.

The long-term financial plan assumed a 2.0% increase in sales tax, but the 2018 increase was 4.0 percent, and 2019 was approximately 4.0%. However, the 2021 budget is based on flat sale tax revenue.

The 2020 budgeted sales tax revenues was estimated to be 3.0 percent based on historical trends; however, due to the economic impact of COVID-19, it unlikely that the City will meet this projection.

The following graph shows the annual taxable sales for 2006-2018:



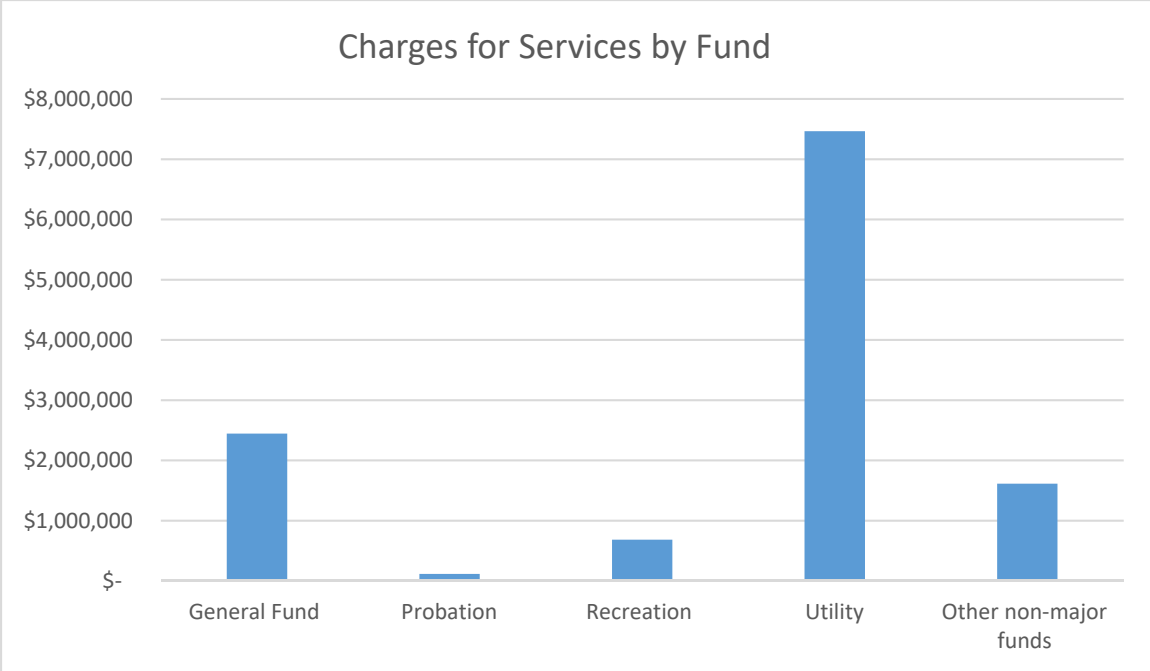
Source: KDOR

Charges for services

Charges for services are the second leading resource for the City at twenty-two percent of total revenues. These are consumption-based and include parks and recreation user fees, sewer and refuse fees, probation fees, and various general fund charges for services, including administrative fees and court fees.

The estimate for the 2021 charges for services is \$12,337,572. It is based on historical trends, a 3% percent increase in sewer rates, and no increase in refuse rates.

The City engages a third party to provide billing services for the sewer and refuse billings. The third-party reduces the remittance of collections to the City by the amount of their fee. To comply with the transparency goal established by the Commission, the 2021 budget includes the revenues and expenditures associated with this transaction.



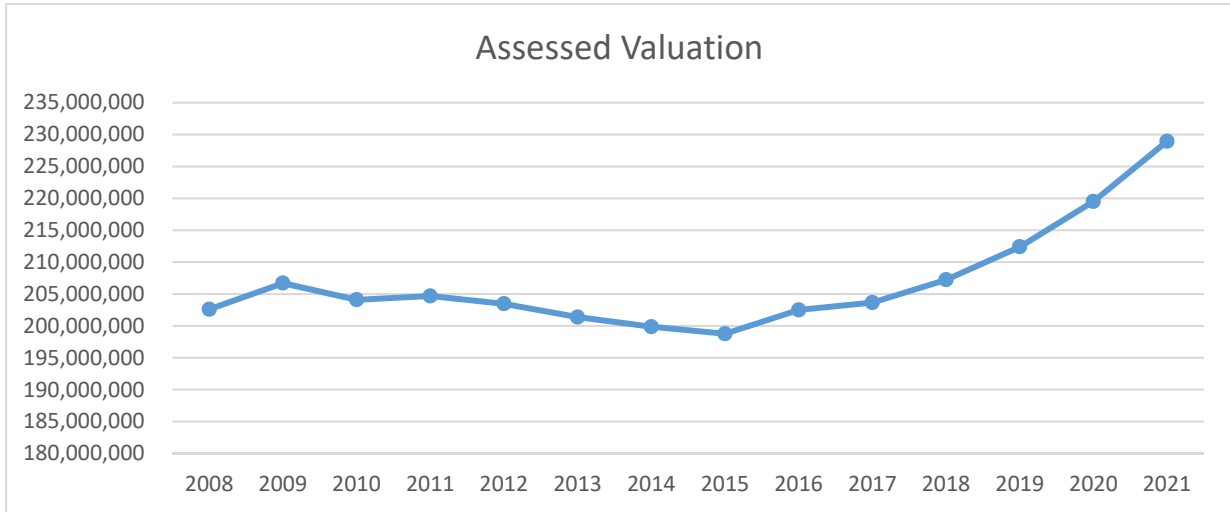
Property Taxes

Property taxes are an ad valorem tax meaning "according to value." There are two components to City property taxes: property values, which are determined by the County Assessor, and mill levy rates set by the City. The City determines the level of services for the upcoming year. It sets the property taxes at an amount that will pay for those services. Property taxes are the City's third-largest source of revenues at fifteen percent.

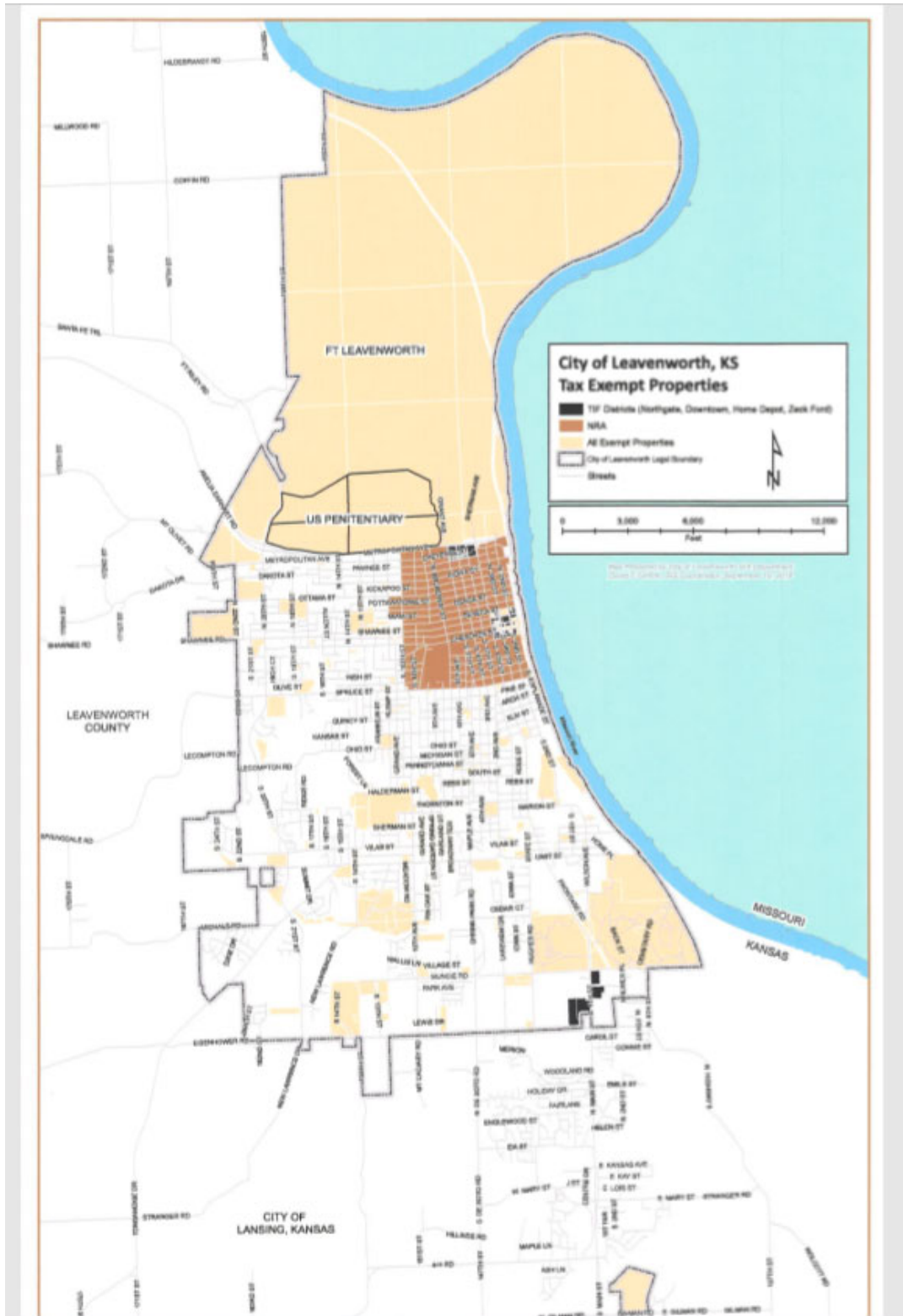
As mentioned earlier, the City has a strong federal presence that stabilizes the City's financial position. The properties where these facilities are located are exempt from property taxes and, therefore, not considered part of the assessed valuations. While federal properties are not part of the assessed valuation, this does not add an undue burden on the City because the City does not maintain the facilities or infrastructure on the federally owned properties. In addition to the federally-owned properties, there are other types of tax-exempt properties, such as state, county, city-owned properties; neighborhood revitalization areas (NRA's); tax increment financing (TIFs) areas; churches; and schools. Therefore, large sections of the City's incorporated area are not included in the assessed valuation.

Assessed valuations peaked in 2009 with a higher estimate for 2010 than was realized. Beginning in 2009, valuations driving the property tax collections experienced a significant decrease through 2010. 2011 increased a little, but after that, assessed valuations dropped significantly even with economic recovery predictions until 2016. While the 2016 valuation did not reach the 2009 levels, it is the first time in five years that it did not decrease. Since the housing crisis, lending practices have tightened, housing prices have stabilized, and the economy has continuously recovered. However, due to Covid-19, the unemployment rate in the County has exceeded 2009 levels. As of October 1st, 2020, According to the Kansas Department of Labor, unemployment in Leavenworth County peaked at 11.5%, far exceeding the peak unemployment rate

during the great recession. The 2020 valuations used to calculate the property taxes for the 2021 budget increased from \$219,502,504 to \$228,946,404. This is approximately 4.0% higher than the previous year; estimates in the long-term plan are based on a 2.5% increase in valuations.



The following depicts the tax-exempt, NRA, and TIF areas:



The second component of property taxes is the mills levied. From 2008 through 2010, when the valuations declined, the mill levy for the City did not increase to offset reduced property values. As mentioned earlier, in 2014, the Commission placed a one percent sales tax on the ballot for approval by the public. This allowed the City to reduce the total mill levy by twenty-one mills. Because the election took place too late to adjust the 2014 mill, the decrease in mills took place in 2015, as shown below.

For the 2021 budget, one mill generates approximately \$228,946. Historically, the City collects approximately ninety-seven percent of the taxes levied.

Valued for	Valuation	Mill Rate	Tax Dollars Collected
2014	199,870,247	52.029	10,133,604
2015	\$ 198,767,953	31.023	6,038,709
2016	\$ 202,499,606	31.027	6,117,804
2017	\$ 203,654,933	31.343	6,383,157
2018	\$ 207,227,412	31.343	6,300,166
2019	\$ 212,395,600	31.747	6,540,635
2020 (estimate)	\$219,502,504	31.729	6,964,499
2021 (budgeted)	\$228,946,404	31.806	7,282,123

In 2017, the mill increased from 31.027 to 31.343 to provide probation services to our citizens, which the City did not provide before. This service will continue indefinitely and is included in the 2020 budget in its special revenue fund. As shown in the graph above, the budgeted mill for 2018 was the same as in 2017. The 2019 mill increased slightly from 2018. The mill for City operations stayed the same; the increase is due to an

increase in the Library's Employee Benefits Fund, which is a pass-through. The Library is a component unit of the City; however, the City does not maintain the financial records of the Library. The 2020 mill decreased .018 from 2019. City operations increased by .124, and the Library benefit Fund decreased by .15 mill. In 2021 the levy increased by .078. The increase is largely a result of a .074 increase in the library employee benefit fund.

Understanding the Mill Levies and Taxing Units

A "mill" is equivalent to one-thousandth of a dollar (\$1 of tax per \$1,000 assessed valuation). Taxing units (cities, counties, school districts, etc.) identify their mill levy or tax rate as the minimum rate that can be applied against property values to provide revenue for the taxing unit for the budget. For the 2021 budget, the City of Leavenworth will assess a maximum mill levy rate of 31.806. Taxpayers can use a formula to determine their total tax burden for Leavenworth.

The following chart helps to describe the formula used for a \$150,000 residential property to determine total taxes due for Leavenworth for the 2021 budget year:

2021 Formula

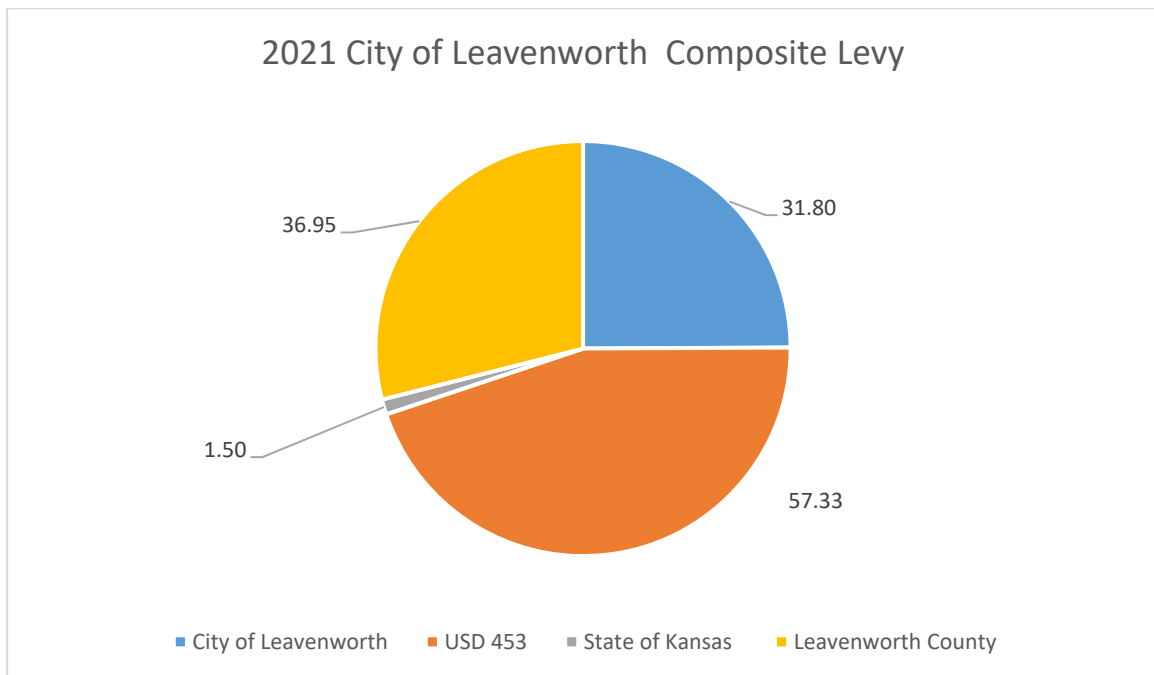
Appraised Value		Residential Assessment Rate (Percentage)		Total Levy Rate (Mills/1,000)		Total Due (Dollars)
\$150,000	X	11.5%	X	.0318	=	\$548.55

Several factors affect the amount of ad valorem taxes available for use:

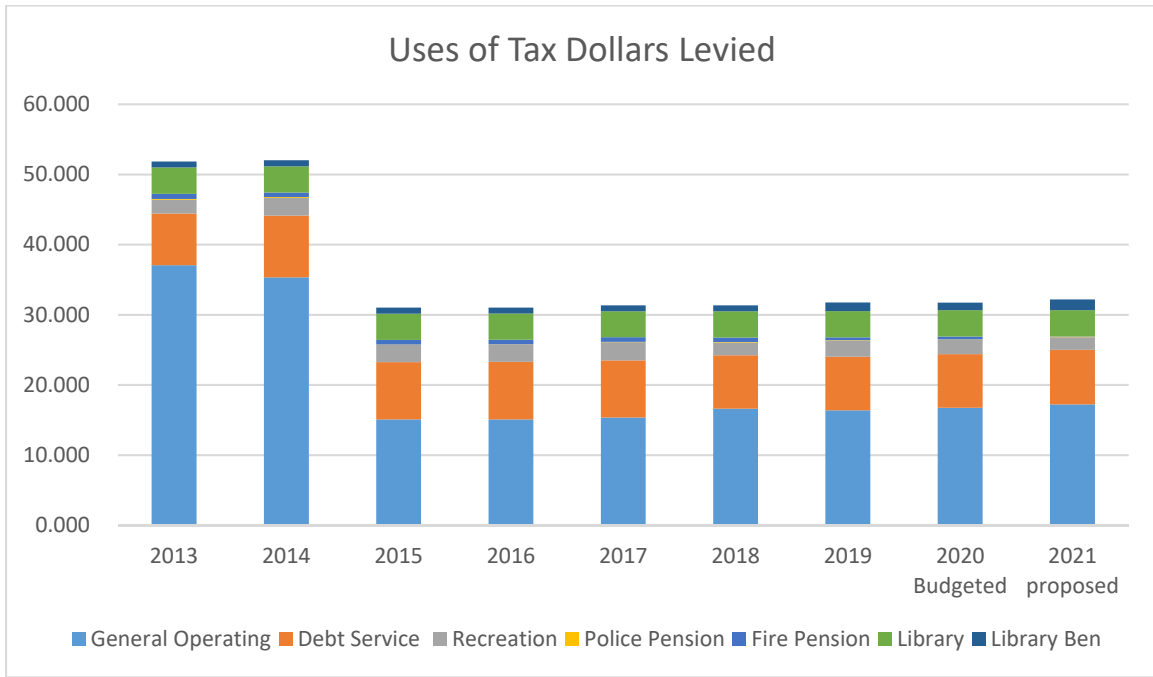
- Current valuation increases that are in the Neighborhood Revitalization Areas (NRAs) and Tax Increment Financing (TIF) Districts, do not increase the amount of revenues available for operations; the NRA taxes are estimated to be about \$100,000 (about ½ of the amount one mill generates) and are refunded to the property owners. The property taxes generated in the First City Hotel district are paid into an escrow account to pay for the bonds issued to pay for site preparations for the second hotel in the district. Therefore, these are not available for operations. Property taxes generated by the Zeck Ford Dealership are refunded to the ZECK Dealership and are therefore not available for operations. In the interests of the Commission's transparency goal, the 2021 budget includes both the property tax revenue and expenditures related to the NRAs and TIF's.
- Current economic development activities such as the new Business and Technology Park and several new housing developments-both single-and multi-family dwellings, are anticipated to increase the City's tax base, but not in time to be considered for the 2021 budget. The Business and Technology Park was completed in 2018, but currently, there are no tenants or purchasers. Construction in the housing developments began in 2018. There were bonds issued for infrastructure in this housing development. The payments are scheduled to be paid from the incremental value of the properties once homes are completed. In 2020, the City redeemed \$25,000 of temporary notes associated with the increased assessed valuation.

- Legislation has imposed a property tax lid that limits the amount of revenues that can be generated through increased valuations without reducing the mill rate unless placed on a ballot and voted on by the public. This was effective, beginning with the 2018 budget. The 2021 budget is the fourth year the tax lid is in effect. The time required to accomplish this, should an election be required, most definitely forces a long-term financial plan to anticipate whether a vote would be required early enough to get a question on the ballot and still meet Kansas budget law deadlines. It also implies the necessity of creating two budgets, one in case the ballot passes, one in case it does not. Fortunately, the City was able to meet its 2018, 2019, 2020, and 2021 funding requirements without raising the mill, cutting services, or seeking an election.

The City receives only a portion of the property taxes paid by residents. The State of Kansas, Leavenworth County, and Unified School District #453 also assess taxes on property:



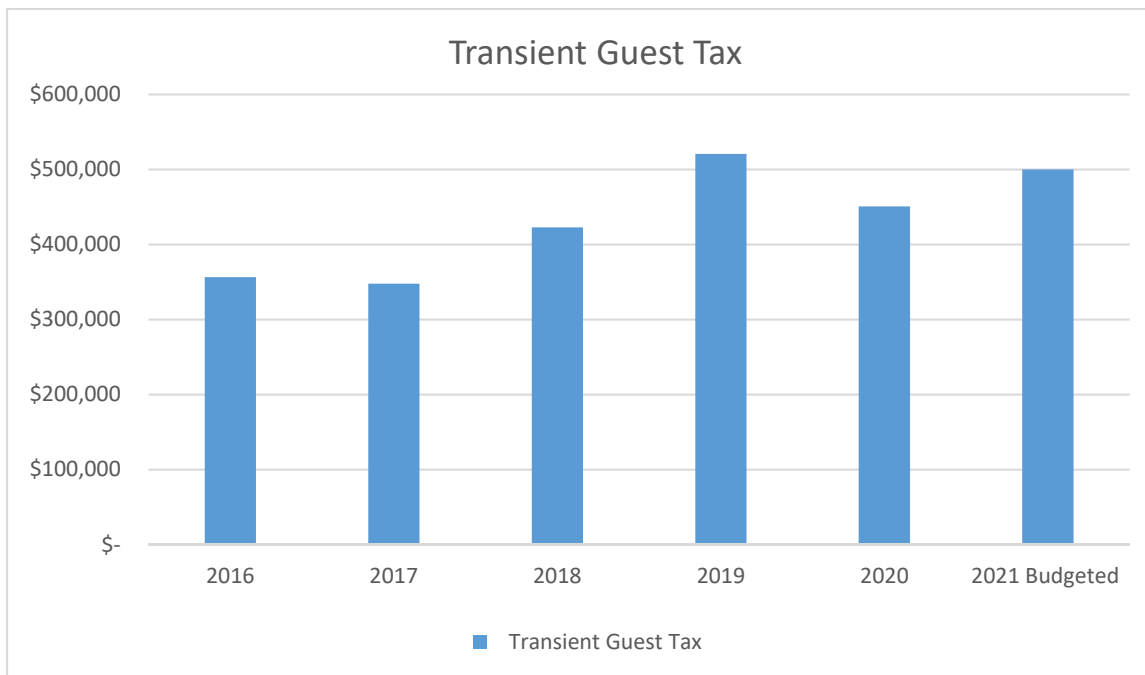
The following graph shows the breakdown of the uses of City property taxes levied:



Transient Guest Tax

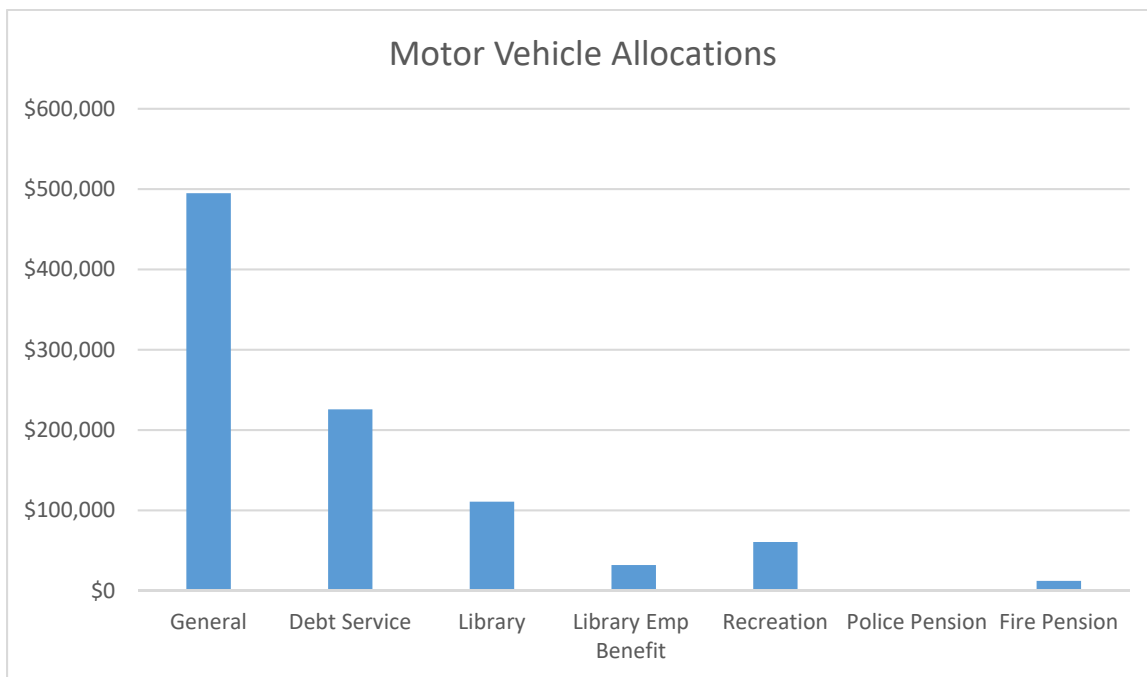
These are taxes imposed on hotels or other lodging guests. The City levies an 8.0% guest tax. Prior to 2015, the Convention and Visitor's Bureau (CVB) was an independent entity. In 2015, the City incorporated the CVB as a function within the City. At that time, the CVB employees became City employees and receive full City benefits. The CVB function is fully self-supported, and with the addition of the new hotels, the revenues have steadily increased.

When the 2021 budget was prepared, the revenue trends for guest tax indicated a significant revenue decrease because of the Covid-19 pandemic. The 2021 estimate was based on those trends. The 2021 budget assumes a decrease of 4.0%. It is expected that the tourism industry will fully recover in 2023.



Motor Vehicle Allocations

Motor vehicle taxes are personal property taxes (as opposed to real estate property taxes). All monies received from taxes levied upon motor vehicles under the provisions of KSA 79-5101 through 79-5115 are allocated to the taxing unit in which the motor vehicle is located, per KSA 79-5109. The amount budgeted each year is allocated to each fund that levies property taxes. The County Treasurer calculates the amount each fund receives as a percentage of the previous year's ad valorem tax levy. For 2021, the City budgeted \$937,613 to be allocated as follows:

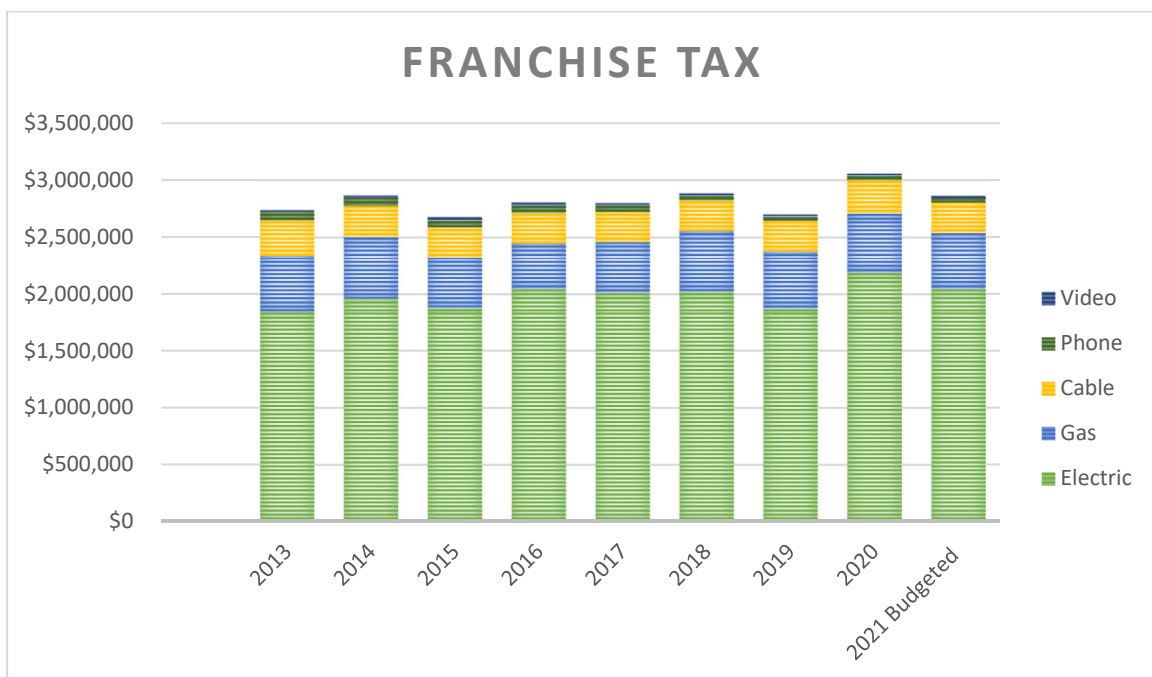


Franchise Fees

Franchise fees are negotiated between utility companies and municipalities for the right to use the public right of ways. Usually, the fees are based on a percentage of gross receipts. The maximum is five (5) percent; the City agreement is five (5) percent. The City of Leavenworth has franchise agreements with the following types of utilities:

- Electric
- Gas
- Cable
- Telephone
- Video

Franchise fees are volatile, but their unpredictability is based on climatic conditions and the commodities market rather than housing. Based on the mild climate of the past two years and an expected reduction in travel and in-person retail shopping due to COVID-19, natural gas franchise fees are projected to see a reduction of 6.8 percent in 2021. The electric franchises are estimated to be 7.0 percent lower than previous years based on current projections from the Kansas League of Municipalities. The estimates for Cable, Phone, and Video are estimated to be relatively flat. In the long-term plan, franchise fees are estimated to return to 2019 levels starting in 2022. However, with added housing availability, the projections for 2021 and forward may be revised.



Intergovernmental Revenues

Intergovernmental revenues come from levels of government and are usually for a specific type of activity. This source provides \$1,233,029 of revenues. The City receives Alcohol tax revenues from the State of Kansas. The state requires this revenue source to be allocated between three activities- 1/3 to probation (drug and alcohol treatment), 1/3 to recreation, and 1/3 to general operations.

The City also receives gas tax money from the state and a portion of the County's gas tax money. This is specifically for the maintenance of roads and is budgeted in the Special Highway fund. The Highway Fund receives Connecting Highway Link (KLINK) monies from the state. Other sources of intergovernmental revenues come from various grants.

Unencumbered Cash Carry Over

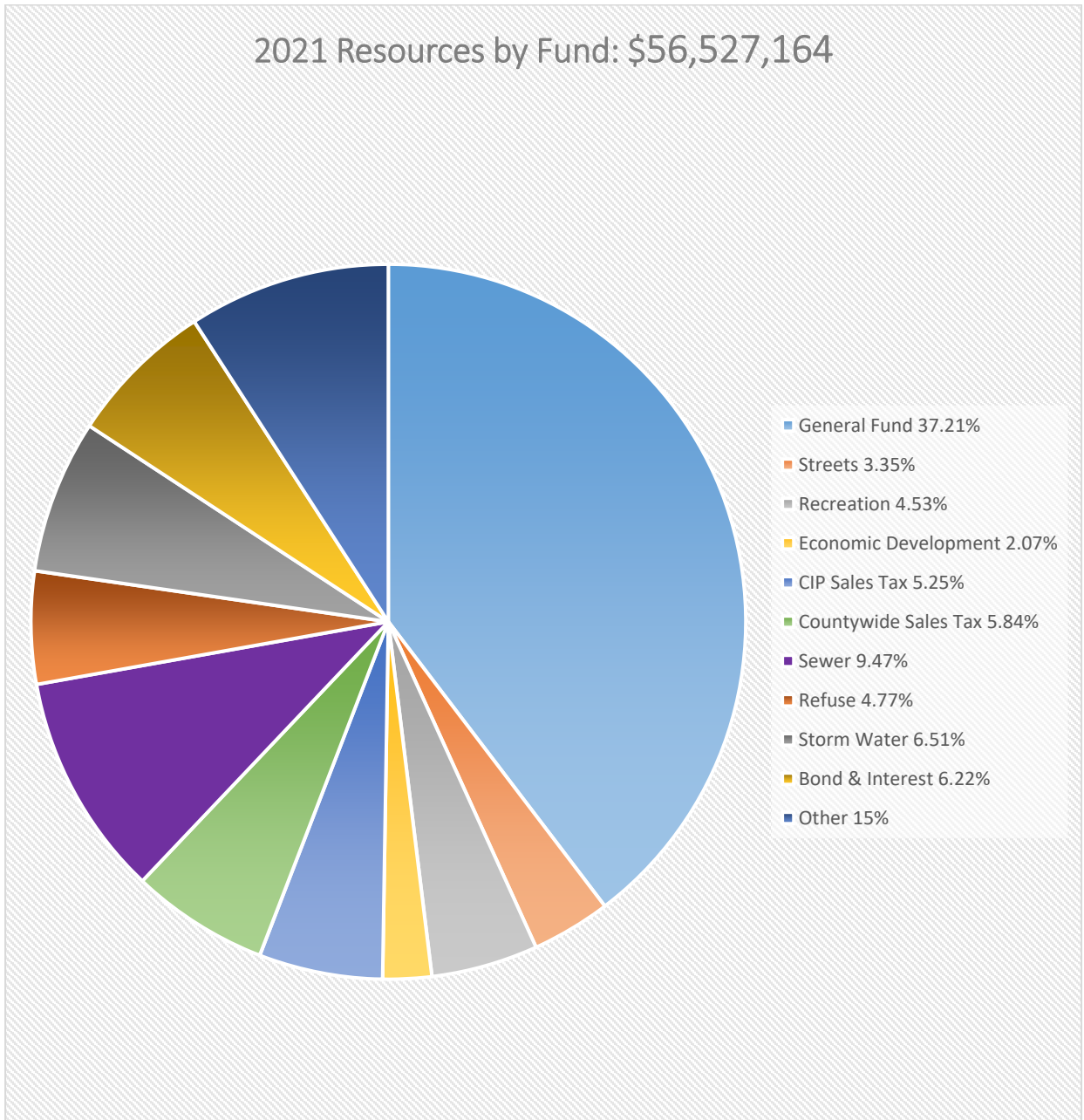
Of the \$11.5 million of budgeted unencumbered cash carryover, approximately \$2.7 million is discretionary, and \$8.8 million is restricted for specific use by the State of Kansas or the City of Leavenworth. Some of the restrictions include the actuarial reserves of the police and fire pension funds, amounts held in reserves for the interest related to debt payments, economic development activities, tourism activities, and capital projects. The City classifies unrestricted reserves as operating reserves or capital reserves.

Other Resources

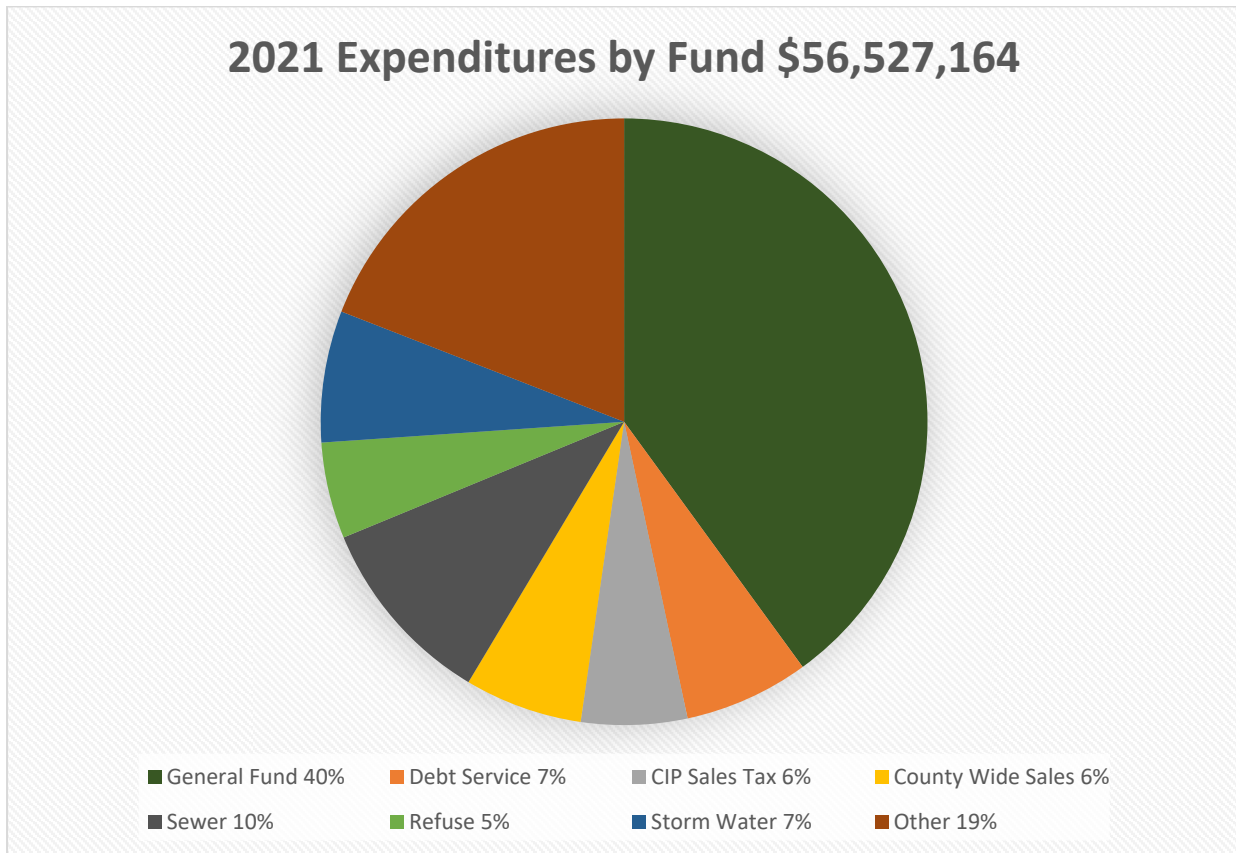
As mentioned in the Budgeting Basis section, the City has resources that are not required to be budgeted under Kansas Budget Laws, but there is an internal budget process to show compliance with federal grant guidelines and for internal control purposes. The City receives federal grant dollars used for moderate to low income and veterans housing, home repairs, first time home buyers assistance, blight removal, and assistance to social service agencies, such as children's Court Appointed Special Advocates (CASA), Aid to Domestic Violence, etc. These resources are not included on the state budget form. However, the previous year's expenditures are reported in the non-budgeted fund's section. In addition, the Commission approves a budget resolution to authorize the expenditures of these funds at the same time as it approves the operating budget.

The City also receives police grants and proceeds from properties and resources seized during police activities. These proceeds are not budgeted because they are unquantifiable; they are typically received once the case has been tried and settled in court, which can be many years after the arrest was made. Expenditures made from the seizure funds are mostly for equipment purchases; follow the City's purchasing policies; and if they exceed the Police Chief's expenditure authorization, are approved by the City Manager or Commission prior to making the expenditure.

The following graph shows resources by fund.



Total Budgeted Expenditures

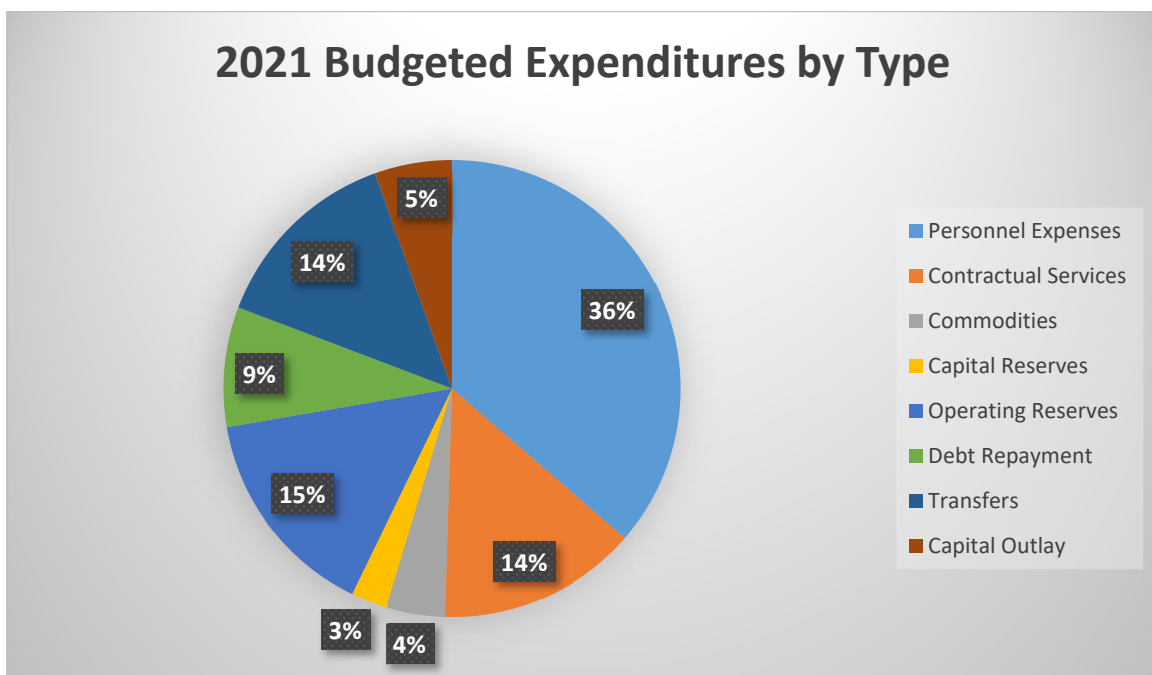


The city's 2021 total budgeted expenditures are \$56,527,164. The city has two governmental major funds and eight governmental non-major government funds. Governmental funds account for 72% of total expenditures or roughly \$40,100,000. The major governmental funds include the general fund and the debt service fund. Together, the general fund and debt service fund account for approximately 47% of total expenditures, or \$26,200,000. The general fund accounts for the most significant percentage (40%) of total expenditures. This is to be expected since it funds the most costly services such as public safety, public works, administration of justice, and other administrative expenses. The other major fund is the debt service fund, which accounts for 7.0% of total expenditures. The debt service fund provides for the retirement of general obligation debt of the city. Each year, the City levies taxes that, together with other revenues credited to the fund, are sufficient to pay the principal and interest payments due throughout the year. The remaining budgeted governmental funds (Recreation, Special Highway, Economic Development, Convention & Visitors Fund (CVB), Probation, CIP Sales Tax, and County-Wide Sales Tax account for 25% of total expenditures or approximately \$13,900,000 of total expenditures. These funds provide funding for various governmental programs including, youth and adult recreational activities, roads and bridge maintenance, economic development-related improvements, convention and visitors activities, probation services, and expenditures related to capital expenditures and debt reduction.

Enterprise funds (Sewer, Refuse, Refuse Restricted, and Storm Water) account for 22% of total expenditures or approximately \$12,575,000. The funds provide sewer service, solid waste pick-up and disposal, and flood and drainage improvement projects to improve the health & safety of the community.

The seven fiduciary funds (Fire Pension, Police Pension, Library Fund, Library Employee Benefit Fund, and the three Tax Increment finance funds (Hotel, Retail, and Automotive) account for 8% expenditures or approximately \$3,830,000.

The 2021 budget includes a 1.8% increase in CPI.



Personnel Services is the largest expenditure category, as is the case with most entities, at thirty-six percent (36%). These expenditures include such items as wages and salaries, health insurance, retirement benefits, and other benefits. The 2021 budget includes a two and one half percent (2.50%) Cost of Living Adjustment (COLA) applied at mid-year, eight percent (8%) increase in health insurance (actual rate increase of 6.50 % came in subsequent to the Commission approval of the budget), 0.2% increase in KPERS rates, and a 0.9% increase in KP&F rates.

Contractual services are fourteen percent (14%) of total expenditures. Expenditures in this category include services such as property and liability insurance, software licensing,

professional services, etc. Debt services payments are contractual by nature but are shown separately on the graph above at ten percent (9%).

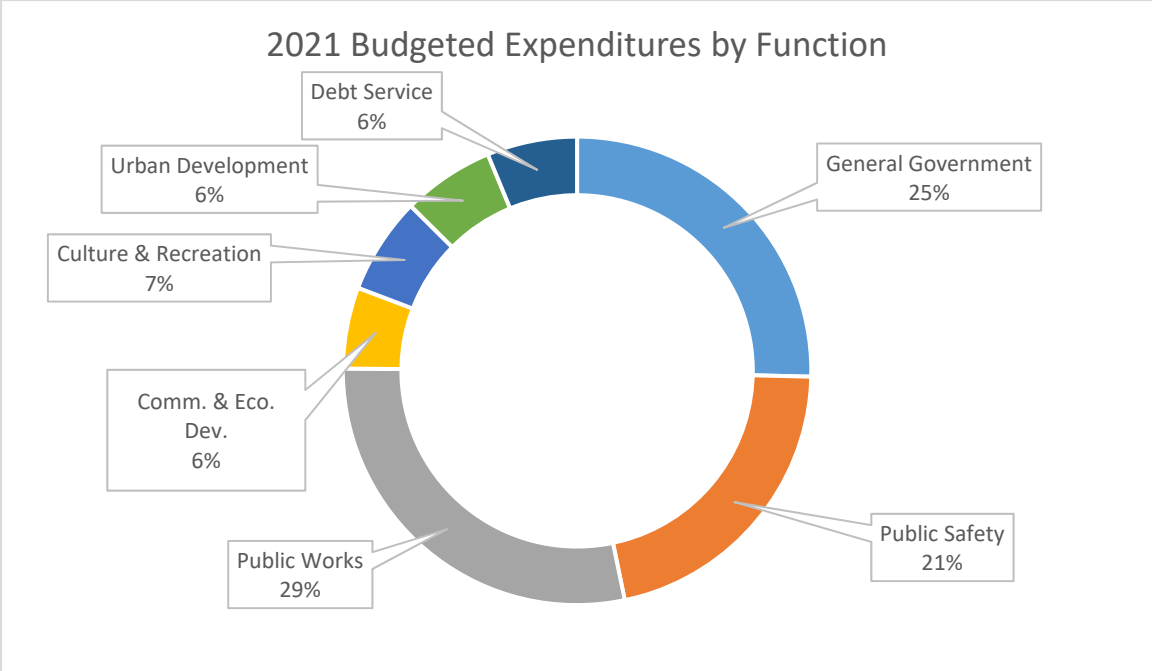
Commodities are items consumed through normal operations with a value less than \$5,000 and an expected life cycle of less than one year (four percent).

Capital Outlay expenditures are for land, buildings, infrastructure, improvements, vehicles, equipment, historical treasures, works of art, and other tangible and intangible assets whose cost exceeds \$5,000; whose life expectancy exceeds one business cycle; and does not include maintenance types of items that do not enhance or extend the value or life of an asset (five percent).

Interfund transfers total fourteen percent (14%) of total expenditures. Most of these transfers are to the bond fund or to non-budgeted capital improvement funds for capital projects. Even though they are budgeted, there is no intention of spending them unless necessary, identified for a specific project, and allowed according to the Commission approved budgetary reserve policy.

Operating Reserves (15 percent) are liquid, unrestricted assets that the city may use to support its operations in the event of an unanticipated loss of revenue or an increase in expenses. Even though they are budgeted, there is no intention of spending them unless necessary.

Capital Reserves (3 percent) are assets that the organization has earmarked to support future purchases of capital assets. These reserves are held in anticipation of capital purchases or projects in the next 2 – 5 years.



Administrative expenditures include such departments as City Commission, City Manager, Human Resources, City Clerk, Convention and Visitors Bureau, Information Technology, Legal Services, Finance, Municipal Court, Probation, Police, and Fire pension payments, Code Enforcement, and Planning, as well as, operating reserves.

Public Safety expenditures include police administration and operations, fire administration, suppression, prevention, and animal control.

Public Works expenditures include engineering, facility maintenance; building inspections; vehicle and fleet maintenance; streets, highways, sidewalks, curbs, street lighting maintenance, sewer, stormwater, and refuse services.

Community & Economic Development includes economic development activities and incentives and Tax Increment Financing (TIF) incentives.

Culture and Recreation include parks, recreation activities, performing arts, community center activities, aquatics activities, and the library.

Debt service includes repayment of debt related to all functions.

2021 Summary of All Budgeted Funds

City of Leavenworth, Kansas
Three Year Summary of Financial Sources and Uses
 (in thousands of Dollars)

	General Fund			Debt Service Fund			Non-Major Funds			Fiduciary Funds			Public Utilities			Totals		
	(Major Fund)			(Major Fund)			(Non-major)			(Major Funds)								
	2019 Actuals	2020 Estimated	2021 Budgeted	2019 Actuals	2020 Estimated	2021 Budgeted	2019 Actuals	2020 Estimated	2021 Budgeted	2019 Actuals	2020 Estimated	2021 Budgeted	2019 Actuals	2020 Estimated	2021 Budgeted	2019 Actuals	2020 Estimated	2021 Budgeted
Revenues																		
Total Taxes	\$ 15,257	\$ 15,415	\$ 15,917	\$ 1,825	\$ 1,909	\$ 2,026	\$ 8,716	\$ 8,521	\$ 9,236	\$ 1,297	\$ 1,323	\$ 1,300	\$ -	\$ -	\$ -	\$ 27,095	\$ 27,167	\$ 28,479
Total Intergovernmental	\$ 141	\$ 80	\$ 87	\$ -	\$ -	\$ -	\$ 313	\$ 239	\$ 240	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 454	\$ 319	\$ 327
Total Licenses and Permits	\$ 495	\$ 485	\$ 457	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 495	\$ 485	\$ 457
Total Charges for Services	\$ 2,107	\$ 2,065	\$ 2,543	\$ -	\$ -	\$ -	\$ 746	\$ 516	\$ 854	\$ -	\$ -	\$ -	\$ 7,929	\$ 7,280	\$ 8,564	\$ 10,782	\$ 9,860	\$ 11,961
Total Miscellaneous	\$ 631	\$ 255	\$ 360	\$ -	\$ -	\$ -	\$ 498	\$ 389	\$ 377	\$ 6	\$ 6	\$ 5	\$ 99	\$ 21	\$ 8	\$ 1,235	\$ 671	\$ 750
Total Special Assessments	\$ 43	\$ 42	\$ 44	\$ 72	\$ 74	\$ 74	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 114	\$ 116	\$ 118
Total Revenues	\$ 18,674	\$ 18,342	\$ 19,408	\$ 1,896	\$ 1,983	\$ 2,100	\$ 10,273	\$ 9,664	\$ 10,707	\$ 1,303	\$ 1,329	\$ 1,305	\$ 8,029	\$ 7,301	\$ 8,572	\$ 40,175	\$ 38,619	\$ 42,092
Expenditures																		
Total Personnel	\$ 14,651	\$ 14,606	\$ 15,083	\$ -	\$ -	\$ -	\$ 2,035	\$ 1,853	\$ 2,973	\$ 141	\$ 149	\$ 153	\$ 1,896	\$ 2,216	\$ 2,342	\$ 18,722	\$ 18,824	\$ 20,551
Total Contractual Svc	\$ 3,041	\$ 3,002	\$ 3,340	\$ -	\$ -	\$ -	\$ 3,023	\$ 2,644	\$ 3,692	\$ 1,176	\$ 1,204	\$ 1,263	\$ 2,468	\$ 2,637	\$ 2,770	\$ 9,708	\$ 9,487	\$ 11,064
Total Commodities	\$ 984	\$ 1,017	\$ 987	\$ -	\$ -	\$ -	\$ 546	\$ 345	\$ 484	\$ -	\$ -	\$ -	\$ 528	\$ 754	\$ 831	\$ 2,058	\$ 2,116	\$ 2,302
Total Capital Outlay	\$ 155	\$ 37	\$ 38	\$ -	\$ -	\$ -	\$ 827	\$ 373	\$ -	\$ -	\$ -	\$ -	\$ 883	\$ 2,969	\$ 3,305	\$ 1,865	\$ 3,379	\$ 3,343
Total Debt Repayment	\$ -	\$ -	\$ -	\$ 3,465	\$ 5,030	\$ 3,384	\$ 98	\$ 96	\$ 99	\$ -	\$ -	\$ -	\$ 899	\$ 3,972	\$ 1,115	\$ 4,461	\$ 9,098	\$ 4,598
Total Reserves	\$ -	\$ -	\$ 2,692	\$ -	\$ -	\$ 362	\$ -	\$ -	\$ 1,422	\$ -	\$ -	\$ 526	\$ -	\$ -	\$ 2,202	\$ -	\$ -	\$ 7,204
Total Expenditures	\$ 18,830	\$ 18,662	\$ 22,140	\$ 3,465	\$ 5,030	\$ 3,745	\$ 6,529	\$ 5,310	\$ 8,670	\$ 1,317	\$ 1,353	\$ 1,941	\$ 6,673	\$ 12,548	\$ 12,566	\$ 36,814	\$ 42,903	\$ 49,062
Net Revenues Over (Under) Expenditures	\$ (156)	\$ (320)	\$ (2,732)	\$ (1,568)	\$ (3,047)	\$ (1,645)	\$ 3,744	\$ 4,354	\$ 2,037	\$ (14)	\$ (24)	\$ (636)	\$ 1,355	\$ (5,248)	\$ (3,994)	\$ 3,361	\$ (4,285)	\$ (6,970)
Other Financing Sources and (Uses):																		
Transfers In	\$ -	\$ -	\$ -	\$ 1,404	\$ 2,013	\$ 1,484	\$ 650	\$ 350	\$ 1,629	\$ -	\$ -	\$ -	\$ 10	\$ 5	\$ 10	\$ 2,063	\$ 2,368	\$ 3,123
Transfers Out	\$ (293)	\$ (180)	\$ (356)	\$ -	\$ -	\$ -	\$ (3,485)	\$ (6,064)	\$ (7,099)	\$ -	\$ -	\$ -	\$ -	\$ (5)	\$ (10)	\$ (3,778)	\$ (6,249)	\$ (7,465)
Bond Proceeds	\$ -	\$ -	\$ -	\$ -	\$ 1,020	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,505	\$ -	\$ -	\$ 6,525	\$ -
Total Other Financing Sources (Uses)	\$ (293)	\$ (180)	\$ (356)	\$ 1,404	\$ 3,033	\$ 1,484	\$ (2,835)	\$ (5,714)	\$ (5,470)	\$ -	\$ -	\$ -	\$ 10	\$ 5,505	\$ -	\$ (1,715)	\$ 2,644	\$ (4,343)
Net Increase (Decrease) in Cash Balance *	\$ (450)	\$ (500)	\$ (3,088)	\$ (165)	\$ (14)	\$ (161)	\$ 909	\$ (1,360)	\$ (3,434)	\$ (14)	\$ (24)	\$ (636)	\$ 1,365	\$ 257	\$ (3,994)	\$ 1,647	\$ (1,641)	\$ (11,313)
Beginning Cash Balance	\$ 4,084	\$ 3,635	\$ 3,135	\$ 362	\$ 197	\$ 182	\$ 4,038	\$ 4,948	\$ 3,588	\$ 674	\$ 660	\$ 636	\$ 1,271	\$ 2,636	\$ 3,994	\$ 10,429	\$ 12,076	\$ 11,535
Ending Cash Balance	\$ 3,635	\$ 3,135	\$ 46	\$ 197	\$ 182	\$ 21	\$ 4,948	\$ 3,588	\$ 154	\$ 660	\$ 636	\$ -	\$ 2,636	\$ 3,994	\$ -	\$ 12,076	\$ 7,541	\$ 222
% Change	-11.01%	-13.76%	-98.52%	-45.60%	-7.26%	-88.33%	22.52%	-27.48%	-95.70%	-2.04%	-3.67%	-100.00%	107.42%	51.49%	-100.00%	15.79%	-37.55%	-98.08%

NOTES (across all funds):

(1) Funds were budgeted so that there would be a zero cash balance which shows equal revenues and expenditures; balances were budgeted as reserves however, for the ad valorem tax funds, 1.2% delinquency rate was calculated for purposes of establishing the mill; the reason for this is to compensate for the estimated change in the collection rate. This results in an ending cash balance equal to the delinquency amount.

(2) Transfers In/Out do not balance because some of the transfers are between non-budgeted funds.

Notes on the Three Year Financial Summary

General Notes across all funds:

- (1) Funds were budgeted so that there would be a zero cash balance which shows equal revenues and expenditures; balances were budgeted as reserves, however for the ad valorem tax funds, a 1.2% delinquency rate was calculated for purposes of establishing the mill. This results in an ending cash balance equal to the delinquency amount.
- (2) Transfers in and out do not equal because some of the transfers are between non-budgeted funds.
- (3) Kansas Statutes require that the budget be balanced so sources and uses must match, but the statutes also allows unencumbered cash to be used to offset shortfalls between revenues and expenses.

General Fund:

- (1) Due to the COVID-19 pandemic, 2020 revenues were anticipated to be lower than budgeted, especially sales tax which is 45% of General Fund operating revenues, and 2021 sales taxes were budgeted to be flat. However, 2020 sales tax distributions are 2.1% higher than 2019, indicating we may under estimated sales tax revenues through the end of 2020 and for 2021.
- (2) The reason for the decrease in General Fund 2021 cash balance is that reserves were budgeted in order to establish spending authority in case revenues decline more than anticipated during the budget process.
- (3) During the budget process, health insurance rates were anticipated to increase by 8%, however, subsequent to establishing the budget, the rate review was completed and the amount of rate increase will be 6.5% rather 8%. The budget was not adjusted to reflect this change. (All funds with personnel will be affected by this change, though in some instances the amount will be insignificant.)
- (4) Part of the increase in total transfers out is related to the anticipated decrease in gas tax due the COVID-19 shutdown. With reduced travel, there's not as much gas tax revenues being generated.

Debt Service Fund:

- (1) The budgeted amount is planned so that the reserve level stays the same. See the above general note re the ending cash balance.

Non-Major Funds:

See the above general note re the ending cash balances.

- (1) In 2019, the City began a new City Festival, which was funded from excess CVB reserves. In 2020, the event was scaled down considerably due to COVID -19. It is anticipated that 2021 will have the same results as 2019 because it will be the same as starting over again.
- (2) Based on projections from the travel and tourism industry, it will be 2023 before it recovers from the impact of the pandemic.
- (3) The City Probation Department provides probation services for several cities in Leavenworth County. The City allocates the cost of those services to other cities based on their caseload. Subsequent to

establishing the allocation of services, one City withdrew from the agreement, but it was too late in the budget process to notify other cities that the ratio had changed, so the City of Leavenworth decided to fund the difference from reserves.

(4) In the Streets Fund, the amount in the Capital Reserve line is dedicated for infrastructure and therefore, not available for operations. The COVID-19 shutdown resulted in fewer people traveling which had a negative impact on the revenues generated for street operations. The transfer from General Fund is intended to offset the shortfall of revenues and operating expenditures.

(5) The reserve amount of \$744,745 is from FFE (federal funds exchange) and is restricted for capital projects; therefore, is not available for operations. In 2021, those monies are budgeted to be moved to a capital project fund along with \$374,000 from the miscellaneous revenues budget, which represents the amount of 2021's distribution of FFE monies.

(6) The 2021 budgeted increase in Transfers in is related to increased funding from CIP Sales Tax fund, which is authorized by Ordinance 26. The increased transfer allowed for a reduction of mills in the recreation fund. The additional mills was to increase the Debt Service Fund and the General Fund while still keeping the mill flat.

(7) The Economic Development Fund is supported by 15% of the County Wide sales tax as established by Ordinance 54. The significant increase in Non-Major Funds reserve levels are from the Economic Development Fund.

Fiduciary Funds:

(1) The City budgets four (4) fiduciary funds-2 of which are actually agency funds. The Agency Funds are the Library and Library Employee Benefit Funds. The Library is a discretely presented component unit of the City and by ordinance, the City is required to levy ad valorem property taxes on behalf of the Library.

These revenues are not available for City operations.

(2) The City budgets two (2) pension funds that are supported by ad valorem property taxes. The Police and Fire Pension plans were established in 1945 to provide retirement benefits for police officers and firemen. In 1971, the City became affiliated with the State police and fire retirement system; current members were given the option to join the State retirement system or stay with the City, however, no new personnel could enter this plan. There are currently three active members. There are several years of reserves in those funds because the City has historically levied enough property taxes to fund the annual payments. Since the goal was to keep the levy flat, and because there are excessive reserves in these two funds, the 2021 budget reduced the levy for these two funds by 0.375 and will draw on reserves to makeup the difference.

Enterprise Funds:

(1) The Enterprise funds include the Sewer Fund, Refuse Fund, and Stormwater Fund. The revenue sources are user fees and an impact fee. The Sewer Fund (Wastewater Treatment Plant) provides services to the Veteran's Hospital (VA), Fort Leavenworth, and the United States Penitentiary (USP). In the past three years, the revenues from the VA has declined due to some conservation efforts and system efficiencies that reduce the materials that flow into the City's treatment system. Within the past two years, changes at the Fort and USP have also led to efficiencies that reduce the flow into the City's system, thereby reducing revenues.

(2) The Sewer Fund needed a 6% rate increase to keep reserve levels consistent, however, due to the impact of COVID-19 on residents, the Commission opted only to raise rates by 3%. Therefore, for 2021, the sewer fund reserves are anticipated to decline by 3%.

(3) Due to COVID-19, the City took advantage of extremely low-interest rates and refunded the outstanding bonds paid by the sewer fund. The refundings were structured so that the interest savings were recognized upfront. This saved the City about \$44,000 in the 2021 budget.

(4) The Stormwater Fund shows the largest change in reserve level at (70%). This is due specifically to capital projects that were started in 2020 but won't be finished until 2021. Additionally, the City issued bonds to pay for two projects in 2020, and the first bond payment will be in 2021.

(5) The largest increase in reserve levels is in the Refuse Fund. In 2017, based on the long-term financial plan, the City began gradually raising refuse rates because landfill rates were increasing and the Great Recession had put the vehicle replacement plan significantly behind schedule.

In 2018, in response to the county landfill rates doubling, the City went out to bid for landfill services. The savings was significant (almost \$20 per ton.) The City purchased two new refuse trucks (one in 2018 and one in 2020) and plans to replace the third truck in 2022. The increase in reserves is for the purchase of the third truck in 2022 and to meet the Commission approved reserve level established in the Reserve policy. This also allowed the City keep the refuse rates the same in 2021 as they were in 2020.

(6) In the early 1990's the City closed its landfill and the EPA mandated the City to implement remediation activities. At that time, the City established a separate fund to track those activities. However, the Refuse Fund transfers monies to pay for those activities. In recent years, the requirements of maintaining the landfill have decreased, and there is no need to maintain a separate fund to track those activities as long as they are adequately documented in the Refuse Fund. Therefore, 2021 reflects the closure of the Refuse Restricted Fund and the consolidation of those activities into the Refuse Fund.

(7) The 2021 Refuse budget also reflects the implementation of phase I of the Commission goal to enhance and improve the recycling center.

Fund Balance

The City's governmental funds use the term ***fund balance*** to describe the difference between fund assets and fund liabilities. The City's enterprise funds use the term ***working capital*** to describe the difference between fund assets and fund liabilities.

In March 2017, the City Commission approved a revised Budgetary Reserve Policy which incorporates the GFOA recommended a minimum of two months of expenditures as the City's minimum reserve levels in fund balance for the General Fund, CIP Sales Tax Fund, County-Wide Sales Tax Fund, Sewer Fund, and Refuse Fund. The new policy specifies the acceptable uses of excess unassigned reserve balances, mandates periodic reviews and updates as necessary, limits the authorization to use reserves to the City Commission and City Manager, and provides for budgeting 4% of expenditures for the restoration of reserves should they fall below the minimum established in this policy.

In 2009, the Governmental Accounting Standards Board (GASB), the governing body charged with establishing accounting and financial reporting standards for governments, issued Statement 54, which changed the way fund balances are reported on financial statements. The City prepares the budget per Kansas statute on a cash basis where cash balances are not typically presented according to GASB 54 designations. However, the City recognizes that the same constraints apply and is presenting the budgetary cash balances in the GASB 54 format for the purposes of this document.

Non-spendable: This includes amounts that are a) not spendable in any form, or b) legally or contractually required to remain intact. This includes items that are not expected to be converted to cash, such as inventories, pre-paid items, or long-term notes receivable.

Restricted: This includes amounts that can be spent only for the specific purposes stipulated by external sources, either constitutionally or through legislation. Restrictions may only be lifted with the consent of the source provider. This includes grants or certain types of sales taxes.

Committed: This includes amounts that can only be used for specific purposes determined by a formal action (resolution/ordinance) of the City's highest level of decision-making authority-the City Commission. Commitments may only be lifted by taking the same formal action that initially imposed the restriction (resolution/ordinance).

Assigned: This includes amounts intended to be used for specific purposes that are neither restricted nor committed. The intent is expressed by a) the City Commission or b) the City Manager to which the Commission has delegated the authority to assign amounts to be used for specific purposes.

Unassigned: This includes the classification of the residual amount for the General Fund and includes all amounts not contained in the above-mentioned classifications. Unassigned amounts are technically available for any purpose.

In situations where expenditures are made for a purpose that has amounts available in multiple fund balance classifications, fund balances are depleted in the order of restricted, committed, assigned, and unassigned.

City of Leavenworth, Kansas

Long-Term Financial Plan

Introduction:

Local governments will always face serious challenges from external forces that include natural disasters, policy changes from other levels of government, and economic downturns, just to name a few. It is the role of governing bodies, management, and finance officers to find ways to not just overcome, but thrive in this type of environment. A long-term financial plan is an important tool that can assist in accomplishing this goal.

There are several reasons to prepare a long-term financial plan.

- Long term financial planning is a key factor in creating an organization that can not only survive but thrive during economic challenges.
- Rating agencies tend to increase bond ratings for those entities with a long-term financial plan in place.
- A long-term financial plan assesses the implications today's decisions have on future financial viability.
- A long-term financial plan assesses programs and services that may be offered.
- Long -term financial plans can help develop strategies to achieve goals and objectives.

A financial forecast is a tool used in developing a long-term financial plan by estimating future revenues and expenditures and identifying the factors which impact them. This forecast is intended to help formulate decisions that encourage financial stability while delivering essential community services.

The information in this forecast includes an analysis of major revenue sources and uses for the primary government and its enterprise funds. The estimates include both quantitative and qualitative information. Quantitative estimates are based on historical data and trends, as well as economic conditions that may impact the City's ability to collect or generate revenue. The qualitative estimates are based on the experience and knowledge of finance staff that will indicate the most likely outcome.

Financial forecasts include a lot of economic variables that can and do change frequently. Other things that will affect the accuracy of the forecast include operational changes, the timing of large capital projects, and policy changes.

Executive Summary:

The City of Leavenworth has been steadily recovering from the Great Recession, with sales tax revenues significantly higher than before the Great Recession and property valuations growing at an annual 2.5%. However, in 2019 the City experienced some extreme weather conditions with snow and ice in the winter and floods in the spring and early summer. In 2020, the year started strong, and then in March the COVID-19 pandemic spread across the nation creating an environment that was uncertain at best. While the extreme weather created unbudgeted expenses that were paid from reserves, it didn't have the level of impact that COVID-19 has had on both revenues and expenses.

Due to COVID-19, the main priorities shifted from those on which the 2020 budget was based to ensuring the health, safety, and welfare of the citizens and employees, while still accomplishing as many of the original goals as possible. The State issued a travel ban and shut down commerce statewide except for essential activities. The City closed its doors to the public but remained open for business through online processes, telephone calls, and other methods of communications. City Commission meetings were held virtually as were most meetings. Other operations continued as normally as possible.

The 2021 budget and 2022-2025 long-term plan were created in this environment. The question of revenue stability was predominant especially with travel restrictions. The Kansas Municipal League and several cities in the region estimated double-digit revenue losses from the shutdown. Finance staff researched the impact of previous recessions and what types of measures were taken to ensure the financial stability of the City during those times. The results of that study were not reflective of the current environment. None of the previous recessions had the same characteristics of the current recession.

In spite of the uncertainty of revenues, the City must still meet its primary responsibilities, so projects were delayed, vacant positions were frozen, and purchases were more closely evaluated before being made. As always, the City continues to look for ways to maximize limited resources in order to address the priorities set by the City Commission. The current commission priorities were the result of the 2021 budget and goal setting processes involving discussions between the City Commission, City Manager, and Department Directors. These goals and priorities were set in uncertain times with no historic parallels to draw upon.

In 2019, the City engaged a consultant to develop a comprehensive plan for the City. The *Leavenworth 2030, First City Forward* plan includes input from individual citizens, focus groups, and the Commission. The plan is scheduled to be complete by February of 2021. It is anticipated that future goals will incorporate the results of the comprehensive plan and the long-term plan for 2022 through 2025 will likely change.

Five core areas were identified as critical and are the focus of the implementation plan going forward. These goals were a priority in the 2021 budget and in subsequent years through 2025. They are:

- Economic Development
 - Business Attraction, Retention, and Expansion
 - Downtown Revitalization
 - Tourism
- Community Improvement
 - Community Appearance and Image
 - Community Amenities
- Roadways and Infrastructure
 - Street Plan
 - Infrastructure Improvements and additions
- Public Safety
 - Police
 - Fire
- Outreach and Transparency
 - Public Information
 - Openness
 - Financial Management

Subsequent to the passage of the 2021 budget, the City was notified of its share of the CARES Act funds the State received from the federal government and at the State's request, created a spend plan according to State guidelines for those funds. The funds will allow the City to reimburse itself for the COVID-related expenses, which will then enable the City to provide assistance to the community.

REVENUES

As mentioned above, the City of Leavenworth had been showing a steady recovery from the Great Recession. The Kansas Municipal League and several cities in the region estimated double-digit revenue losses from the shutdown. The City has not experienced a significant decrease in sales taxes revenues as other cities in the region did. Therefore, the budgeted sales tax for 2021 is flat with no reduction (or increase) in that resource. Although 2022 through 2025 assumes the economy is back to a semblance of normality, and sales taxes are projected with a 2.6% annual increase. If business closures nationwide and globally continue, eventually it will impact the City.

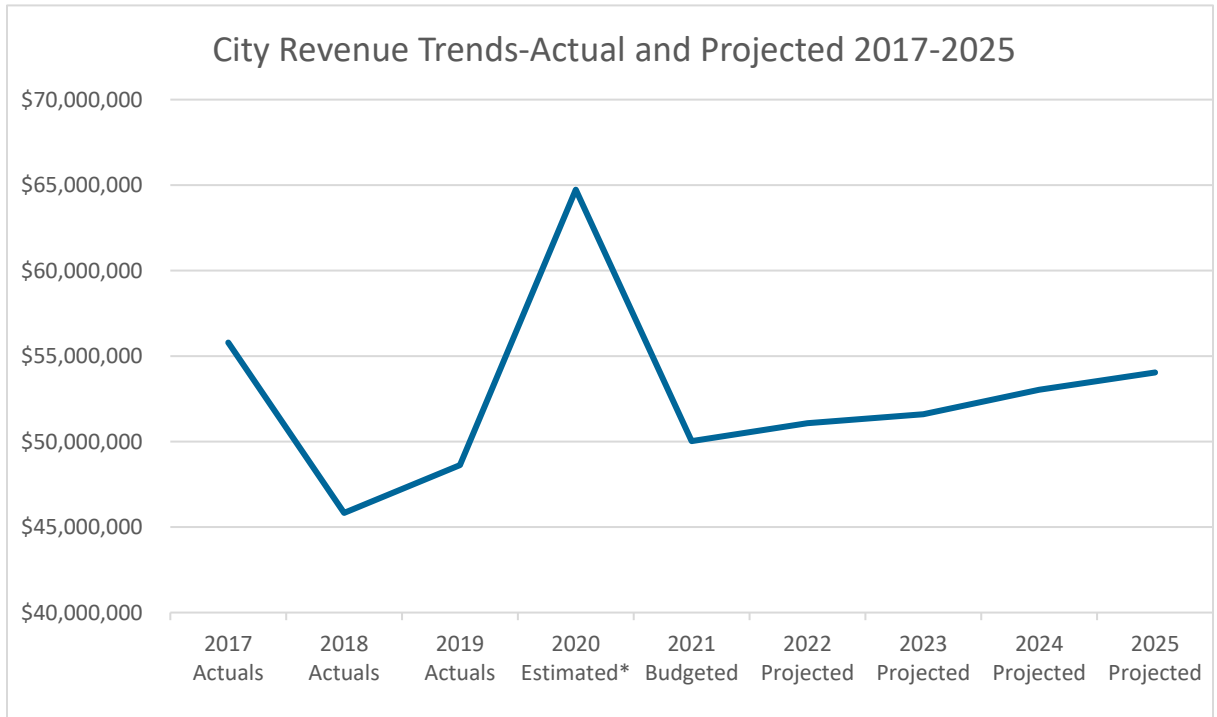
Since property valuations were established in January 2020 for the 2021 budget year, the property taxes were estimated to remain stable with a 1% increase in delinquency. 2022 and beyond, based on the relative stability of the local economy, are projected to increase by the same 2.5% annually for assessed values as they have since 2016.

The revenues most affected by the shutdown are highway taxes, which are derived from gas taxes; guest taxes, which are derived from hotel room rentals; liquor taxes, which are derived from the sales of liquor by the drink in restaurants and bars; and charges for services especially in the recreation fund; and interest income.

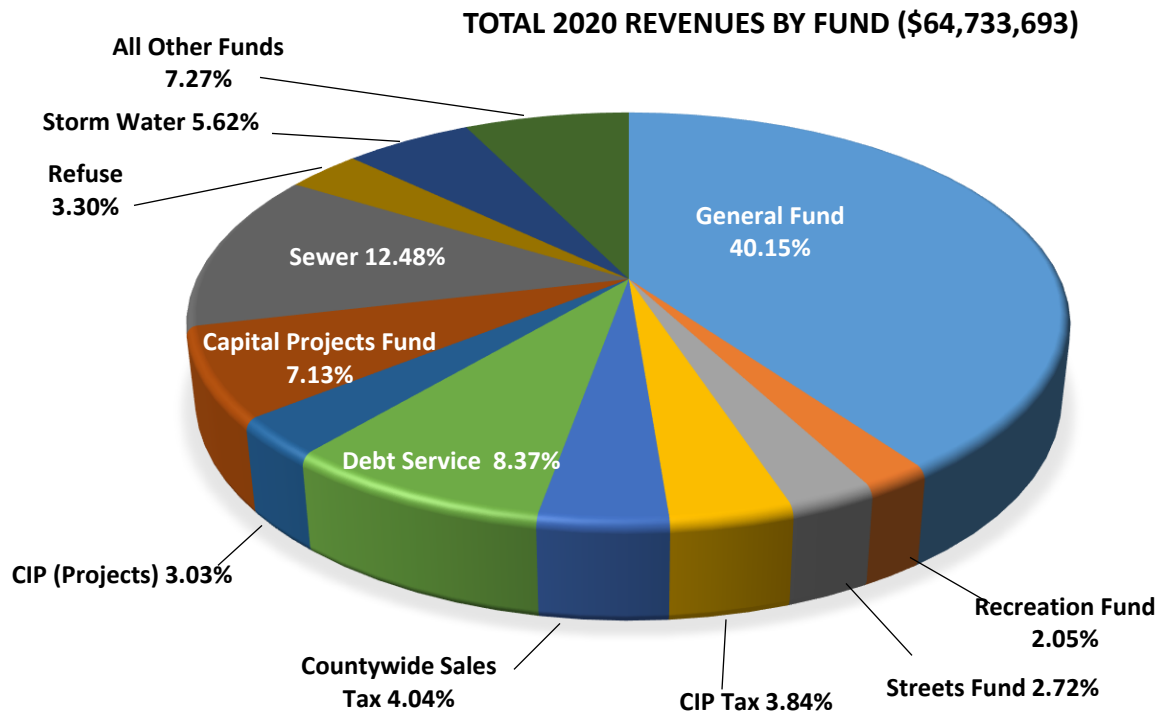
2017 through 2020 fluctuations in operating funds are due to several events outside the norm. 2017 total revenues shows an increase of approximately \$9m higher than 2018 and \$7m higher than 2019. While 2020 shows \$8m higher than 2017. This is due to several things:

- 2017 is higher due to the contribution made by the County and the bonds issued by the City for the development of the Business and Technology Park
- 2019 reflects a \$6m temporary note issuance for the reconstruction of Thornton Street and \$1.5m temporary note issuance for the stone replacement at the Riverfront Community Center
- 2020 reflects the issuance of \$7.9m in debt-\$5.5m in refunding bonds and \$2.4m for Stormwater infrastructure improvements; and an additional \$1.4m in temp notes for the 2020 pavement management program
- 2020 reflects the City's anticipated CARES Act reimbursement of \$6.75m
- 2021 budgeted amount shows a return to a somewhat normal level of revenues, except for gas taxes, liquor taxes, and transient guest taxes
- 2022 through 2025 reflects an estimated return to normal, which includes an annual growth of 2.6% in sales tax and a 2.5% annual growth in assessed valuations, and a flat mill levy

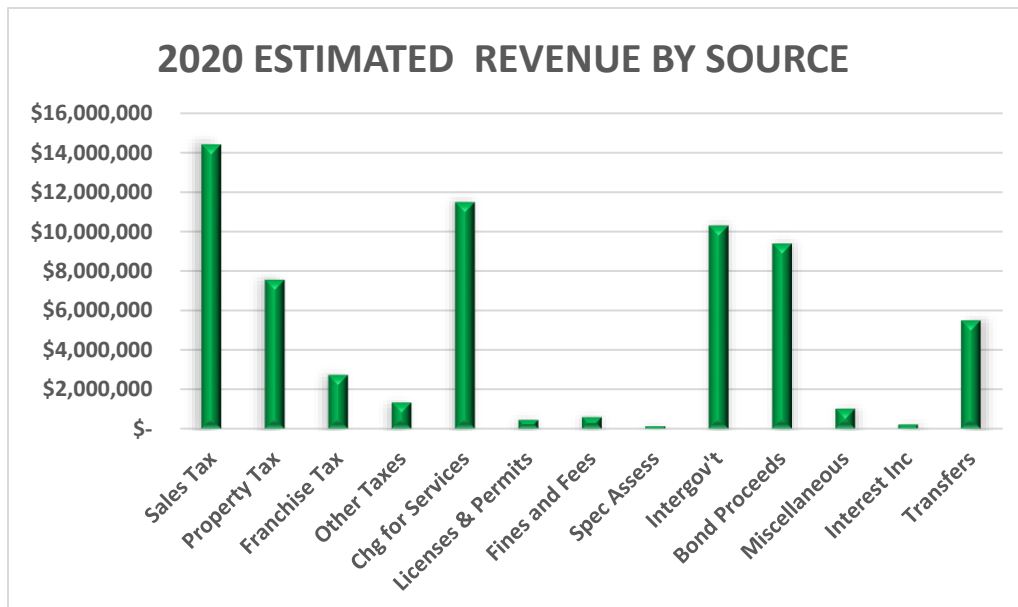
The following graph shows the effect of the factors mentioned above:



While, the City of Leavenworth receives revenue from a variety of sources, 85% of revenue is collected into a few main funds: the General Fund, the Sewer Fund, Stormwater Fund, Debt Service Fund, Sales Tax funds, and Project Funds. This includes CARES Act monies which are not in the original budget because the amount was unknown until after the budget was set.



Total estimated revenues for 2020 by source are:



As shown by the graph, sales taxes (which is the most vulnerable revenue source) are the primary revenue source, charges for services are second, intergovernmental revenues are third (due to CARES Act funding), bond proceeds are fourth (due to the refinancing of bonds), and property taxes are fifth. Intergovernmental revenues are those that come from other levels of government usually in the form of grants. 2020 does not reflect a normal year. The City does not typically receive in excess of \$10m in intergovernmental revenues, nor does it typically issue \$7.9m in bonds.

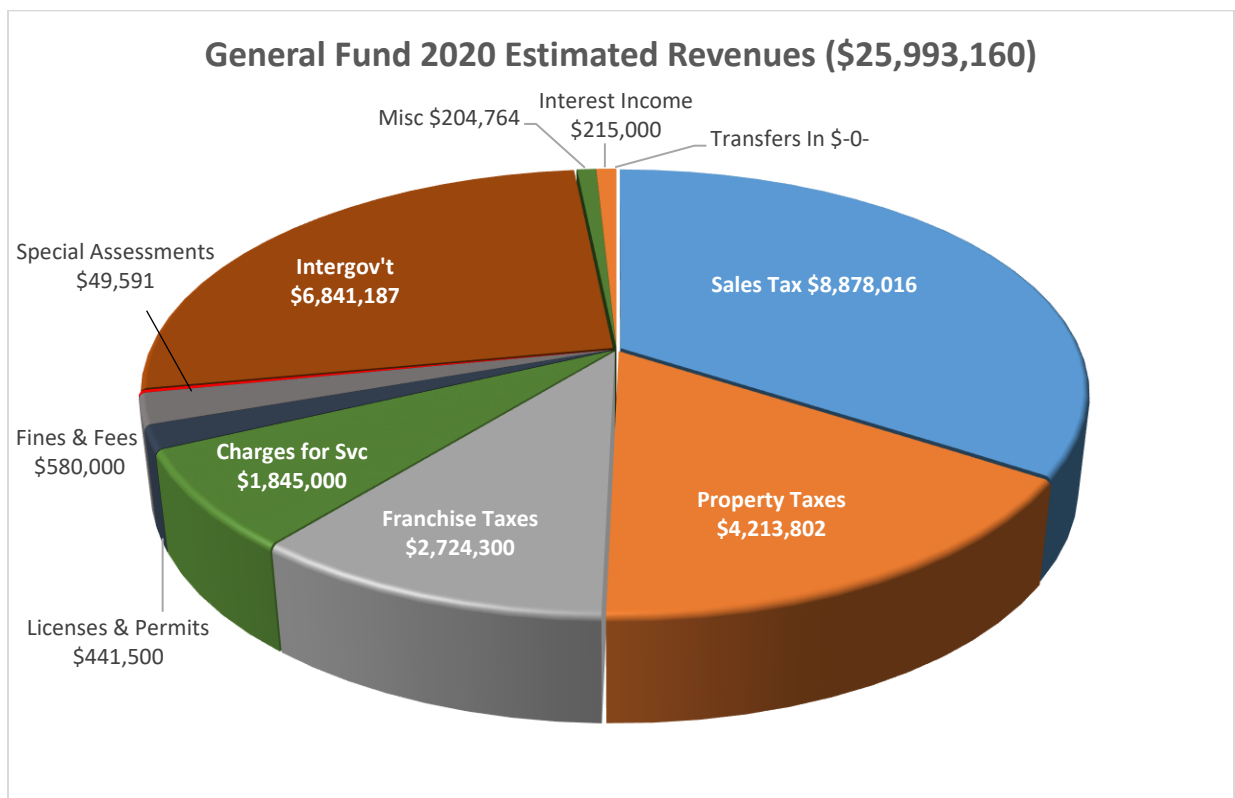
While transfers are used to offset expenditures in certain funds, they are not an external source of revenue—rather they are exchanges between funds. For example, the portion of sales tax identified for capital projects are accumulated in the sales tax funds and then transferred to projects in the project funds.

Additionally, bond proceeds are used to generate cash to fund specific projects and are recorded as revenues, but because they are required to be repaid, are really a liability.

General Fund

In normal years, there are four major sources of revenues for the General fund: Sales Tax, Property Tax, Franchise Tax and Charges for Services. However, as shown below, for 2020, Intergovernmental revenues are the second highest and this is due to the City's portion of the CARES Act funding of \$6.75m.

The following chart shows the City's General Fund revenues by source.



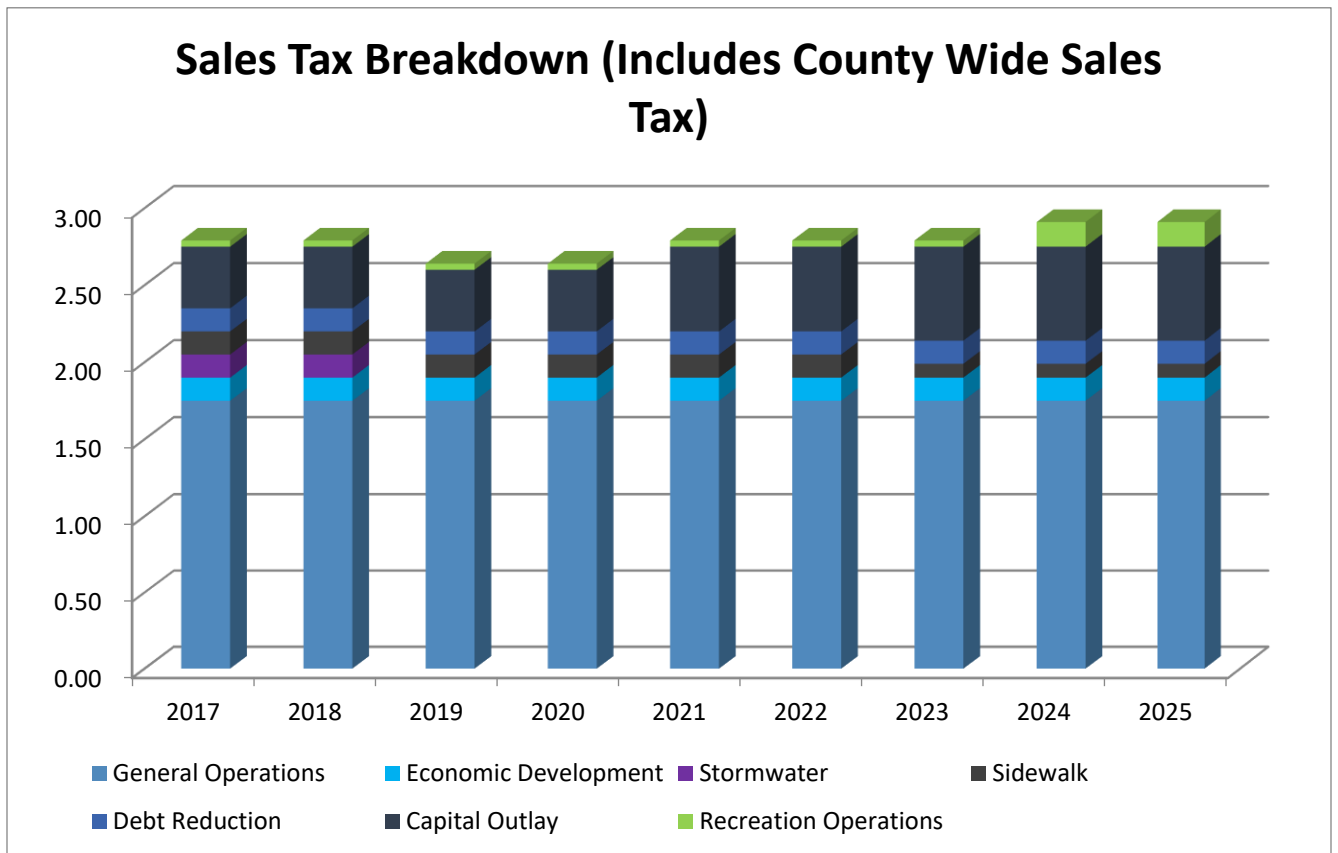
Sales and Use Tax:

Sales taxes are a consumption-based tax on the sale of goods and services, levied at the point of sale, collected by the retailer, and passed on to the government. Use taxes are taxes applied to the sale of items that a resident has purchased from outside their jurisdiction, whether in another city, county, or state; but used, stored, or consumed inside one's jurisdiction. Sales taxes are volatile in that they are the most susceptible to fluctuations in economic downturns, such as the Great Recession of 2009.

Currently, sales taxes are the leading source of revenue for the City of Leavenworth. The citizens have approved a 2.0 percent sales tax, which is the State-allowed maximum. 1/2 of the 2% was approved by voters in 2014 to reduce the mill levy. Of the original 1% sales tax, 1/2% was approved in 1984 and Ordinance 26 identifies that this sales tax could be used for recreation operations as well as capital outlay. During the 2021 budget process, in order to keep the mill levy flat, an increased portion of this sales tax was budgeted for recreation operations, which reduces the amount available for capital projects. The assumption is that this will continue through 2025.

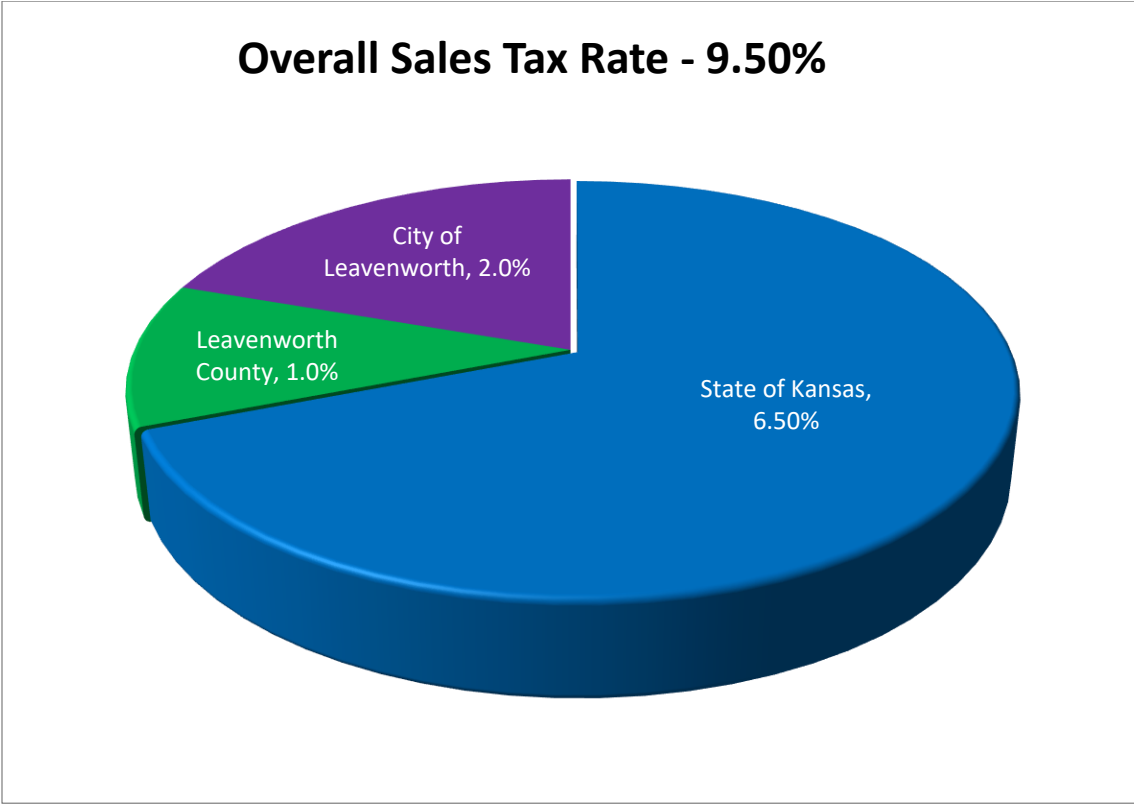
In addition, the City receives a portion of the 1% County Wide sales tax. However, Ordinance 54 restricts the use of County Wide sales tax received by the City for capital projects and is not available to support the General Fund operations. County Wide sales tax will be discussed in more depth in the Capital Outlay section on page 125.

The graph below shows the change in uses for sales taxes.



Prior to 2019, a portion of County Wide sales taxes was set aside for storm water infrastructure maintenance. However, the needs outgrew the available resources, so in late 2018, the Commission approved a separate storm water impact fee. The portion of the County Wide sales taxes that was originally allocated for storm water was then reprogrammed for capital outlay.

The following pie chart shows the total sales tax rate within the Leavenworth city limits (excluding CID District(s)).



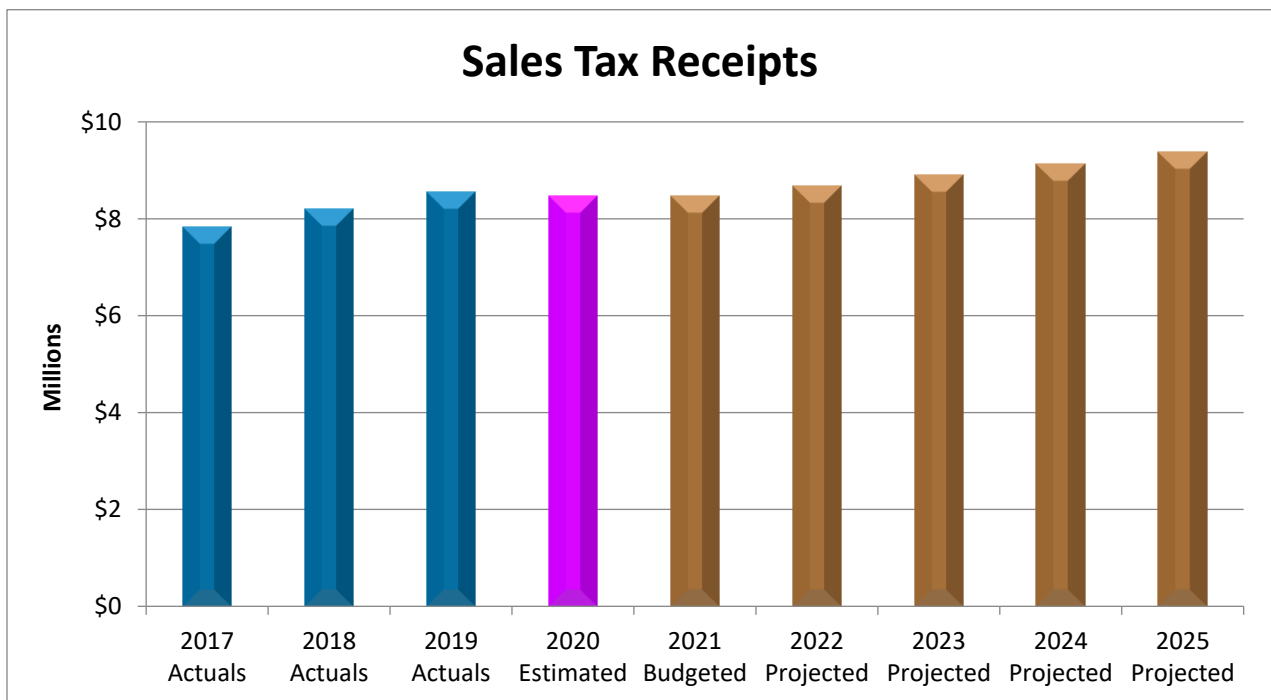
As mentioned earlier, the City’s portion of the sales tax rate is 2.0 percent and is earmarked as follows:

General Sales Taxes In Leavenworth			
<u>Purpose</u>	<u>2021 Rate</u>	<u>2020 Rate</u>	<u>End Date</u>
General Operations	1.75	1.75	Ongoing
Recreation Operations	0.16	-0-	Ongoing
Capital Outlay	.09	.25	Ongoing
TOTAL	2.00	2.00	

In an effort to keep the mill levy flat, and based on the terms of Ordinance 26, a portion of the CIP Sales Tax was reprogrammed to cover the Recreation Operations. The table above shows the change in percentage of allocation from 2020 to 2021.

Since 2017, sales and use tax revenues have steadily increased. The sales tax revenue collections for 2018 sales tax revenues were 4.6% higher than 2017 and 2019 was 3.95% higher than 2018; subsequent to the budget process, 2020 is estimated to be a 2.99% increase over 2019. The 2021 budgeted amount was anticipated to be lower than the normal growth, because at the time the budget was prepared, there wasn't enough data to make a projection about the impact of COVID-19; and 2022 through 2025 projections include a 2.60% increase per year, based on current trends.

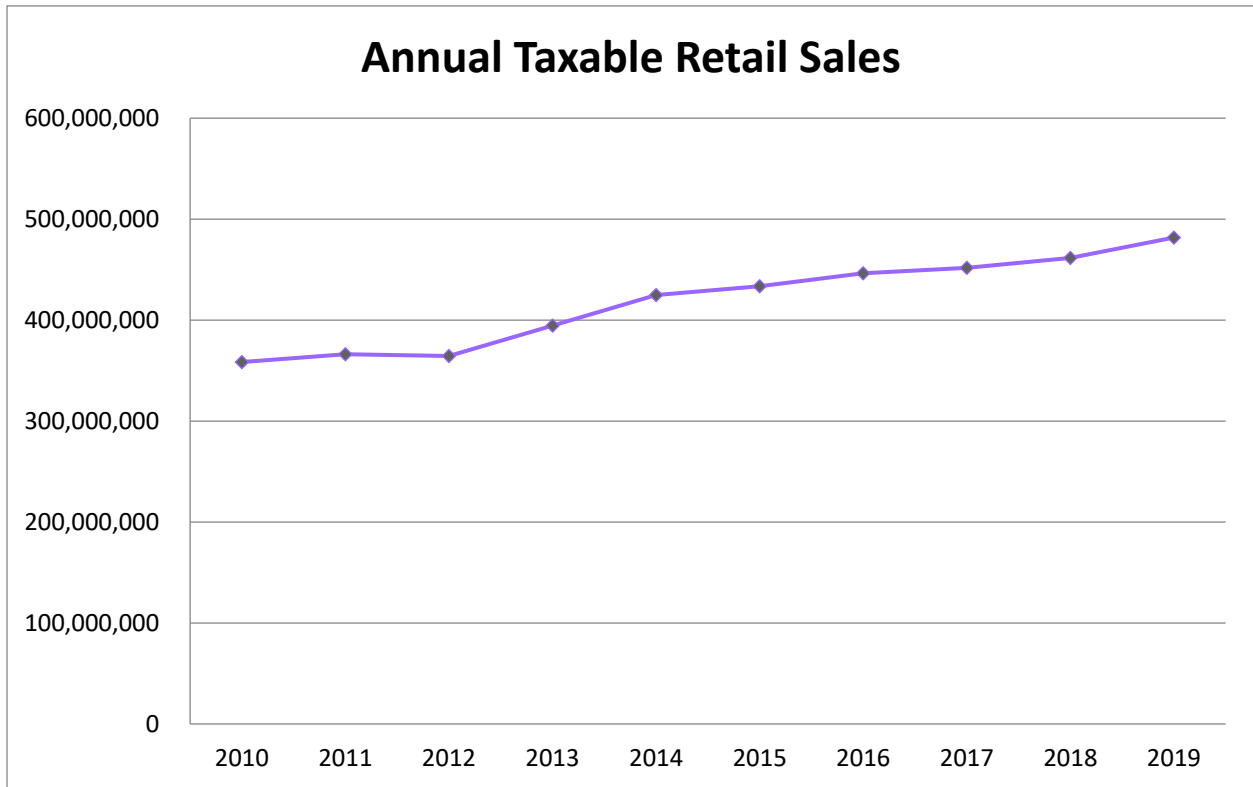
The following graph shows actual and projected sales tax revenue collections for the **General Fund** through 2025:



The graph above reflects a slight decrease in 2020 and 2021 before increasing again in 2022 through 2025. As mentioned earlier, before and during the budget process, the information available on sales tax revenues indicated the possibility of lower than budgeted sales tax revenues for 2020. 2021 was budgeted flat based on the original 2020 estimates.

Annual Retail Sales:

The following graph shows the annual taxable retail sales since 2010.



Kansas Department of Revenue

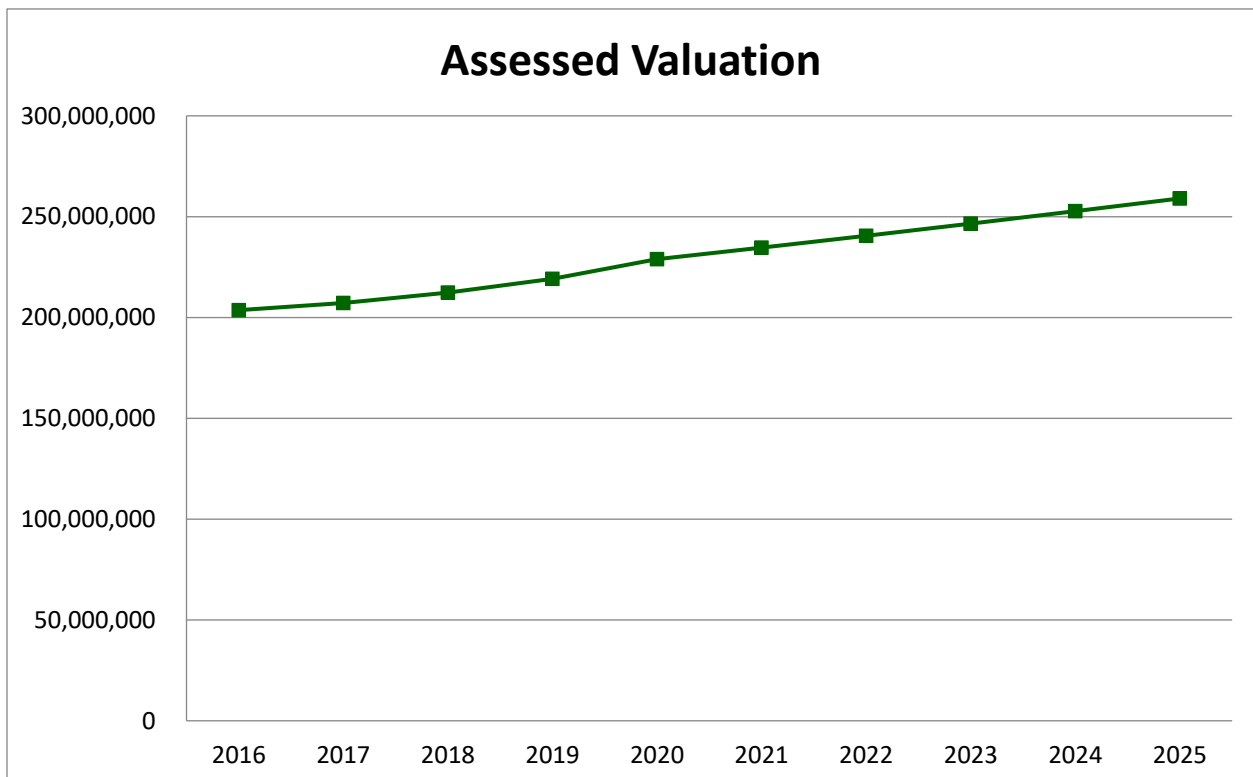
Taxable retail sales remained relatively stable through 2012; then increased in 2013 and 2014. Since then taxable retail sales have steadily increased. Considering that these totals also include costs of inflation, not all of the taxable sales growth is due to increased volume. However, it does show that the economy in Leavenworth was steadily growing.

2020 taxable retail sales information will not be available until mid-March of 2021.

Property Tax:

Property tax is an ad valorem (added value) tax, meaning it's based on the value of real estate or personal property owned by an individual or company. There are two components for calculating property taxes: property valuations and the mill levy. The City determines the level of service for the upcoming year and sets the property taxes at an amount that will pay for those services. In normal years, property taxes are the general fund's second largest source of revenue, however, in 2020 the intergovernmental revenue source, surpassed the property tax revenues due to the CARES Act distribution allocated for the city.

The assessed valuations peaked in 2009 with a higher estimate for 2010 than was realized. Beginning in 2009, valuations driving property tax collections experienced a significant decrease through 2010. Assessed valuations continued to drop (though at a slower rate) even with predictions of economic recovery, until 2016. While the valuation did not increase back to the 2009 levels, it is the first time in six years that it did not decrease. Since then assessed valuations for the City have increased by 2.5% annually and are projected to continue through 2025 due to the renovation of three previously unoccupied buildings that were repurposed to be multi-family residences and a new housing addition adjacent to the Business and Technology Park.



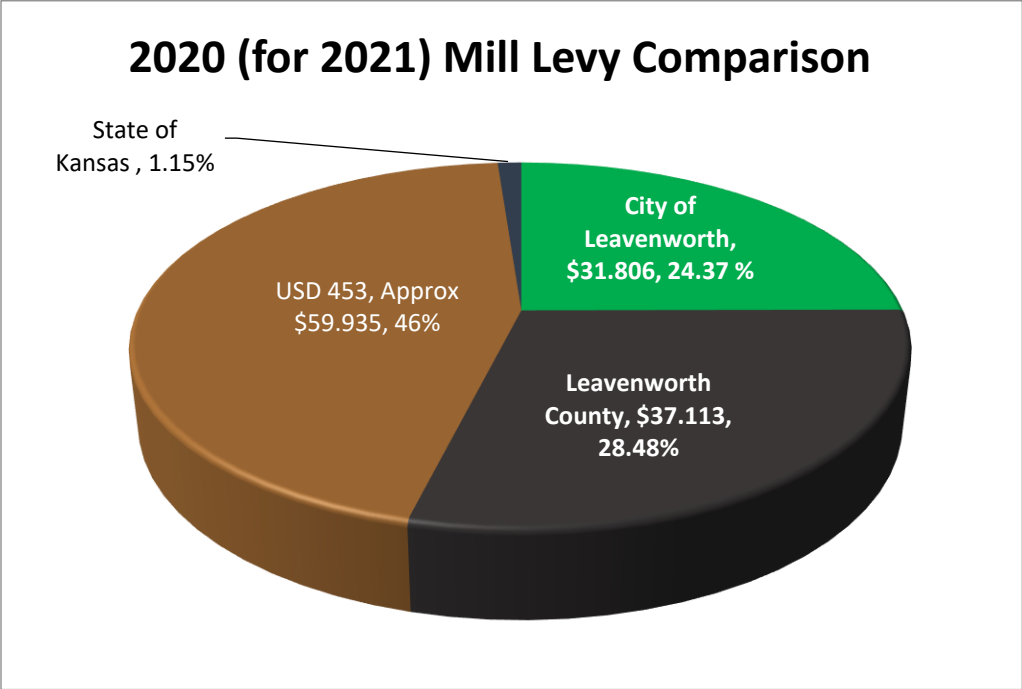
However, even though assessed valuations are steadily increasing, several factors impact the actual amount of revenues available for use:

- Valuation increases in Neighborhood Revitalization Areas (NRAs) and Tax Increment Financing (TIF) Districts, which do not increase the amount of revenues available for the City to use for general operations; currently, the NRA taxes are estimated to be about \$100,000 and are refunded to the property owners. In 2020, one mill in the City of Leavenworth will generate approximately \$228,946. The \$100,000 refunded to the NRA property owners is equivalent to about a half mill of revenues.
- Effective in 2018, state legislation imposed a property tax lid which limits the amount of revenues that can be generated through increased valuations without reducing the mill rate, unless placed on a ballot and voted on by the general public. Since this legislation became effective, the City has managed to provide the same level of services to the citizens without raising the mill. The change in the mill is related to the Library Employee Benefits Fund, not city operations.

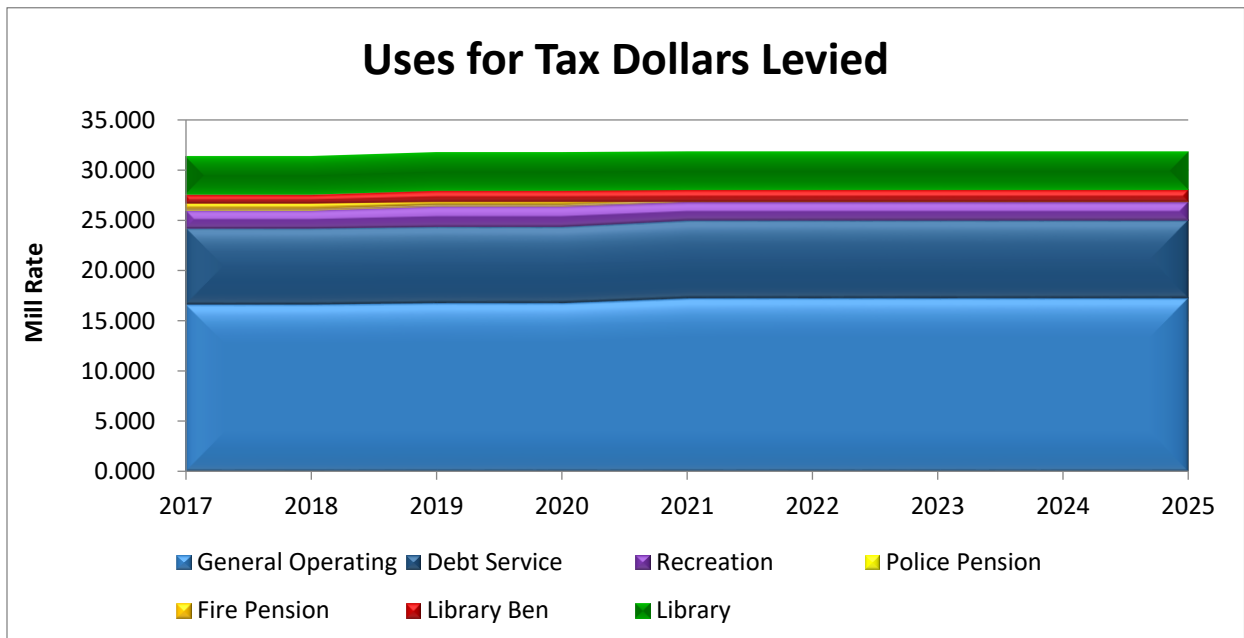
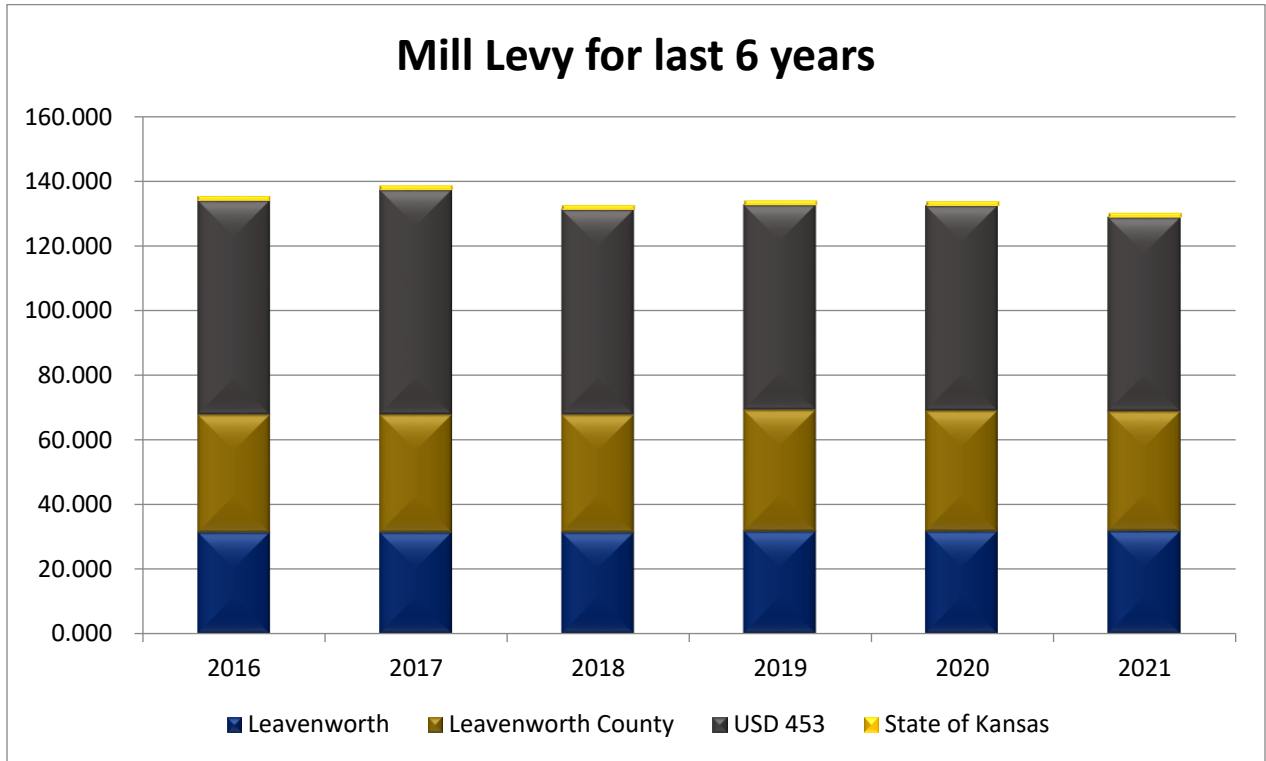
As mentioned earlier, in 2014, the Commission elected to place a 1% sales tax increase on the ballot for approval by the public. This allowed the City to reduce the total levy by 21 mills. Historically, the City collects approximately 97% of the taxes levied, however, beginning in 2015, the City has collected approximately 98% of the taxes levied.

Valued for	Net Valuation	Mill Rate	Tax Dollars Collected
2015	198,767,953	52.029	6,038,709
2016	203,654,933	31.023	6,128,032
2017	207,227,412	31.343	6,278,449
2018	212,395,600	31.348	6,392,478
2019	219,192,469	31.747	6,644,097
2020	228,946,404	31.806	n/a

The City receives only a portion of the property taxes paid by residents. The State of Kansas, Leavenworth County, and Unified School District #453 also assess taxes on property. The levy for USD 453 is estimated based on the summary chart included on their web page.



The following graph shows the breakdown of the City property taxes levied and the uses of those levies.

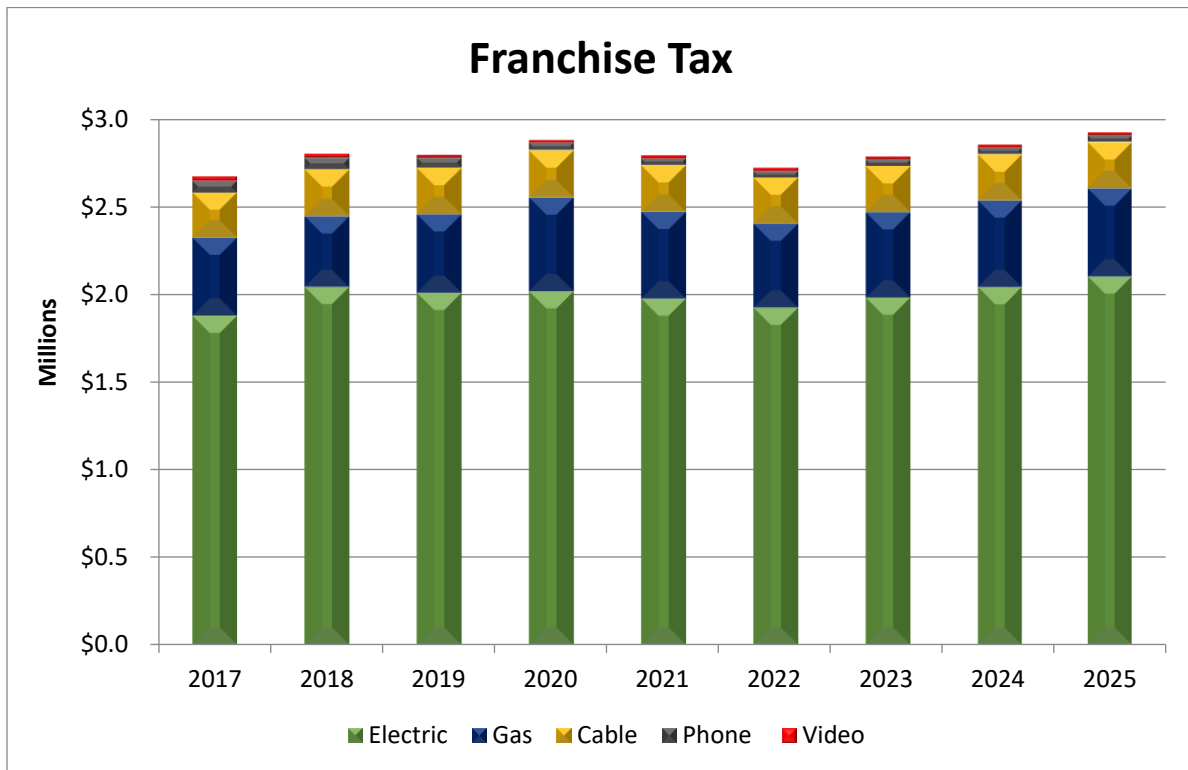


🚧 Franchise Taxes:

Normally, franchise taxes are the general fund's third largest revenue source. Franchise taxes are agreements between a utility and the City for the use of the City's public right of ways. The source of the City's franchise revenues include:

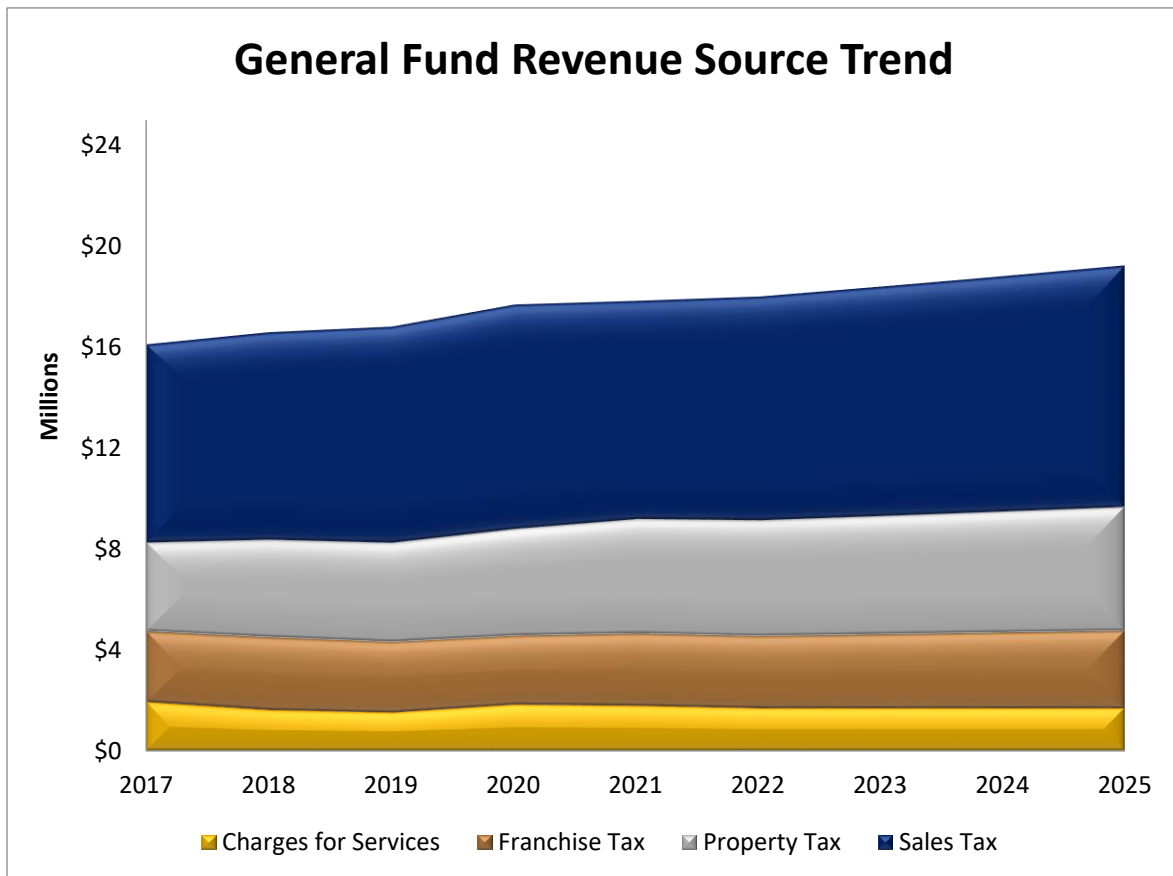
- Electric
- Gas
- Cable
- Telephone
- Video

Franchise taxes are not consistent, but their unpredictability is usually based more on climatic changes and on the commodities market instead of housing and the economy. However, the pandemic also had an impact on franchise fees, specifically gas, electric, and video. Gas and electric franchise fees are down, most likely due to business closures during the shutdown. Video franchise fees are up, again most likely due to the shutdown.



Other:

The following graph depicts the City's typical allocation of the general fund major revenue sources. However, 2020 is an out year because of the CARES Act reimbursement, which is not reflected on the graph below.



- **Other types of Revenues:** The City receives other types of revenues, as well as the ones mentioned above; however, except for the one time receipt of CARES Act monies, the total is insignificant compared to property taxes, sales taxes, franchise fees, and charges for services.

- **Intergovernmental Revenues**
- **Investment Income**
- **Fines and Fees**
- **Licenses and permits**
- **Miscellaneous revenues**

Public Utilities:

The City of Leavenworth provides wastewater, storm water, and refuse utility services.

Wastewater Treatment Plant

The WPC provides services to the residents and businesses of the City, Fort Leavenworth (Fort), Veteran's Affairs Complex (VA), the United States Penitentiary (USP), and a few residents outside the city limits. The primary revenue source for the WPC is charges for services.

REVENUES

As mentioned above, the major revenue source for the WPC are charges for services (user fees). Charges for Services are a revenue source that represents a reimbursement for services provided.

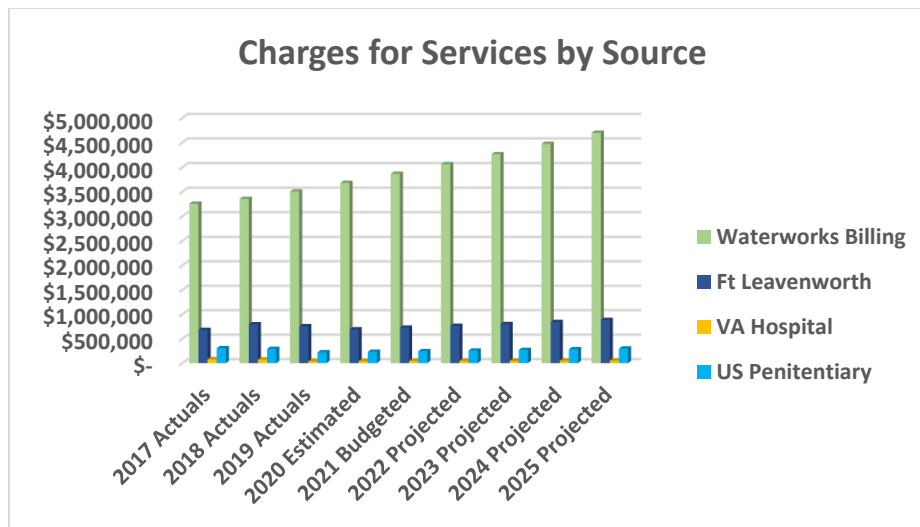
The basis of residential billings is the **average monthly water consumption** during the previous three (3) months of January, February, and March. Non-residential billings are based on the previous twelve (12) months of water usage from July 1 through June 30. Residential customers who have not established a three-month average are charged based on 7 hundred cubic feet of billable flow until they have a three-month average based on January, February, and March. Non-residential customers who do not have a twelve-month average are billed based on actuals until they have a twelve-month average. The Fort, VA, and USP all have separate contracts specifying their billing methods. The wastewater revenues also provide support for storm water operations and treatment services.

The current billing method provides relatively consistent revenues throughout the year with most fluctuations derived from the number of customers rather than actual usage. 2019 was an outlier due to extensive floodwaters that infiltrated the system and needed to be treated, which distorted the ratio of usage to the total flows treated.

The four main components of the revenue stream are:

- City residential, industrial, commercial, and other business entities
- Fort Leavenworth (Fort)
- Veteran's Affairs (VA) Hospital
- The United State Penitentiary (USP)

The chart below shows the level of revenues each component contributes to the total revenues:



The chart also shows the actuals for 2017 through 2019, the estimate for 2020, budgeted for 2021 (which includes a 3% rate increase), and projected for 2022 through 2025 at an annual 5% increase.

Other assumptions that affect revenue levels include: efficiency measures that the federal agencies put in place, facilities that were temporarily shut down for construction purposes, closure of some businesses, new housing addition(s), construction of new hotels, the conversion of vacant facilities into multi-family housing units, the bond proceeds for bond refunding, and the shut down due to COVID-19.

Solid Waste (Refuse)

The Solid Waste department provides residential solid waste removal services. The primary revenues source is charges for services (user fees.)

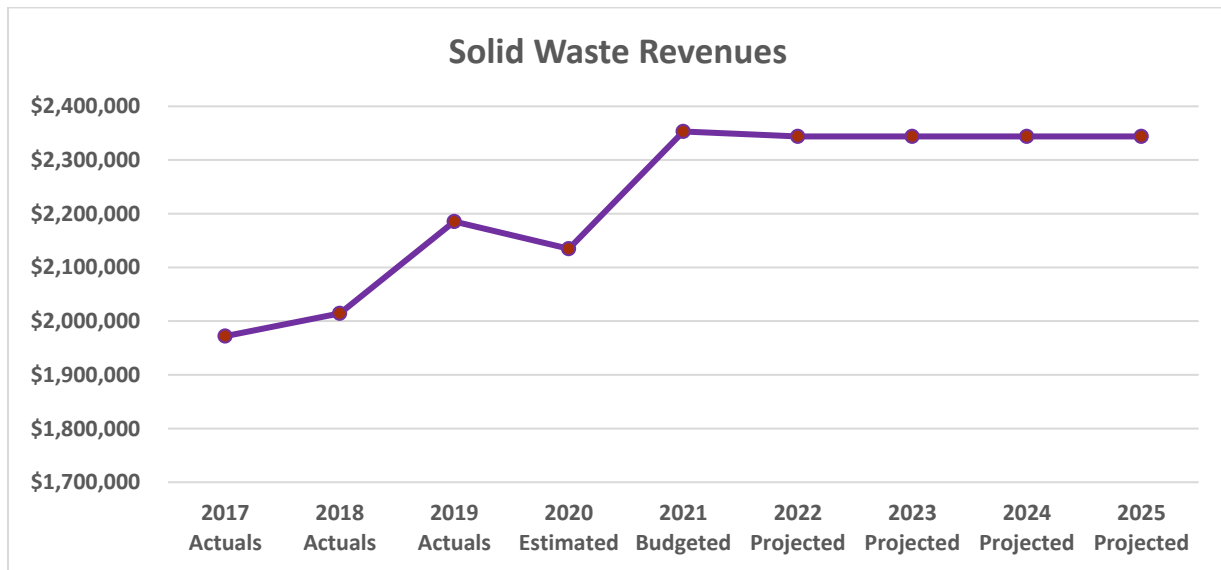
REVENUES

As mentioned above, the major revenue source for the Solid Waste department is charges for services. Charges for Services are a revenue source that represents a reimbursement for services provided. The basis for the residential billings is a flat fee that is included on the monthly water bill.

Other revenue sources for the Solid Waste department include trash bag sales, landfill collections, recycling fees, and direct pays.

The factors having the most influence on solid waste revenues are rates and number of customers. Revenues for 2017 and 2018 included a 3% rate increase. During the 2019 budget

process, the City Commission approved an 8% increase in rates that became effective January 2019. This increase was to fund replacement of solid waste equipment, such as trucks and to offset the increased cost of landfill expenses. Estimated revenues for 2020 include a 3.0% annual increase. Budgeted revenues for 2021 and projected revenues for 2022 through 2025 shows no increase in rates. The following graph shows actual revenues from 2017 through 2019; estimated revenues for 2020; budgeted revenues for 2021 and projected revenues for 2022 through 2025. The following graph does not account for an increase or decrease in numbers of customers.



Stormwater

The Stormwater activities repair and replace the storm water drainage system throughout the City. The main revenue source is an impact fee established by the Commission in late 2018.

REVENUES

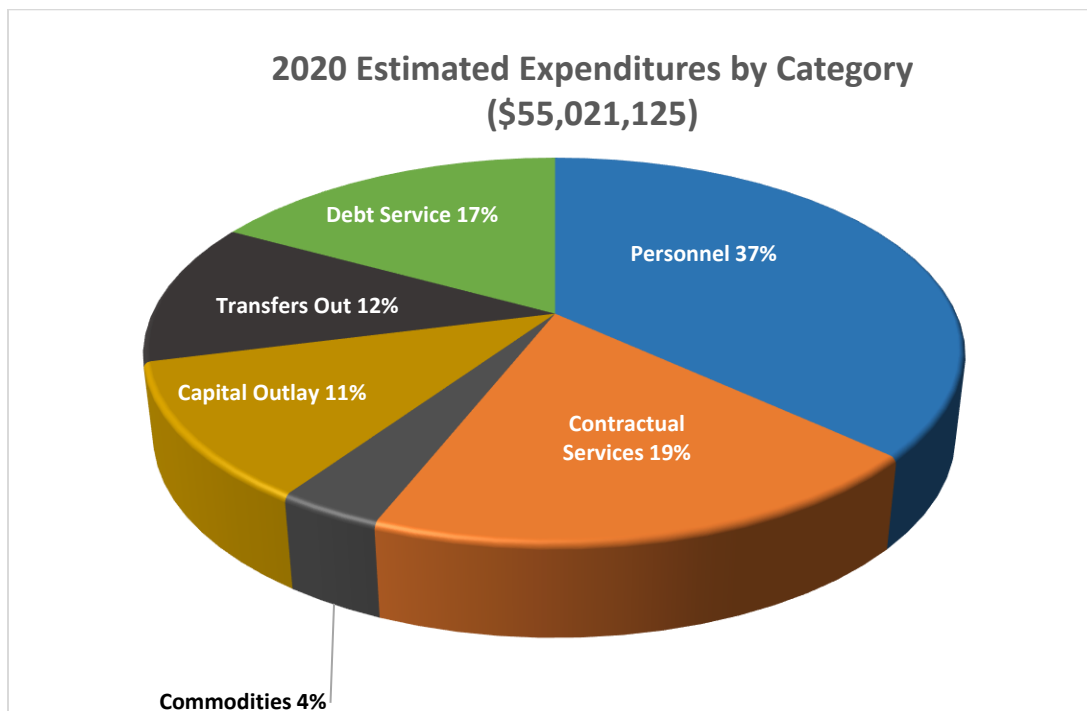
As mentioned above, the major revenue source for the Stormwater program is an impact fee. While the impact fee is billed annually on the property tax bills, it is not a tax. There is a flat fee based on whether the structure functions as a residence, a multi-family residence, commercial, or industrial. The only fluctuation in the level of funding would be if properties are added, if the use of the property were changed, if the structure were removed, or if the payment was delinquent.

The other potential revenue source is bond proceeds. In 2020, the City issued general obligation bonds for two projects. The 2021 budget includes the first installment of repaying the debt.

EXPENDITURES

While the City budgets expenditures in order to accomplish goals, recent events have challenged the City to make some significant changes to meet those goals and priorities. In 2019, the Missouri River flooded and in 2020, the COVID-19 pandemic brought its own set of challenges. As with all local governments nationwide, the City of Leavenworth struggled with determining what measures to take to continue to provide services and, yet, protect employees and citizens from being exposed to the virus. The City, like others, put protective equipment, social distancing, and controlled access measures in place. The City shutdown in late March 2020 and reopened in phases beginning in May 2020. Employees, who could, worked from home. The City implemented sanitizing measures in city facilities. Meetings became virtual rather than in person. Within the financial system, we created a method of tracking the expenses related to COVID-19. All these measures created expenditures that were not included in the original budget. However, the travel ban and business shut down also reduced some expenditures.

The following chart shows the estimated expenditures by category for 2020, including those related to COVID-19 safety measures:



Personnel expenditures, as is the case with most entities, represent the majority of the City's expenditures. Personnel costs include salaries and benefits. The 2020 estimated expenditures are approximately \$200,000 less than 2019 actuals. Reduced temporary/seasonal salaries due to COVID-19, retirees replaced with entry-level personnel, difficulties in hiring, and reduced overtime expenses all contribute to the lower cost.

The 2021 budget was built with the assumption that the City will be fully reopened all year. It includes a 2.5% increase for Cost of Living Adjustments (COLAs), implementation of phase 3 of the compensation plan, as well as, anticipated rate increases for the Kansas Police and Fire (KP&F) retirement system, and health insurance.

Health insurance rates increase every year. While retirement benefit costs are a direct percentage of salaries and wages, health insurance benefit costs are not. Health benefit rates are the result of the number of employees participating in the programs and the types of coverage they participate in, as well as, claims experience. Health care rate increases are not available until after the budget is set. Therefore, the 2021 commission approved budget included an 8% increase in health care rates. Subsequent to the budget estimates, the City was notified that improved claims experience resulted in a 6.5% rate increase instead of an 8% increase. The approved budget was not adjusted to incorporate the lower rate.

Although the City offers other benefits, retirement and health care are the two benefits with the most impact on expenditures. While some of the benefits' rates increased, other changes offset those rate increases so there is a net increase of only 2% in personnel costs.

Contractual services includes a variety of expenses including but not limited to property and liability insurance, software license agreements, utility costs, professional services, etc. The 2020 estimated expenditures for contractual services is 1% higher than the 2019 actual expenditures. However, the 2021 contractual services entity-wide budget is 4.6% higher than the 2020 budget. It includes a major increase in IT services (23.5%); telephone services increased due to increased IT services and improved first responder services (5.4%); property and liability insurance increased 14.4%; professional services are budgeted to increase by 38.1%. This is because contracts for the 2020 City Festival were moved to 2021 due to the COVID-19 shutdown. The estimates for 2022-2025 are calculated on the CPI basis of 1.4%.

Commodities include supplies, chemicals, vehicle repair parts, gas, oil, etc. These items are 4% of the estimated 2020 expenses. The 2021 budget is 6.8% higher than the 2020 budget. This is a cumulative effect of numerous smaller items and not attributed to any specific estimate. The estimates for 2022-2025 are calculated on the CPI basis of 1.4%.

Transfers out are defined as an "other use of resources." They are typically receipts of revenues in one fund transferred to another fund for use. When preparing a budget, transfers out are treated as an expenditure of the fund they are transferred from and a revenue (as a transfer in)

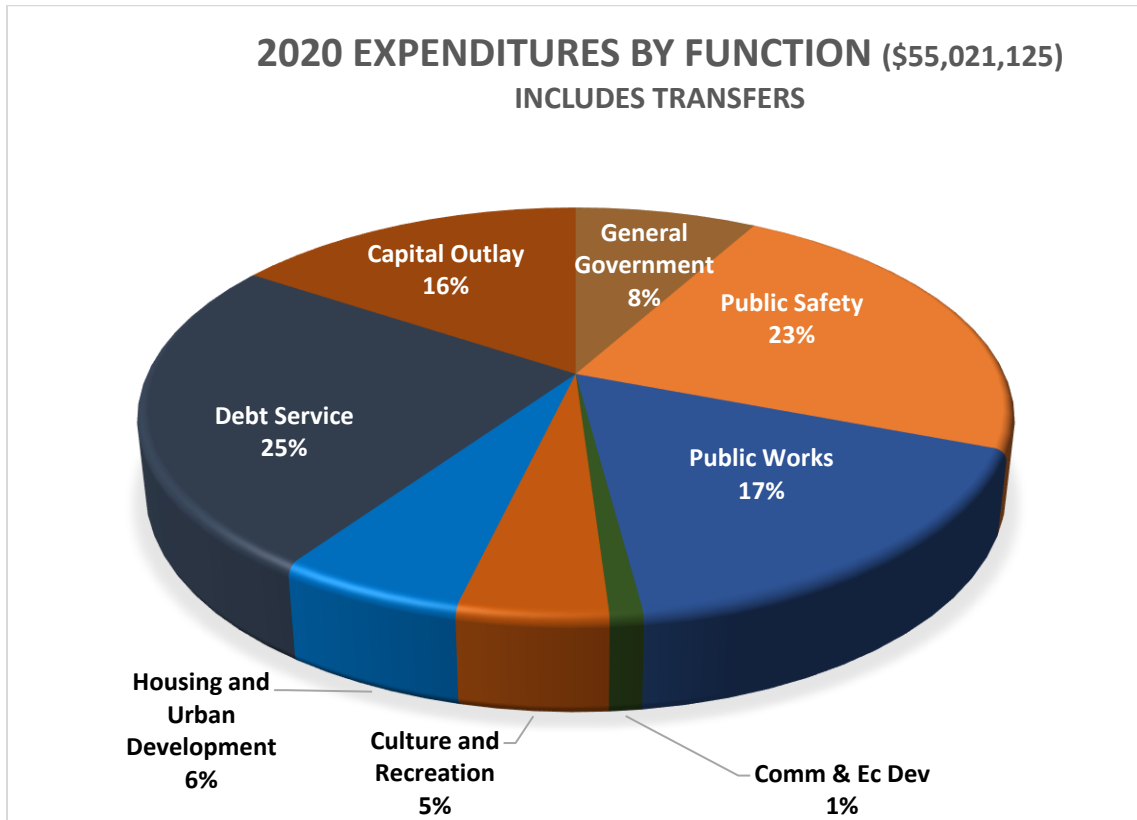
to the fund they are transferred to. Kansas Statutes define what transfers are allowable. Transfers are usually deducted from gross expenses so they aren't counted twice. For 2020, transfers out accounts for 12% of the budgeted expenditures of the City. These transfers include the transfers to Tax increment financing (TIF) funds, capital project funds, and the debt service fund. In 2021, transfers out were budgeted 3.4% higher than the 2020 budget. The majority of this is related to increased property and sales taxes to the TIF funds, adding two additional TIF funds, and increased transfers to capital outlay funds.

Debt service expenditures reflect the repayment of debt for previous years' projects that were too expensive to pay from operations. In 2020, debt service was 12% of the total expenditures. The 2021 budget reflects an 8.5% reduction of expenditures from 2020. This is due to the refunding of several bonds and the maturity of others.

Capital outlay expenses include such items as equipment replacement, infrastructure construction and repairs, and improvements to City properties such as parks, buildings, etc. 2020 capital outlay expenditures are 11% of the estimated expenditures, although, a freeze was placed on starting projects until the impact of the coronavirus on city revenues could be effectively measured. In the out years (2022 through 2025) transfers out, debt service, and capital projects are based on actual requirements known at this time and do not have a CPI percentage applied to them.

In the out years (2022 through 2025) transfers out, debt service, and capital projects are based on actual requirements known at this time and do not have a CPI percentage applied to them.

Another useful way to view the City’s expenditures is by program. The 2020 estimated expenditures by program are shown below. The largest percentage of City expenditures is for Public Safety, followed by Debt Service, Public Works, and Capital Outlay, respectively.



Public Safety expenditures include Police, Fire, and Animal Control activities.

Public Works activities includes Engineering, Service Center, Streets, Garage, Sewer, Refuse, Inspections, and Stormwater.

The debt service percentages shown in the graph above is the amount for all city funds. The reason for the difference between expenditures by category and expenditures by function for debt service and capital outlay, is that some of the expenditures by category are included in transfers out; for example, transfers out from CIP Sales Tax and Countywide Sales tax to capital projects and from capital projects to the debt service fund. Of the 25% debt service shown in the graph above, 9% are debt repayments made from the sewer fund. A significant portion of capital outlay is part of the public works program.

General government expenditures include such support services as City Commission, City Manager, Human Resources, City Clerk, Information Technology, Finance, Municipal Court, Legal, Economic Development, Convention and Visitors Bureau, and Probation.

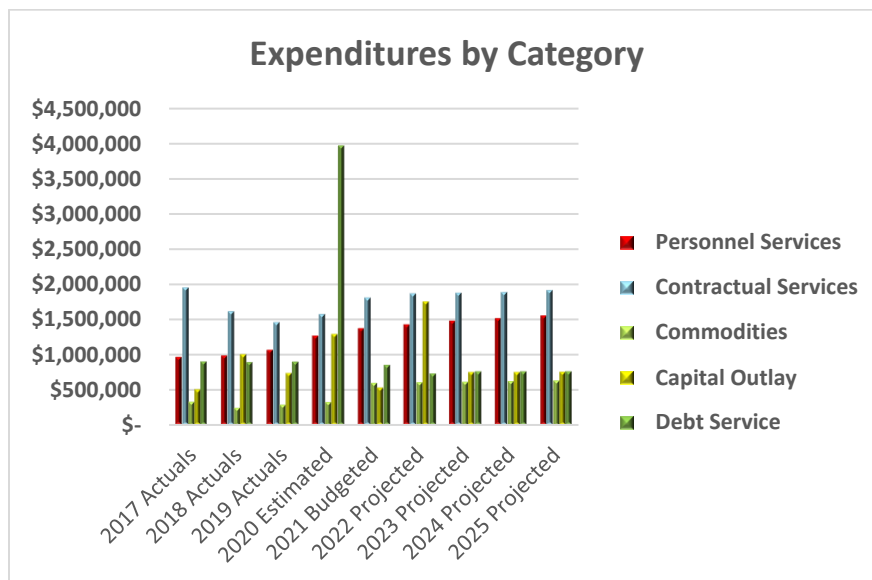
Public Utilities:

Wastewater Treatment Plant

For most entities, personnel costs represent the largest percentage of expenditures. However, for the WPC, the largest expenditure category is contractual services. **Contractual services** include electricity and other utilities, landfill fees, property & liability insurance, admin and supervisory fees, laboratory services, and repair and maintenance services.

Calculations include a 1.4% consumer price index (CPI) across contractual services and commodities.

The chart below shows expenditures by category for 2017-2019 actuals, 2020 estimated, 2021 budgeted, and 2022 through 2025 projected:



The increased **debt service** expenditure in 2020 is due to the refunding of bonds, there is an offsetting level of revenues from the bond proceeds.

Personnel projections include the remaining implementation of the results of the compensation study, a 2.5 % annual COLA, increases in health insurance, and KPERS.

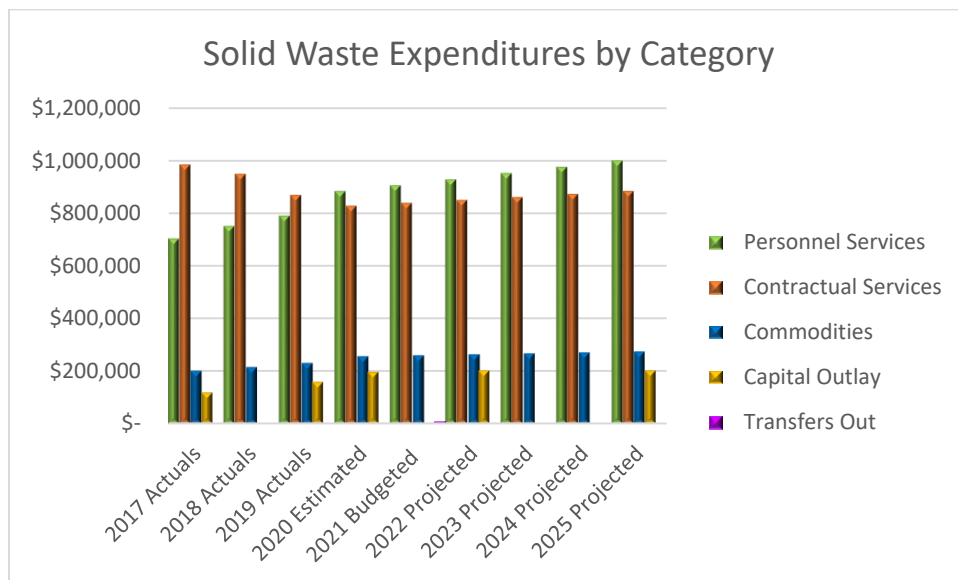
Commodities include the periodic replacement of UV lamps. For example, there is scheduled \$100,000 per year in 2021 through 2023, for a phased replacement schedule for all the UV lamps, which are used to treat bacteria before it leaves the plant.

Refuse

For most entities, personnel costs represent the largest percentage of expenditures. However, for the Refuse Department, the largest expenditure category is contractual services for 2017 through 2019. This is due to the increased costs of landfill fees. In late 2018, the City bid landfill services and subsequently transitioned to a different landfill service in 2019. In 2019, landfill expenses decreased noticeably and they continue to decline even though the landfill service raised their rates by 3%. Contractual services include electricity and other utilities, landfill fees, property & liability insurance, admin and supervisory fees, and equipment repair and maintenance services.

Calculations include a 1.4% consumer price index (CPI) across contractual services and commodities.

The chart below shows expenditures by category for 2017-2019 actuals, 2020 estimated, 2021 budgeted, and 2022 through 2025 projected:

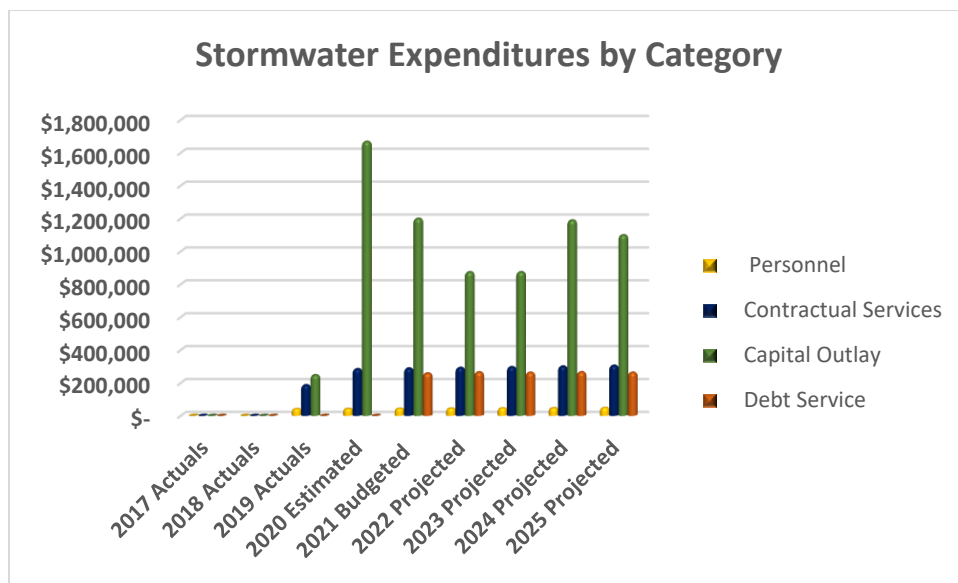


The capital outlay shows the replacement of the refuse trucks.

Stormwater

For most entities, personnel costs represent the largest percentage of expenditures. However, for the Stormwater Fund, the largest expenditure category is capital outlay. The contractual services are planning, design, and inspection expenses specific to individual projects. The debt service costs are the annual debt payments related to the Independence Court and 2nd and Chestnut Stormwater drainage projects that were started in 2020.

Calculations include a 1.4% consumer price index (CPI).



Capital Improvements

In addition to the general operations and capital outlay supported by general sales taxes, there are four programs funded by the County Wide sales tax through 2020. Prior to the Commission approving the Stormwater impact fee in 2018, storm water projects were also paid from the County Wide Sales Tax. Subsequent to the passage of the impact fee, the amount previously allotted for storm water was allocated to capital outlay:

County Wide Sales Taxes In Leavenworth		
<u>Purpose</u>	<u>Rate</u>	<u>End Date</u>
Debt Reduction	.15	Ongoing
Sidewalk Program	.15	Ongoing
Economic Development	.15	Ongoing
Capital Outlay	.55	Ongoing
TOTAL	1.00	

Capital expenditures are resources used to acquire, maintain, repair, replace, or upgrade capital assets. Capital assets are typically those assets with a life span exceeding a normal business cycle and whose cost exceeds a minimum dollar threshold established by management.

These assets are used to provide services to the public and during the course of their lifetime will require maintenance to keep them operating safely and efficiently. The performance and continued use of assets is essential to the health, safety, economic development, and quality of life for the public.

Budgetary pressures often cause maintenance to be delayed due to lack of resources. This is referred to as deferred maintenance. Prolonged deferred maintenance results in higher costs, asset failure, and health and safety issues. Therefore, in order to adequately address these issues, a capital improvement plan is essential.

Currently, the City’s capital assets have a net value in excess of \$69 million dollars excluding streets, sidewalks, manhole covers, gutters, sewer lines, etc. It is estimated that the city should

spend about 5% of the value of assets, annually, on maintenance. This equates to approximately \$3.5 million dollars each year.

The City has identified in excess of \$30 million dollars of upgrades, maintenance or replacements necessary through 2025. Of this amount, \$25 million is currently unfunded. Effective financial management includes a capital management plan that will address these needs. The capital improvement program located in the supplemental information section summarizes the estimated costs of repairs, maintenance, and replacements for 2021 through 2025 and beyond, by department and asset type.

Due to the COVID-19 pandemic, several of the 2020 capital projects were delayed while determining the impact on revenues. For the same reason, the 2021 capital improvement plan (CIP) was structured differently than in the past. The City used a tiered approach. The projects were prioritized based on estimated revenue projections for 2021. Projects in tier 1 were the ones the Commission and staff felt needed immediate attention. If revenues come in higher than budgeted, projects in tier 2 and possibly tier 3 will be included in 2021.

DEBT SERVICE

Effective financial management includes analyzing several funding mechanisms to determine what option is the most beneficial to the City. In some cases, issuing debt is the best available option. The City of Leavenworth traditionally uses debt for equipment and capital improvements that cost too much to pay from the operating budget. During the 2020 debt issuance process, Moody's rating agency notified the City that due to COVID-19, entities across the nation had their credit rating downgraded by one step. The City of Leavenworth maintained its Aa2 credit rating.

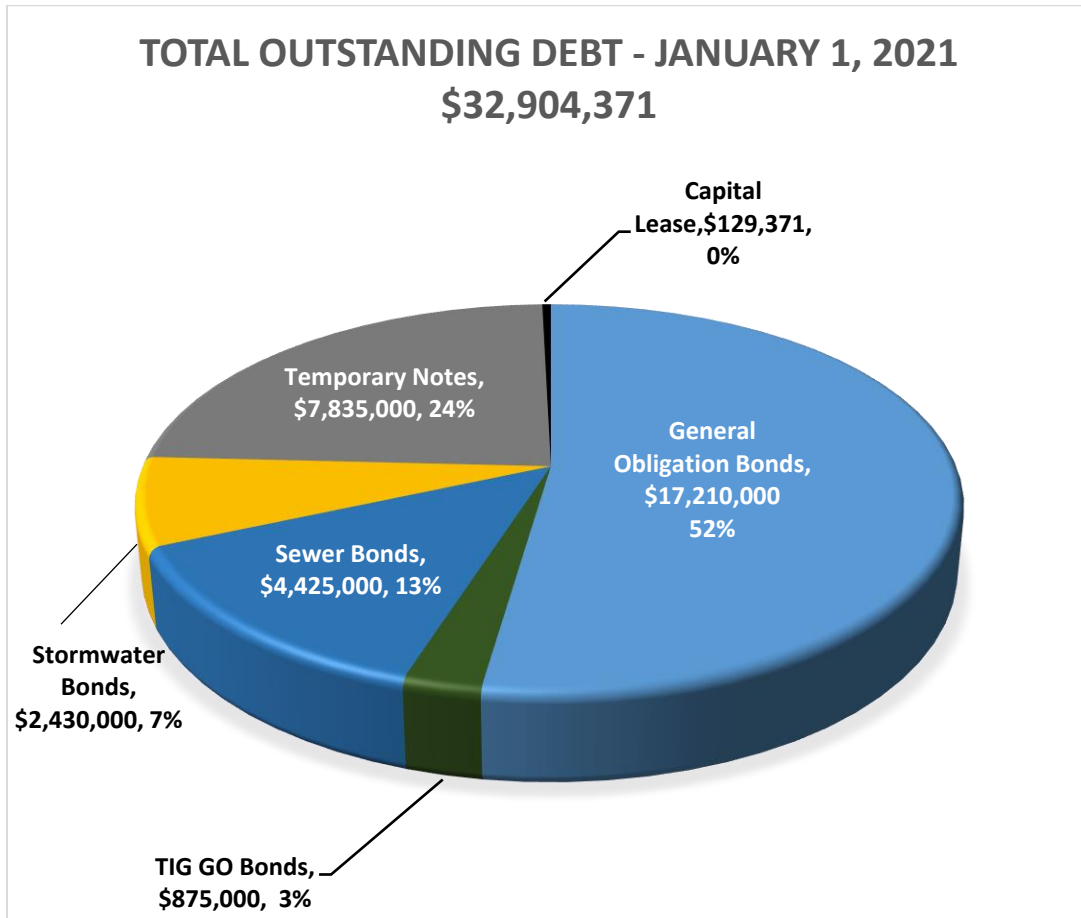
The financial plan for the City includes debt payments for current obligations and forecasted payments associated with issuing new debt in 2021. Those additional payments are anticipated to begin in 2022.

The revenues for making the debt payments are derived from the following sources based upon the nature of the improvement and the type of debt that has been issued:

- Property Taxes
- Charges for Services
- Special Assessments
- Investment Income
- Transfers
- Sales Taxes
- Other

Types of Debt

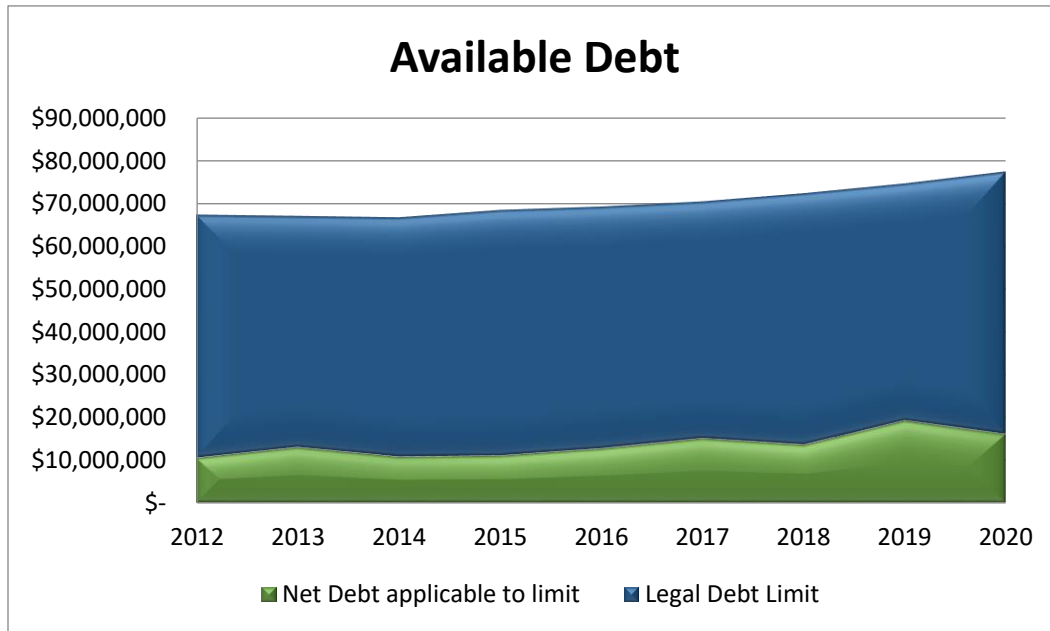
The City of Leavenworth uses several types of debt to pay for capital improvements and expensive equipment, most frequently general obligation bonds, temporary notes, and capital leases.



Effective debt management requires monitoring debt levels to ensure the soundness of the City's financial position and continued credit worthiness. The City uses the following measurement tools to manage its debt levels:

STATUTORY	<u>Debt Mgt Policy</u>	<u>2020 Ratios</u>
Net Direct Bonded Debt as a percentage of Assessed Value (In accordance with K.S.A. 10-308)	30.00%	20.80%
Charter Ordinance 56 as a percentage of the previous year's tax levy	28%	23%
INTERNAL GOALS		
Net Direct Bonded Debt Per Capita	\$1,000.00	\$710.81
Net Direct Bonded Debt Per Capita as a percentage of Per Capita Income	5.00%	1.70%
Net overall debt per capita (overlapping debt)	\$2,000.00	\$911.51
Mill Rate Not to Exceed	10 Mills	7.778 mills

The following graph shows the difference between the City's current total outstanding G.O. Debt compared to what is allowed according to state statutes. The green indicates the City's current level of G.O. Debt and the blue indicates the legal limits (30% of assessed valuation including motor vehicle):

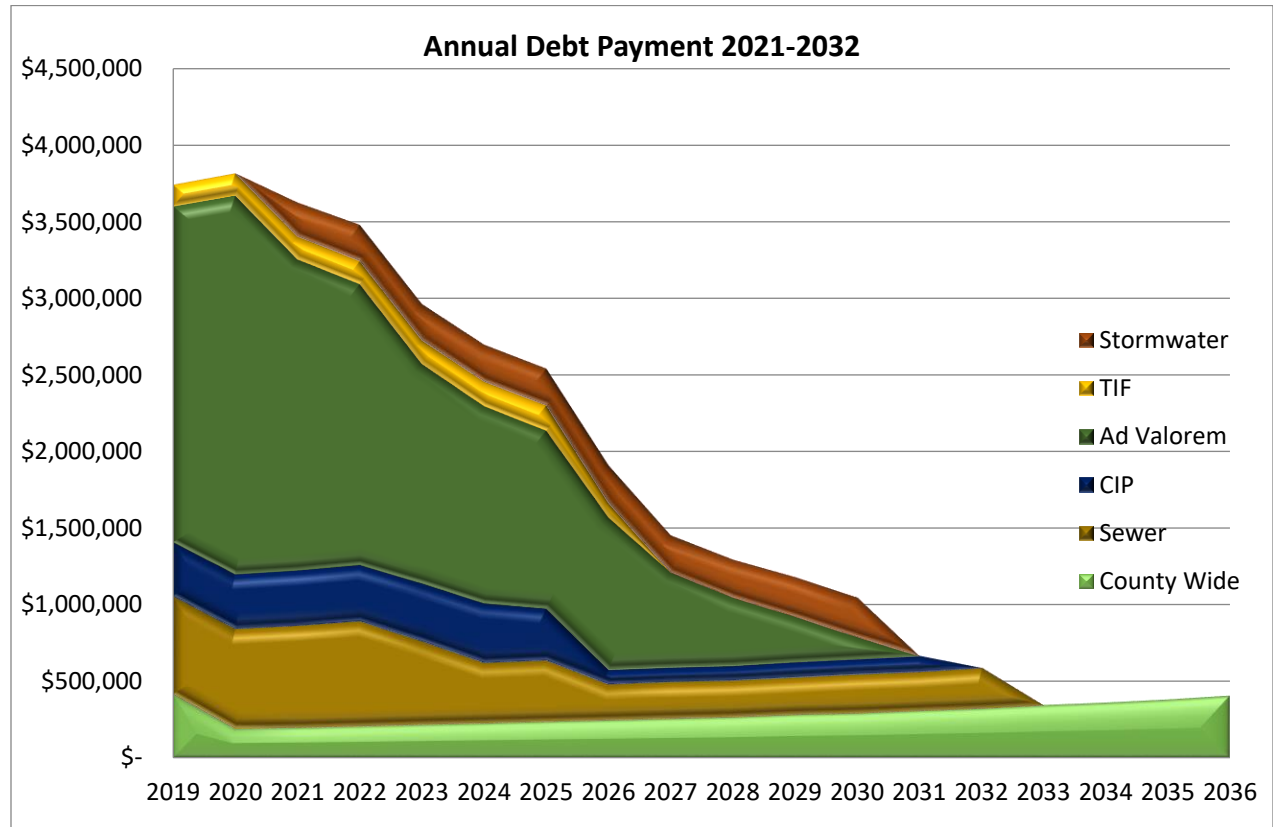


Note: Just because there is the capacity to issue more debt, doesn't mean the City has the ability to pay for more debt.

Cumulative Debt:

The following graph depicts the City’s total annual bonded debt by repayment source and the year the bonds are scheduled to be retired. This doesn’t include the additional 15% dedicated sales taxes for debt reduction from Countywide sales tax. This only represents scheduled debt payments. The 15% dedicated Countywide sales tax is used to offset the mills that would be required for ad valorem supported debt.

This also does not include the \$6m in temporary notes for Thornton Street that will be bonded in 2021; nor does it include the \$1.4m in temporary notes for the 2020 pavement management project that will be bonded in 2021; it also does not include the \$1.4m that will be bonded in 2021 for the 100’ aerial ladder firetruck that will be bonded in 2021.



RESERVES

Reserves are the cornerstone of financial stability and flexibility, providing an organization options with which to respond to unforeseen risks. The most challenging issue regarding reserves is the balance between enough and too much. While there is no specific right or wrong answer, there are analytical tools that can determine what an appropriate level is for each organization. Several risk factors to be considered are:

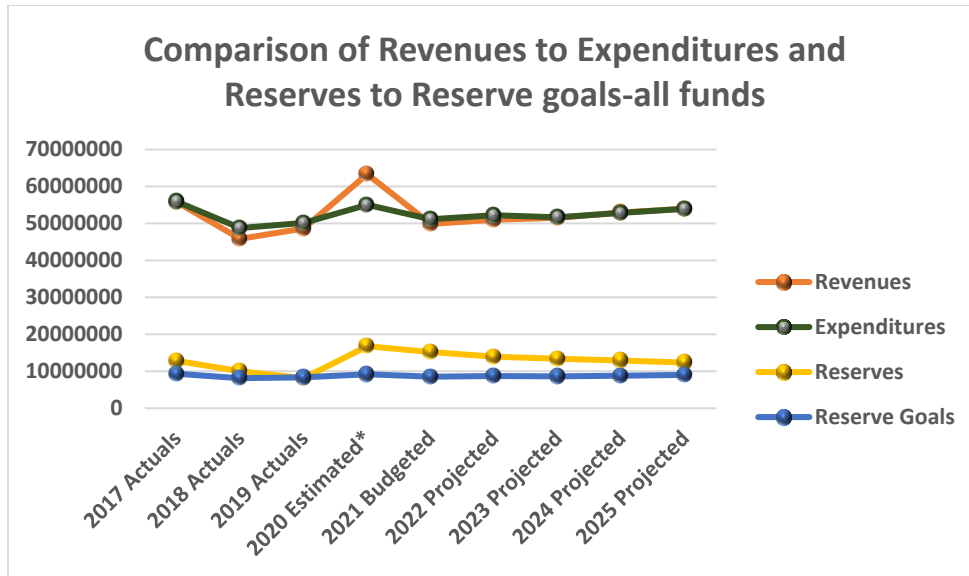
- Revenue volatility
- Infrastructure condition
- Extreme events such as weather
- External Factors, such as the COCID-19 pandemic

The Government Finance Officers Association (GFOA) recommends 16% of revenues for governmental funds and two months of expenditures for enterprise funds as adequate reserve levels.

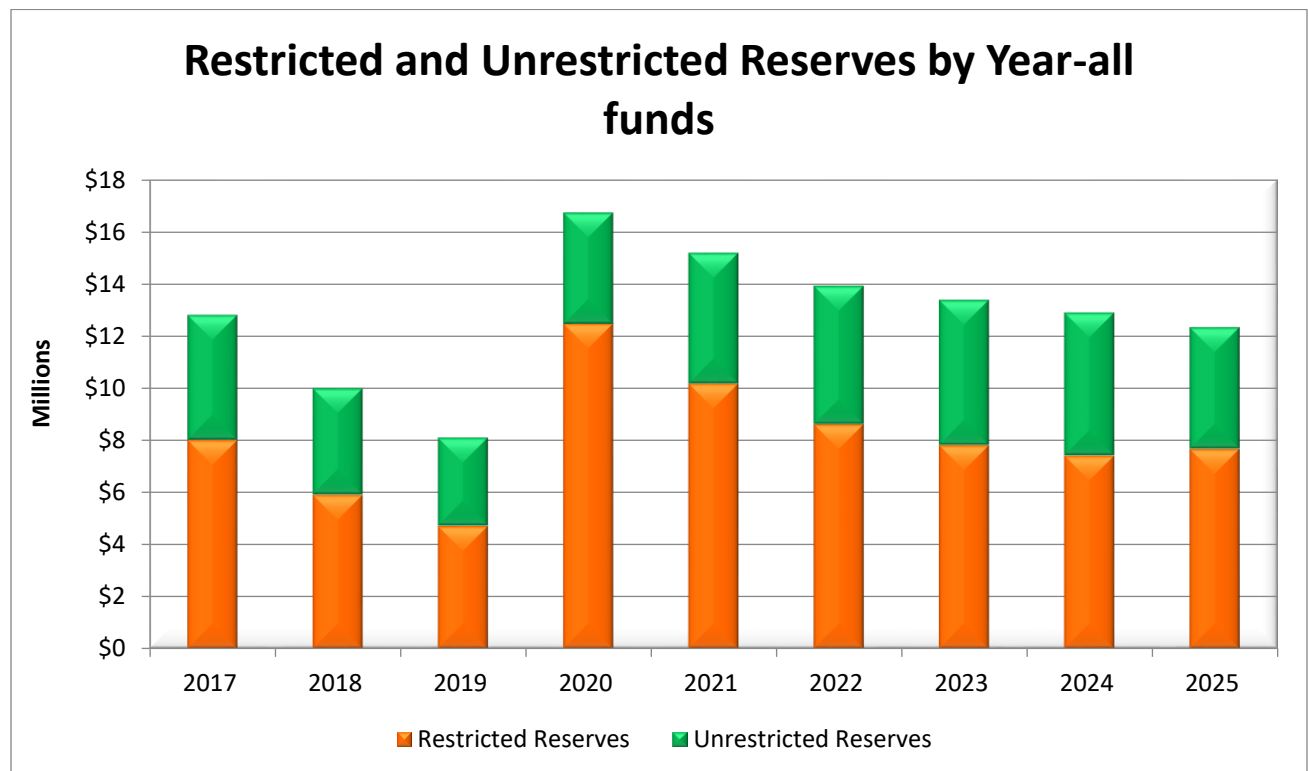
The City has determined that it should maintain the equivalent of two months of expenditures as a minimum reserve level. The Commission approved Reserve policy defines which funds are required to maintain this level of reserves. The policy also defines the purposes for which excess reserves may be used, and that the City will budget 4% of expenditures annually to restore reserve levels that are below the established goal.

The General Fund, CIP Sales Tax, County Wide Sales Tax, Sewer, and Refuse Fund are the funds to which the reserve level policy applies. Other funds have reserves which are restricted for a specific use. For example, the Planters II housing fund has reserves but those reserves are restricted for Planters II housing activities, whether it be operations or capital outlay.

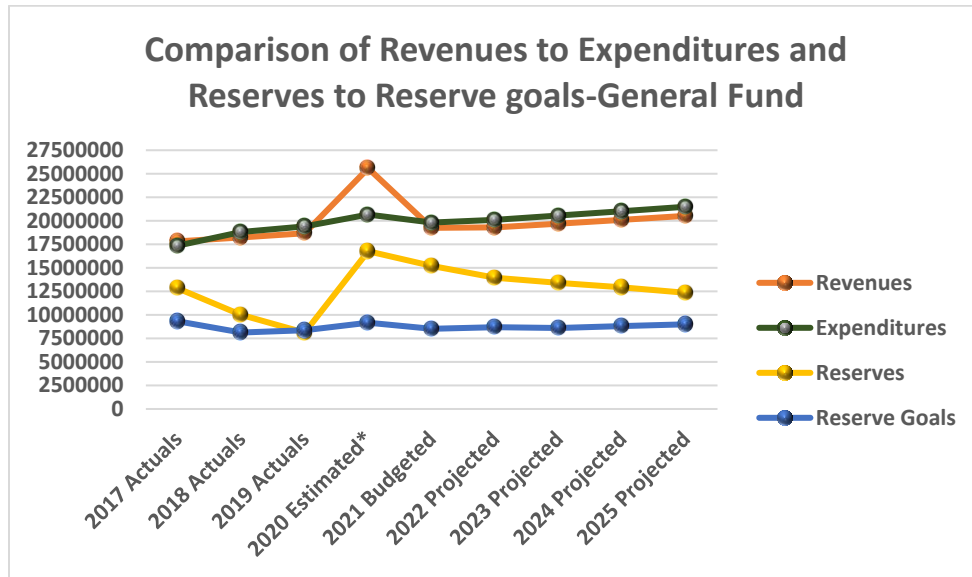
The following graph shows the relationship between the revenues, expenditures, reserves, and reserve goals. As you can see in 2020, there is a spike in revenues, expenditures, and reserves related to the CARES Act funding. In 2021 through 2025, you can see the gradual decrease in reserves as revenues fall behind expenditures.



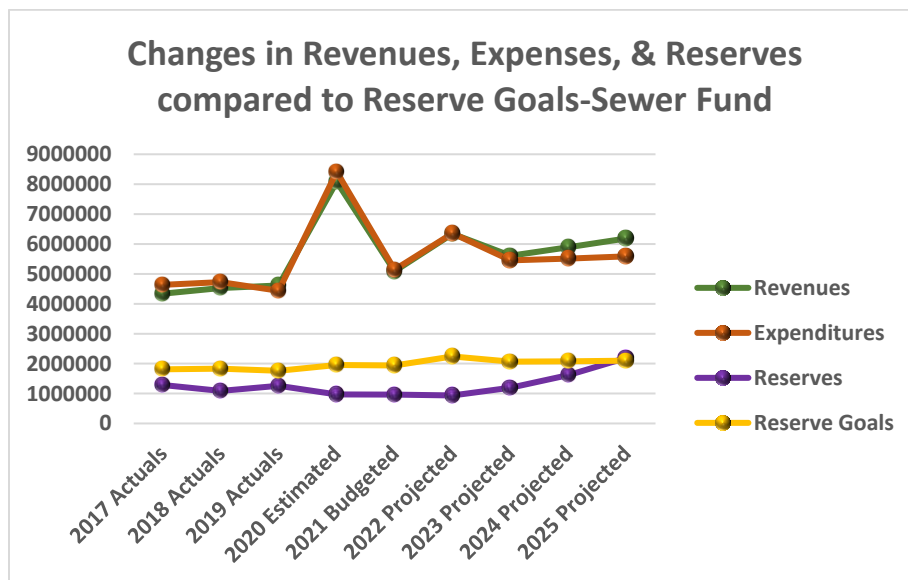
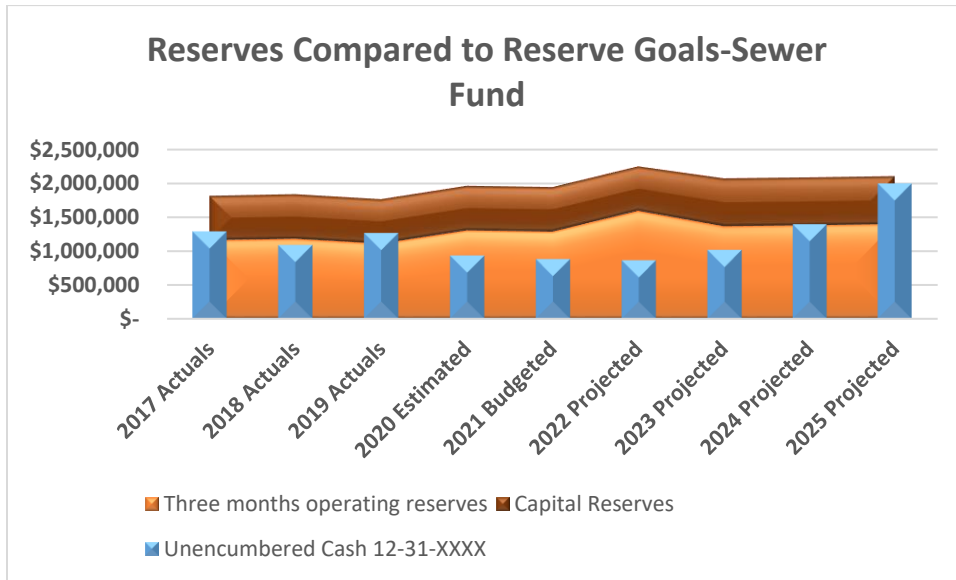
Because the City intends to use some of the CARES reimbursement for community programs, a portion of the reserves has been restricted. The following graph shows the relationship between restricted and unrestricted reserves-for all funds.



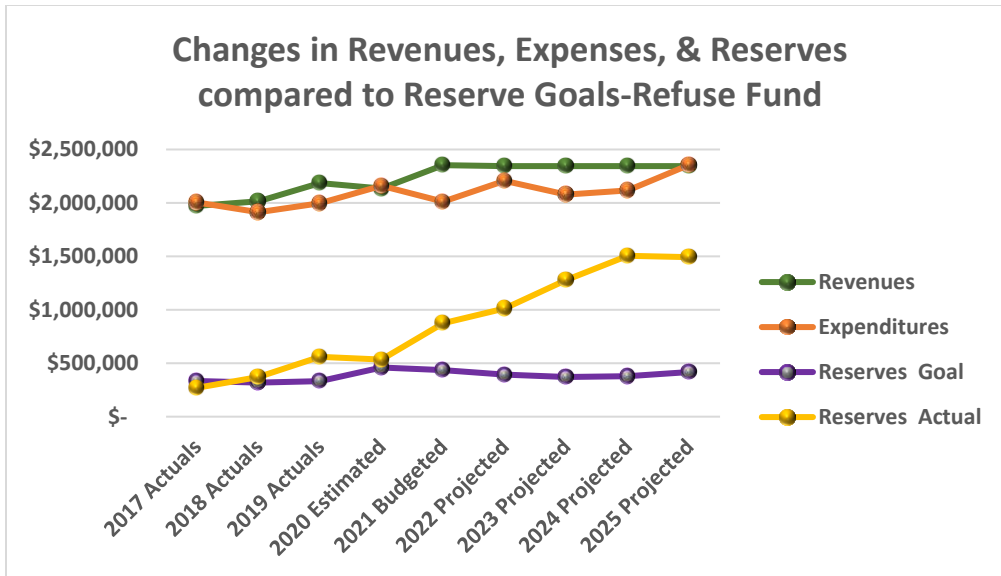
The following graph shows the relationship between the revenues, expenditures, reserves, and reserve goals for the general fund. As you can see in 2020, there is a spike in revenues, expenditures, and reserves related to the CARES Act funding. In 2021 through 2025, you can see the gradual decrease in reserves as revenues fall behind expenditures. These totals include an increased subsidy to the streets fund however, they do not include the possibility of transfers to other funds.



The graphs below show the same relationship as the general fund except they are for the Sewer fund.

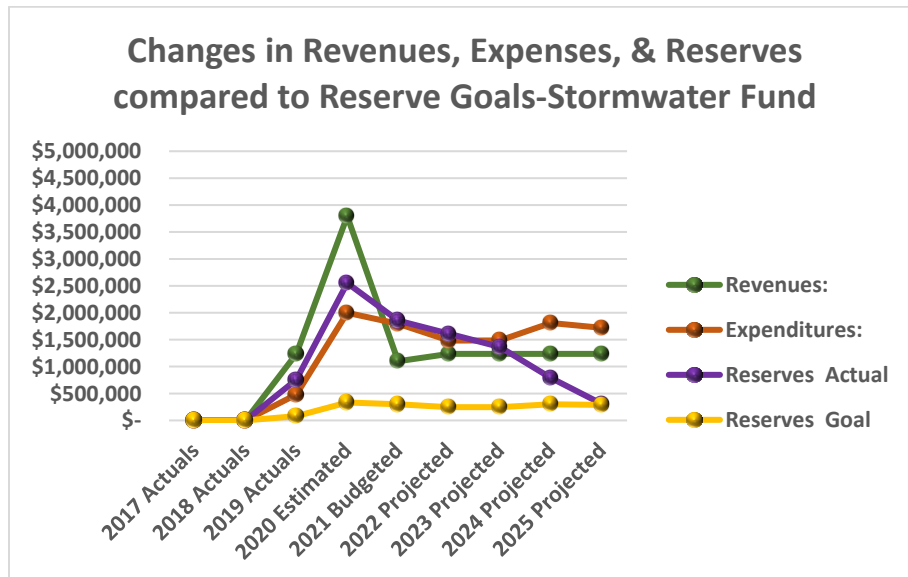


The graph below shows the same relationship as the general fund except they are for the Refuse fund. The data below assumes that the refuse program stays the same as it is now, and that there will be available resources for improvements to the recycling center.



The Reserve policy was written and approved prior to implementing the Stormwater impact fee so it isn't included. However, due to the nature of the projects funded by these resources, it's important to have reserves to rely on when emergencies arise-and they do on a regular basis.

The spike in 2020 revenues reflects bond proceeds for the Independence Court project and the 2nd and Chestnut project. The levels of expenditures and reserves show that there are still projects that haven't been completed.



SUMMATION AND RECOMMENDATION:

During the Great Recession and the COVID-19 pandemic, the City of Leavenworth had reserves to rely on; those reserves declined because they were used to balance the budget, pay for some programs that couldn't have been accommodated without the reserves, and offset unanticipated expenditures. However, the receipt of CARES Act funding enabled the City to offset the resources used to mitigate COVID-19. Current decisions and plans will have a direct impact on the financial stability and the ability of the City to thrive throughout future financial challenges. The purpose of this document is to outline the current financial position and provide insight to some of the issues that the City faces in the near future.

As mentioned earlier, external factors are those that the city has very little control over and yet those factors have a significant impact on our financial position. Some of those factors are property valuations, extreme or unusual weather, intergovernmental funding source increases or reductions, health insurance costs, property and liability insurance costs, retirement rate changes, global market changes, and other consumer pricing increases.

Deferring maintenance on city infrastructure and other fixed assets is both costly and inefficient. Providing service to the citizens efficiently and effectively requires that we devote resources to maintaining and/or replacing those assets.

As mentioned previously, reserves were declining. It is difficult to protect and impossible to replenish our reserves without adjusting our revenues and expenses.

Summary

- Baseline assumptions:
 - -0-% annual growth in sales tax collections for 2021 and 2.6% annual growth in sales tax collections for 2022-2025
 - 2.5% increase in assessed valuations for 2021 through 2025
 - Sewer Fund rate increases 5% annually from 2022 through 2025
 - Refuse rates remain the same as 2020 through 2025
 - All other revenues project minimal growth
 - The final phases of the salary study will be implemented in 2022 and 2023;
 - 2.5% COLA in 2022 through 2025
 - Group health care costs continue to rise at an average rate of 8% annually
 - Fringe benefits such as retirement and workers compensation will continue to increase
 - Contractual services and commodities will increase at a rate of 1.4% annually
 - Property and liability insurance will continue to increase at an average rate of 8% annually

- CVB
 - The CVB program began recovering from the shutdown related to COVID-19 in June 2020 and has steadily improved; but the Tourism industry predicts that it will be 2023 before it has fully recovered.
- Recreation
 - In 2021, parks activities were moved to the recreation fund and CIP sales tax is funding more of the recreation activities according to Ordinance 26 and will through 2025.
 - Room rental rates at the recreation center will increase by 5.5% (or \$3 per hour).
- Streets
 - These activities are funded through fuel taxes and the travel ban had a significant impact on these revenues. It is anticipated that the General fund subsidy to the street fund will increase.
- CIP Sales Tax
 - The revenues are projected to increase 2.6% annually, however the increased subsidy of the recreation fund will significantly reduce the amount available for capital projects.

To ensure our future financial stability we must consider:

- Increasing revenues incrementally
- Monitor and control expenditures
- Build reserves
- Practice long term planning
- Make data driven decisions

Specifically we recommend:

- The Staff Recommendation is:
 - The remaining phases of the salary study be implemented in 2022 and 2023 as originally planned.
 - Adjust the City Festival to fit into a reduced CVB budget or find additional funding sources.
 - Increase the mill rate by:
 - 2.0 mills to 33.807 in 2022
 - 2.0 mills to 35.807 in 2023

(This is to reduce the reliance of the Recreation fund on CIP Sales tax and increase the amount available for capital projects.)

- Increase sewer rates by:
 - 5% for 2022 through 2025

Changes in our economic condition will affect our projections. We will review our situation annually and adjust as needed.

[This page left intentionally blank]

Capital Outlay

As mentioned earlier, the City of Leavenworth defines capital outlay as expenditures for the acquisition, construction, improvement of, or addition to capital assets. Capital assets are tangible and intangible assets with a value exceeding \$5,000 and a useful life exceeding one business cycle.

The City classifies its assets into one of the following categories:

Land	
Buildings	15-30 years
Improvements	15-30 years
Machinery & Equipment	5-15 years
Infrastructure	15-30 years
IT Equipment	3- 5 years
Other Capital Assets	Varies

Depreciation is a non-budgeted expense that the City uses to determine levels of needed capital reserves and upcoming expenditures. Depreciation is calculated annually, using the straight-line method over the estimated useful life shown in the table above.

The City of Leavenworth creates and implements a five-year capital improvement plan that prioritizes its equipment purchases and construction and maintenance projects. The planning process is a joint effort of the City Department Directors and their staff, City Manager, Finance, and the Commission. A copy of the 2021-2025 Capital Improvement Plan (CIP) is included in the capital improvement section of the budget book. This plan contains both recurring and non-recurring capital expenditures. Non-recurring capital expenditures are those that are unlikely to occur again in the normal course of business.

While most of the City's capital investments are recurring, such as road repair and maintenance, three project is considered non-recurring. The k-9 replacement for the police department, Fire Station 3 replacement, and the construction of the expanded recycling center. K-9 replacement project is funded by sales tax reveue. The replacement of Fire Station #3 is funded by GO – Bonds to pay the design and construction. The bonds will be paid for through property taxes and sale tax revenue. The new station will be constructed on city owned property. The current recycling center is attached to the Municipal Service Center and will be funded by sale tax revenue. In 2020 the commission identified the expansion of the recycling center as a priority. The expanded recycling center will located on existing and unused city owned property.

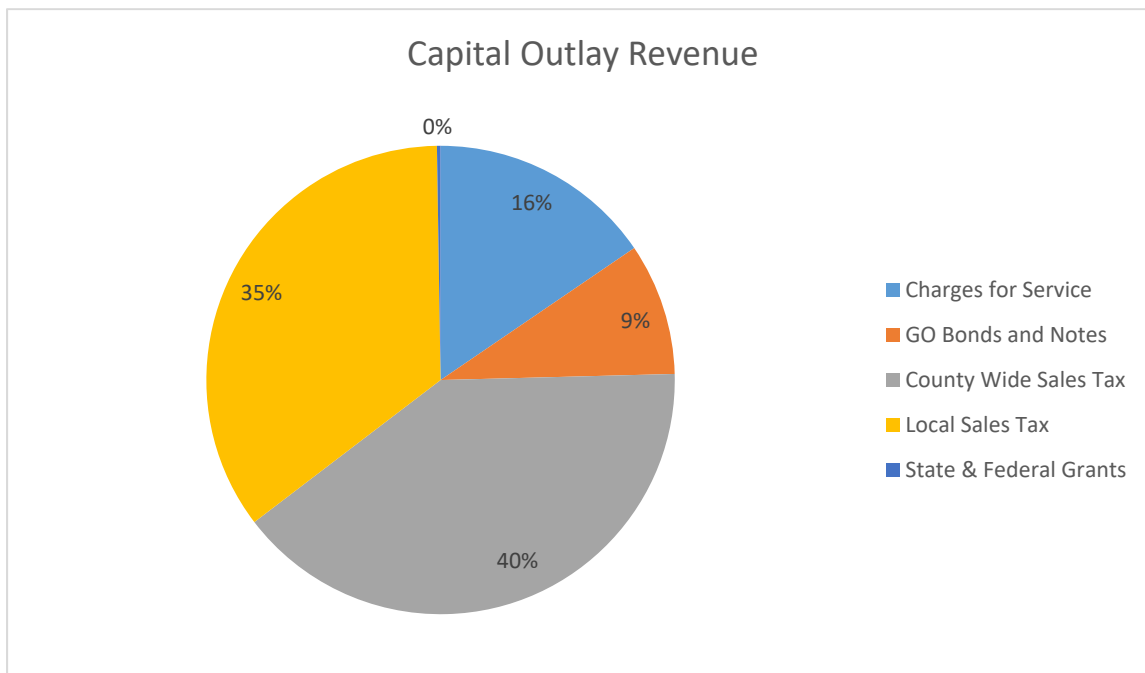
The current recycling center is attached to the Municipal Service Center. In 2020 the commission identified the expansion of the recycling center as a priority. The expanded recycling center will located on Refuse user fees is primarily funding source for the project. Phase is scheduled to begin in 2021.

Leavenworth, like all cities, has more needs than funding. Budgetary pressures cause maintenance delays due to a lack of resources. This is referred to as deferred maintenance. The City has identified in excess of \$29 million of upgrades, debt payments, economic development activities, recreation events, maintenance, or replacements necessary through 2021-2025 Capital Improvements plans.

\$21,030,425 of those expenditures is directly related to capital outlay. Additionally, \$2,723,582 of stormwater mitigation capital outlay has been allocated in the Storm Water Management fund included in the operational budget.

The CIP includes both funded projects and the anticipated funding sources. The 2021-2025 CIP includes \$29,843,769 of projects.

the sources of funding for CIP includes ¼ of the City's two percent sales taxes, forty percent of the County-Wide sales tax, monies from the sewer and refuse operating budgets, federal grants, state grants, an inter-local agreement with Leavenworth County, capital leases, temporary notes, and bond issuances.



Impact of COVID-19 and Tiered Approach

As mentioned before, capital projects are funded through various fund sources. Several of which are historically volatile in times of economic uncertainty. However, because of COVID-19, City staff developed a new approach to evaluate new projects. In the spring of 2020, city staff developed a plan to defer approximately \$366,000 of 2020 projects in anticipation of lower than expected city revenues. The 2020 deferred capital project list includes:

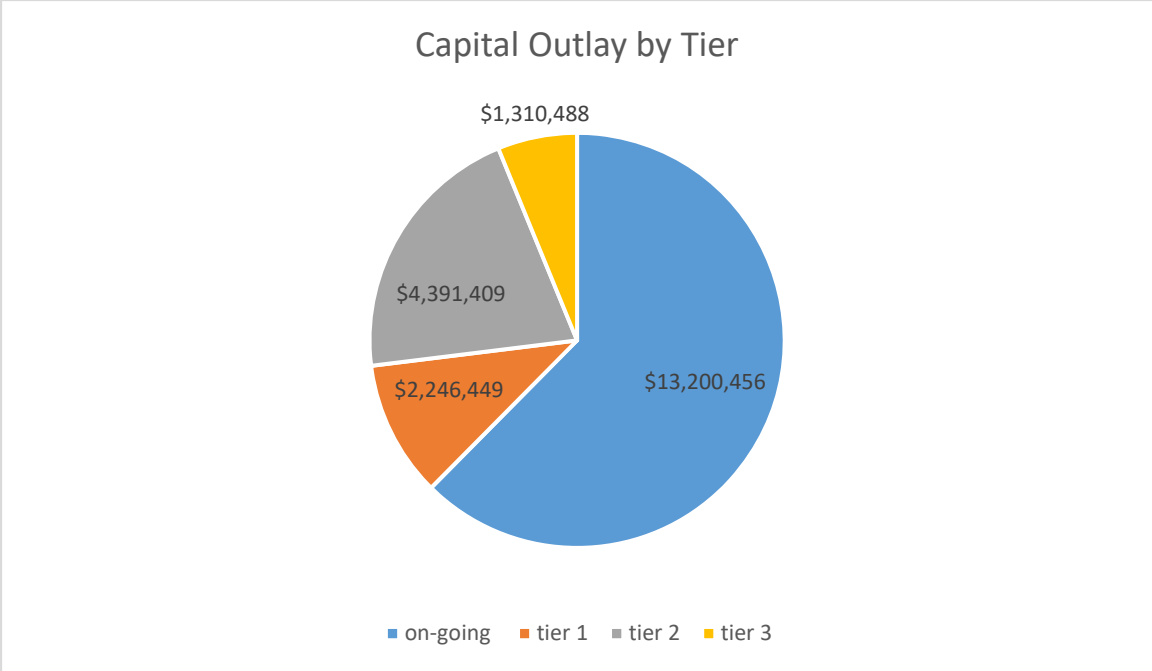
- Dougherty Park Playground Equipment - \$100,000
- Painting & Wood Repairs - \$24,926
- Cody Park Backstop - \$10,690
- Equipment Spreader ¹- \$17,339
- Equipment Spreader - \$10,336
- Fuel Tank Monitoring System - \$26,900
- Executime Timekeeping System - \$42,500
- Portion of the Sidewalk Program - \$100, 584
- Library Landscaping - \$15,000
- Metal Clothes Lockers- \$12,500
- Knox KeySecure - \$5,500

During the 2021- 2025 CIP development, seven of the deferred projects, or approximately \$178, 100 deferred expenditures, were approved and included in the plan for various years. The remaining four were removed from consideration at the request of the respective department head.

Ongoing projects are classified as annual recurring capital projects. For example, the annual pavement management & sidewalk programs, stormwater mitigation projects, and maintenance and improvements to the waste water treatment system.

Tier 1 projects include recurring and non-recurring projects the immediate needs for public safety operations and infrastructure. They include police vehicles, fire apparatuses, and maintenance and improvements to the wastewater treatment system. Tier 2 projects are recurring and non-recurring projects including new construction, improvements to buildings, and equipment replacement that will exceed its useful life over the next 2-4 years. The most significant being the replacement of Fire Station #3 (\$4,000,000). Tier 3 projects are recurring and non-recurring long-term improvements to City-owned facilities in the next 3-5 years and discretionary equipment replacement and improvements.

¹ The two equipment spreaders purchases and Library Landscaping project were approved following budget adoption. Additional information can be found in the Summary of Changes Between Proposed and Adopted Budget section on page 14.



The following is a summary of the projects and capital outlay expenditures planned and approved by the commission in the 2021- 2025 CIP and 2021 Operational Budget.

Ongoing Projects:

Improvements

\$225,000 City Hall Exterior Maintenance (Sales Tax - Recurring, 2023 - 2025)

City Hall was constructed in 1924 and is on the State Historic Preservation List. Several years ago, the City engaged in a study to address maintenance issues, significantly fade, and parapet repairs. Once those repairs were completed, the study results recommended an annual allocation of \$75,000 for ongoing maintenance. This allocation will be used to complete preventative maintenance to increase the useful life of the building. Due to budgetary constraints, the City will use unspent project reserves in 2021 and 2022 from previous years to complete maintenance on the building. Impact on the Operating Budget: There is no significant Impact on the Operational Budget.

IT Equipment

\$215,000 Computer equipment (Sales Tax- Recurring, 2021- 2025)

This allocation provides annual funding for replacing computers and other pieces of technology. It is policy to replace the oldest computers in the organization first. By following this policy, the organization reduces the risk of computers that are non-longer supported by Microsoft. Therefore reducing the risk of malware and cyberattacks and providing an additional layer of cybersecurity. Impact on the Operating Budget: A slight reduction in contractual services due to the streamlining of computer models and the reduction of legacy computers.

Infrastructure:

\$2,723,582 Storm Water Projects (Charges for Service and GO Bonds- Recurring, 2021)

In 2018, the City Commission adopted Charter Ordinance 58, establishing the Storm water Utility Fee as a dedicated revenue source to address maintenance, repair, and replacement of critical stormwater infrastructure in the City. The program was activated in January 2019, when the first funds became available. Impact on the Operation Budget: There is no significant Impact on the Operational Budget.

\$936,874 Sidewalk program (Sales Tax- Recurring 2021 - 2025)

Charter Ordinance 54 defines that a portion of Countywide Sales Tax & Compensating Use Tax is dedicated to sidewalk construction. Impact on the Operation Budget: There is no significant impact on the operating budget.

\$9,100,000 Pavement Management Program (Sales Tax and Go Bonds- Recurring, 2021- 2025)

This is an annual allocation. It is for different street projects every year. An arterial street maintenance plan determines which streets will be part of the coming year project. It is reviewed annually to determine whether priorities have changed. City Ordinance 56 allows for a maximum of twenty-eight (28) percent of the previous year's property tax revenues. For debt management purposes, the City has reduced the amount to twenty -three (23) percent through 2023, when several other issuances will be retired. Impact on the Operational Budget: A reduction in road maintenance in the Special Highway Fund. As a result of commission action, \$650,000 of sale tax revenue was diverted to supplement the annual debt issuance of \$1,350,000 for pavement management. The increase is scheduled to sunset in 2024.

Tier I Projects:

Vehicles

\$1,400,000	100' Aerial Ladder Fire Truck Replacement (Go Bonds – Non-recurring, 2021)
\$1,026,427	Various Police vehicle replacements, such as police patrol vehicles, detective cars, and an animal control van (Sales Tax-Recurring, 2021 - 2025).
\$133,950	Sewer Vactor Truck (Wastewater Treatment Charges for Service, 2021)
400,000	Refuse Truck (Refuse Charges for Service, Recurring, 2022,2024)

The operating impact of the above equipment includes reducing maintenance costs and reducing downtime waiting for repairs. Having new equipment does not affect normal maintenance items like tires, batteries, oil changes, etc. It is the City's policy to replace 2 to 4 police vehicles every year. Due to the wear and tear on these vehicles, the estimated life is 4 years and 100,000 miles. Once the vehicles reach the 100,000-mile mark, it is no longer cost-effective to repair/maintain them. The 100' Aerial Ladder will replace the 1990 model that will reach the end of its useful life in late 2020. In early 2021, the City plans to issue 10-year General Obligation Bonds (GO Bonds) to purchase the vehicle. Other City vehicles are depreciated according to the vehicles' estimated life, but vehicles are used until the maintenance costs and downtime exceed the costs of replacing them. Impact on the Operational Budget: a reduction in operating expenses for vehicle maintenance for the next few years. The most significant reduction is associated with the 100-foot aerial. It is estimated that the City spent \$23,000 in maintenance and repairs in 2019 for the aerial

Other Equipment

\$17,000	K-9 Replacement (Sales Tax Recurring 2021)
----------	--

The Police Department utilizes K-9's to conduct numerous on-site tasks such as drug and bomb detection and criminal apprehension. The use of K-9 police officers allows human officers to maintain a safe distance from potentially dangerous situations. The current police K-9, "ACE" has developed numerous health issues. As a result, it is expected that the animal's usage will be reduced significantly. Impact on the Operational Budget: a slight reduction in contractual services associated with medications. Food and equipment costs are allocated annually in the operational budget. As a result, there will be little to no impact on the Police Department's operational budget.

IT Equipment

\$122,000 Additional Storage for Police Department (Sales Tax – non-recurring, 2021)

In recent years, law enforcement's adoption of body worn camera has significantly accelerated due to protests across the country for increased transparency in law enforcement. However, storing video evidence can be problematic for law enforcement agencies. A year's worth of video from each officer's body camera can require terabytes of stored data. Additionally, per state statute, some body camera footage involving minors must be retained for significant periods. This allocation will provide sufficient cloud-based storage through 2024. The City will continue to use the same vendor for cloud storage, reducing the ongoing maintenance costs. Impact on the Operating Budget there will be little to no Impact on the Operational Budget.

\$113,000 Phone Separation (Sales Tax, Recurring 2021-2023)

The Police Department is housed at the Leavenworth County Justice Center. The building is owned by Leavenworth County. Currently, the City pays rent to Leavenworth County for space and access to the building's telecommunications system. Beginning in 2021, the County will no longer allow the City to utilize its system. As a result, the City will install its own phone system over the next three years. The total estimated cost is \$113,000. However, the 2021 budgetary impact is \$36,000. Impact on the Operational Budget: Negligible increase in IT fees is expected after the system is installed.

Improvements

\$85,000 Boiler Replacement (Sales Tax, Non-recurring 2021)

The two Boilers at Fire Station #1 have exceeded their useful life of 20 years. In 2019, the maintenance and repair costs exceeded \$15,000. Impacts on the Operational Budget: An approximately \$15,000 reduction in annual maintenance and repairs on the boilers for Fire Station #1.

\$2,500,000 Sewer Line Rehabilitation (Wastewater Fund,- Recurring, 2021-2025)

This is an operating expense, although not an annual one. The sewer lift station projects provide upgrades for the Supervisory Control and Data Acquisition (SCADA) monitoring system. The SCADA system gathers data, processes it, and sends it back to the software. The city staff monitors the data and provides real-time responses when necessary. Impact on the Operating Budget: A slight reduction in emergency repairs and increased efficiencies due to more efficient pipes.

\$700,000 Wastewater Treatment Plant Repairs (Wastewater Fund Charges for Services-Recurring, 2021-2025)

The necessary repairs don't always equal this allocation, but they are for ongoing maintenance. Operating Impact: Slight increase in operating expenses offset by efficiencies as a result of new technology.

\$45,000 Phase 1 of Recycling Relocation (Refuse Fees, Non-recurring, 2021)

The current recycling center is attached to the Municipal Service Center. In 2020 the commission identified the expansion of the recycling center as a priority. Impact on the Operating Budget: A \$45,000 reduction in operation reserves.

\$130,000 Bridge and Bank Stabilization (Sales Tax, Recurring, 2021)

20th Street over three- Mile Creek (\$30,000), Broadway St. Over Three Mile Creek (\$20,000), and Three Mile Creek Trail Repairs (\$80,000)

Each year the City replaces the rip rap on various bridges throughout the community to protect the bridges, walking trails, and other city infrastructure from erosion. Additionally, the Kansas Department of Transportation identified the use of rip rap along bridges and walkways as a necessary preventative measure to increase the asset's useful life. Operational Impact: The use of rip rap will extend the bridge's useful life and trails, allowing the City to use its financial resources on other projects.

Tier 2 Projects:

Improvements

\$24,000 Overhead Door Replacement (Sales Tax, Recurring, 2023-2024)

The current doors lack standard safety measures. As a result, the fire department has experienced numerous accidents and insurance claims because of garage doors. The new doors will include timers, audible warnings, lights, and a countdown timer. Impact on the Operating Budget: It is expected that the improved safety measures will reduce the number of accidents and reduce the amount of downtime and repair costs associated with damages to the garage doors and fire apparatus.

\$100,000 Doughty Park Playground Equipment (Sales Tax, Recurring, 2021)

This allocation includes removing existing equipment, installing surface drainage, installing new equipment, and mulch. The existing equipment is becoming unsafe and expensive to maintain. Impacts on the Operational Budget: The new playground equipment is designed to reduce injuries. As a result, it is expected that the new playground equipment will have added safety measures. Additional impacts include a small increase in park rental fees at Doughty Park. The estimated budgetary impact is approximately \$100 of additional revenue.

Buildings

\$4,000,000 Fire Station #3 (Go-Bonds, Non-Recurring, 2024-2025)

This allocation provides funds to replace fire station #3 because of age and lack of energy efficiency. Additionally, current fire trucks are larger than when station 3 was built in 1965, making additional space necessary. ADA and gender-based requirements also need to be addressed. The current location has enough space to construct a new station. Impact on the Operational Budget: The operational budget impact will be determined by how and if the current Station #3 is utilized. As of October 2020, the building is scheduled to be demolished after the replacement station is built. Preliminary demolition estimates from Community Development are \$35,000.

Equipment

\$50,626 Replacement of Skid Steer Loader (Sales Tax, Recurring, 2022)

The current Skid Steer Loader was purchased in 2002. According to the Parks Department, the piece of equipment is vital to the park infrastructure's maintenance and repairs. Over the last two years, the skid steer has had numerous repairs. According to the department, the parts are becoming more difficult to find. Impact on the Operational Budget: A slight decrease in contractual services associated with mechanical repairs. In 2019, the estimated repair costs were approximately \$500.

\$63,615 Three Zero- Turn Mowers (Sales Tax, Recurring 2022 - 2024)

Parks Department operates three 72" Ferris Zero Turn Mowers. According to the Parks department, the mowers have been indispensable tools in accomplishing the 424 acres of park property's mowing responsibilities. At the time of purchase, the scheduled replacement estimation was 7 to 10 years. The current plan allows for replacing one mower for three years (2022 - 2024). Impact on the Operational Budget: A slight decrease in maintenance associated with the new machines.

\$30,266 Replacement of Pull-Type Gang Mower (Sales Tax, Recurring, 2022)

The Parks department utilizes the pull-type mowers to maintain the 424 acres of park property. The current mowers were purchased in 2014, and their estimated useful life is 5-7 years. As a result, the mower will be scheduled to be replaced in 2022. The new mower will have a more expansive cutting deck and thicker, more durable construction. Impact on the Operating Budget: The new equipment includes the reduction of maintenance costs.

\$48,902 Parks & Recreation Replacement Truck (Sales Tax, Recurring, 2022)

This vehicle is a replacement for a 2001 Ford Ranger with significant mechanical issues, including body rust, and is no longer meeting the department's operational needs. Currently, the vehicle is used to haul equipment between youth sports venues. However, with the expansion of the youth sporting events and tournaments and the limitations on the vehicle's towing capacity, staff is required to make multiple trips to move the equipment. The proposed new vehicle is a heavy-duty 4x4 truck that will suit the demands of the department. Impact on the operating budget: The new equipment includes the reduction of maintenance costs. Having new equipment does not influence normal maintenance items like tires, batteries, oil changes, etc.

\$10,690 Cody Park Backstop and Dugout Repairs (Sale Tax, Recurring, 2022)

The Cody Park softball field backstop and dugouts were built well over 20 years ago. The fabric and the support post need repair and replacement. Impact on Operational Budget: There is no significant Impact on the Operational Budget.

Improvements

\$572,298 Improvements to the Riverfront Community Center (Sales Tax, Recurring, 2023)

Pool Paint Area (\$35,298) Cooling Tower Replacement (\$120,000) Community Center Door Replacement (\$40,000), Elevator Modernization (\$150,000) Replace Asphalt Shingle Roof (\$200,000) Locker Room Flooring (\$27,000).

Originally built in 1888, the Leavenworth Riverfront Community Center was a former Union Pacific railroad station. It was placed on the National Register of Historic Places (NRHP) in 1987. The building was purchased by the City of Leavenworth from a local business owner and renovated with a basketball gym, racquetball courts, an indoor pool, activity rooms, meeting rooms, and a 1/10-of a mile indoor walking track. The building was opened to the public in 1988. The building underwent extensive renovations in 2012 and 2014. However, numerous improvements have been identified to maintain the functionality of the building. Impact on the Operational Budget: A significant reduction in building maintenance and utility expenses for the Riverfront Community Center due to the building enhancements.

\$45,000 Sports Field Access Trail (Sales Tax, Recurring, 2023)

The City acquired land for Sports Field in 1955 from the Anthony family and acquired additional land in 1970. It has served as boys baseball, girls softball, men's slow pitch, and softball leagues. The high school baseball and softball teams and American Legion baseball teams also used it as a home field. It also served as a small tree nursery for trees being grown by the Parks and Recreation Department for future planting in other parks. The proposed improvements will allow the parks

staff to drive machinery in the park without damaging the trails. Impact on the Operational Budget: There is no significant Impact on the Operational Budget.

\$190,000 Haven Park (Sales Tax, Recurring, 2024)

Havens Park consists of 65 acres. Havens Park features a parking area and walking/bicycle trails. Some sections are paved. An improvement plan proposal for this location includes keeping the park as close to its natural state as possible. The improvements to the park include the renovation of the park bathroom and updated trails for visitors. Impact on the Operational Budget: A slight increase in contractual services for electricity, water, and wastewater because of the upgraded bathrooms.

Equipment

\$64,500 Portable Lift Station (Sales Tax, Recurring, 2025)

Currently, the City is without a system to raise heavy-duty trucks properly replace broken springs, brakes, driveline repairs, etc. promptly. Underside inspections are limited to the pit, and most repairs cannot be made over the pit. As a result, the garage is unable to complete some routine maintenance on the City-owned heavy-duty vehicles. As of today, the City is sending these vehicles to third party garages for repairs. The proposed lift station will allow city staff to make these repairs, drastically reducing down-times. Impact on the Operational Budget: Slight decrease in contractual services due to increased in-house vehicle maintenance. A slight reduction in overtime for various departments because of the efficiencies associated with the less downtime for equipment. Additionally, financial impacts include cost savings in maintenance as a result of increased in house repairs.

\$100,000 Service Truck (Sales Tax, Recurring, 2025)

The service truck will allow garage personnel to do on-site diagnostics to decide if the unit needs to be towed to the garage or towed directly to the dealer. This would eliminate the cost of the second tow of a unit being towed to the garage, then finding that it needs to go to the dealer for repairs. Currently, the City is forced to use third-party vendors from other communities to complete necessary repairs. The truck would also allow garage staff to do service calls such as jump-starts, battery replacement, and tire repair/ replacement on both cars and heavy-duty equipment. Impact on the Operational Budget: A reduction in contractual services because of reduced towing fees associated with City-owned vehicles and savings in maintenance costs due to repairs being made in-house.

\$130,000 Tandem Dump Truck (Sales Tax, Recurring, 2025)

The Tandem Dump Truck is scheduled to replace the current dump truck used to assist the streets department in street repairs and snow removal. This proposal includes the sale of the current truck

that has experienced numerous unscheduled repairs. As of 2019, out of warranty repairs average \$10,000 annually. Impact on the Operational Budget: An approximately \$10,000 reduction in annual maintenance fee.

Improvements

\$40,000 Enclosure for Four Open Cubicles (Sales Tax, Recurring, 2025)

This allocation would provide funding for constructing an enclosure for two supervisors at the Municipal Service Center. The proposed improvements will allow supervisors to conduct business with vendors and have private discussions with employees they supervise. Impact on the Operational Budget: There are no significant impacts on the operational budget.

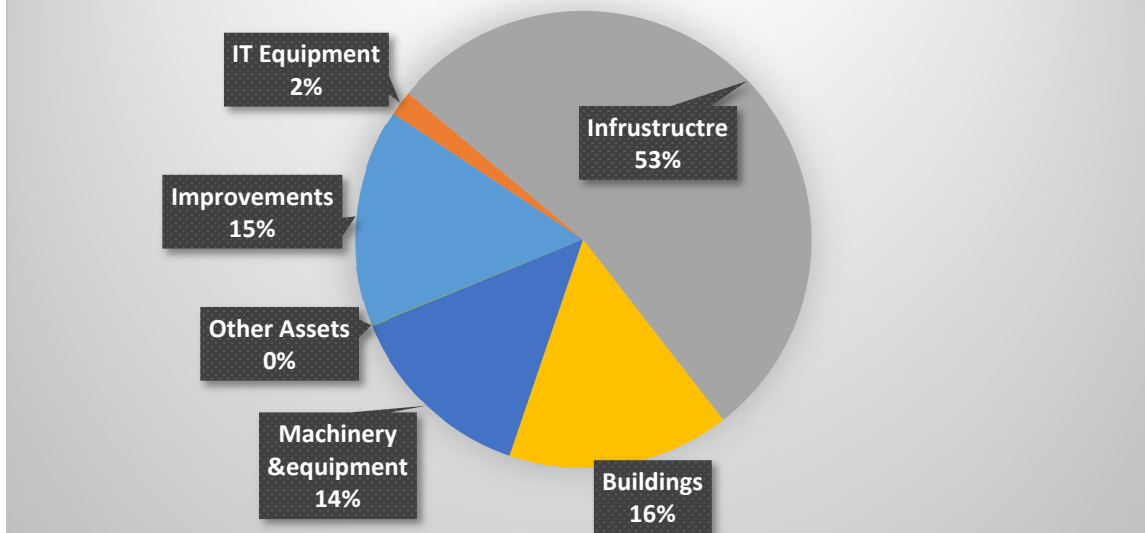
\$15,000 Municipal Service Center (MSC) (Sales Tax, Recurring, 2025)

This allocation is for multiple routine repairs to the service center. Impact on the Operational Budget: A reduction in building and grounds maintenance and utility cost for the Municipal Service Center because of increased efficiencies.

\$130,000 Improvements to Leavenworth Airport (Sales Tax and State Grants, Recurring, 2025)

This allocation provides funding to replace the fuel system that was damaged during a recent flood. The proposed plan would move the fuel tanks, fuel pump, card reader, and fueling station to allow correct clearance for fueling airplanes' planes and installing a concrete pad for fueling planes. Additionally, the project would replace the septic system and move the propane. Finally, the project would repair the hangar electrical that was damaged as a result of a recent flood and replace a section of the asphalt in the City-owned hangar that has been damaged. The fuel system, tank relocation, light pole relocation, and new concrete pad may be eligible for a KDOT Aviation Grant, an 85/15 split. The cost of the fuel system upgrades and equipment relocation is estimated at \$110,000.00. The city match estimate would be \$16,500.00. Impact on the Operational Budget: A slight increase in contractual services resulting from reduced flood-related down- time at the airfield.

Capital Outlay by Asset Category



As outlined above, the majority of the capital outlay expenditures are related to city infrastructure. They include the \$9,100,000 for the 5-year pavement management program, approximately \$940,000 for the 5-year sidewalk improvement program, and \$2,700,000 for Storm water-related projects. Sixteen percent for buildings, including \$4,000,000 for the Fire Station #3 Replacement project, fourteen percent for improvements, including improvements for the \$2,500,000 for Sewer Line Replacements. Fourteen percent for machine equipment, including various police and recreation vehicles and equipment. Finally, two percent is allocated for IT equipment, including \$133,000 for additional digital storage for the police department.

DEBT SERVICE

Effective financial management includes analyzing several funding mechanisms to determine what option is the most beneficial to the City. In some cases, issuing debt is the best available option. The City of Leavenworth traditionally uses debt for equipment and capital improvements which cost too much to pay from the operating budget. The length of the debt issuances do not exceed the estimated useful life of the asset being funded by the debt. The financial plan for the City includes debt payments for current obligations and forecasted payments associated with issuing new debt in 2020. Those additional payments are anticipated to begin in 2021.

In 2020, Moody's Investors Service reviewed and assigned a rating of Aa2 to the City of Leavenworth for the 2020-A bonds issuance. These bonds were issued to redeem the temporary notes issued for the 2019 Pavement Management program for \$1,375,000, the \$2,430,000 for two storm water projects, \$3,075,000 bond refunding for the Sewer Fund, and \$1,020,000 bond refunding for governmental activities. Due to the COVID-19 pandemic, the City was expecting to have the bond rating downgraded because the nation-wide trend at the time was for entities to be downgraded by at least one level. However, the City's bond rating stayed the same as it has been for several years.

The revenues for making the debt payments are derived from the following sources based upon the nature of the improvement and the type of debt that has been issued:

- Property Taxes
- Charges for Services
- Storm Water Impact fee
- Special Assessments
- Investment Income
- Transfers
- Other

Types of Debt

The City of Leavenworth mostly uses general obligation bonds, temporary notes, and capital leases to pay for equipment, infrastructure, and improvements. General Obligations bonds are those that require pledging the full faith and credit of the City, including levying property taxes. The City issues this type of bonds, even for debt that will be paid from utility revenues, since the interest rates are usually lower. The interest rates are lower because the risk of default is lower.

Effective debt management requires monitoring debt levels to ensure the soundness of the City's financial position and continued credit worthiness. K.S.A. 10-308 places limitations on the amount of debt cities can issue at 30% of the assessed valuation of the city. For purposes of the statute, assessed valuation is defined as the value of all tangible property certified to the County Clerk on the previous August 25th, which includes the assessed valuations of motor vehicles. K.S.A. 10-309 identifies certain types of debt that are not subject to the legal debt limit.

The following chart shows the City's actual ratios for 2020 compared to the goals established in the Debt Policy:

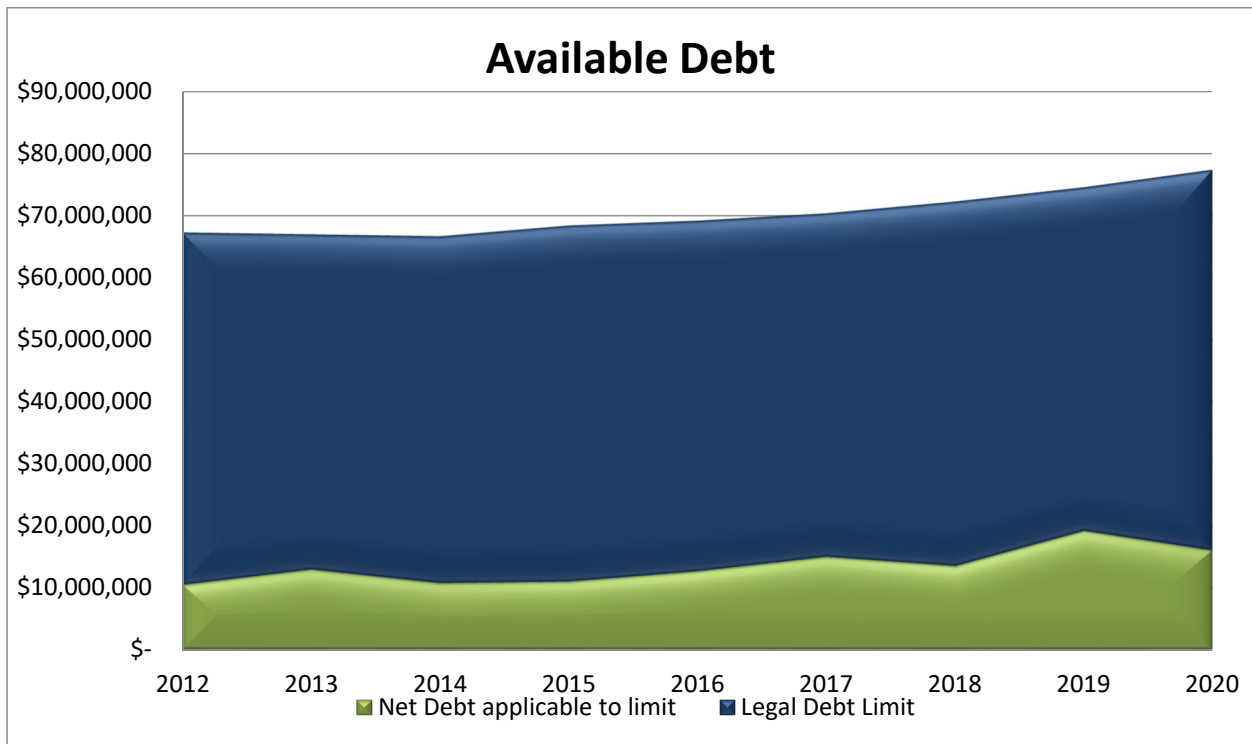
Policy Levels	Goal	Actual
Net direct bonded debt:		
Statutory requirements for General Obligation Debt (less than)	30%	20.80%
City's General Obligation Debt (as a percent of legal debt margin)	28%	23%

General Obligation Debt per Capita
Mills (not to exceed)

\$ 1,000
10 mills

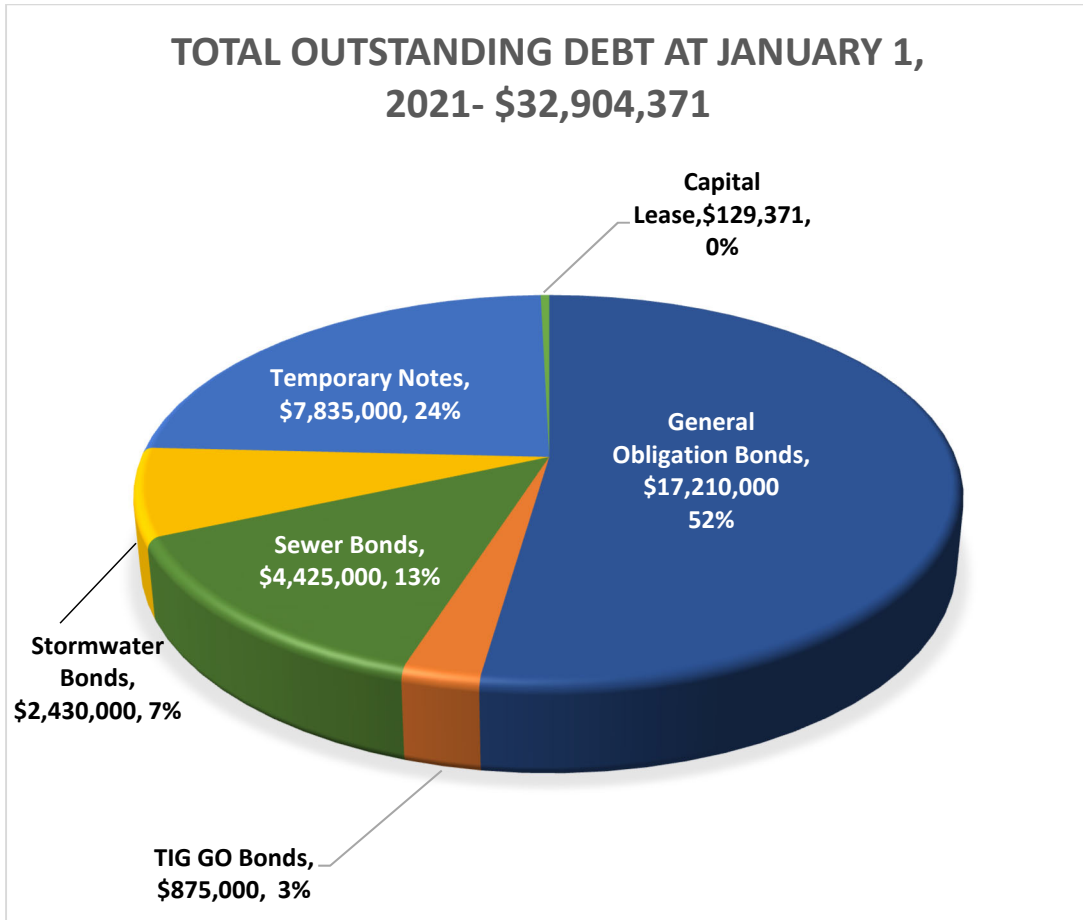
\$ 710.81
7.778 mills

The following graph shows the difference between the City's current total outstanding G.O. Debt compared to what is allowed according to state statutes. The green indicates the City's current level of G.O. Debt that is applicable to the debt limits and the purple indicates the level of debt capacity to stay within legal limits (30% of assessed valuation including motor vehicle):



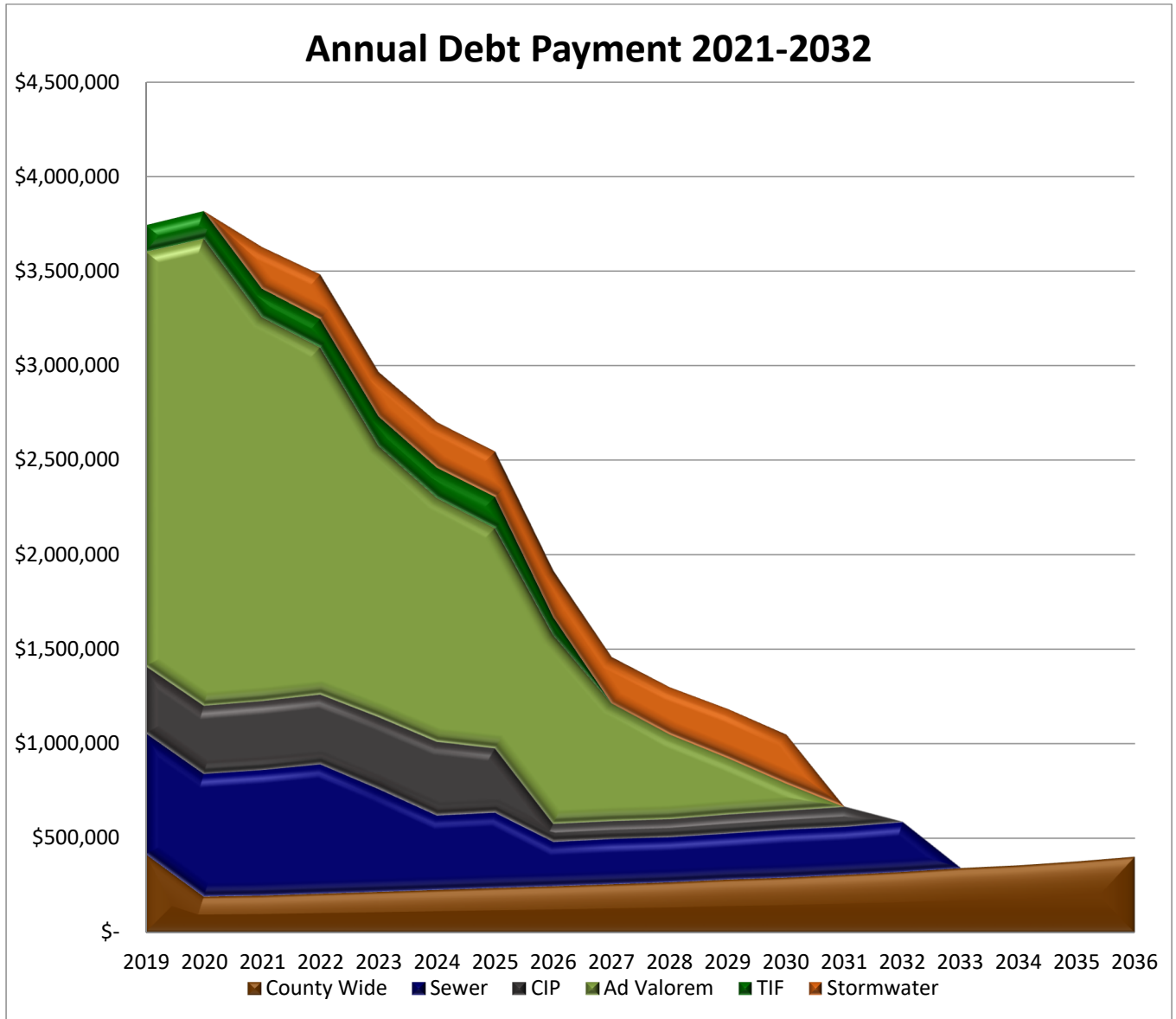
However, having the capacity to issue debt doesn't mean there are enough resources to pay for higher levels of debt.

The following chart shows the City's debt total and the percentage each type is of the total:



Cumulative Debt:

The following graph depicts the City’s total annual debt payments and the year the bonds are scheduled to be retired at the current debt level. This changes annually due to new issuances.



The following section identifies each of the City’s debt issuances, the purpose and amount of the issuances, the funding source and whether they are taxable bonds. The City of Leavenworth is considered part of the small bond market and typically must stay within a \$10,000,000 annual issuance amount for tax-exempt bonds.

Bonds:

Bonds make up 75% of the City's total debt, have various maturity times (mostly 10 years) and various funding sources such as sales tax, property taxes, grants, and operating revenues.

2010-A was issued in the amount of \$2,485,000 to refund a portion of the 2008-A bonds; to fund the 2009 pavement management program; Limit Street improvements; and Community Center improvements. These are exempt from debt limit calculations, were issued for 10 years, and are paid from property taxes. **(This debt was retired in 2020.)**

2011-B was issued in the amount of \$6,250,000 to refund 2002-A which was for Fire Station #1; 2002-B which was for the Aquatic Center; 2002-C which was for Fire Station #2; the Gatewood Street Benefit district; 2003-A for pavement management; and 2007-A which was for pavement management. These are exempt from debt limit calculations, were issued for 10 years, and are paid from property taxes. **(This debt will be retired in 2022.)**

2012-A was issued in the amount of \$4,165,000 for the construction of a new disinfection system at the wastewater treatment plant. These are exempt from debt limit calculations, were issued for 20 years and are paid from sewer operations. **(This was refunded in 2020.)**

2012-B was issued in the amount of \$5,300,000. Of this amount, \$1,740,000 was for sewer plant improvements and are paid from sewer operations; \$1,680,000 was to redeem the temporary notes for the annual pavement management program and are paid from ad valorem taxes; the balance was used to refund series 2002-C; 2005-A, which was for City Hall Improvements and Muncie Road; and 2008-A and are paid from property taxes. These are 10 year, tax exempt bonds and are exempt from the debt limit calculations. **(This was refunded in 2020.)**

2013-A was issued in the amount of \$3,860,000. Of this amount, \$2,305,000 was for the construction of a new Animal Control Center, which are 10 year tax exempt bonds; are exempt from the debt limit calculations; and are paid from CIP Sales Tax; \$1,555,000 are 10 year tax exempt bonds; redeemed temporary notes for the annual pavement management program, are paid from property taxes, and are exempt from the debt limit calculations. **(This will be retired in 2023.)**

2014-A was issued in the amount of \$5,040,000. Of this amount, \$2,630,000 was to refund 2009-A which was for sewer improvements, they are 10 year tax exempt bonds, are exempt from debt limit calculations, and are paid from the sewer operations; \$1,030,000 was used to refund the governmental funds portion of 2009-A; and the balance was to redeem temporary notes issued for the annual pavement management program; these are 10 year, tax exempt, are exempt from debt limit calculations and are paid from property taxes. **(This was refunded in 2020.)**

2014-B was issued in the amount of \$490,000 for the purchase of a financial software system, hardware, and conversion. These are 10 year, tax exempt bonds paid from CIP sales tax. These are not exempt from debt limit calculations. **(This will be retired in 2024.)**

2015-A was issued in the amount of \$1,700,000 for the redemption of the temporary notes issued for the annual pavement management program and are paid from ad valorem taxes. They are 10 year, tax exempt, and are exempt from debt limit calculations. **(This was refunded in 2020.)**

2015-B was issued in the amount of \$600,000 for the purchase of blighted property and the property was used as an economic development incentive. A TIF district was established, a new hotel was constructed and the property taxes generated by the TIF pays the debt payment. These are taxable bonds. **(This will be retired in 2025.)**

2016-A was issued in the amount of \$5,700,000. Of this amount, \$1,725,000 redeemed the temporary notes issued for the annual pavement management program (paid from ad valorem property taxes); \$1,340,000 was for the replacement of three (3) fire trucks (this portion is a 15 year bond and paid from CIP sales tax); and the balance refunded the 2011-A bonds, which were 15 year bonds and are paid from ad valorem property taxes. **(This will be retired in 2031.)**

2016-TIF was issued in the amount of \$875,000 and was for site preparation for an extended stay hotel. The property taxes generated by this TIF are paid into an escrow fund until there are enough available to retire the debt, then they will be available for another project. These are taxable bonds. **(This will be retired in 2026.)**

2017-A was issued in the amount of \$4,910,000 and is a 20 year taxable bond. It was used for the City's share of the development of the Business and Technology Park. This project was a joint project with Leavenworth County. These bonds are paid from County Wide sales tax. **(This will be retired in 2036.)**

2017-B was issued in the amount of \$1,640,000 and to redeem the notes for the annual pavement management program and is paid from ad valorem taxes. **(This will be retired in 2027.)**

2018-A was issued in the amount of \$1,410,000 and was used to redeem the temporary notes for the 2017 pavement management program and is paid from ad valorem taxes. **(This will be retired in 2028.)**

2019-A was issued in the amount of \$1,340,000 and was used to redeem the temporary notes for the 2018 pavement management program. These are paid from ad valorem taxes. **(This will be retired in 2029.)**

Temporary Notes:

Temporary notes are a short term financing mechanism sometimes issued with the anticipation of issuing longer term bonds. The City uses temporary notes for construction projects whose cost may be difficult to project. Some of the City's current notes are going to be bonded in the near term; some are going to be bonded a couple of years out; some are not going to be bonded at all. As of August 2020, the City has three (3) temporary notes with an outstanding balance totaling \$ 7,835,000. They make up 24% of the City's debt and the details are discussed below:

2018A was issued in the amount of \$3,360,000. Three projects were funded by these notes:

- a) \$1,360,000 for pavement management 2019 program **(this was bonded in the 2019 issuance)**
- b) \$1,500,000 for Phase IV of the River Front Community Center (RFCC) stone replacement **(these were redeemed in 2020.)**
- c) \$600,000 for New Lawrence Road infrastructure **(This has an outstanding balance of \$395,000 and will be either redeemed or bonded in 2022.)**

The notes for the pavement management program were bonded in 2019 and will be paid from ad valorem taxes. The notes for Phase IV of the RFCC stone replacement will not be bonded. The bids for stone replacement came in significantly under the engineer's estimate, so approximately \$800,000 will be unused. Because the building is on the historical registry, the project qualified and was awarded a \$500,000 Mid-America Regional Council grant, the State of Kansas awarded State Historical Tax credits, which the City will sell; the balance (approximately \$295,000) will be paid from CIP sales tax; the \$600,000 for the new Lawrence Road infrastructure will be paid from ad valorem taxes but the original intent was to redeem them from the increased value from the new housing addition. Since the project was completed for less than the amount of notes issued, \$210,000 of notes have already been redeemed. New housing construction isn't being completed as quickly as originally anticipated, so the balance may be bonded.

2019A was issued in the amount of \$7,430,000. Of this amount, \$1,390,000 was issued for the annual pavement management program. It was bonded in 2020 and will be paid from ad valorem taxes and sale tax.

The \$6,040,000 is for the reconstruction of Thornton Street and resurfacing of 10th Avenue, which intersects with Thornton Street. The resurfacing portion of the 10th Ave project is from Michigan to Vilas and will have an expected life of 6-7 years, while the reconstructed portion (Thornton) is from 5th St to 10th St and has a much longer estimated life. In 2022, we will bond the notes and possibly include the New Lawrence Road notes. The bonds will be paid from County Wide sales tax.

2020A was issued in the amount of \$1,400,000 for the annual pavement management program. During the 2020 budget and CIP process, the Commission decided to increase the amount allocated for pavement management each year to \$2,000,000. \$1.4m will be bonded and the balance of \$600k will come from sales tax.

Capital Leases:

A capital lease is a financing method where the lessor finances the leased asset and the rights of ownership transfer to the lessee. The asset is recorded as an asset and the interest is the only portion recorded as an expense. The City has used this method of financing twice in the past three years. The capital leases the City had/has were entered into because the asset being purchased did not cost enough to warrant long term debt, but more than the amount the City wanted to expend from current cash reserves. The City doesn't enter into a capital lease for a period of longer than three years.

The current capital lease was entered into for the purchase of a sewer line vacuum truck. The outstanding balance is \$129,371 with \$129,371 due in 2021. This lease is paid from sewer operations.

Going forward:

In 2021, the City will issue approximately \$1.4 million for the annual pavement management program and approximately \$1.4 million for the purchase of a 100' aerial ladder truck. Currently, there are no plans to issue more than these two in 2021. The pavement management program will be paid from ad valorem property taxes, the fire truck from CIP sales taxes. A copy of the five-year capital improvement plan is located on page 247.

The following matrix shows the funding sources for each bonded debt issuance:

Series	Purpose	Source					
		Ad valorem	CIP Sales Tax	TIF Property Tax	County Wide Sales Tax	Sewer Operating	Stormwater Project
2011B	Refunding	*					
2012B	Refunding/Imp	*					
2013A	Improvements	*	*				
2014A	Refunding/Imp	*					
2014B	Fin Software		*				
2015A	Improvements	*					
2015B	Improvements-taxable			*			
2016A	Fire Trucks, Refunding, Improvements	*	*				
2016-A	TIF Bonds-taxable			*			
2017A	Bus& Tech Park				*		
2017B	2016 Pavement Management	*					
2018A	2017 Pavement Management	*					
2019A	2018 Pavement Management	*					
2020A	2019 Pavement Management, Refunding	*					
2012A	Sewer Improvements					*	
2012B	Sewer Improvements					*	
2014A	Sewer Refunding					*	
2020A	Sewer Refunding					*	
2020A	Stormwater Improvements						*

The schedule on the following pages show the annual debt service requirement by year and by series (split between governmental activities and business-type activities).

Governmental Activities

2021

GO Refunding	2011B	295,000	14,750	309,750
GO Refunding & Internal Improvements	2012B	185,000	6,753	191,753
Internal Improvements	2013A	390,000	34,845	424,845
GO Refunding & Internal Improvements	2014A	145,000	13,663	158,663
Financial Software	2014B	50,000	6,000	56,000
Internal Improvements	2015A	170,000	9,644	179,644
Internal Improvements - Taxable	2015B	60,000	9,040	69,040
Fire Trucks, Refunding, Improvements	2016A	620,000	71,463	691,463
TIF GO Bonds-Taxable	2016-A	90,000	8,978	98,978
Business & Technology Park	2017A	195,000	153,065	348,065
2016 Pavement Management	2017B	160,000	30,073	190,073
2017 Pavement Management	2018-A	130,000	35,150	165,150
2018 Pavement Management	2019-A	120,000	36,900	156,900
2019 Pavement Management	2020-A	130,000	22,543	152,543
2021 Total		2,740,000	452,867	3,192,867

2022

GO Refunding	2011B	295,000	7,670	302,670
GO Refunding & Internal Improvements	2012B	185,000	3,515	188,515
Internal Improvements	2013A	400,000	28,020	428,020
GO Refunding & Internal Improvements	2014A	145,000	10,763	155,763
Financial Software	2014B	50,000	4,650	54,650
Internal Improvements - Taxable	2015B	60,000	7,690	67,690
Internal Improvements, Fire Equip, Refunding	2016A	435,000	59,063	494,063
TIF Bonds-Taxable	2016A	90,000	7,178	97,178
Business & Technology Park	2017A	205,000	145,265	350,265
2016 Pavement Management	2017B	160,000	26,473	186,473
2017 Pavement Management	2018-A	135,000	31,250	166,250
2018 Pavement Management	2019-A	125,000	33,300	158,300
2019 Pavement Management	2020-A	275,000	25,900	300,900
2022 Total		2,560,000	390,737	2,950,737

2023

Internal Improvements	2013A	405,000	20,220	425,220
Financial Software	2014B	55,000	3,300	58,300
Internal Improvements - Taxable	2015B	65,000	6,040	71,040
Fire Trucks, Refunding, Improvements	2016A	440,000	50,363	490,363
TIF GO Bonds-Taxable	2016-A	90,000	6,008	96,008
Business & Technology Park	2017A	215,000	137,065	352,065
2016 Pavement Management	2017B	165,000	22,873	187,873
2017 Pavement Management	2018-A	140,000	27,200	167,200
2018 Pavement Management	2019-A	130,000	29,550	159,550
2019 Pavement Management	2020-A	480,000	25,124	505,124
2023 Total		2,185,000	327,743	2,512,743

2024

Internal Improvements	2013A	245,000	11,513	256,513
Financial Software	2014B	55,000	1,650	56,650
Internal Improvements - Taxable	2015B	65,000	4,253	69,253
Fire Trucks, Refunding, Improvements	2016A	460,000	40,562	500,562
TIF GO Bonds-Taxable	2016-A	95,000	4,702	99,702
Business & Technology Park	2017A	225,000	128,465	353,465
2016 Pavement Management	2017B	170,000	18,748	188,748
2017 Pavement Management	2018-A	145,000	23,000	168,000
2018 Pavement Management	2019-A	130,000	25,650	155,650
2019 Pavement Management	2020-A	475,000	21,350	496,350
2024 Total		2,065,000	279,893	2,344,893

2025-2029

Internal Improvements	2013A	250,000	6,000	256,000
Internal Improvements - Taxable	2015B	70,000	2,205	72,205
Internal Improvements, Fire Equip, Refunding	2016A	1,240,000	80,648	1,320,648
TIF Bonds-Taxable	2016A	190,000	4,892	194,892
Business & Technology Park	2017A	1,280,000	538,820	1,818,820
2016 Pavement Management	2017B	540,000	29,533	569,533
2017 Pavement Management	2018-A	615,000	47,450	662,450
2018 Pavement Management	2019-A	725,000	66,750	791,750
2019 Pavement Management	2020-A	890,000	50,550	940,550
2025-2029 Total		5,800,000	826,848	6,626,848

2030-2034

Internal Improvements, Fire Equip, Refunding	2016A	205,000	7,030	212,030
Business & Technology Park	2017A	1,610,000	311,645	1,921,645
2019 Pavement Management	2020-A	145,000	2,538	147,538
2030-2034 Total		1,960,000	321,213	2,281,213

2035-2039

Business & Technology Park	2017A	775,000	41,713	816,713
----------------------------	-------	---------	--------	---------

Governmental Total		18,085,000	2,641,014	20,726,014
---------------------------	--	-------------------	------------------	-------------------

Business-type activities

2021

Sewer Improvements	2012-A	200,000	42,097	242,097
Sewer Improvements	2012-B	155,000	6,804	161,804
Sewer Refunding	2014-A	310,000	7,396	317,396
Stormwater	2020-A	220,000	39,908	259,908

2021 Total		885,000	96,205	981,205
------------	--	---------	--------	---------

2022

Sewer Improvements	2012-A	205,000	35,575	240,575
Sewer Improvements	2012-B	160,000	5,750	165,750
Sewer Refunding	2014-A	320,000	6,250	326,250
Stormwater	2020-A	235,000	31,525	266,525

2022 Total		920,000	79,100	999,100
------------	--	---------	--------	---------

2023

Sewer Refunding	2020-A	545,000	45,602	590,602
Storm Water	2020-A	235,000	29,175	264,175

2023 Total		780,000	74,777	854,777
------------	--	---------	--------	---------

2024

Sewer Refunding	2020-A	395,000	39,125	434,125
Storm Water	2020-A	240,000	26,825	266,825

2024 Total		635,000	65,950	700,950
------------	--	---------	--------	---------

2025-2029

Sewer Refunding	2020-A	1,360,000	129,900	1,489,900
Storm Water	2020-A	1,240,000	84,975	1,324,975

2025-2029 Total		2,600,000	214,875	2,814,875
-----------------	--	-----------	---------	-----------

2030-2034

Sewer Refunding	2020-A	775,000	27,300	802,300
Storm Water	2020-A	260,000	4,550	264,550

2030-2034 Total		1,035,000	31,850	1,066,850
-----------------	--	-----------	--------	-----------

Enterprise Total		6,855,000	562,757	7,417,757
-------------------------	--	------------------	----------------	------------------

City of Leavenworth, Kansas

Schedule of Positions by Function, Department, and Division

	2018	2019	2020	2021
Administration				
City Manager				
City Manager	1.00	1.00	1.00	1.00
Assistant City Manager	1.00	1.00	1.00	1.00
Executive Administrative Assistant	1.00	1.00	1.00	1.00
Public Information Officer	1.00	1.00	1.00	1.00
City Manager's Office	4.00	4.00	4.00	4.00
Court				
Judge	1.00	1.00	1.00	1.00
City Prosecutor	1.00	1.00	1.00	1.00
City Attorney	1.00	1.00	1.00	1.00
Public Defender	2.00	2.00	2.00	2.00
Senior Court Clerk	1.00	1.00	1.00	1.00
Court Clerk	1.00	1.00	1.00	1.00
PT Court Clerk (2)	1.00	1.00	1.00	1.00
Court	8.00	8.00	8.00	8.00
Convention and Visitor's Bureau				
CVB Director	1.00	1.00	1.00	1.00
CVB Administrative Clerk *	1.00	1.00	1.00	1.00
PT CVB Admin. Assist.	0.00	0.50	0.50	0.50
CVB	2.00	2.00	2.50	2.50
City Clerk				
City Clerk	1.00	1.00	1.00	1.00
Assistant City Clerk	1.00	1.00	1.00	1.00
Clerk	2.00	2.00	2.00	2.00
City Clerk	4.00	4.00	4.00	4.00
Human Resources				
HR Director	1.00	1.00	1.00	1.00
HR Specialist	1.00	1.00	1.00	1.00
Part Time Admin Assistant	0.50	0.50	0.50	0.50
Human Resources	2.50	2.50	2.50	2.50

City of Leavenworth, Kansas

Schedule of Positions by Function, Department, and Division

	2018	2019	2020	2021
Finance				
Finance Director	1.00	1.00	1.00	1.00
Deputy Finance Director	1.00	1.00	1.00	1.00
Staff Accountant	2.00	2.00	2.00	2.00
Finance	4.00	4.00	4.00	4.00
Information Technology				
IT Director	1.00	1.00	1.00	1.00
IT Specialist	2.00	2.00	2.00	2.00
Help Desk Technician	1.00	1.00	1.00	1.00
IT	4.00	4.00	4.00	4.00
Probation Services				
Probation Officer II	1.00	1.00	1.00	1.00
Probation Officer I	1.00	1.00	1.00	1.00
Part Time Admin Assistant	0.50	1.00	1.00	1.00
Probation	2.50	3.00	3.00	3.00
Public Safety				
Police Department				
Police Chief	1.00	1.00	1.00	1.00
Deputy Police Chief	1.00	1.00	1.00	1.00
Lieutenant	3.00	3.00	3.00	3.00
Administrative Specialist	1.00	1.00	1.00	1.00
Administrative Assistant	1.00	1.00	1.00	1.00
Records Supervisor	1.00	1.00	1.00	1.00
Records Clerk	4.00	4.00	4.00	4.00
Evidence Custodian (Officer)	1.00	1.00	1.00	1.00
Court Bailiff (Officer)	1.00	1.00	1.00	1.00
Dispatcher Supervisor	1.00	1.00	1.00	1.00
Dispatcher	10.00	10.00	10.00	10.00
Administrative Clerk	1.00	1.00	1.00	1.00
Sergeant	10.00	11.00	11.00	11.00
Detective	10.00	8.00	8.00	8.00
Officer	39.00	36.00	36.00	36.00
Animal Control Supervisor	1.00	1.00	1.00	1.00
Animal Control Officer	2.00	2.00	2.00	2.00
Kennel Attendant	1.00	1.00	1.00	1.00
Police Department	89.00	85.00	85.00	85.00

City of Leavenworth, Kansas

Schedule of Positions by Function, Department, and Division

	2018	2019	2020	2021
Fire Department				
Fire Chief	1.00	1.00	1.00	1.00
Deputy Fire Chief	1.00	1.00	1.00	1.00
Battalion Chief	4.00	4.00	4.00	4.00
Fire Captain	12.00	12.00	12.00	12.00
Fire Driver/Operator	12.00	12.00	12.00	12.00
Firefighter	22.00	22.00	22.00	22.00
Safety Officer/Health Inspector	1.00	1.00	1.00	1.00
Administrative Assistant	1.00	1.00	1.00	1.00
Fire Department	54.00	54.00	54.00	54.00
Public Works				
Administration/Engineering				
Public Works Director	1.00	1.00	1.00	1.00
Deputy Public Works Director	1.00	1.00	1.00	1.00
Engineer *	0.00	0.00	1.00	1.00
Administrative Assistant	1.00	1.00	1.00	1.00
Engineering Technician	2.00	2.00	2.00	2.00
GIS Coordinator	1.00	1.00	1.00	1.00
GIS Technician	0.00	1.00	1.00	1.00
Project Manager	1.00	1.00	1.00	1.00
Chief Building Inspector	1.00	1.00	1.00	1.00
Building Inspector II	1.00	1.00	1.00	1.00
Administrative Clerk	1.00	1.00	1.00	1.00
Engineering	10.00	11.00	12.00	12.00
Garage/Service Center				
Master Mechanic	1.00	1.00	1.00	1.00
Mechanic	2.00	2.00	2.00	2.00
Administrative Assistant	1.00	1.00	1.00	1.00
Parts Clerk	1.00	1.00	1.00	1.00
Garage/ Service Center	5.00	5.00	5.00	5.00
Streets				
Operations Superintendent	1.00	1.00	1.00	1.00
Administrative Assistant	1.00	1.00	1.00	1.00
Street Foreman	1.00	1.00	1.00	1.00
Equipment Operator I	9.00	9.00	9.00	9.00
	12.00	12.00	12.00	12.00

City of Leavenworth, Kansas

Schedule of Positions by Function, Department, and Division

		2018	2019	2020	2021
Traffic					
Traffic Control Technician		1.00	1.00	1.00	1.00
Streets					
Wasterwater Treatment					
Wastewater Plant Superintendent		1.00	1.00	1.00	1.00
WPC Assistant Superintendent		1.00	1.00	1.00	1.00
Administrative Clerk		1.00	1.00	1.00	1.00
WPC Lab Technician		1.00	1.00	1.00	1.00
WPC Operator I		6.00	6.00	6.00	6.00
WPC Operator II		5.00	5.00	5.00	5.00
WPC Operator III		1.00	1.00	1.00	1.00
Engineering Technician II		1.00	1.00	1.00	1.00
WPC		17.00	17.00	17.00	17.00
Storm Water					
Equipment Operator		1.00	1.00	1.00	1.00
Storm Water Laborer		1.00	1.00	1.00	1.00
Stormwater		2.00	2.00	2.00	2.00
Refuse					
Solid Waste Foreman		1.00	1.00	1.00	1.00
Solid Waste Collector		5.00	5.00	5.00	5.00
Solid Waste Equip Operator I		1.00	1.00	1.00	1.00
Solid Waste Equip Operator II		3.00	3.00	3.00	3.00
SW Temp		1.00	1.00	1.00	1.00
Brush Site Operator		1.00	1.00	1.00	1.00
Part Time Recycling Monitor		0.50	0.50	0.50	0.50
Refuse		12.50	12.50	12.50	12.50
Housing and Community Development					
Community Development Director		0.00	1.00	1.00	1.00
Housing Planning					
City Planner		1.00	1.00	1.00	1.00
Rental Coordinator				1.00	1.00
Administrative Assistant		1.00	1.00	1.00	1.00

City of Leavenworth, Kansas

Schedule of Positions by Function, Department, and Division

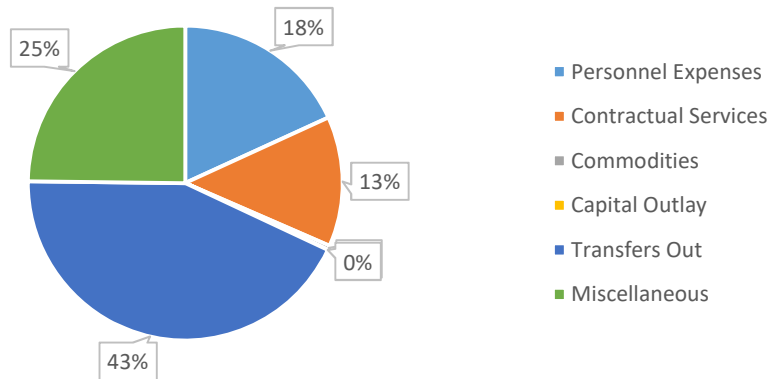
	2018	2019	2020	2021
Planning				
Codes Enforcement				
Codes Officers	3.00	3.00	3.00	3.00
Part Time Administrative Clerk	0.50	0.50	0.50	0.50
Codes	3.50	3.50	3.50	3.50
Housing				
Housing Manager	1.00	1.00	1.00	1.00
Section 8 Coordinator	1.00	1.00	1.00	1.00
Housing Assistant	1.00	1.00	1.00	1.00
Housing Intake Specialist	1.00	1.00	1.00	1.00
Maintenance/Mechanic	1.00	1.00	1.00	1.00
Housing	5.00	5.00	5.00	5.00
Community Development				
Community Development Coordinatc	1.00	1.00	1.00	1.00
Parks and Recreation				
Parks				
Parks Superintendent	1.00	1.00	1.00	1.00
Parks Foreman	1.00	1.00	1.00	1.00
Parks Technician	6.50	6.50	6.50	6.50
Parks Mechanic	1.00	1.00	1.00	1.00
Parks	9.50	9.50	9.50	9.50
Recreation				
Parks & Recreation Director	1.00	1.00	1.00	1.00
Recreation Supervisor	1.00	1.00	1.00	1.00
Temporary Recreation Technicians	1.50	1.50	1.50	1.50
Recreation Administrative Assistant	1.00	1.00	1.00	1.00
Aquatics Supervisor	1.00	1.00	1.00	1.00
Aquatics Manager	1.00	1.00	1.00	1.00
Community Center Manager	1.00	1.00	1.00	1.00
Part time Custodian (6)	2.00	2.00	2.00	2.00
Temporary Receptionists (9)	3.00	3.00	3.00	3.00
Maintenance Supervisor	1.00	1.00	1.00	1.00
Recreation	13.50	13.50	13.50	13.50
Total FTE's	268.00	267.00	269.00	269.00
Notes: Variaqnce FY 20 - 21				
1. * 1.0 FTE Engineer position is frozen for the 2021 Budget.				
2. * 1.0 FTE CVB Administrative Clerk is frozen for the 2021 Budget				
due to budget constraint				

[This page left intentionally blank]

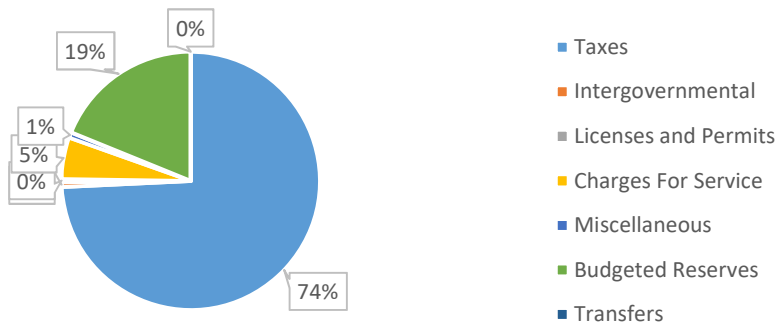
General Government Summary

	2019 Actuals	2020 Budget	2021 Adopted
Taxes	\$ 20,731,304	\$ 21,940,218	\$ 21,791,144
Intergovernmental	\$ 222,200	\$ 138,629	\$ 168,296
Licenses and Permits	\$ 107,359	\$ 115,891	\$ 114,864
Charges For Service	\$ 1,299,583	\$ 1,491,743	\$ 1,525,941
Miscellaneous	\$ 499,301	\$ 225,869	\$ 209,469
Budgeted Reserves	\$ -	\$ 6,543,355	\$ 5,536,497
Transfers	\$ 89,124	\$ -	\$ -
Revenue	\$ 22,948,872	\$ 30,455,705	\$ 29,346,211
Expenditures			
Personnel Expenses	\$ 2,602,431	\$ 2,723,997	\$ 2,791,935
Contractual Services	\$ 1,798,376	\$ 1,659,753	\$ 2,055,392
Commodities	\$ 226,289	\$ 70,152	\$ 69,575
Capital Outlay	\$ 840,230	\$ 5,000	\$ 1,000
Transfers Out	\$ 3,406,878	\$ 6,490,480	\$ 6,641,445
Miscellaneous	\$ -	\$ 4,761,837	\$ 3,815,514
	\$ 8,874,204	\$ 15,711,219	\$ 15,374,861

2021 General Government Expenditures by Type



General Government Revenue by Type



Funds Included:

General Fund, Convention & Visitors, CIP Sales Tax, County Wide Sales Tax, Fire Pension, Police Pension

2021 General Government Expenditures by Org

Commission	\$	83,344
City Manager	\$	379,127
Legal	\$	94,999
Court	\$	390,677
Contingency	\$	50,000
Airport	\$	83,740
Civ Def	\$	8,500
Clerk	\$	644,556
Human Resources	\$	311,667
Finance	\$	536,100
General Revenue	\$	3,014,099
City-Wide Expenses	\$	223,944
Police Pension	\$	508,326
Fire Pension	\$	170,349
CIP Expenses	\$	3,179,316
Countywide Sales Tax	\$	3,535,436
Information Technology	\$	557,934
Buildings & G. *	\$	130,675
Code Enforcement *	\$	331,723
CVB	\$	492,382
City Festival	\$	350,000
Probation	\$	297,966
<hr/>		
Expenditures	\$	15,374,861

The Code Enforcement fund pages are shown in the Community & Economic Development Function section.
 The Building and Ground pages are included in Public Works.

City Commission

General Government

The Mission of the City Commission is to work, through its policies and decisions, to improve the quality of life for residents of the City and to better and position the City for economic development.

The City Commission is the governing body for the City of Leavenworth. The Commission consists of five (5) commissioners elected at large on a non-partisan basis by the general population. Elections are held every two years and three commissioners are elected at each election. The two highest vote totals receive a four year term and the third highest vote total receives a two year term. Each year the Commission elects a Mayor amongst themselves.

The Commission provides leadership, vision, and direction for the staff by setting policy, passing resolutions and ordinances, approving the operating and capital improvement program budgets; and appointing citizens to advisory boards. The Commissioners hire the City Manager to implement the policies and goals they establish.

There are no significant adjustments to the City Commission 2021 Operational Budget.

Mayor
Myron Griswold
100 N 5th St
Leavenworth, KS 66048
913-680-2604
mgriswold@firstcity.org



2021 Goals

- Establish, maintain, and nurture partnerships to ensure effective and efficient delivery of service; train, encourage, and recognize employees for hard work, creativity, and innovation in delivering quality public services
- Allocate and use resources for basic and essential services that are responsive to the changing needs of our community

CITY OF LEAVENWORTH, KANSAS
 GENERAL FUND ADOPTED BUDGET
 JANUARY 1st, THROUGH DECEMBER 31st, 2021
 COMMISSION DIVISION

General Fund Expenses	2019 ACTUAL	2020 BUDGET	2021 Adopted
PERSONNEL	\$ 33,816	\$ 36,594	\$ 36,824
CONTRACTUAL SERVICES	\$ 32,711	\$ 42,570	\$ 44,370
COMMODITIES	\$ 1,170	\$ 1,950	\$ 1,150
CAPITAL OUTLAY	\$ -	\$ -	\$ 1,000
EXPENSES	<u>\$ 67,698</u>	<u>\$ 81,114</u>	<u>\$ 83,344</u>
(5 elected positions)			

City Manager's Office

General Government

Mission: The City Manager's Office provides support to the City Commission in formulating and implementing policies that provide responsive, effective and fiscally responsible services for residents of Leavenworth. In addition, the City Manager's Office provides administrative and support services for the City in an appropriate, effective and economical manner.

The City Manager's Office serves as the Chief Executive Officer of the City; is appointed by and serves at the pleasure of the City Commission. In addition to the day to day administration of the City, the City Manager implements policies established by the Commission, coordinates activities of all City departments; acts as liaison between the City and other governmental units and private agencies; coordinates economic development efforts including financial incentives, development proposals, interaction with regional, state and federal programs and more; is responsible for the creation and submission of the annual budget.

Significant adjustments to the 2021 Operational Budget include shifting .20 FTE to the Economic Development Fund to correctly allocate costs to functions.

Paul Kramer
City Manager

100 N 5th St
Leavenworth, KS 66048
913-680-2604
pkramer@firstcity.org



2021 Goals

- Lobby and advocate for federal funding for new construction and renovation of proposed Bureau of Prisons facilities
- Engage in partnerships to benefit look, perception and quality of life in the City

Performance Measures

City Manager's Office	2019 Actual	2020 Estimate	2021 Projection
Number of Public Meetings Posted online	73	75	80
Average Social Media posts per week	15	17	15
Facebook (or Twitter) Followers	6,123	7,000	8,000
Yearly Tweets	840	875	900
Average monthly website visits (hits)	8,957	10,000	12,000

CITY OF LEAVENWORTH, KANSAS
GENERAL FUND ADOPTED BUDGET
JANUARY 1st, THROUGH DECEMBER 31st, 2021
CITY MANAGER DIVISION

General Fund City Manager Revenues	2019 ACTUAL	2020 BUDGET	2021 Adopted
CHARGES FOR SERVICES	\$ 2,580	\$ -	\$ -
MISCELLANEOUS	\$ -	\$ 100	\$ -
REVENUES	<u>\$ 2,580</u>	<u>\$ 100</u>	<u>\$ -</u>

Expenses

PERSONNEL	\$ 366,800	\$ 367,624	\$ 353,111
CONTRACTUAL SERVICES	\$ 28,169	\$ 24,657	\$ 21,766
COMMODITIES	\$ 5,073	\$ 3,250	\$ 4,250
CAPITAL OUTLAY	\$ 306	\$ -	\$ -
EXPENSES	<u>\$ 400,348</u>	<u>\$ 395,531</u>	<u>\$ 379,127</u>
FTE	3.6	3.6	3.4

General Fund Legal Division	2019 ACTUAL	2020 BUDGET	2021 Adopted
--	------------------------	------------------------	-------------------------

Expenses

PERSONNEL	\$ -	\$ 226	\$ -
CONTRACTUAL SERVICES	\$ 79,070	\$ 109,925	\$ 94,713
COMMODITIES	\$ 333	\$ 287	\$ 287
EXPENSES	<u>\$ 79,403</u>	<u>\$ 110,437</u>	<u>\$ 95,000</u>
FTE	0.0	0.0	0.0

Note: The Legal division is staffed by a contractual attorney.

General Fund Contingency	2019 ACTUAL	2020 BUDGET	2021 Adopted
-------------------------------------	------------------------	------------------------	-------------------------

Revenues			
MISCELLANEOUS	\$ 880	\$ -	\$ -
REVENUES	\$ 880	\$ -	\$ -

Expenses

Contractual Services			
CONTRACTUAL SERVICES	\$ 7,438	\$ 50,000	\$ 50,000
COMMODITIES	\$ 6,200	\$ -	\$ -
Expenditures	\$ 13,638	\$ 50,000	\$ 50,000
FTE	0.00	0.00	0.00

General Fund Civil Defense	2019 ACTUAL	2020 BUDGET	2021 Adopted
---------------------------------------	------------------------	------------------------	-------------------------

Revenues			
MISCELLANEOUS	\$ -	\$ -	\$ -
REVENUES	\$ -	\$ -	\$ -

Expenses

CONTRACTUAL SERVICES	\$ 8,500	\$ 8,500	\$ 8,500
Expenditures	\$ 8,500	\$ 8,500	\$ 8,500
FTE	0.00	0.00	0.00

General Fund Airport	2019 ACTUAL	2020 BUDGET	2021 Adopted
Revenues			
MISCELLANEOUS	\$ 2,400	\$ 2,400	\$ 2,400
Revenue	<u>\$ 2,400</u>	<u>\$ 2,400</u>	<u>\$ 2,400</u>
Expenses			
CONTRACTUAL SERVICES	\$ 86,766	\$ 83,711	\$ 83,740
Expenditures	<u>\$ 86,766</u>	<u>\$ 83,711</u>	<u>\$ 83,740</u>
FTE	0.00	0.00	0.00

Municipal Court

General Government

Taylor Tedder
Assistant City Manager
100 N 5th St
Leavenworth, KS 66048
913-684-0650

The Mission of the Municipal Court is to provide for the just, fair, and expeditious resolution of cases for the City of Leavenworth City Ordinance and City Charter.

The Municipal Court is the judicial branch of the city. Traffic violations and violations of Leavenworth City Ordinances are handled in this court.

In the Municipal Court there are no jury trials. A judge under the Code of Criminal Procedure, the Code of Municipal Courts, the Kansas Rules of Evidence and the Leavenworth Municipal Code conducts all trials.

Municipal Court should not be confused with Leavenworth District Courts. District Court has jurisdiction over cases such as serious criminal offenses, divorce and domestic relations, damage suits, probate and administration of estates, guardianships, conservatorships, care of the mentally ill, juvenile matters and small claims.



Significant adjustments to the 2021 Municipal Court Budget include an increase in charges for services as a result of increased court fees.

Performance Measures

Municipal Court	2019 Actual	2020 Estimate	2021 Projection
PERCENTAGE OF CASES REFERRED TO COURT APPOINTED ATTORNEY	10%	10%	15%
PERCENTAGE OF CASES ON PAY AGREEMENTS	41%	45%	40%
CERTIFIED RECORDS/ DISCOVERY REQUESTS PROCESSED	387	520	550

CITY OF LEAVENWORTH, KANSAS
 GENERAL FUND ADOPTED BUDGET
 JANUARY 1st, THROUGH DECEMBER 31st, 2021
 COURT DIVISION

	2019 ACTUAL	2020 BUDGET	2021 Adopted
Revenues			
CHARGES FOR SERVICES	\$ 573,542	\$ 625,025	\$ 650,025
MISCELLANEOUS	\$ 30	\$ 80	\$ 80
REVENUES	\$ 573,572	\$ 625,105	\$ 650,105
Expenses			
PERSONNEL	\$ 333,182	\$ 355,174	\$ 365,656
CONTRACTUAL SERVICES	\$ 14,128	\$ 18,872	\$ 18,872
COMMODITIES	\$ 2,671	\$ 6,005	\$ 6,150
EXPENSES	\$ 349,981	\$ 380,051	\$ 390,677
	8.00	8.00	8.00

City Clerk

General Government

The Office of the City Clerk is dedicated to providing timely, accurate information and excellent service to the public, City staff, and the City Commission while maintaining full compliance with local and state laws. The City Clerk's operating philosophy is to facilitate a positive and productive visit to Leavenworth City Hall for all customers and staff members.

The City Clerk's staff is responsible for record keeping in an efficient manner in accordance with local and State laws and fosters public trust and accountability.

Significant adjustments to the City Clerk 2021 Operational Budget include an increase of \$49,200 for insurance payments.

Carla Williamson
City Clerk
100 N 5th St
Leavenworth, KS 66048
cwilliamson@firstcity.org
913-684-0650



2021 Goals

- Monitor licenses and permits to maintain revenue sources.
- Streamline registration, , and payment pprocesses for all services
- Provide quality service for all customers and City staff. Manage the City's accounts receivable billing and revenues.

Performance Measures

City Clerk's Office	2019 Actual	2020 Estimate	2021 Projection
Percent of Minutes Submitted Within 14 Days	100%	100%	100%
Total Number of Financial Transactions	8,330	8,500	8,500
Open Records Requests Completed	100%	100%	100%

CITY OF LEAVENWORTH, KANSAS
 GENERAL FUND ADOPTED BUDGET
 JANUARY 1st, THROUGH DECEMBER 31st, 2021
 CITY CLERK DIVISION

	2019 ACTUAL	2020 BUDGET	2021 Adopted
Revenues			
LICENSES AND PERMITS	\$ 106,729	\$ 115,143	\$ 114,116
CHARGES FOR SERVICES	\$ 12,157	\$ 8,733	\$ 11,233
MISCELLANEOUS	\$ 1,515	\$ 1,541	\$ 1,541
REVENUES	\$ 120,402	\$ 125,417	\$ 126,890
Expenses			
PERSONNEL	\$ 295,669	\$ 314,421	\$ 324,495
CONTRACTUAL SERVICES	\$ 270,897	\$ 262,826	\$ 315,036
COMMODITIES	\$ 4,213	\$ 8,369	\$ 5,025
Expenditures	\$ 570,778	\$ 585,616	\$ 644,556
FTE's	4.0	4.0	4.0

Human Resources

General Government

The Mission of the Human Resource Office is to provide personnel-related services and solutions to optimize the City's most valuable resource-employees and strive to create and maintain a supportive work environment.

The HR Office is responsible for the implementation, revision and oversight of the classification, compensation, benefits administration, recruitment, selection, labor relations, risk management, training and records retention. The HR Office is also responsible for the development and updating of the personnel manual, performance evaluation system, employee recognition programs, and serves as advisor to Committees and Boards.

There are no significant adjustments to the Human Resources 2021 Operational Budget.

Lona Lanter
Human Resource
Director

100 N 5th St
Leavenworth, KS 66048
llanter@firstcity.org



2021 Goals

- To attract and retain high quality employees while maintaining a low turnover rate.
- To provide regular communications to employees on health, retirement and City wide information.
- To maintain harmony and productivity among the workforce and resolve grievances in a timely manner.

Performance Measures

Human Resources	2019 Actual	2020 Estimate	2021 Projection
Number of employees hired and completed orientation	63	40	35
Number of Tuition Reimbursement Forms Processed	7	14	15
Number of employees participating in voluntary benefits offerings	192	195	200

CITY OF LEAVENWORTH, KANSAS
 GENERAL FUND ADOPTED BUDGET
 JANUARY 1st, THROUGH DECEMBER 31st, 2021
 HUMAN RESOURCES DIVISION

	2019 ACTUAL	2020 BUDGET	2021 Adopted
Revenues			
MISCELLANEOUS	\$ 158	\$ 748	\$ 449
REVENUES	\$ 158	\$ 748	\$ 449
Expenses			
Personnel Expenses			
PERSONNEL	\$ 228,066	\$ 239,061	\$ 250,069
CONTRACTUAL SERVICES	\$ 45,323	\$ 59,531	\$ 59,623
COMMODITIES	\$ 969	\$ 1,975	\$ 1,975
EXPENSES	\$ 274,358	\$ 300,567	\$ 311,667
FTE's	2.5	2.5	2.5

Finance Department

General Government

The mission of the Finance Department is to provide a financially sound government and support good business decisions by providing timely and accurate financial information.

The City of Leavenworth is committed to the prudent use of public money. Fulfilling this commitment is the responsibility primarily of the Finance Department. The employees of the Finance Department are accountable for all aspects of the organization's financial management with the exception of property tax administration, which is conducted through the collaborative efforts of the county appraiser, county clerk, and county treasurer.

Significant adjustments to the Finance 2021 Operational budget include a \$80,750 reduction in property tax revenue in the Fire Pension fund as a result of right sizing the needs of the funds.

Ruby Maline
Director of Finance
100 N. 5th St
Leavenworth, KS 66048
913-680-0350
rmaile@firstcity.org



2021 Goals

- Review and recommend changes to the financial policies
- Actively pursue a plan to reach a 90 day emergency reserve in the Wastewater Treatment budget.
- Allocate and use resources for basic and essential services that are responsive to the changing needs of our community

Performance Measures

Finance	2019 Actual	2020 Estimate	2021 Projection
Number of Budgetary Funds	2	6	1
Maintain a Minimum Bond Rating of Aa2	Aa2	Aa2	Aa2
Percent of Active Venders Signed up For Ach Payment	11	13	17

CITY OF LEAVENWORTH, KANSAS
GENERAL FUND ADOPTED BUDGET
JANUARY 1st, THROUGH DECEMBER 31st, 2021
FINANCE DIVISION

General Fund Finance	2019 ACTUAL	2020 BUDGET	2021 Adopted
Expenses			
Personnel Expenses			
PERSONNEL	\$ 386,606	\$ 426,480	\$ 440,195
CONTRACTUAL SERVICES	\$ 75,624	\$ 73,814	\$ 91,843
COMMODITIES	\$ 3,711	\$ 5,155	\$ 4,069
EXPENSES	\$ 465,942	\$ 505,448	\$ 536,107
FTE's	4.0	4.0	4.0

General Fund General Reserves	2019 ACTUAL	2020 BUDGET	2021 Adopted
Revenues			
TAXES	\$ 15,256,681	\$ 16,008,164	\$ 15,869,671
INTERGOVERNMENTAL	\$ 139,391	\$ 69,228	\$ 84,148
CHARGES FOR SERVICES	\$ 533,256	\$ 712,960	\$ 712,960
MISCELLANEOUS	\$ 361,741	\$ 3,705,039	\$ 3,285,354
REVENUES	\$ 16,291,070	\$ 20,495,391	\$ 19,952,133

Expenses			
CONTRACTUAL SERVICES	\$ 9,836	\$ 99,905	\$ 99,036
COMMODITIES	\$ 31,840	\$ -	\$ -
CAPITAL OUTLAY	\$ 126,908	\$ -	\$ -
MISCELLANEOUS	\$ 146,036	\$ 2,950,251	\$ 3,064,218
EXPENSES	\$ 314,620	\$ 3,050,156	\$ 3,163,254
FTE	0.0	0.0	0.0

General Fund
City Wide Expenses

	2019	2020	2021
	ACTUAL	BUDGET	Adopted
Revenues			
MISCELLANEOUS	\$ 35,989	\$ -	\$ -
REVENUES	<u>\$ 35,989</u>	<u>\$ -</u>	<u>\$ -</u>
Expenses			
PERSONNEL	\$ 91,266	\$ 84,788	\$ 84,788
CONTRACTUAL SERVICES	\$ 7,519	\$ 5,158	\$ 5,158
MISCELLANEOUS	\$ 147,392	\$ -	\$ 133,500
EXPENSES	<u>\$ 246,177</u>	<u>\$ 90,444</u>	<u>\$ 223,944</u>
FTE	0.0	0.0	0.0

CITY OF LEAVENWORTH, KANSAS
 GENERAL FUND ADOPTED BUDGET
 JANUARY 1st, THROUGH DECEMBER 31st, 2021
 POLICE PENSION

	2019 ACTUAL	2020 BUDGET	2021 Adopted
Revenues			
TAXES	\$ 15,149	\$ 15,436	\$ 14,649
REVENUES	\$ 17,842	\$ 171,650	\$ 170,349
Expenses			
PERSONNEL	\$ 15,159	\$ 15,950	\$ 16,349
CONTRACTUAL SERVICES	\$ -	\$ -	\$ -
COMMODITIES	\$ -	\$ -	\$ -
GENERAL RESERVES	\$ -	\$ 154,000	\$ 154,000
REVENUES	\$ 17,842	\$ 171,650	\$ 170,349
EXPENSES	\$ 15,159	\$ 169,950	\$ 170,349

CITY OF LEAVENWORTH, KANSAS
 Fire Pension ADOPTED BUDGET
 JANUARY 1st, THROUGH DECEMBER 31st, 2021
 FIRE PENSION

	2019 ACTUAL	2020 BUDGET	2021 Adopted
Revenues			
TAXES	\$ 106,302	\$ 103,256	\$ 23,098
MISCELLANEOUS	\$ 9,110	\$ 509,744	\$ 485,388
REVENUES	\$ 115,412	\$ 613,000	\$ 508,486
Expenses			
PERSONNEL	\$ 125,618	\$ 133,000	\$ 136,325
Miscellaneous	\$ -	\$ 480,000	\$ 372,111
EXPENSES	\$ 125,618	\$ 613,000	\$ 508,436

CITY OF LEAVENWORTH, KANSAS
 County Wide Sales Tax ADOPTED BUDGET
 JANUARY 1st, THROUGH DECEMBER 31st, 2021
 COUNTY WIDE SALES TAX

	2019 ACTUAL	2020 BUDGET	2021 PROPOSED
Revenues			
TAXES	\$ 2,843,398	\$ 2,843,398	\$ 2,843,398
MISCELLANEOUS	\$ -	\$ 318,621	\$ 692,038
TRANSFERS	\$ 56,124	\$ -	\$ -
REVENUES	\$ 2,899,522	\$ 3,162,019	\$ 3,535,436
 Expenses			
CONTRACTUAL SERVICES	\$ 24,850	\$ 67,393	\$ -
CAPITAL OUTLAY	\$ 31,348	\$ -	\$ -
MISCELLANEOUS	\$ 2,102,995	\$ 3,094,626	\$ 3,535,436
EXPENSES	\$ 2,159,193	\$ 3,162,019	\$ 3,535,436
FTE	0.00	0.00	0.00

CITY OF LEAVENWORTH, KANSAS
 GENERAL FUND ADOPTED BUDGET
 JANUARY 1st, THROUGH DECEMBER 31st, 2021
 CIP SALES TAX

	2019 ACTUAL	2020 BUDGET	2021 Adopted
Revenues			
TAXES	\$ 2,250,419	\$ 2,373,208	\$ 2,496,476
MISCELLANEOUS	\$ -	\$ 318,621	\$ 682,839
TRANSFERS	\$ 83,718	\$ -	\$ -
REVENUES	\$ 2,334,137	\$ 2,691,829	\$ 3,179,315
 Expenses			
CONTRACTUAL SERVICES	\$ 160,484	\$ -	\$ -
Commodities	\$ 135,500	\$ -	\$ -
CAPITAL OUTLAY	\$ 747,167	\$ -	\$ -
Transfers	\$ 1,010,457	\$ 3,191,971	\$ 3,179,315
EXPENSES	\$ 2,053,608	\$ 3,191,971	\$ 3,179,315
FTE	0.00	0.00	0.00

Information Tech.

General Government

The mission of the Information Technology Department is to provide reliable, innovative, cost-effective information technology solutions to City departments, agencies and local government units so they may be successful in achieving their own missions, while striving always to exceed expectations.

The IT department monitors, maintains, and enhances the City's technology network, tests new equipment, applications, and systems prior to implementation; and manages and upgrades all communications systems.

Taylor Tedder
Assistant City Manager
100 N 5th St
Leavenworth, KS 66048
913-684-2602
ttedder@firstcity.org



Significant adjustments to the Information Technology 2021 Operational Budget include an increase of \$33,754 due to increased software license fees. \$235,000 for additional storage for the Police Department and Phone Separation is included in the 2021—2025 CIP.

Performance Measures

Information Technology	2019 Actual	2020 Estimate	2021 Projection
Percentage of Computers Replaced	n/a	7%	13%
Network Availability	n/a	99%	99%
Network Security Breach (Percentage)	0%	0%	0%

CITY OF LEAVENWORTH, KANSAS
 GENERAL FUND ADOPTED BUDGET
 JANUARY 1st, THROUGH DECEMBER 31st, 2021
 INFORMATION TECHNOLOGY DIVISION

	2019 ACTUAL	2020 BUDGET	2021 Adopted
Revenues			
CHARGES FOR SERVICES	\$ -	\$ 356	\$ -
REVENUES	\$ -	\$ 356	\$ -
Expenses			
PERSONNEL	\$ 184,513	\$ 181,601	\$ 192,193
CONTRACTUAL SERVICES	\$ 317,036	\$ 326,003	\$ 359,757
COMMODITIES	\$ 3,406	\$ 5,985	\$ 5,985
CAPITAL OUTLAY	\$ (847)	\$ -	\$ -
Expenditures	\$ 504,108	\$ 513,589	\$ 557,934
FTE's	2.0	2.0	2.0

Kristi Lee
Director, Convention and
Visitors Bureau

100 N 5th St
Leavenworth, KS 66048
klee@firstcity.org
913-758-6725

The Leavenworth Convention and Visitors Bureau is the official Destination Marketing Organization (DMO) for Leavenworth, Kansas. The staff is prepared to help visitors, tour operators and meeting and convention planners prepare for their visit to Leavenworth and the community.



2021 Goals

- Boost travel demand through statewide industry events and extend invitations to meet in Leavenworth for future meetings.
- Concentrate on the SMERF markets (Social, Military, Education, Religious and Fraternal), as well as emerging markets: sports tourism, the arts (film festivals, art festivals, etc.)
- Support local and destination transportation efforts for the City

Significant adjustments to the Convention & Visitor Bureau Budget include the creation of the Leavenworth Festival function, an increase of \$350,000 of expenditures for the annual Leavenworth Festival.

Performance Measures

CVB	2019 Actual	2020 Estimate	2021 Projection
Estimated Vistors to Leavenworth	214,175	75,000	160,000
Hotel Occupancy Rates	65%	41%	53%

CITY OF LEAVENWORTH, KANSAS
 CVB FUND Adopted BUDGET
 FOR JANUARY 1, 2020 THROUGH DECEMBER 31, 2021

	2019 ACTUAL	2020 BUDGET	2021 Adopted
CVB			
CVB			
REVENUES			
TAXES	\$ 520,722	\$ 450,800	\$ 500,000
MISCELLANEOUS	\$ -	\$ 466,481	\$ 292,382
REVENUES	\$ 520,722	\$ 917,281	\$ 792,382
EXPENDITURES			
PERSONNEL	\$ 166,361	\$ 166,305	\$ 175,564
CONTRACTUAL SERVICES	\$ 145,427	\$ 207,455	\$ 199,155
COMMODITIES	\$ 18,925	\$ 11,030	\$ 11,579
Capital Outlay	\$ 18,213	\$ 5,000	\$ -
Miscellaneous	\$ -	\$ 527,491	\$ 106,084
EXPENDITURES	\$ 348,926	\$ 917,281	\$ 492,382
FTE	2.5	2.5	2.5

	2019 ACTUAL	2020 BUDGET	2021 Adopted
CVB			
City Festival			
REVENUES			
Charges For Service	\$ 3,025	\$ -	\$ -
Miscellaneous	\$ 29,762	\$ -	\$ 50,000
REVENUES	\$ 32,787	\$ -	\$ 50,000
EXPENDITURES			
Personnel Expenses	\$ 9,014	\$ -	\$ -
CONTRACTUAL SERVICES	\$ 249,862	\$ -	\$ 350,000.00
Commodities	\$ 258,876	\$ -	\$ 350,000
FTE	0.00	0.00	0.00

Probation Services

General Government

Taylor Tedder
Assistant City Manager,
100 N 5th St
Leavenworth, KS 66048
ttedder@firstcity.org
(913) 758-2948



Probation services supports the mission of the Court by serving the court and reducing offender recidivism in such a manner as enhances the fairness and integrity of the Court's decisions, promotes accountability and responsive in its enforcement of the Court's orders, and advances public trust. Provides evidence-based interventions, treatment programs, and supervision techniques designed to alter probationers' behavior in order to reduce recidivism.

Significant adjustments to the Probation Services Budget include a reduction of \$21,488 in Charges for Services due to a cancelled agreement with the City of Basehor.

CITY OF LEAVENWORTH, KANSAS
 Probation Budget
 JANUARY 1st, THROUGH DECEMBER 31st, 2021
 PROBATION

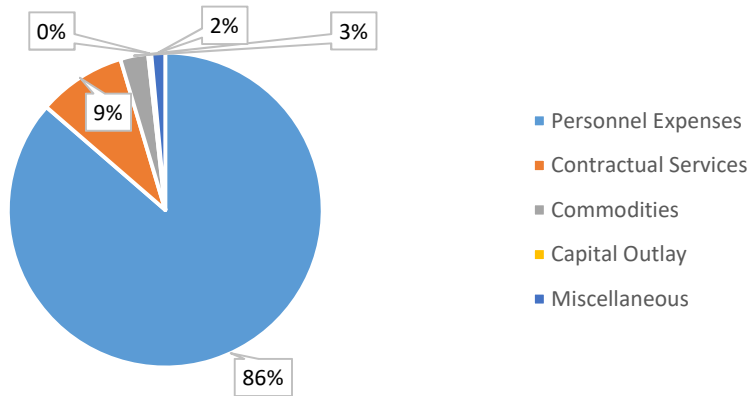
	2019 ACTUAL	2020 BUDGET	2021 Adopted
Revenues			
INTERGOVERNMENTAL	\$ 82,809	\$ 69,401	\$ 84,148
CHARGES FOR SERVICES	\$ 138,298	\$ 124,506	\$ 115,973
MISCELLANEOUS	\$ -	\$ 28,891	\$ 97,845
TOTAL REVENUES	\$ 221,106	\$ 222,798	\$ 328,536
Expenses			
PERSONNEL	\$ 163,529	\$ 179,537	\$ 189,476
CONTRACTUAL SERVICES	\$ 10,330	\$ 29,350	\$ 30,650
COMMODITIES CAPITAL	\$ 7,178	\$ 13,328	\$ 16,280
OUTLAY	\$ -	\$ -	\$ -
MISCELLANEOUS	\$ -	\$ 583	\$ 92,130
Revenue	\$ 221,106	\$ 222,798	\$ 328,536
TOTAL EXPENSES	\$ 181,038	\$ 222,798	\$ 328,536
FTE's	3.0	3.0	3.0

Public Safety Summary

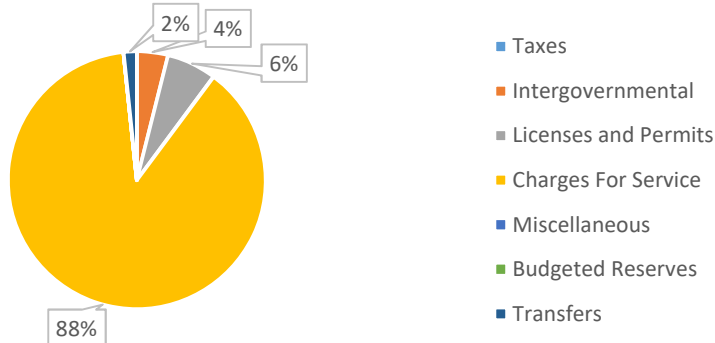
	2019 Actuals	2020 Budget	2021 Adopted
Taxes	\$ -	\$ -	\$ -
Intergovernmental	\$ 16,622	\$ 7,500	\$ 7,500
Licenses and Permits	\$ 18,935	\$ 5,985	\$ 12,000
Charges For Service	\$ 179,762	\$ 150,224	\$ 169,216
Miscellaneous	\$ -	\$ -	\$ -
Budgeted Reserves	\$ -	\$ -	\$ -
Transfers	\$ 3,196	\$ -	\$ 3,197
Revenue	\$ 218,515	\$ 163,709	\$ 191,913

Expenditures			
Personnel Expenses	\$ 10,647,798	\$ 11,071,794	\$ 11,149,277
Contractual Services	\$ 1,107,862	\$ 1,103,817	\$ 1,167,631
Commodities	\$ 334,123	\$ 393,741	\$ 367,171
Capital Outlay	\$ 41,725	\$ 42,212	\$ 42,305
Miscellaneous	\$ 3,196	\$ 185,593	\$ 185,593
	\$ 12,134,704	\$ 12,797,156	\$ 12,911,976

2021 Public Safety Expenditures by Type



Public Safety Revenue by Type



Funds Included:

General Fund, Police Seizure, and Police Grants

2021 Public Safety Expenditures by Org

Police Administration	\$	1,859,034
Police Operations	\$	5,510,616
Animal Control	\$	351,121
Fire Administration	\$	457,253
Fire Suppression	\$	4,323,289
Fire Prevention	\$	220,070
Police Seizure	\$	185,593
Police Grants	\$	5,000
<hr/> Expenditures	\$	12,911,976

Police Department

Public Safety

The Leavenworth Police Department is committed to working in partnership with our community to improve the quality of life in our City. Our mission is to provide police services in a fair, courteous and efficient manner

The Department is charged with upholding the laws of the City of Leavenworth, State of Kansas, and tenets of the Constitution and will do so with integrity and honesty. Everyone we come in contact with will be treated with compassion and respect without bias. We will be accountable for our actions and acknowledge our mistakes.

Our effectiveness will be measured by the absence of fear in our neighborhoods and our ability to work in partnership with our community.

Significant adjustments to the Police Department Operational Budget include, a reduction of \$35,282 in commodities to right size the budget. \$212,000 in included in the 2021—2025 CIP for an Animal Control Van, Detective Car Replacement, Police Patrol SUV's and the replacement of a police K-9.

Pat Kitchens
Police Chief

100 N 5th St
Leavenworth, KS 66048
913-651-2260
pkitchens@firstcity.org



2021 Goals

- Address recent trends in domestic violence incidents
- Engage in targeted initiatives to reduce drug crimes in high risk areas
Reduction in crime
- Continue to grow and expand crime analysis and mapping initiative with technological enhancements
- Make state funding of health facilities a top legislative priority.

Performance Measures

Police Department	2019 Actual	2020 Estimate	2021 Projection
Traffic Citations	2,307	2,400	3,000
Part 1 Crimes	1,933	1,900	1,850
Calls for Service	25,133	25,000	25,000

CITY OF LEAVENWORTH, KANSAS
GENERAL FUND ADOPTED BUDGET
JANUARY 1st, THROUGH DECEMBER 31st, 2021
PD ADMIN DIVISION

General Fund Police Administration	2019 ACTUAL	2020 BUDGET	2021 Adopted
Revenues			
CHARGES FOR SERVICES	\$ 15,950	\$ 17,956	\$ 16,998
MISCELLANEOUS	\$ 441	\$ 449	\$ 449
TRANSFERS	\$ 3,196	\$ -	\$ 3,197
TOTAL REVENUES	\$ 19,587	\$ 18,405	\$ 20,644

Expenses			
PERSONNEL	\$ 1,106,468	\$ 1,287,456	\$ 1,291,168
CONTRACTUAL SERVICES	\$ 451,534	\$ 511,025	\$ 540,731
COMMODITIES	\$ 37,624	\$ 34,913	\$ 27,135
EXPENSES	\$ 1,595,626	\$ 1,833,394	\$ 1,859,034
	12.0	12.0	12.0

General Fund PD Operations	2019 ACTUAL	2020 BUDGET	2021 Adopted
Revenues			
INTERGOVERNMENTAL	\$ 1,458	\$ 2,500	\$ 2,500
CHARGES FOR SERVICES	\$ 72,222	\$ 70,516	\$ 78,416
REVENUES	\$ 292,643	\$ 266,521	\$ 280,916

Expenses			
PERSONNEL	\$ 4,919,171	\$ 4,940,636	\$ 4,916,363
CONTRACTUAL SERVICES	\$ 392,556	\$ 377,292	\$ 374,865
COMMODITIES	\$ 201,274	\$ 227,266	\$ 201,432
CAPITAL OUTLAY	\$ 17,653	\$ 17,955	\$ 17,955
EXPENSES	\$ 5,530,654	\$ 5,563,149	\$ 5,510,615
FTE	73.0	73.0	73.0

**General Fund
PD - Animal Control**

	2019	2020	2021
	ACTUAL	BUDGET	Adopted

Revenues

CHARGES FOR SERVICES	\$ 51,681	\$ 36,908	\$ 48,958
MISCELLANEOUS	\$ 1,422	\$ 2,394	\$ 2,394
REVENUES	<u>\$ 53,103</u>	<u>\$ 39,302</u>	<u>\$ 51,352</u>

Expenses

PERSONNEL	\$ 243,378	\$ 293,633	\$ 283,750
CONTRACTUAL SERVICES	\$ 51,923	\$ 43,404	\$ 48,404
COMMODITIES	\$ 14,991	\$ 20,638	\$ 19,062
EXPENSES	<u>\$ 310,292</u>	<u>\$ 357,675</u>	<u>\$ 351,216</u>
FTE's	4.0	4.0	4.0

CITY OF LEAVENWORTH, KANSAS
POLICE GRANT FUND ADOPTED BUDGET
JANUARY 1st, THROUGH DECEMBER 31st, 2021
Police Grants

Police Grants Fund Police Grants	<u>2019 ACTUAL</u>	<u>2020 BUDGET</u>	<u>2021 Adopted</u>
Revenues			
INTERGOVERNMENTAL	\$ 15,163	\$ 5,000	\$ 5,000
MISCELLANEOUS	\$ -	\$ -	\$ -
REVENUES	<u>\$ 15,163</u>	<u>\$ 5,000</u>	<u>\$ 5,000</u>
Expenses			
CONTRACTUAL SERVICES	\$ -	\$ -	\$ -
COMMODITIES	\$ 1,493	\$ -	\$ -
CAPITAL OUTLAY	<u>\$ 13,671</u>	<u>\$ 5,000</u>	<u>\$ 5,000</u>
EXPENSES	<u>\$ 15,163</u>	<u>\$ 5,000</u>	<u>\$ 5,000</u>
FTE's	0.00	0.00	0.00

Fire Department

Public Safety

The Mission of the Fire Department is to protect life, property, and the environment by responding to emergency and non-emergency calls for service in an efficient and effective manner.

The Leavenworth Fire Department offers fire prevention training, fire suppression, protection, search and rescue operations, medical services, inspections, environmental emergencies, and other threats to health, safety, life, and property. The Operations Division is staffed by three shifts working 24 hours on and 24 hours off rotation. All shifts are staffed with a minimum of one shift commander (Battalion Chief) and 13 personnel (4 Captains, 4 Driver Operators, and 5 Firefighters) of which most are Emergency Medical Technicians.

Significant adjustments to the Fire Departments 2021 Operational Budget include an increase of \$31,535 for vehicle maintenance to bring in with historical actuals. \$85,000 is included in the 2021–2025 CIP for boiler replacements.

Gary Birch
Fire Chief

100 N 5th St
Leavenworth, KS 66048
gbirch@firstcity.org
913-758-6738



2021 Goals

- Explore the replacement of Fire Station No. 3
- Adopt the 2018 International Fire Code

Performance Measures

Fire Department	2019 Actual	2020 Estimate	2021 Projection
Fire Arriving Total Response Time	9:20	6:04	6:04
Effective Response Force Total Response Time	9:35	9:40	10:00
City of Leavenworth Insurance	2	2	2

CITY OF LEAVENWORTH, KANSAS
GENERAL FUND ADOPTED BUDGET
JANUARY 1st, THROUGH DECEMBER 31st, 2021
Fire Department

General Fund Fire Administration	2019 ACTUAL	2020 BUDGET	2021 Adopted
---	------------------------	------------------------	-------------------------

Revenues

CHARGES FOR SERVICES	\$ 4,523	\$ 4,620	\$ 4,620
REVENUES	\$ 4,523	\$ 4,620	\$ 4,620

Expenses

PERSONNEL	\$ 312,592	\$ 331,834	\$ 341,357
CONTRACTUAL SERVICES	\$ 102,819	\$ 87,238	\$ 104,399
COMMODITIES	\$ 3,782	\$ 6,037	\$ 11,497
EXPENSES	\$ 419,193	\$ 425,109	\$ 457,253
FTE's	3.0	3.0	3.0

General Fund Fire Suppression	2019 ACTUAL	2020 BUDGET	2021 Adopted
--	------------------------	------------------------	-------------------------

Revenues

TOTAL CHARGES FOR SERVICES	\$ 900	\$ -	\$ -
TOTAL MISCELLANEOUS	\$ 2,247	\$ 2,993	\$ 2,993
TOTAL REVENUES	\$ 3,147	\$ 2,993	\$ 2,993

Expenses

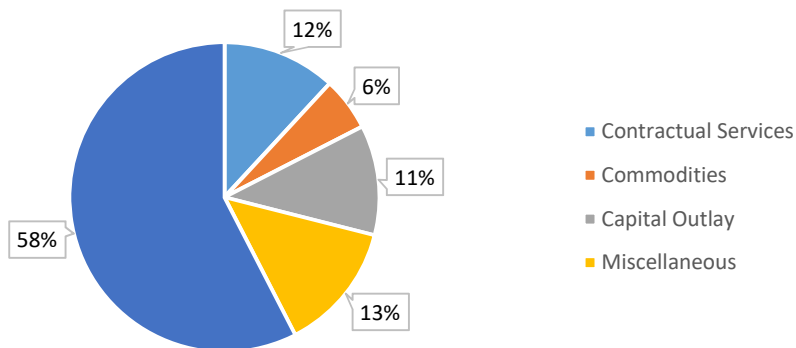
TOTAL PERSONNEL	\$ 3,814,504	\$ 4,015,775	\$ 4,101,708
TOTAL CONTRACTUAL SERVICES	\$ 91,254	\$ 81,097	\$ 95,441
TOTAL COMMODITIES	\$ 73,850	\$ 103,690	\$ 106,790
TOTAL CAPITAL OUTLAY	\$ 10,401	\$ 19,257	\$ 19,350
TOTAL EXPENSES	\$ 3,990,009	\$ 4,219,819	\$ 4,323,289
FTE's	49.0	49.0	49.0

General Fund Fire Prevention	2019 ACTUAL	2020 BUDGET	2021 Adopted
Revenues			
LICENSES AND PERMITS	\$ 18,935	\$ 5,985	\$ 12,000
CHARGES FOR SERVICES	\$ -	\$ 224	\$ 224
REVENUES	<u>\$ 18,935</u>	<u>\$ 6,209</u>	<u>\$ 12,224</u>
Expenses			
Personnel	\$ 251,684	\$ 202,460	\$ 214,930
CONTRACTUAL SERVICES	\$ 2,122	\$ 3,761	\$ 3,790
COMMODITIES	\$ 1,110	\$ 1,197	\$ 1,350
EXPENSES	<u>\$ 254,916</u>	<u>\$ 207,418</u>	<u>\$ 220,070</u>
FTE's	2.0	2.0	2.0

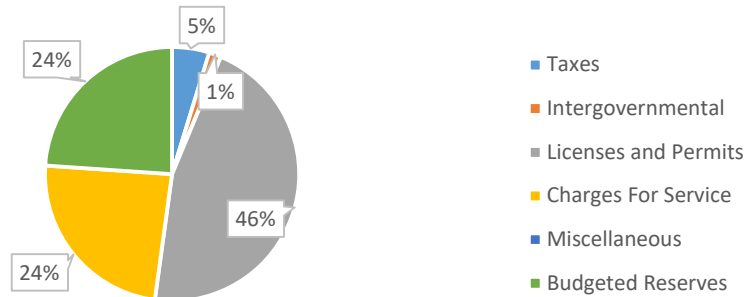
Public Works Summary

	2019 Actuals	2020 Budget	2021 Adopted
Taxes			
Intergovernmental	\$ 1,091,428	\$ 1,159,550	\$ 973,810
Licenses and Permits	\$ 356,884	\$ 308,406	\$ 318,224
Charges For Service	\$ 8,712,057	\$ 9,538,445	\$ 9,449,736
Miscellaneous	\$ 484,459	\$ 2,529,097	\$ 4,925,569
Budgeted Reserves			
Transfers	\$ 147,391	\$ 99,690	\$ 237,735
Revenue	\$ 10,792,221	\$ 13,635,188	\$ 15,905,074
Expenditures			
Personnel Expenses	\$ 3,748,943	\$ 4,445,799	\$ 4,520,719
Contractual Services	\$ 3,313,088	\$ 3,426,748	\$ 3,551,718
Commodities	\$ 1,316,637	\$ 1,595,002	\$ 1,664,458
Capital Outlay	\$ 1,886,555	\$ 1,994,333	\$ 3,438,837
Miscellaneous	\$ 492,334	\$ 3,503,163	\$ 4,032,298
	\$ 10,757,557	\$ 14,965,044	\$ 17,208,030

2021 Public Works Expenditures by Type



Public Works Revenue by Type



Funds Included:

General Fund, Special Highway Fund, Sewer, Refuse, Refuse Restricted, Stormwater

2021 General Government Expenditures by Org

Engineering	\$	717,021
Inspections	\$	357,273
Street Lighting	\$	475,887
Garage	\$	868,259
Service Center	\$	183,366
Streets & Alley Mainte	\$	1,899,621
Traffic Control	\$	131,250
Sewer Plant	\$	3,520,840
Sewer Collection	\$	824,813
Storm Sewers	\$	233,318
Sewer Capital Projects	\$	1,156,297
Storm Water Capital		
Projects	\$	3,941,502
Refuse Collection	\$	2,743,408
Refuse Disposal	\$	145,628
Refuse Restricted	\$	9,545
Expenditures	\$	17,208,030

Public Works

Public Works

The Public Works Department is the administrative entity that coordinates the delivery of many infrastructure services to the citizens of Leavenworth. The department includes several divisions: streets, storm sewers, trash collections and recycling, engineering, building inspections, sewers (water pollution control) and mapping.

Michael McDonald
Director of Public Works
100 N 5th St
Leavenworth, KS 66048
913-684-0375
mmcdonald@firstcity.org



2021 Goals

- Explore a more attractive and functional recycling center.
- Create a long-term collector arterial street plan
- Continue stormwater management program to include a focus on projects that impact residents, quality of life and safety.

There are no significant Adjustments to the Public Works Budget.

CITY OF LEAVENWORTH, KANSAS
GENERAL FUND ADOPTED BUDGET
JANUARY 1st, THROUGH DECEMBER 31st, 2021
Public Works

General Fund Engineering	2019 ACTUAL	2020 BUDGET	2021 Adopted
-------------------------------------	------------------------	------------------------	-------------------------

Revenues

CHARGES FOR SERVICES	\$ -	\$ 105,000	\$ 105,000
MISCELLANEOUS	\$ 10	\$ -	\$ -
REVENUES	\$ 10	\$ 105,000	\$ 105,000

Expenses

PERSONNEL	\$ 543,896	\$ 746,076	\$ 691,405
CONTRACTUAL SERVICES	\$ 15,713	\$ 17,222	\$ 17,222
COMMODITIES	\$ 7,293	\$ 8,394	\$ 8,394
CAPITAL OUTLAY	\$ 116	\$ -	\$ -
EXPENSES	\$ 567,018	\$ 771,691	\$ 717,021
FTE's	8.0	8.0	8.0

General Fund Building & Grounds	2019 ACTUAL	2020 BUDGET	2021 Adopted
--	------------------------	------------------------	-------------------------

Revenues

CHARGES FOR SERVICES	0	0	0
MISCELLANEOUS	0	0	0
REVENUES	\$ -	\$ -	\$ -

Expenses

CONTRACTUAL SERVICES	\$ 147,970	\$ 90,842	\$ 123,842
COMMODITIES	\$ 2,255	\$ 6,833	\$ 6,833
EXPENSES	\$ 150,226	\$ 97,675	\$ 130,675

	<u>ACTUAL</u>	<u>BUDGET</u>	<u>Adopted</u>
General Fund			
Inspection			
Revenues			
LICENSES AND PERMITS	\$ 356,885	\$ 308,406	\$ 318,224
CHARGES FOR SERVICES	\$ 15,309	\$ 20,050	\$ 20,050
REVENUES	<u>\$ 372,194</u>	<u>\$ 328,456</u>	<u>\$ 338,274</u>

Expenses			
PERSONNEL	\$ 296,986	\$ 331,482	\$ 341,732
CONTRACTUAL SERVICES	\$ 10,968	\$ 9,327	\$ 9,327
COMMODITIES	\$ 7,509	\$ 6,274	\$ 6,214
EXPENSES	<u>\$ 315,463</u>	<u>\$ 347,083</u>	<u>\$ 357,273</u>
FTE's	2.0	2.0	2.0

	<u>2019</u>	<u>2020</u>	<u>2021</u>
General Fund	ACTUAL	BUDGET	Adopted
Street Lighting			
Revenues			
MISCELLANEOUS	<u>\$ -</u>	<u>\$ 55</u>	<u>\$ 55</u>
REVENUES	<u>\$ -</u>	<u>\$ 55</u>	<u>\$ 55</u>

Expenses			
CONTRACTUAL SERVICES	\$ 474,245	\$ 473,892	\$ 473,892
COMMODITIES	\$ 792	\$ 1,995	\$ 1,995
EXPENSES	<u>\$ 475,037</u>	<u>\$ 475,887</u>	<u>\$ 475,887</u>
FTE	0.0	0.0	0.0

General Fund Garage	2019 ACTUAL	2020 BUDGET	2021 Adopted
Revenues			
Charges For Service			
CHARGES FOR SERVICES	\$ 767,316	\$ 764,085	\$ 760,833
REVENUES	\$ 767,316	\$ 764,085	\$ 760,833
Expenses			
PERSONNEL	\$ 227,346	\$ 238,006	\$ 245,950
CONTRACTUAL SERVICES	\$ 126,445	\$ 77,822	\$ 78,322
COMMODITIES	\$ 561,237	\$ 543,987	\$ 543,987
CAPITAL OUTLAY	\$ 116	\$ -	\$ -
EXPENSES	\$ 915,144	\$ 859,815	\$ 868,259
FTE	3.0	3.0	3.0

General Fund Service Center	2019 ACTUAL	2020 BUDGET	2021 Adopted
Revenues			
CHARGES FOR SERVICES	\$ (16)	\$ -	\$ -
MISCELLANEOUS	\$ -	\$ 94,690	\$ 94,690
REVENUES	\$ (16)	\$ 94,690	\$ 94,690
Expenses			
PERSONNEL	\$ 64,084	\$ 82,438	\$ 84,422
CONTRACTUAL SERVICES	\$ 72,907	\$ 77,692	\$ 87,692
COMMODITIES	\$ 6,377	\$ 11,252	\$ 11,252
EXPENSES	\$ 143,368	\$ 171,383	\$ 183,366
FTE's	2.0	2.0	2.0

Street and Highway

Public Works

The Mission of the Streets and Highway Department is to provide safe, responsive, and effective road and street system.

The Department is responsible for the management and maintenance of City streets, curbs, gutters, sidewalks and storm drains in our community. It also maintains a street sweeping service, street signs and traffic signals. Seasonally provided services such as snow and ice control and debris removal help to maintain safe transportation throughout the community

Significant adjustments to the Streets and Highway Fund include a transfer of \$133,000 from the General Fund and reduction of \$185,000 in intergovernmental revenue as a result of COVID tax fuel usage.

Michael McDonald
Director,
Public Works
100 N 5th St
Leavenworth, KS 66048
913-684-0375



2021 Goals

- Create a long-term collector/arterial street plan.
- Pursue improvements to roadways, landscaping and amenities on the west side of the Centennial Bridge to improve the aesthetics of the entryway to the City

CITY OF LEAVENWORTH, KANSAS
STREET FUND PROPOSED BUDGET
FOR JANUARY 1 THROUGH DECEMBER 31, 2021
STREETS Fund

	2019	2020	2021
	ACTUAL	Budget	Adopted
Streets Fund			
STREETS & ALLEY			
REVENUES			
INTERGOVERNMENTAL	\$ 1,091,428	\$ 1,159,550	\$ 973,810
CHARGES FOR SERVICES	\$ -	\$ -	\$ -
MISCELLANEOUS	\$ 372,004	\$ 958,599	\$ 922,061
Transfers			
TRANSFERS	\$ 147,391	\$ -	\$ 133,500
REVENUES	\$ 1,610,823	\$ 2,118,149	\$ 2,029,371
EXPENDITURES			
PERSONNEL	\$ 688,136	\$ 732,368	\$ 751,581
CONTRACTUAL SERVICES	\$ 233,512	\$ 126,880	\$ 137,375
COMMODITIES	\$ 233,342	\$ 235,075	\$ 218,575
Capital Outlay	\$ 10,054	\$ -	\$ -
Misc.	\$ 371,142	\$ 1,237,499	\$ 792,090
EXPENDITURES	\$ 1,536,185	\$ 2,331,822	\$ 1,899,621
FTE's	12.0	12.0	12.0
TRAFFIC CONTROL			
REVENUES			
MISCELLANEOUS	\$ 13,176	\$ 1,500	\$ 1,500
REVENUES	\$ 13,176	\$ 1,500	\$ 1,500
EXPENDITURES			
PERSONNEL	\$ 32,843	\$ 60,420	\$ 63,240
CONTRACTUAL SERVICES	\$ 28,940	\$ 25,410	\$ 25,360
COMMODITIES	\$ 58,991	\$ 42,650	\$ 42,650
EXPENDITURES	\$ 119,834	\$ 128,480	\$ 131,250
FTE's	1.0	1.0	1.0

Wastewater Fund

Public Works

Mission: The Wastewater Treatment Plant's mission is to at all times properly operate and maintain the facilities and collection system to achieve compliance with Federal and State Regulations and to protect the public health and environment.

The Water Pollution Control staff protects the health, safety, welfare, and environment of the citizens by conveying and treating sanitary waste. Staff uses current technology to prevent disease and nuisances, avoid public water contamination and silting of navigable waterways, maintain clean water aquatic species, bathing, recreations and conservation.

Michael McDonald
Director of Public Works
100 N 5th St
Leavenworth, KS 66048
913-684-0375
mmcdonald@firstcity.org



2021 Goals

- Provide a safe workplace
- Reduce odors onsite and offsite
- Replace aging equipment and improve system reliability
- Actively pursue and implement a plan to reach a 90 day emergency reserve in the Wastewater Treatment Budget.

Significant adjustments to the 2021 operational Budget include the addition of \$100,000 for UV Lights and the reduction of \$390,996 of revenue due to reduced charges for services at the United States Penitentiary Leavenworth, Fort Leavenworth, and the Dwight D. Eisenhower VA Medical Center.

Performance Measures

Waste Water	2019 Actual	2020 Estimate	2021 Projection
After hours Sanitary Sewer Overflow arrive at location within 60 minutes	90%	90%	95%
Sanitary Sewer Overflow Response Mon-Fri. 7:30 - 4:00 pm arrive within 30 minutes.	92%	92%	95%
Emergency Locates: Mark all Emergency Locates within two hours.	95%	95%	98%

CITY OF LEAVENWORTH, KANSAS
SEWER FUND PROPOSED BUDGET
FOR JANUARY 1, THROUGH DECEMBER 31, 2021
SEWER FUND

	2019 ACTUAL	2020 BUDGET	2021 Adopted
SEWER			
SEWER PLANT			
REVENUES			
CHARGES FOR SERVICES	\$ 4,522,910	\$ 5,197,853	\$ 5,120,502
MISCELLANEOUS	\$ 81,247	\$ 1,051,806	\$ 608,374
REVENUES	\$ 4,604,158	\$ 6,249,659	\$ 5,728,876
EXPENDITURES			
PERSONNEL	\$ 507,141	\$ 689,509	\$ 721,840
CONTRACTUAL SERVICES	\$ 1,253,770	\$ 1,388,927	\$ 1,463,342
COMMODITIES	\$ 200,214	\$ 421,790	\$ 521,790
CAPITAL OUTLAY	\$ 1,735,878	\$ 386,755	\$ 226,750
Misc.	\$ -	\$ 598,888	\$ 587,118
EXPENDITURES	\$ 3,697,003	\$ 3,485,869	\$ 3,520,840
FTE	9.0	9.0	9.0
SEWER COLLECTION			
REVENUES			
Charges for Service	\$ 4,110	\$ -	\$ -
MISCELLANEOUS	\$ -	\$ 6,500	\$ 6,392
REVENUES	\$ 4,110	\$ 6,500	\$ 6,392
EXPENDITURES			
PERSONNEL	\$ 471,016	\$ 513,136	\$ 530,411
CONTRACTUAL SERVICES	\$ 190,029	\$ 248,302	\$ 248,302
COMMODITIES	\$ 32,284.83	\$ 46,100.00	\$ 46,100.00
Capital Outlay	\$ 51,158.00		
EXPENDITURES	\$ 744,488	\$ 807,538	\$ 824,813
FTE's	8.0	8.0	8.0
STORM SEWERS			
REVENUES			
Miscellaneous			
MISCELLANEOUS	\$ 2,500	\$ -	\$ -
REVENUES	\$ 2,500	\$ -	\$ -
EXPENDITURES			
Personnel Expenses			
PERSONNEL	\$ 81,722	\$ 106,589	\$ 112,143
CONTRACTUAL SERVICES	\$ 10,074	\$ 98,475	\$ 98,475
COMMODITIES	\$ 9,937	\$ 22,700	\$ 22,700
CAPITAL OUTLAY	\$ 65,846	\$ -	\$ -
EXPENDITURES	\$ 170,080	\$ 227,764	\$ 233,318
FTE's	1.0	1.0	1.0

CITY OF LEAVENWORTH, KANSAS
 SEWER FUND PROPOSED BUDGET
 FOR JANUARY 1, THROUGH DECEMBER 31, 2021
 SEWER FUND

	2019 ACTUAL	2020 BUDGET	2021 Adopted
SEWER CAPITAL PROJECTS			
CONTRACTUAL SERVICES	\$ (374)	\$ -	\$ -
CAPITAL OUTLAY	\$ 968,000	\$ 500,000	\$ 435,000
DEBT SERVICE	\$ 121,191	\$ 763,330	\$ 721,297
EXPENDITURES	<u>\$ 1,088,817</u>	<u>\$ 1,263,330</u>	<u>\$ 1,156,297</u>
FTE	1.0	1.0	1.0

Stormwater

Public Works

To develop and maintain a comprehensive watershed and storm Water infrastructure management program to protect property, health and safety; to enhance the quality of life; to preserve and improve the environment for the benefit of the public and to be responsive and sensitive to the needs of residents, property owners, and public partners.

To meet the goals of the City's Comprehensive Stormwater Management Program (CSMP), employees have been assigned to perform the management, planning, engineering, and maintenance activities related to the CSMP. In order to achieve this mission, staff will focus its efforts on the following strategic goals:

- Address flood problems with drainage improvement projects to reduce the danger to the public
- Review, enact and enforce ordinances, policies and design criteria as needed to manage the floodplain and improve the design of the storm water system.
- Perform routine maintenance of the City's drainage system to maintain its intended capacity and condition.
- Enhance water quality to preserve the natural environment while maintaining regulatory compliance with the City's Kansas Water Pollution Control Permit under EPA's NPDES Phase II requirements.
- Seek adequate funding for the Comprehensive Storm water Management Program.

Significant adjustments to the Stormwater Operational Budget include, an increase of \$1,769,248 in capital outlay due to the 2020 debt issuance for various Stormwater Projects.

Michael McDonald, PE
Director of Public Works
100 N 5th St
Leavenworth, KS 66048
913-684-0375
mmcdonald@firstcity.org



2021 Goals

- Continue Stormwater projects that impact residents quality of life.
- Address flood problems with drainage improvement projects to reduce the occurrence of property flood damage
- Review, enact and enforce ordinances, policies and design criteria as needed to manage the floodplain, and prevent future flooding in or downstream of development

CITY OF LEAVENWORTH, KANSAS
 STORM WATER FUND PROPOSED BUDGET
 FOR JANUARY 1, 2021 THROUGH DECEMBER 31, 2021
 STORM WATER FUND

	2019 ACTUAL	2020 BUDGET	2020 Proposed
STORM WATER CAPITAL PROJECTS Fund			
Charges For Service			
TOTAL CHARGES FOR SERVICES	\$ 1,237,601	\$ 1,100,000	\$ 1,100,000
Miscellaneous			\$ 2,841,502
TOTAL REVENUES	<u>\$ 2,243,811</u>	<u>\$ 1,100,000</u>	<u>\$ 3,941,502</u>
EXPENDITURES			
TOTAL PERSONNEL	\$ 44,088	\$ 60,665	\$ 63,640
TOTAL CONTRACTUAL SERVICES	\$ 53,245	\$ 85,000	\$ 55,000
TOTAL CAPITAL OUTLAY	\$ 38,200	\$ 954,334	\$ 2,723,582
Total Miscellaneous	\$ -	\$ -	\$ 1,099,280
TOTAL EXPENDITURES	<u>\$ 135,533</u>	<u>\$ 1,099,999</u>	<u>\$ 3,941,502</u>
TOTAL REVENUES	<u>\$ 2,243,811</u>	<u>\$ 1,100,000</u>	<u>\$ 3,941,502</u>
TOTAL EXPENDITURES	<u>\$ 135,533</u>	<u>\$ 1,099,999</u>	<u>\$ 3,941,502</u>

Refuse Fund

Public Works

Mission: To provide a quality curbside refuse removal service as well as maintaining voluntary recycling and yard waste disposal sites for the residents of the City of Leavenworth, Kansas.

City Ordinance enforces curbside refuse service and City staff provides service for all single units, up to four-plexes. Businesses and larger residential units are exempt unless authorized by City Management. All curbside refuse is transported by City refuse trucks to a local transfer station or direct-hauled to a licensed landfill. The Recycling Site and Brush Site are open to residential customers or contractors that are approved by the City of Leavenworth and performing work within City limits. The service offered is voluntary for City residents with the products being recycled and therefore avoiding the waste stream. This division operates under the Public Works Department. The Solid Waste Division serves as an informational office for residents and business owners regarding State/City recycling and disposal guidelines.

Significant adjustments to the Refuse Fund 2021 Operational Budget includes a \$261,282 increase in capital and operating reserves and a \$91,243 decrease in capital outlay due to the 2021 vehicle replacement plan.

Michael McDonald
Director of Public Works
100 N 5th St
Leavenworth, KS 66048
913-684-0375
mmcdonald@firstcity.org



2021 Goals

- Provide a safe workplace
- Reduce Odors onsite and offsite
- Replace aging equipment and improve system reliability
- Operate the system to avoid overflows and meet State and Federal Standards
- Explore a more accessible, attractive and functional recycling center

Performance Measures

Refuse	2019 Actual	2020 Estimate	2021 Projection
Annual Tonnage	11,597	12,516	11,778
Recycle Tons per year	896	389	552
Annual Brush Site Customers	2,255	2,232	2,328

CITY OF LEAVENWORTH, KANSAS
 REFUSE/REFUSE RESTRICTED FUNDS PROPOSED BUDGET
 FOR JANUARY 1 THROUGH DECEMBER 31, 2021
 Refuse/REFUSE RESTRICTED FUNDS

	2019 ACTUAL	2020 BUDGET	2021 Adopted
REFUSE			
REFUSE COLLECTION			
REVENUES			
Charges For Service			
CHARGES FOR SERVICE	\$ 2,140,107	\$ 2,302,209	\$ 2,301,287
MISCELLANEOUS	\$ 20,467	\$ 285,965	\$ 535,939
Transfers	\$ -	\$ -	\$ 9,545
REVENUES	\$ 2,160,573	\$ 2,588,174	\$ 2,846,771
EXPENDITURES			
PERSONNEL	\$ 721,779	\$ 775,456	\$ 800,102
CONTRACTUAL SERVICES	\$ 801,467	\$ 764,862	\$ 831,223
COMMODITIES	\$ 224,310	\$ 249,600	\$ 257,913
CAPITAL OUTLAY	\$ 46,193	\$ 144,743	\$ 53,500
Misc.	\$ -	\$ 561,686	\$ 800,670
EXPENDITURES	\$ 1,793,749	\$ 2,496,347	\$ 2,743,408
FTE	7.50	7.50	7.50
Refuse Fund			
REFUSE DISPOSAL			
REVENUES			
CHARGES FOR SERVICES	\$ 24,704	\$ 49,248	\$ 42,064
REVENUES	\$ 24,776	\$ 49,448	\$ 42,264
EXPENDITURES			
PERSONNEL	\$ 69,903	\$ 109,653	\$ 114,255
CONTRACTUAL SERVICES	\$ 18,168	\$ 26,437	\$ 26,187
COMMODITIES	\$ 4,688	\$ 5,185	\$ 5,187
EXPENDITURES	\$ 92,759	\$ 141,275	\$ 145,629
FTE	5.0	5.0	5.0
REFUSE RESTRICTED Fund			
Refuse Restricted			
Miscellaneous			
MISCELLANEOUS	\$ 18,545	\$ 22,045	\$ 9,545
TRANSFERS	\$ 10,000	\$ 5,000	\$ -
REVENUES	\$ 28,545	\$ 27,045	\$ 9,545
EXPENDITURES			
CONTRACTUAL SERVICES	\$ 6,500	\$ 17,500	\$ -
CAPITAL OUTLAY	\$ -	\$ -	\$ -
Misc.	\$ -	\$ -	\$ 9,545
EXPENDITURES	\$ 6,500	\$ 17,500	\$ 9,545
FTE	0.0	0.0	0.0

Note: The Refuse Restricted Fund was consolidated into the Refuse Fund for 2021.

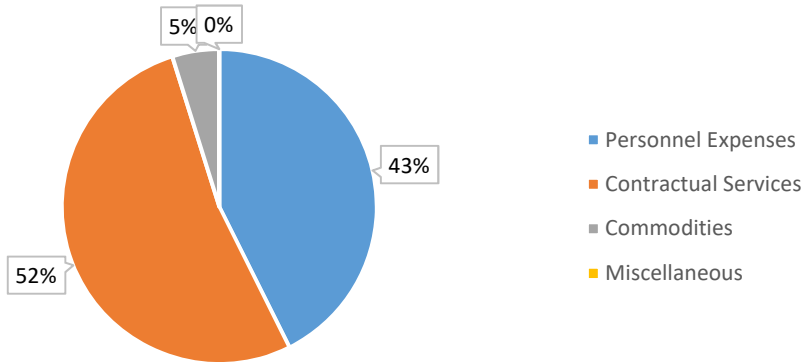
Culture and Recreation Summary

	2019 Actuals	2020 Budget	2021 Adopted
Taxes	\$ 1,707,229	\$ 1,731,747	\$ 1,750,344
Intergovernmental	\$ 82,809	\$ 69,401	\$ 84,148
Licenses and Permits	\$ -	\$ -	\$ -
Charges For Service	\$ 604,169	\$ 693,824	\$ 682,779
Miscellaneous	\$ 7,509	\$ 38,546	\$ 5,737
Budgeted Reserves	\$ -	\$ -	\$ -
Transfers	\$ 446,036	\$ 350,000	\$ 1,495,132
Revenue	\$ 2,847,752	\$ 2,883,518	\$ 4,018,140

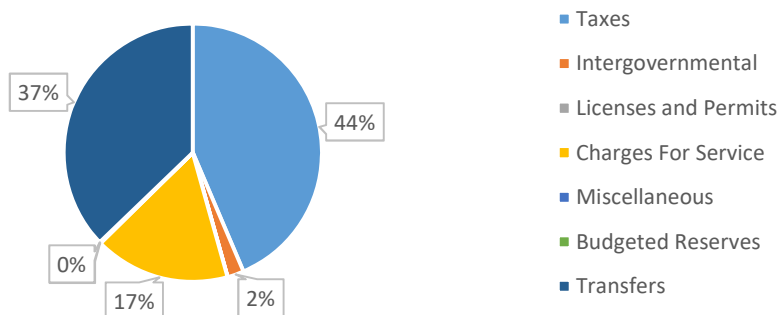
Expenditures

Personnel Expenses	\$ 1,490,834	\$ 1,590,870	\$ 1,719,877
Contractual Services	\$ 1,807,275	\$ 1,843,118	\$ 2,119,114
Commodities	\$ 92,376	\$ 89,937	\$ 194,492
Miscellaneous	\$ 20,289	\$ -	\$ -
	\$ 3,410,774	\$ 3,523,925	\$ 4,033,482

2021 Culture & Recreation Expenditures by Type



2021 Culture & Recreation Revenue by Type



Funds Included:

General Fund, Recreation, Library, Library Benefit

2021 Culture and Recreation Expenditures by Org

Library Maintenance

Recreation Programs \$ 474,335

Riverfront Park \$ 24,174

Parks \$ 895,129

Performing Arts \$ 42,600

RFCC Facility Maintena \$ 358,510

Community Center \$ 579,723

Aquatics Center \$ 367,755

Library \$ 979,758

Library Employee Ben. \$ 296,157

Library Maintenance \$ 15,342

Expenditures \$ 4,033,482

Parks & Recreation

Culture & Recreation

The mission of the Parks and Recreation Department is to enhance the vitality of our community by promoting healthy lifestyles and enriching Leavenworth's unique character with our park and recreation services

The City of Leavenworth Parks & Recreation Department is committed to providing quality, leisure opportunities for its citizens and visitors. The recreational programs are designed to incorporate all ages and to provide accessible and affordable programs that promote healthy lifestyles, family interaction, and a sense of community. The mission is not just for those who can pay but to create viable, desirable and livable community to benefit all people. Conservation, health and wellness, social equity these six words are the mission as the department works, assists and touches the lives of the community.

The Recreation Department delivers year round recreational opportunities and special events for the community for all ages, including team sports; aquatics; exercise programs; theater productions; music events, special venues for parties, conferences, conventions, meetings, receptions, etc.

Significant adjustments to the Parks and Recreations Budget include a \$45,318 reduction in property tax revenue, an increase of \$1,145,132 in sale tax revenue and the inclusion of the Parks and Riverfront Park functions to the Recreation Fund.

Steve Grant
Director
Parks and Recreation
100 N 5th St
Leavenworth, KS 66048
sgrant@firstcity.org



2021 Goals

- Update and improve amenities at less-used City parks to spur growth.
- Streamline registration, reservation and payment process for Parks and Recreation projects
- Increase youth participation in City activities.
- Support partnership to continue increased use of Havens Park.
- Review Status of adopt-a-park program to identify the level of activity at adopted parks.

Performance Measures

Parks and Recreation	2019 Actual	2020 Estimate	2021 Projection
Riverfront Park Campground Reservation Days	0	500	1,000
Recreation Scholarships	470	125	480
Park Shelter Reservations	264	220	300

CITY OF LEAVENWORTH, KANSAS
 2021 RECREATION FUND SUMMARY
 JANUARY 1st THROUGH DECEMBER 31st, 2021
 RECREATION Fund

	2019 ACTUAL	2020 BUDGET	2021 PROPOSED
Recreation Fund			
Recreation Programs			
Revenues			
Taxes			
TAXES	\$ 531,049	\$ 519,747	\$ 474,429
Charges For Service			
CHARGES FOR SERVICES	\$ 91,279	\$ 132,200	\$ 99,009
MISCELLANEOUS	\$ 1,712	\$ 34,786	\$ 2,231
REVENUES	<u>\$ 625,040</u>	<u>\$ 686,733</u>	<u>\$ 575,669</u>
EXPENSES			
PERSONNEL	\$ 319,610	\$ 319,610	\$ 345,637
CONTRACTUAL SERVICES	\$ 77,586	\$ 80,760	\$ 81,311
COMMODITIES	\$ 47,995	\$ 47,397	\$ 47,397
EXPENSES	<u>\$ 445,191</u>	<u>\$ 447,767</u>	<u>\$ 474,345</u>
FTE's	3.5	3.5	3.5

	2019 ACTUAL	2020 BUDGET	2021 PROPOSED
Recreation Fund			
RiverFront Park			
Revenues			
CHARGES FOR SERVICES	\$ (15)	\$ 20,449	\$ 20,449
REVENUES	<u>\$ (15)</u>	<u>\$ 20,449</u>	<u>\$ 20,449</u>
Expenses			
PERSONNEL	\$ -	\$ 7,858	\$ 7,648
CONTRACTUAL SERVICES	\$ 10,239	\$ 14,354	\$ 14,353
COMMODITIES	\$ 203	\$ 1,198	\$ 2,172
CAPITAL OUTLAY	\$ -	\$ -	\$ -
EXPENSES	<u>\$ 10,445</u>	<u>\$ 23,410</u>	<u>\$ 24,173</u>
FTE	0.5	0.5	0.5

Recreation Fund Parks	2019 ACTUAL	2020 BUDGET	2021 PROPOSED
Revenues			
CHARGES FOR SERVICES	\$ 17,810	\$ 15,960	\$ 18,270
REVENUES	\$ 18,946	\$ 15,960	\$ 18,270
PERSONNEL	\$ 558,465	\$ 622,104	\$ 625,158
CONTRACTUAL SERVICES	\$ 172,758	\$ 139,928	\$ 151,257
COMMODITIES	\$ 105,910	\$ 104,822	\$ 122,746
EXPENSES	\$ 837,137	\$ 866,854	\$ 899,161
FTE's	9.5	9.5	11.0

Recreation Fund Performing Arts Center	2019 ACTUAL	2020 Budget	2021 Adopted
Revenues			
CHARGES FOR SERVICES	\$ 35,864	\$ 35,000	\$ 35,000
MISCELLANEOUS	\$ 4,337	\$ 1,260	\$ 1,260
REVENUES	\$ 40,200	\$ 36,260	\$ 36,260
EXPENSES			
CONTRACTUAL SERVICES	\$ 50,182	\$ 36,625	\$ 38,625
COMMODITIES	\$ 6,375	\$ 3,975	\$ 3,975
EXPENSES	\$ 96,758	\$ 76,860	\$ 78,860
FTE's	0.00	0.00	0.00

**Recreation Fund
COMMUNITY CENTER Maint.**

REVENUES

	2019 ACTUAL	2020 BUDGET	2021 Adopted
Charges For Service			
TRANSFERS	\$ -	\$ -	\$ 1,495,132
REVENUES	\$ -	\$ -	\$ 1,495,132

EXPENDITURES

PERSONNEL	\$ -	\$ -	\$ 189,492
CONTRACTUAL SERVICES	\$ -	\$ -	\$ 168,567
COMMODITIES	\$ -	\$ -	\$ 450
EXPENDITURES	\$ -	\$ -	\$ 358,509
FTE	0.0	0.0	3.0

**Recreation Fund
COMMUNITY CENTER
REVENUES**

	2019 ACTUAL	2020 BUDGET	2021 Adopted
CHARGES FOR SERVICES	\$ 326,650	\$ 376,175	\$ 379,300
MISCELLANEOUS	\$ 1,321	\$ -	\$ -
TRANSFERS	\$ 446,036	\$ 350,000	\$ -
REVENUES	\$ 774,007	\$ 726,175	\$ 379,300

EXPENDITURES

PERSONNEL	\$ 319,154	\$ 329,265	\$ 259,519
CONTRACTUAL SERVICES	\$ 425,730	\$ 435,647	\$ 304,972
COMMODITIES	\$ 21,727	\$ 18,999	\$ 19,000
CAPITAL OUTLAY	\$ 20,289	\$ -	\$ -
EXPENDITURES	\$ 786,900	\$ 783,911	\$ 583,491
FTE's	7.0	4.0	4.0

**Recreation Fund
Aquatic Center
Revenues**

	<u>ACTUAL</u>	<u>BUDGET</u>	<u>PROPOSED</u>
Intergovernmental			
INTERGOVERNMENTAL	\$ 82,809	\$ 69,401	\$ 84,148
CHARGES FOR SERVICES	\$ 150,392	\$ 130,000	\$ 130,000
MISCELLANEOUS	\$ 140	\$ 2,500	\$ 2,500
Revenue	<u>\$ 233,340</u>	<u>\$ 201,901</u>	<u>\$ 216,648</u>

Expenditure

PERSONNEL	\$ 291,108	\$ 303,323	\$ 295,041
COMMODITIES	\$ 17,315	\$ 20,389	\$ 20,389
EXPENSES	<u>\$ 358,922</u>	<u>\$ 371,552</u>	<u>\$ 367,755</u>
FTE's	2.0	2.0	2.0

CITY OF LEAVENWORTH, KANSAS
 2021 RECREATION FUND SUMMARY
 JANUARY 1st THROUGH DECEMBER 31st, 2021
 Culture and Recreation Function

Recreation Fund Recreation Programs	2019 ACTUAL	2020 BUDGET	2021 Adopted
Revenues			
TAXES	\$ 531,049	\$ 519,747	\$ 474,429
CHARGES FOR SERVICES	\$ 91,279	\$ 132,200	\$ 99,009
MISCELLANEOUS	\$ 1,712	\$ 34,786	\$ 5,737
REVENUES	\$ 625,040	\$ 686,733	\$ 579,175
EXPENSES			
PERSONNEL	\$ 319,610	\$ 330,064	\$ 345,637
CONTRACTUAL SERVICES	\$ 77,586	\$ 81,310	\$ 81,311
COMMODITIES	\$ 47,995	\$ 47,397	\$ 47,397
EXPENSES	\$ 445,191	\$ 458,771	\$ 474,345
FTE's	3.5	3.5	3.5

Recreation Fund RiverFront Park	2019 ACTUAL	2020 BUDGET	2021 Adopted
Revenues			
CHARGES FOR SERVICES	\$ (15)	\$ 20,449	\$ 20,449
REVENUES	\$ (15)	\$ 20,449	\$ 20,449
Expenses			
PERSONNEL	\$ -	\$ 7,858	\$ 7,648
CONTRACTUAL SERVICES	\$ 10,239	\$ 14,354	\$ 14,353
COMMODITIES	\$ 203	\$ 1,198	\$ 2,172
CAPITAL OUTLAY	\$ -	\$ -	\$ -
EXPENSES	\$ 10,445	\$ 23,410	\$ 24,173
FTE	0.5	0.5	0.5

	2019 ACTUAL	2020 BUDGET	2021 Adopted
Recreation Fund Parks			
Revenues			
CHARGES FOR SERVICES	\$ 17,810	\$ 15,960	\$ 18,270
REVENUES	\$ 18,946	\$ 15,960	\$ 18,270
PERSONNEL	\$ 558,465	\$ 622,104	\$ 624,284
CONTRACTUAL SERVICES	\$ 172,758	\$ 139,928	\$ 167,704
COMMODITIES	\$ 105,910	\$ 104,822	\$ 103,139
EXPENSES	\$ 837,134	\$ 866,854	\$ 895,129
FTE's	9.5	9.5	11.0

	2019 ACTUAL	2020 Budget	2021 Adopted
Recreation Fund Performing Arts Center			
Revenues			
CHARGES FOR SERVICES	\$ 35,864	\$ 35,000	\$ 35,000
MISCELLANEOUS	\$ 4,337	\$ 1,260	\$ 1,260
REVENUES	\$ 40,200	\$ 36,260	\$ 36,260
EXPENSES			
CONTRACTUAL SERVICES	\$ 50,182	\$ 36,625	\$ 38,625
COMMODITIES	\$ 6,375	\$ 3,975	\$ 3,975
EXPENSES	\$ 56,558	\$ 40,600	\$ 42,600
FTE's	0.00	0.00	0.00

	2019 ACTUAL	2020 BUDGET	2021 Adopted
Recreation Fund COMMUNITY CENTER Maint.			
REVENUES			
Charges For Service			
TRANSFERS	\$ -	\$ -	\$ 1,495,132
REVENUES	\$ -	\$ -	\$ 1,495,132
EXPENDITURES			
PERSONNEL	\$ -	\$ -	\$ 189,492
CONTRACTUAL SERVICES	\$ -	\$ -	\$ 168,567
COMMODITIES	\$ -	\$ -	\$ 450
EXPENDITURES	\$ -	\$ -	\$ 358,510
FTE	0.0	0.0	3.0

**Recreation Fund
COMMUNITY CENTER**

REVENUES

	2019 ACTUAL	2020 BUDGET	2021 Adopted
CHARGES FOR SERVICES	\$ 326,650	\$ 376,175	\$ 379,300
MISCELLANEOUS	\$ 1,321	\$ -	\$ -
TRANSFERS	\$ 446,036	\$ 350,000	\$ -
REVENUES	<u>\$ 774,007</u>	<u>\$ 726,175</u>	<u>\$ 379,300</u>

EXPENDITURES

PERSONNEL	\$ 321,648	\$ 327,520	\$ 257,773
CONTRACTUAL SERVICES	\$ 425,730	\$ 435,647	\$ 304,972
COMMODITIES	\$ 19,709	\$ 16,629	\$ 16,979
CAPITAL OUTLAY	\$ 20,289	\$ -	\$ -
EXPENDITURES	<u>\$ 786,900</u>	<u>\$ 783,911</u>	<u>\$ 579,723</u>
FTE's	7.0	4.0	4.0

**Recreation Fund
Aquatic Center**

Revenues

	2019 ACTUAL	2020 BUDGET	2021 Adopted
INTERGOVERNMENTAL	\$ 82,809	\$ 69,401	\$ 84,148
CHARGES FOR SERVICES	\$ 150,392	\$ 130,000	\$ 130,000
MISCELLANEOUS	\$ 140	\$ 2,500	\$ 2,500
Revenue	<u>\$ 233,340</u>	<u>\$ 201,901</u>	<u>\$ 216,648</u>

Expenditure

PERSONNEL	\$ 291,108	\$ 303,323	\$ 295,041
Contractual Services	\$ 50,494	\$ 47,840	\$ 52,325
COMMODITIES	\$ 17,281	\$ 20,389	\$ 20,389
EXPENSES	<u>\$ 358,883</u>	<u>\$ 371,552</u>	<u>\$ 367,755</u>
FTE's	2.0	2.0	2.0

Library Fund	2019	2020	2021
Library	ACTUAL	Budget	Adopted
Revenue	\$ -	\$ -	\$ -
Taxes	\$ 895,069	\$ 938,000	\$ 979,758
Charges For Services	\$ -	\$ -	\$ -
Miscellaneous	\$ -	\$ -	\$ -
Revenues	\$ 895,069	\$ 938,000	\$ 979,758
Expenses			
Personnel	\$ -	\$ -	\$ -
Contractual Services			
Commodities	\$ -	\$ -	\$ -
Miscellaneous	\$ 895,069	\$ 938,000	\$ 979,758
Expenses	\$ 895,069	\$ 938,000	\$ 979,758
FTE	0.00	0.00	0.00

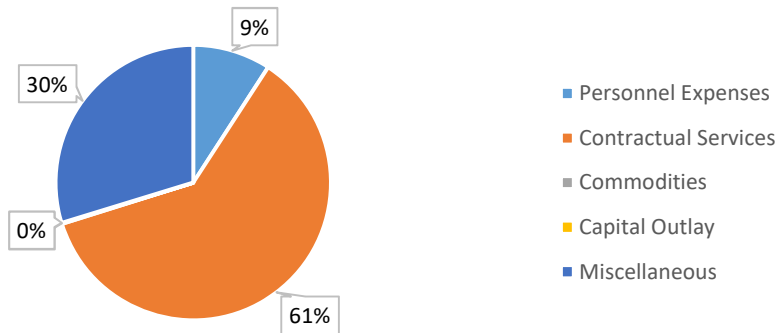
Library Benefits Fund	2019	2020	2021
Library Benefit	ACTUAL	Budget	Adopted
Revenue			
Taxes	\$ 281,111	\$ 274,000	\$ 296,157
CHARGES FOR SERVICES	\$ -	\$ -	\$ -
MISCELLANEOUS	\$ -	\$ -	\$ -
REVENUES	\$ 281,111	\$ 274,000	\$ 296,157
EXPENSES			
CONTRACTUAL SERVICES	\$ 281,111	\$ 274,000	\$ 296,157
COMMODITIES	\$ -	\$ -	\$ -
EXPENSES	\$ 281,111	\$ 274,000	\$ 296,157
FTE's	0.00	0.00	0.00

General Fund	2019	2020	2021
Library Maint.	ACTUAL	BUDGET	Adopted
Revenues			
Taxes	\$ -	\$ -	\$ -
CHARGES FOR SERVICES	\$ -	\$ -	\$ -
MISCELLANEOUS	\$ -	\$ -	\$ -
REVENUES	\$ -	\$ -	\$ -
Expenses			
CONTRACTUAL SERVICES	\$ 17,350	\$ 15,341	\$ 15,342
COMMODITIES	\$ -	\$ -	\$ -
EXPENSES	\$ 17,350	\$ 15,341	\$ 15,342
FTE	0.0	0.0	0.0

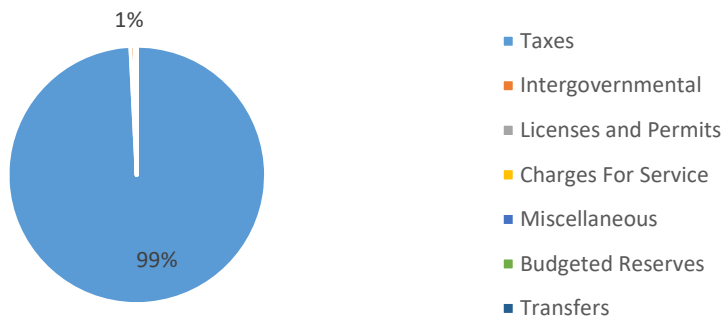
Community & Economic Development Summary

	2019 Actuals	2020 Budget	2021 Adopted
Taxes	\$ 1,783,548	\$ 2,141,156	\$ 2,019,478
Intergovernmental	\$ 11,695	\$ 11,218	\$ 11,218
Licenses and Permits	\$ -	\$ -	\$ -
Charges For Service	\$ -	\$ -	\$ -
Miscellaneous	\$ 5,000	\$ 5,000	\$ 5,000
Budgeted Reserves	\$ -	\$ -	\$ -
Transfers	\$ -	\$ -	\$ -
Revenue	\$ 1,903,765	\$ 2,778,527	\$ 3,151,978
Expenditures			
Personnel Expenses	\$ 232,224	\$ 324,388	\$ 311,095
Contractual Services	\$ 1,500,964	\$ 2,061,069	\$ 2,070,704
Commodities	\$ 3,278	\$ 4,214	\$ 4,214
Capital Outlay	\$ -	\$ -	\$ -
Miscellaneous	\$ 97,590	\$ 668,546	\$ 1,009,106
	\$ 1,834,057	\$ 3,058,217	\$ 3,395,119

2021 Comm. Dev. & Econ. Dev. Expenditures by Type



2021 Comm. Dev. & Econ. Dev. Revenue by Type



Funds Included:

General Fund, Economic Development, Tax Increment Hotel, Tax Increment Auto, Tax Increment Retail

2021 Community & Economic Development Expenditures by Org

Economic Development	\$	1,251,660
TIF - Auto	\$	943,166
TIF - Hotel	\$	647,162
TIF - Retail	\$	298,772
Planning & Zoning	\$	254,359
Expenditures	\$	3,395,119

The Code Enforcement fund pages are shown in the Community & Economic Development Function section.

Economic Development

Community & Economic Development

Taylor Tedder
Economic Development
Assistant City Manager
100 N 5th St
Leavenworth, KS 66048
TTedder@firstcity.org



To promote, enhance, and encourage economic growth and prosperity in the City of Leavenworth.

The City and its partners, continuously work to diversify the area's economy in an organized, concerted effort to promote commercial, industrial and retail development.

Leavenworth is considered an outer-ring suburb of Kansas City, Missouri and is a full-service community. Leavenworth is home to Fort Leavenworth, U.S. Federal Penitentiary at Leavenworth and the Dwight D. Eisenhower Veterans Affairs Medical Center, part of the U.S. Department of Veterans Affairs Eastern Kansas Health Care System. Major employers include Cereal Ingredients, Hallmark Cards, Corrections Corporation of America, as well as the Armed Forces Insurance Center.

2021 Goals

- Explore options to market new business park.
- Lobby and advocate for federal funding for a new medium-security prison and increased maintenance funding for existing prison.
- Promote Leavenworth as a destination for Vetrepreneurs.
- Actively pursue a grocery store for North Leavenworth

Significant Adjustments to the 2021 Budget include an increase of \$26,409 for personnel expenses and shifting .20 FTE from the City Managers Office to the Economic Development fund to correctly allocate time.

Performance Measures

Economic Development	2019 Actual	2020 Estimate	2021 Projection
Small Business Grants Approved	17	20	30
Network KS Loans Approved	8	4	5
Business Park Site Selection Requests	16	8	10

CITY OF LEAVENWORTH, KANSAS
GENERAL FUND ADOPTED BUDGET
JANUARY 1st, THROUGH DECEMBER 31st, 2021
ECONOMIC DEVELOPMENT

	2019 ACTUAL	2020 BUDGET	2021 PROPOSED
Revenues			
TAXES	\$ 448,090	\$ 426,510	\$ 426,510
MISCELLANEOUS	\$ -	\$ 515,720	\$ 825,150
REVENUES	\$ 448,090	\$ 942,230	\$ 1,251,660
Expenses			
Personnel Expenses			
PERSONNEL	\$ 43,004	\$ 46,990	\$ 73,399
CONTRACTUAL SERVICES	\$ 282,619	\$ 401,775	\$ 355,285
COMMODITIES	\$ 728	\$ -	\$ -
Miscellaneous	\$ -	\$ 493,485	\$ 824,997
EXPENSES	\$ 326,350	\$ 942,230	\$ 1,253,660
FTE's	0.4	0.4	0.6

CITY OF LEAVENWORTH, KANSAS
TIF-HOTELS FUND PROPOSED BUDGET
FOR JANUARY 1, THROUGH DECEMBER 31, 2021
HOTEL TIF

	2019 ACTUAL	2020 BUDGET	2021 Adopted
TIF-HOTELS			
REVENUES			
TAXES	\$ 386,340	\$ 503,417	\$ 516,002
MISCELLANEOUS	\$ 3,724	\$ 34,034	\$ 131,159
TOTAL Hotel TIF REVENUES	\$ 390,064	\$ 537,451	\$ 647,161
EXPENDITURES			
CONTRACTUAL SERVICES	\$ 303,386	\$ 371,383	\$ 479,143
Misc.	\$ 97,590	\$ 166,068	\$ 168,019
Hotel TIF EXPENDITURES	\$ 400,976	\$ 537,451	\$ 647,162

CITY OF LEAVENWORTH, KANSAS
TIF-Auto FUND PROPOSED BUDGET
FOR JANUARY 1 THROUGH DECEMBER 31, 2021

Auto TIF

	2019 ACTUAL	2020 BUDGET	2021 Adopted
Auto TIF Fund			
Auto TIF (ZECK)			
REVENUES			
TAXES	\$ 655,341	\$ 626,517	\$ 883,073
TOTAL CHARGES FOR SERVICES	\$ -	\$ 5,000	\$ 5,000
MISCELLANEOUS	\$ 33,157	\$ 63,783	\$ 55,093
REVENUES	\$ 688,498	\$ 695,300	\$ 943,166
EXPENDITURES			
Contractual Services			
REVENUES	\$ 688,498	\$ 695,300	\$ 943,166
EXPENDITURES	\$ 624,715	\$ 640,208	\$ 943,165
FTE	0.0	0.0	0.0

CITY OF LEAVENWORTH, KANSAS
TIF-Retail FUND PROPOSED BUDGET
FOR JANUARY 1 THROUGH DECEMBER 31, 2021
RETAIL TIF

	<u>2019</u>	<u>2020</u>	<u>2021</u>
	ACTUAL	BUDGET	Adopted
TIF-Retail (Home Depot)			
REVENUES			
TOTAL TAXES	\$ 293,775	\$ 301,318	\$ 298,304
MISCELLANEOUS	\$ 2,219	\$ 2,704	\$ -
TOTAL REVENUES	<u>\$ 295,994</u>	<u>\$ 304,022</u>	<u>\$ 298,304</u>
EXPENDITURES			
CONTRACTUAL SERVICES	\$ 294,042	\$ 293,775	\$ 298,771
EXPENDITURES	<u>\$ 294,042</u>	<u>\$ 293,775</u>	<u>\$ 298,771</u>

Community Dev.

Urban Dev./General Government/Comm.
Dev.

Julie Hurley
Dir. of Community Dev.
100 N 5th St
Leavenworth, KS 66048
jhurley@firstcity.org
913-680-262

The mission of the Community Development Department is to advise and recommend to City officials, boards, appointed commissions and resident's best practices for managing orderly and efficient change in the community. Ensuring a high standard of living where all citizens have access to basic human services including housing and transportation.

The activities of the Community Development Department include creating a safe, healthy, accessible environment by planning for new development, enforcing city codes, coordinating housing, blight removal, home repairs, and other community appearance programs.



2021 Goals

- Support projects and improvements that lead to annexation
- Make development regulations available online in real-time to public, staff and development community.
- Actively pursue a grocery store for North Leavenworth.
- Continue actions by Code Enforcement to reduce and eliminate blighted properties.

Significant adjustments to the Community Development 2021 Operational Budget include the creation of the Rental Coordinator function shown in the Urban Development function of the department.

Performance Measures

Community Dev.	2019 Actual	2020 Estimate	2021 Projection
Number of new code enforcement cases created	3,659	3,659	3,500
Number of properties mowed for grass & weed violations	1,258	1,258	750
Number of new Planning Commission cases	17	40	19

CITY OF LEAVENWORTH, KANSAS
GENERAL FUND ADOPTED BUDGET
JANUARY 1st, THROUGH DECEMBER 31st, 2021
Community Development DIVISION

	2019 ACTUAL	2020 BUDGET	2021 Adopted
General Fund			
Planning and Zoning			
Revenues			
Licenses and Permits			
CHARGES FOR SERVICES	\$ 11,695	\$ 11,218	\$ 11,218
MISCELLANEOUS	\$ 8	\$ -	\$ -
REVENUES	<u>\$ 11,703</u>	<u>\$ 11,218</u>	<u>\$ 11,218</u>

Expenses			
PERSONNEL	\$ 189,221	\$ 220,210	\$ 237,696
CONTRACTUAL SERVICES	\$ 8,032	\$ 6,697	\$ 12,449
COMMODITIES	\$ 2,550	\$ 3,414	\$ 4,214
EXPENSES	<u>\$ 199,803</u>	<u>\$ 230,321</u>	<u>\$ 254,359</u>
FTE's	2.0	2.0	2.0

	2019 ACTUAL	2020 BUDGET	2021 Adopted
General Fund			
Code Enforcement *			
Revenues			
TAXES	\$ 42,855	\$ 54,863	\$ 43,963
LICENSES AND PERMITS	\$ 630	\$ 748	\$ 748
CHARGES FOR SERVICES	\$ 36,725	\$ 20,163	\$ 35,750
MISCELLANEOUS	\$ 6,064	\$ -	\$ -
REVENUES	<u>\$ 86,274</u>	<u>\$ 75,774</u>	<u>\$ 80,461</u>

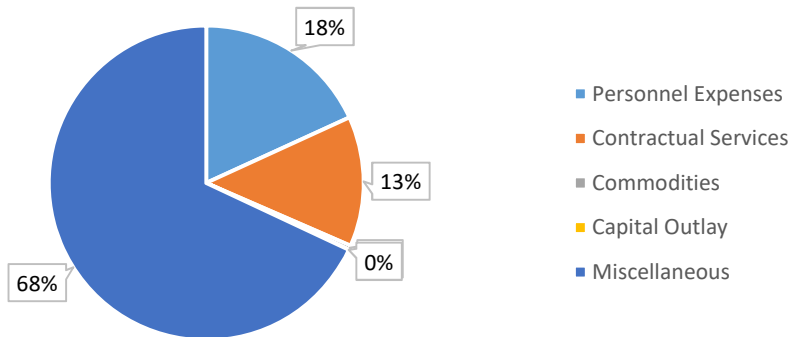
	2019 ACTUAL	2020 BUDGET	2021 Adopted
Expenses			
Personnel Expenses			
PERSONNEL	\$ 202,830	\$ 223,237	\$ 226,891
CONTRACTUAL SERVICES	\$ 82,329	\$ 99,241	\$ 99,339
COMMODITIES	\$ 2,844	\$ 4,787	\$ 5,493
EXPENSES	<u>\$ 288,003</u>	<u>\$ 327,265</u>	<u>\$ 331,723</u>
FTE	3.5	3.5	3.5

*Note: This program is in the General Government Function

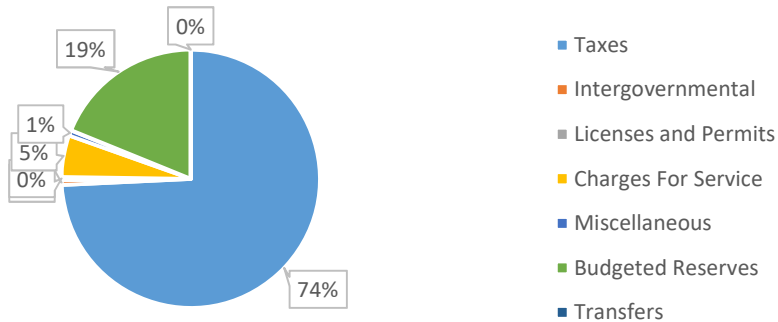
Urban Development Summary

	2019 Actuals	2020 Budget	2021 Adopted
Taxes	\$ -	\$ -	\$ -
Intergovernmental	\$ 1,751,356	\$ 2,096,275	\$ 2,096,275
Licenses and Permits	\$ -	\$ -	\$ 1,027
Charges For Service	\$ 540,574	\$ 504,900	\$ 504,900
Miscellaneous	\$ 19,291	\$ 1,178,145	\$ 1,178,145
Budgeted Reserves	\$ -	\$ -	\$ -
Transfers	\$ -	\$ -	\$ -
Revenue	\$ 2,311,221	\$ 3,779,320	\$ 3,780,347
Expenditures			
Personnel Expenses	\$ 333,465	\$ 369,116	\$ 445,442
Contractual Services	\$ 1,908,174	\$ 2,132,495	\$ 2,134,586
Commodities	\$ 29,046	\$ 40,775	\$ 42,875
Capital Outlay	\$ -	\$ -	\$ -
Transfers Out	\$ 2,400	\$ 1,236,934	\$ 1,218,722
	\$ 2,273,085	\$ 3,779,320	\$ 3,841,626

2021 General Government Expenditures by Type



General Government Revenue by Type



Funds Included:

General Fund, Housing Planters II, Housing Section 8

2021 Urban Development Expenditures by Org

Rental Coordinator	\$	62,306
Planters II	\$	1,546,490
Section 8	\$	2,232,830
Expenditures	\$	<u>3,841,626</u>

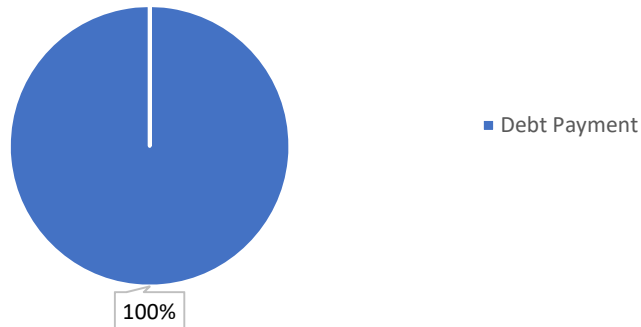
CITY OF LEAVENWORTH, KANSAS
 Urban Development BUDGET
 FOR JANUARY 1, THROUGH DECEMBER 31, 2021

General Fund	2019	2020	2021
Rental Coordinator	ACTUAL	BUDGET	Adopted
Revenues			
LICENSES AND PERMITS	\$ -	\$ -	\$ 1,027
REVENUES	\$ -	\$ -	\$ 1,027
Expenses			
PERSONNEL	\$ -	\$ 57,188	\$ 58,146
CONTRACTUAL SERVICES	\$ -	\$ 2,100	\$ 2,060
EXPENSES	\$ -	\$ 60,788	\$ 62,306
FTE's	0.00	1.00	1.00
	2019	2020	2021
	ACTUAL	BUDGET	Adopted
PLANTERS II Fund			
Planters II			
REVENUES			
INTERGOVERNMENTAL	\$ 223,492	\$ 250,675	\$ 250,675
CHARGES FOR SERVICES	\$ 438,761	\$ 414,100	\$ 414,100
MISCELLANEOUS	\$ 13,874	\$ 874,355	\$ 881,716
REVENUES	\$ 676,127	\$ 1,539,130	\$ 1,546,491
EXPENDITURES			
PERSONNEL	\$ 204,249	\$ 227,135	\$ 238,887
CONTRACTUAL SERVICES	\$ 398,326	\$ 360,125	\$ 360,175
COMMODITIES	\$ 26,933	\$ 40,075	\$ 40,075
Misc.	\$ -	\$ 894,601	\$ 907,354
EXPENDITURES	\$ 629,508	\$ 1,521,936	\$ 1,546,491
FTE's	1.50	1.50	1.50
	2019	2020	2021
	ACTUAL	BUDGET	Adopted
Section 8 Fund			
Section 8			
Revenues			
Intergovernmental	\$ 1,527,864	\$ 1,845,600	\$ 1,845,600
Charges For Service	\$ 101,813	\$ 90,800	\$ 90,800
Miscellaneous	\$ 2,009	\$ 296,430	\$ 296,430
Revenues	\$ 1,631,686	\$ 2,232,830	\$ 2,232,830
Personnel Expenses	\$ 113,144	\$ 117,927	\$ 123,286
Contractual Services	\$ 1,509,848	\$ 17,771,870	\$ 1,771,851
Commodities	\$ 2,112	\$ 700	\$ 700
Miscellaneous	\$ 2,400	\$ 342,333	\$ 336,993
Exenditures	\$ 1,627,504	\$ 18,232,830	\$ 2,232,830
FTE's	3.5	3.5	3.5

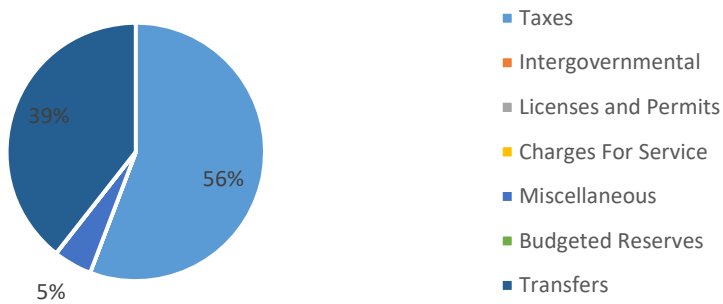
Debt Service Summary

	2019 Actuals	2020 Budget	2021 Adopted
Taxes	\$ 1,896,130	\$ 1,982,887	\$ 2,100,300
Intergovernmental	\$ -	\$ -	\$ -
Licenses and Permits	\$ -	\$ -	\$ -
Charges For Service	\$ -	\$ -	\$ -
Miscellaneous	\$ -	\$ 233,782	\$ 182,390
Budgeted Reserves	\$ -	\$ -	\$ -
Transfers	\$ 1,403,582	\$ 1,958,093	\$ 1,483,991
Revenue	<u>\$ 3,299,713</u>	<u>\$ 4,174,762</u>	<u>\$ 3,766,681</u>
Expenditures			
Expenditures			
Personnel Expenses	\$ -	\$ -	\$ -
Contractual Services	\$ -	\$ -	\$ -
Commodities	\$ -	\$ -	\$ -
Capital Outlay	\$ -	\$ -	\$ -
Debt Payment	<u>\$ 3,299,713</u>	<u>\$ 4,174,762</u>	<u>\$ 3,766,681</u>
	<u>\$ 3,299,713</u>	<u>\$ 4,174,762</u>	<u>\$ 3,766,681</u>

2021 Debt Service Expenditures by Type



Debt Service Revenue by Type



Funds Included:
Debt Service Fund

2021 Debt Service Expenditures by Org

Debt Service	\$	<u>3,766,681</u>
Expenditures	\$	3,766,681

Debt Service

Debt Service

The Bond and Interest Fund provides for the retirement of general obligation bonds. Each year, the city levies taxes that, together with other revenues credited to the fund, are sufficient to pay the principal and interest payments due throughout the year.

The City Debt Policy establishes guidelines pertaining to the organizations use of debt. The objectives of the policy are to ensure financing is obtained only when necessary; the process for identifying the timing and amount of debt or other financing is as efficient as possible; the most favorable interest rate and other related costs are obtained; and future financial flexibility is maintained.

Significant adjustments to the Debt Service Fund 2021 Operational Budget include a reduction of \$408,000 in expenses due to the 2020 bond refunding.

Ruby Maline
Director of Finance
100 N. 5th St
Leavenworth, KS 66048
913-680-0350
rmaile@firstcity.org
rmaline@firstcity.org



CITY OF LEAVENWORTH, KANSAS
 Debt Service FUND ADOPTED BUDGET
 JANUARY 1st, THROUGH DECEMBER 31st, 2021
 DEBT SERVICE

Debt Service Fund Debt Service	2019 ACTUAL	2020 BUDGET	2021 Adopted
Revenues			
TAXES	\$ 1,896,131	\$ 1,982,887	\$ 2,100,300
MISCELLANEOUS	\$ -	\$ 233,782	\$ 182,390
MISCELLANEOUS	\$ 1,403,582	\$ 1,958,093	\$ 1,483,991
REVENUES	<u>\$ 3,299,713</u>	<u>\$ 4,174,762</u>	<u>\$ 3,766,681</u>
Expenses			
Debt Payments	\$ 3,299,714	\$ 4,174,762	\$ 3,766,681
EXPENSES	<u>\$ 3,299,714</u>	<u>\$ 4,174,762</u>	<u>\$ 3,766,681</u>
FTE	0.0	0.0	0.0

City of Leavenworth Adopted 2021- 2025 CIP



Adopted by the Leavenworth City Commission on August 11, 2020

City of Leavenworth, Kansas
100 N. Fifth St.
Leavenworth, Kansas

Capital Improvements Program
2021-2025 Program

Project	Requested	Projected
Debt Payments:		
Debt Reduction	\$ 2,241,875	\$ 2,241,875
Animal Control (2025)	\$ 1,280,720	\$ 1,280,720
Fire Truck bond Payment-15 yr.(2031)	\$ 533,590	\$ 533,590
Business & Tech. Park (retired in 2037)	\$ 1,761,250	\$ 1,761,250
Thornton Street Debt Service Payment	\$ 2,221,709	\$ 2,221,709
Debt Service on Financial System	\$ 225,600	\$ 225,600
100' Foot Aerial Platform	\$ 550,000	\$ 550,000
Ongoing Projects		
Economic Development	\$ 2,241,875	\$ 2,241,875
Computer Equipment	\$ 215,000	\$ 215,000
Community Center Operations	\$ 3,252,474	\$ 3,252,474
Parks and Riverfront Park	\$ 4,606,431	\$ 4,606,431
Pavement Management Subsidy	\$ 2,350,000	\$ 2,350,000
City Hall Building Exterior Maintenance	\$ 225,000	\$ 225,000
Sidewalk Program	\$ 936,874	\$ 936,874
Short-Term Projects		
<u>Tier 1 Projects</u>		
Police:		
Animal Control Van Replacement	\$ 51,000	\$ 51,000
Detective Car Replacement	\$ 18,000	\$ 18,000
Police SUV's	\$ 668,951	\$ 668,951
K-9 Replacement	\$ 17,000	\$ 17,000
Information Tech:		
Additional Storage for Police Department	\$ 122,000	\$ 122,000
Phone Separation	\$ 113,000	\$ 113,000
Fire:		
Boiler Replacement	\$ 170,000	\$ 170,000

Public Works:

20th Street over 3-Mile Creek Bridge Repairs	\$	40,000	\$	30,000
Broadway Street over 3-Mile Creek	\$	20,000	\$	20,000
3-Mile Creek Trail repairs	\$	80,000	\$	80,000
MSC Parking Lot Overlay	\$	76,146	\$	76,146

Parks and Recreation:

Painting & Wood Repairs	\$	24,926	\$	24,926
-------------------------	----	--------	----	--------

Community Development:

Transportation Plan	\$	50,000	\$	50,000
---------------------	----	--------	----	--------

Tier 2 Projects**Fire:**

Overhead Door Openers	\$	48,000	\$	48,000
Fire Station #3 Replacement (Bonds)	\$	4,000,000	\$	4,000,000

Parks & Recreation:

Dougherty Park Playground	\$	100,000	\$	100,000
Replacement Bobcat Skid Steer Loader	\$	50,626	\$	50,626
3 - 72" Zero Turn Mowers	\$	63,615	\$	63,615
RF Park Water Line Replacement	\$	50,000	\$	50,000
Replacement of Pull Type Gang Mower	\$	30,266	\$	30,266
Truck Replacement	\$	48,902	\$	48,902

Tier 3 Projects**Parks & Recreation:**

RFCC Pool Area Painting	\$	35,298	\$	35,298
Cooling Tower Replacement	\$	120,000	\$	120,000
Community Center Door Replacement	\$	40,000	\$	40,000
Elevator Modernization	\$	150,000	\$	150,000
Replace Asphalt Shingle Roof	\$	200,000	\$	200,000
RFCC Locker Room Flooring	\$	27,000	\$	27,000
Cody Park Backstop and Dugout Repairs	\$	10,690	\$	10,690
Sports field Access Trail	\$	45,000	\$	45,000
Haven's Park	\$	190,000	\$	190,000

Sales Tax

	2021	2022	2023	2024	2025	Total
Revenue						
County Wide Sales Tax	\$ 2,843,398	\$ 2,914,483	\$ 2,987,345	\$ 3,062,029	\$ 3,138,579	\$ 14,945,834
CIP Sales Tax Revenue	\$ 2,495,132	\$ 2,557,510	\$ 2,621,448	\$ 2,686,984	\$ 2,754,159	\$ 13,115,233
TIF payouts	\$ (232,546)	\$ (238,360)	\$ (244,319)	\$ (250,427)	\$ (256,688)	\$ (1,222,340)
Total Revenue	\$ 5,105,984	\$ 5,233,633	\$ 5,364,474	\$ 5,498,586	\$ 5,636,051	\$ 26,838,728

Expenditures

Debt Payments:

Debt Reduction	\$ 426,510	\$ 437,172	\$ 448,102	\$ 459,304	\$ 470,787	\$ 2,241,875
Animal Control (2025)	\$ 255,280	\$ 256,255	\$ 256,673	\$ 256,512	\$ 256,000	\$ 1,280,720
Fire Truck bond Payment-15 yr.(2031)	\$ 107,688	\$ 106,328	\$ 104,840	\$ 108,267	\$ 106,467	\$ 533,590
Business & Tech. Park (retired in 2037)	\$ 348,065	\$ 350,265	\$ 352,065	\$ 353,465	\$ 357,390	\$ 1,761,250
Thornton Street Debt Service Payment	\$ 105,700	\$ 105,700	\$ 670,103	\$ 670,103	\$ 670,103	\$ 2,221,709
Debt Service on Financial System	\$ 56,000	\$ 54,650	\$ 58,300	\$ 56,650	\$ -	\$ 225,600
100' Foot Aerial Platform	\$ 110,000	\$ 110,000	\$ 110,000	\$ 110,000	\$ 110,000	\$ 550,000

Ongoing Projects

Economic Development	\$ 426,510	\$ 437,172	\$ 448,102	\$ 459,304	\$ 470,787	\$ 2,241,875
Computer Equipment	\$ 43,000	\$ 43,000	\$ 43,000	\$ 43,000	\$ 43,000	\$ 215,000
Community Center Operations	\$ 618,773	\$ 634,242	\$ 650,098	\$ 666,351	\$ 683,010	\$ 3,252,474
Parks and Riverfront Park	\$ 876,359	\$ 898,268	\$ 920,725	\$ 943,743	\$ 967,336	\$ 4,606,431
Pavement Management Subsidy	\$ 650,000	\$ 650,000	\$ 650,000	\$ 200,000	\$ 200,000	\$ 2,350,000
City Hall Building Exterior Maintenance	\$ -	\$ -	\$ 75,000	\$ 75,000	\$ 75,000	\$ 225,000
Sidewalk Program	\$ 166,874	\$ 192,500	\$ 192,500	\$ 192,500	\$ 192,500	\$ 936,874

Sales Tax

	2021	2022	2023	2024	2025	Total
Short-Term Projects						
<u>Tier 1 Projects</u>						
Police:						
Animal Control Van Replacement	\$ 51,000	\$ -	\$ -	\$ -	\$ -	\$ 51,000
Detective Car Replacement	\$ 18,000	\$ -	\$ -	\$ -	\$ -	\$ 18,000
Police SUV's	\$ 126,000	\$ 194,670	\$ 200,510	\$ 206,525	\$ 212,721	\$ 940,427
K-9 Replacement	\$ 17,000	\$ -	\$ -	\$ -	\$ -	\$ 17,000
Information Tech:						
Additional Storage for Police Department	\$ 122,000	\$ -	\$ -	\$ -	\$ -	\$ 122,000
Phone Separation	\$ 36,000	\$ 40,000	\$ 37,000	\$ -	\$ -	\$ 113,000
Fire:						
Boiler Replacement	\$ 85,000	\$ 85,000	\$ -	\$ -	\$ -	\$ 170,000
Public Works:						
20th St Over 3 Mile Creek	\$ 30,000	\$ -	\$ -	\$ -	\$ -	\$ 30,000
Broadway Street over 3-Mile Creek	\$ 20,000	\$ -	\$ -	\$ -	\$ -	\$ 20,000
3-Mile Creek Trail repairs	\$ 80,000	\$ -	\$ -	\$ -	\$ -	\$ 80,000
MSC Parking Lot Overlay	\$ -	\$ 76,146	\$ -	\$ -	\$ -	\$ 76,146
Parks and Recreation:						
Painting & Wood Repairs	\$ 24,926	\$ -	\$ -	\$ -	\$ -	\$ 24,926
Community Development:						
Transportation Plan	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ 50,000

Sales Tax

	2021	2022	2023	2024	2025	Total
<u>Tier 2 Projects</u>						
Fire:						
Overhead Door Openers	\$ -	\$ -	\$ 24,000	\$ 24,000	\$ -	\$ 48,000
Fire Station #3 Replacement (Bonds)	\$ -	\$ -	\$ -	\$ 320,000	\$ 3,680,000	\$ 4,000,000
 Parks & Recreation:						
Dougherty Park Playground	\$ -	\$ 100,000	\$ -	\$ -	\$ -	\$ 100,000
Replacement Bobcat Skid Steer Loader	\$ -	\$ 50,626	\$ -	\$ -	\$ -	\$ 50,626
3 - 72" Zero Turn Mowers	\$ -	\$ 21,205	\$ 21,205	\$ 21,205	\$ -	\$ 63,615
RF Park Water Line Replacement	\$ -	\$ 50,000	\$ -	\$ -	\$ -	\$ 50,000
Replacement of Pull Type Gang Mower	\$ -	\$ 30,266	\$ -	\$ -	\$ -	\$ 30,266
Truck Replacement	\$ -	\$ 48,902	\$ -	\$ -	\$ -	\$ 48,902
 <u>Tier 3 Projects</u>						
Parks & Recreation:						
RFCC Pool Area Painting	\$ -	\$ -	\$ 35,298	\$ -	\$ -	\$ 35,298
Cooling Tower Replacement	\$ -	\$ -	\$ 120,000	\$ -	\$ -	\$ 120,000
Community Center Door Replacement	\$ -	\$ -	\$ 40,000	\$ -	\$ -	\$ 40,000
Elevator Modernization	\$ -	\$ -	\$ 150,000	\$ -	\$ -	\$ 150,000
Replace Asphalt Shingle Roof	\$ -	\$ -	\$ 200,000	\$ -	\$ -	\$ 200,000
Cody Park Backstop and Dugout Repairs	\$ -	\$ -	\$ 10,690	\$ -	\$ -	\$ 10,690
RFCC Locker Room Flooring	\$ -	\$ -	\$ 27,000	\$ -	\$ -	\$ 27,000
Sports field Access Trail	\$ -	\$ -	\$ 45,000	\$ -	\$ -	\$ 45,000
Haven's Park	\$ -	\$ -	\$ -	\$ 190,000	\$ -	\$ 190,000
 Finance:						
Executime	\$ -	\$ -	\$ 21,225	\$ 21,225	\$ -	\$ 42,450

Sales Tax

Fire	2021	2022	2023	2024	2025	Total
Knox Secure Key	\$ -	\$ -	\$ -	\$ 6,000	\$ -	\$ 6,000
SCBA Bottles	\$ -	\$ -	\$ -	\$ 10,000	\$ -	\$ 10,000
Public Works:						
Portable Lift Station	\$ -	\$ -	\$ 64,500	\$ -	\$ -	\$ 64,500
Service Truck	\$ -	\$ -	\$ -	\$ 100,000	\$ -	\$ 100,000
Enclosure for Four Open Cubicles	\$ -	\$ -	\$ -	\$ 24,000	\$ -	\$ 24,000
Leavenworth Airport	\$ -	\$ -	\$ 10,000	\$ 10,000	\$ 139,000	\$ 159,000
Tandem Dump Truck	\$ -	\$ -	\$ 130,000	\$ -	\$ -	\$ 130,000
MSC Repairs	\$ -	\$ -	\$ -	\$ -	\$ 15,000	\$ 15,000
Project Expenditures	\$ 4,850,685	\$ 4,972,368	\$ 6,115,936	\$ 5,527,155	\$ 8,649,101	\$ 30,115,244
Reserve Expenditures	\$ 255,299	\$ 261,265	\$ (751,462)	\$ (28,569)	\$ (3,013,050)	\$ (3,276,517)
Total Expenditures	\$ 5,105,984	\$ 5,233,633	\$ 5,364,474	\$ 5,498,586	\$ 5,636,051	\$ 29,445,021
Targeted Unallocated Reserve	\$ 255,299	\$ 261,682	\$ 268,224	\$ 274,929	\$ 281,803	\$ 1,341,936

Capital Expenditures from Operating Budgets

Capital Expenditures from Operating Budgets

	2021	2022	2023	2024	2025	Total
Revenue						
Sewer Line Rehabilitation	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 2,500,000
Vactor Truck	\$ 133,950		\$ -	\$ -		\$ 133,950
Sewer Repairs	\$ 100,000	\$ 100,000	\$ 100,000	\$ 200,000	\$ 200,000	\$ 700,000
Lift Station Improvement Plan	\$ -	\$ -	\$ 185,000	\$ -	\$ -	\$ 185,000
Final Clarifier	\$ -	\$ -	\$ 229,900	\$ -	\$ -	\$ 229,900
Primary Clarifier	\$ -	\$ -	\$ 148,800	\$ -	\$ -	\$ 148,800
Trickling Filter Media	\$ -	\$ -	\$ 229,900	\$ -	\$ -	\$ 229,900
Truck Replacement	\$ -	\$ -	\$ 50,000	\$ -	\$ -	\$ 50,000
Potable Water	\$ -	\$ -	\$ 30,000	\$ -	\$ -	\$ 30,000
Overhead Heaters	\$ -	\$ -	\$ 28,000	\$ -	\$ -	\$ 28,000
Total Expenditures	\$ 733,950	\$ 600,000	\$ 1,501,600	\$ 700,000	\$ 700,000	\$ 4,235,550

Capital Expenditures from Operating Budgets

Capital Expenditures from Operating Budgets

	2021	2022	2023	2024	2025	Total
Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	
Relocation of Recycling Site Phase 1	\$ 45,000	\$ -	\$ -	\$ -	\$ -	\$ 45,000
Refuse Truck	\$ -	\$ 200,000	\$ -	\$ 200,000	\$ -	\$ 400,000
	\$ 45,000	\$ 200,000	\$ -	\$ 200,000	\$ -	\$ 445,000

General Obligation Notes and Bonds

	2021	2022	2023	2024	2025	Total
Revenue						
Pavement Management-bonds	1,350,000	1,350,000	1,350,000	1,350,000	1,350,000	6,750,000
Pavement Management-CIP allocation	650,000	650,000	650,000	650,000	650,000	3,250,000
 Total Expenditures	 2,000,000	 2,000,000	 1,350,000	 1,350,000	 1,350,000	 10,000,000
 Amount Levied	 6,559,966	 6,625,566	 6,691,821	 6,772,123	 6,853,389	 33,502,866
 Ordinance 56 maximum limit	 28%	 28%	 28%	 28%	 28%	
	1,818,604	1,836,791	1,855,158	1,873,710	1,896,195	9,280,458
	1,428,904	1,443,193	1,457,624	1,472,201	1,489,867	7,291,788
	22%	22%	22%	22%	22%	
 Fire Station #3	 0	 0	 320,000	 3,680,000	 0	 4,000,000
Aerial Ladder Truck-bonds	1,400,000		0	0	0	1,400,000

Capital Improvements Program
2021-2025 Program

Debt Payments

Project	Requested	Projected
Debt Payments:		
Debt Reduction	\$ 2,241,875	\$ 2,241,875
Animal Control (2025)	\$ 1,280,720	\$ 1,280,720
Fire Truck bond Payment-15 yr.(2031)	\$ 533,590	\$ 533,590
Business & Tech. Park (retired in 2037)	\$ 1,759,850	\$ 1,759,850
Thornton Street Debt Service Payment	\$ 2,221,709	\$ 2,221,709
Debt Service on Financial System 100'	\$ 225,600	\$ 225,600
Foot Aerial Platform	\$ 550,000	\$ 550,000
	<hr/>	<hr/>
	\$ 8,813,344	\$ 8,813,344

Capital Improvements Program
2021-2025 Program

Debt Reduction

Charter Ordinance 54 defines the specific uses for the Countywide Sales Tax/Countywide Compensating Use Tax. This ordinance dedicated 15% of the receipts of this tax for general obligation debt retirement purposes.

Source	Comments	Year	Requested	Projected
Countywide Sales/ Use tax	15% of Estimated Receipts	2021	\$ 426,510	\$ 426,510
		2022	\$ 437,172	\$ 437,172
		2023	\$ 448,102	\$ 448,102
		2024	\$ 459,304	\$ 459,304
		2025	\$ 470,787	\$ 470,787
			<u>\$ 2,241,875</u>	<u>\$ 2,241,875</u>

Uses	Year	Requested	Projected
Transfer to Debt Service Fund	2021	\$ 426,510	\$ 426,510
	2022	\$ 437,172	\$ 437,172
	2023	\$ 448,102	\$ 448,102
	2024	\$ 459,304	\$ 459,304
	2025	\$ 470,787	\$ 470,787
		<u>\$ 2,241,875</u>	<u>\$ 2,241,875</u>



The pavement management program is funded in part by general obligation bonds.

Capital Improvements Program
2021-2025 Program

Animal Control Debt Service

In 2013, \$2,305,000 of GO Bonds were issued to permanently finance the Animal Control facility project. Principal payment on the bonds began in 2016 and will continue until 2025. The payments will be made from the CIP Sales Tax fund.

Source	Comments	Year	Requested	Projected
Sales Tax		2021	\$ 255,280	\$ 255,280
		2022	\$ 256,255	\$ 256,255
		2023	\$ 256,673	\$ 256,673
		2024	\$ 256,512	\$ 256,512
		2025	\$ 256,000	\$ 256,000
			\$ 1,280,720	\$ 1,280,720

Uses	Year	Requested	Projected
Transfer to Debt Service	2021	\$ 255,280	\$ 255,280
	2022	\$ 256,255	\$ 256,255
	2023	\$ 256,673	\$ 256,673
	2024	\$ 256,512	\$ 256,512
	2025	\$ 256,000	\$ 256,000
		\$ 1,280,720	\$ 1,280,720



Animal Control is responsible for enforcing city ordinances regarding animals including the leash law, vaccination and licensing requirements, and checking on neglected or abused animals.

Capital Improvements Program
2021-2025 Program

Fire Truck Debt Service

In 2016, \$1,606,585 will be required to replace 3 fire trucks. In 2015 and 2016, \$146,465 each year was set aside towards paying for the trucks, therefore, GO Bonds in the amount of \$1,340,000 were issued to finance the purchase of the trucks. The bonds were a 15 year issuance, with a payoff date of 2031.

Source	Comments	Year	Requested	Projected
Sales Tax		2021	\$ 107,688	\$ 107,688
		2022	\$ 106,328	\$ 106,328
		2023	\$ 104,840	\$ 104,840
		2024	\$ 108,267	\$ 108,267
		2025	\$ 106,467	\$ 106,467
				<u>\$ 533,590</u>

Uses	Year	Requested	Projected
Transfer to Debt Service	2021	\$ 107,688	\$ 107,688
	2022	\$ 106,328	\$ 106,328
	2023	\$ 104,840	\$ 104,840
	2024	\$ 108,267	\$ 108,267
	2025	\$ 106,467	\$ 106,467
			<u>\$ 533,590</u>



One of the three trucks purchased in 2016.

Capital Improvements Program
2021-2025 Program

Business & Technology Park

This allocation provides funds to accommodate the estimated principal and interest payments required for the retirement of debt that will be issued for the Business & Technology Park project. The City entered into an Interlocal agreement with Leavenworth County for the purpose of constructing a new Business & Technology Park at 20th & Eisenhower Rd. The City's portion will be \$4,910,000 and the terms of the bond have the first payment due in 2018.

Source	Comments	Year	Requested	Projected
Countywide Sales/ Use tax		2021	\$ 348,065	\$ 348,065
		2022	\$ 350,265	\$ 350,265
		2023	\$ 352,065	\$ 352,065
		2024	\$ 353,465	\$ 353,465
		2025	\$ 357,390	\$ 357,390
				\$ 1,761,250

Uses	Year	Requested	Projected
Transfer to Debt Service Fund for Business & Technology Park	2021	\$ 348,065	\$ 348,065
	2022	\$ 350,265	\$ 350,265
	2023	\$ 352,065	\$ 352,065
	2024	\$ 353,465	\$ 353,465
	2025	\$ 357,390	\$ 357,390
			\$ 1,761,250



The Business and Technology Park is a state-of-the-art 81 acre shovel ready industrial park located 20 miles from the Kansas City International Airport.

Capital Improvements Program
2021-2025 Program

Thornton Street Debt

This allocation provides funds to accommodate the estimated principal and interest payments required for the retirement of debt that will be issued for the Thornton Street project. The city issues debt in the summer of 2019.

Source	Comments	Year	Requested	Projected
Sales Tax		2021	\$ 105,700	\$ 105,700
		2022	\$ 105,700	\$ 105,700
		2023	\$ 670,103	\$ 670,103
		2024	\$ 670,103	\$ 670,103
		2025	\$ 670,103	\$ 670,103
				<u>\$ 2,221,709</u>

Uses	Year	Requested	Projected
Transfer to Debt Service Fund for Thornton Street	2021	\$ 105,700	\$ 105,700
	2022	\$ 105,700	\$ 105,700
	2023	\$ 670,103	\$ 670,103
	2024	\$ 670,103	\$ 670,103
	2025	\$ 670,103	\$ 670,103
			<u>\$ 2,221,709</u>



After listening to citizen feedback, the City Commission decided to invest in a street rebuild for Thornton Street.

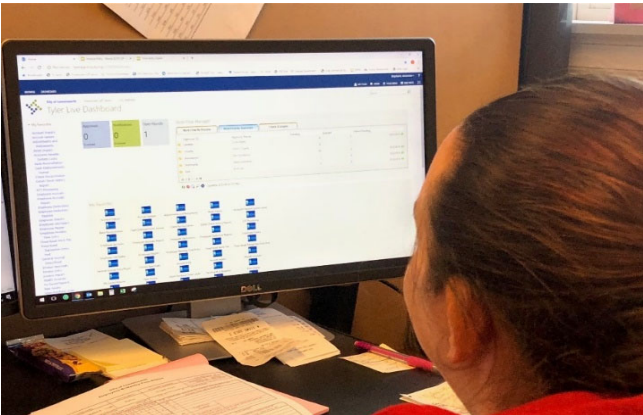
Capital Improvements Program
2021-2025 Program

Finance Software Debt Service

In 2014, \$490,000 of bonds were issued to fund the purchase of finance software and equipment. This will be paid from the savings between the old finance software maintenance and the new system maintenance costs. The principal payments began in 2015 and will continue through 2024.

Source	Comments	Year	Requested	Projected
Sales Tax		2021	\$ 56,000	\$ 56,000
		2022	\$ 54,650	\$ 54,650
		2023	\$ 58,300	\$ 58,300
		2024	\$ 56,650	\$ 56,650
		2025	\$ -	\$ -
			<u>\$ 225,600</u>	<u>\$ 225,600</u>

Uses	Year	Requested	Projected
Transfer to Debt Service	2021	\$ 56,000	\$ 56,000
	2022	\$ 54,650	\$ 54,650
	2023	\$ 58,300	\$ 58,300
	2024	\$ 56,650	\$ 56,650
	2025	\$ -	\$ -
		<u>\$ 225,600</u>	<u>\$ 225,600</u>



The financial system allows for increased efficiencies.

Capital Improvements Program
2021-2025 Program

100 Foot Aerial Ladder Fire Truck Replacement

In 2021, \$1,400,000 will be required to replace one 100 Foot Aerial. The City will issue 15 years bonds for approximately \$1,400,000 in late 2020.

Source	Comments	Year	Requested	Projected
Sales Tax		2021	\$ 110,000	\$ 110,000
		2022	\$ 110,000	\$ 110,000
		2023	\$ 110,000	\$ 110,000
		2024	\$ 110,000	\$ 110,000
		2025	\$ 110,000	\$ 110,000
			<u>\$ 550,000</u>	<u>\$ 550,000</u>

Uses	Year	Requested	Projected
Transfer to Debt Service	2021	\$ 110,000	\$ 110,000
	2022	\$ 110,000	\$ 110,000
	2023	\$ 110,000	\$ 110,000
	2024	\$ 110,000	\$ 110,000
	2025	\$ 110,000	\$ 110,000
		<u>\$ 550,000</u>	<u>\$ 550,000</u>



The 1990 aerial platform was scheduled to be replaced in 2020.

Capital Improvements Program
2021-2025 Program

Ongoing Projects

Project	Requested	Projected
Ongoing Projects		
Economic Development	\$ 2,241,875	\$ 2,241,875
Computer Equipment	\$ 215,000	\$ 215,000
Community Center Operations	\$ 3,285,150	\$ 3,285,150
Parks and Riverfront Park	\$ 4,606,431	\$ 4,606,431
Pavement Management Subsidy	\$ 2,350,000	\$ 2,350,000
City Hall Building Exterior Maintenance	\$ 225,000	\$ 225,000
Sidewalk Program	\$ 936,874	\$ 936,874
	\$ 17,285,405	\$ 17,285,405

Capital Improvements Program
2021-2025 Program

Economic Development

Charter Ordinance 54 defines the specific uses for the Countywide Sales Tax and Countywide Compensating Use Tax. This ordinance dedicated the use of the receipts of this tax for economic development purposes. Other uses of this allocation includes supporting improvements to local businesses.

Source	Comments	Year	Requested	Projected
Countywide Sales/ Use tax		2021	\$ 426,510	\$ 426,510
		2022	\$ 437,172	\$ 437,172
		2023	\$ 448,102	\$ 448,102
		2024	\$ 459,304	\$ 459,304
		2025	\$ 470,787	\$ 470,787
				\$ 2,241,875

Uses	Year	Requested	Projected
Economic Development Operations	2021	\$ 426,510	\$ 426,510
	2022	\$ 437,172	\$ 437,172
	2023	\$ 448,102	\$ 448,102
	2024	\$ 459,304	\$ 459,304
	2025	\$ 470,787	\$ 470,787
			\$ 2,241,875



The City Commission approved an Economic Development Incentives Policy. This policy is a document intended to assist developers, business owners, and other parties in determining what incentives they may qualify for.

Capital Improvements Program
2021-2025 Program

IT-Computer Equipment Replacement

This annual allocation has been established to fund the replacement of computer equipment on an on-going basis.

Sources	Comments	Year	Requested	Projected
Sales Tax		2021	\$ 43,000	\$ 43,000
		2022	\$ 43,000	\$ 43,000
		2023	\$ 43,000	\$ 43,000
		2024	\$ 43,000	\$ 43,000
		2025	\$ 43,000	\$ 43,000
			<u>\$ 215,000</u>	<u>\$ 215,000</u>

Uses	Year	Requested	Projected
Equipment purchases	2021	\$ 43,000	\$ 43,000
	2022	\$ 43,000	\$ 43,000
	2023	\$ 43,000	\$ 43,000
	2024	\$ 43,000	\$ 43,000
	2025	\$ 43,000	\$ 43,000
		<u>\$ 215,000</u>	<u>\$ 215,000</u>



This allocation will focus on replacing computers with windows
7. Microsoft will stop support of the operating system in 2020.

Capital Improvements Program
2021-2025 Program

Community Center Operations

This allocation would provide funding for the Community Center and
Parks Programs

Source	Comments	Year	Requested	Projected
	Sales Tax	2021	\$ 1,495,132	\$ 1,495,132
		2022	\$ 1,532,510	\$ 1,532,510
		2023	\$ 1,570,823	\$ 1,570,823
		2024	\$ 1,610,094	\$ 1,610,094
		2025	\$ 1,650,346	\$ 1,650,346
			<u>\$ 7,858,905</u>	<u>\$ 7,858,905</u>

Uses	Year	Requested	Projected
Sales Tax	2021	\$ 1,495,132	\$ 1,495,132
	2022	\$ 1,532,510	\$ 1,532,510
	2023	\$ 1,570,823	\$ 1,570,823
	2024	\$ 1,610,094	\$ 1,610,094
	2025	\$ 1,650,346	\$ 1,650,346
		<u>\$ 7,858,905</u>	<u>\$ 7,858,905</u>



The City of Leavenworth Parks & Recreation Department's mission is to enhance the vitality of our community by promoting healthy lifestyles and enriching Leavenworth's unique character with our park and recreation services.

Capital Improvements Program
2021-2025 Program

Pavement Management

This project addresses the reconstruction of streets throughout the City. It is an annual allocation based on Ordinance 56 which allows for an amount up to 28% of the previous year's ad valorem receipts to be issued in general obligation bonds for this purpose. Beginning in 2020, \$650,000 of sales tax revenue will be allocated to expedite road projects. In 2024, the sale tax portion is reduced to \$200,000.

Source	Comments	Year	Requested	Projected
General Obligation Bonds		2021	\$ 1,350,000	\$ 1,350,000
Sales Tax			\$ 650,000	\$ 650,000
General Obligation Bonds		2022	\$ 1,350,000	\$ 1,350,000
Sales Tax			\$ 650,000	\$ 650,000
General Obligation Bonds		2023	\$ 1,350,000	\$ 1,350,000
Sales Tax			\$ 650,000	\$ 650,000
General Obligation Bonds		2024	\$ 1,350,000	\$ 1,350,000
Sales Tax			\$ 200,000	\$ 200,000
General Obligation Bonds		2025	\$ 1,350,000	\$ 1,350,000
Sales Tax			\$ 200,000	\$ 200,000
			\$ 9,100,000	\$ 9,100,000

Uses	Year	Requested	Projected	
Construction	2021	\$ 1,350,000	\$ 1,350,000	
		\$ 650,000	\$ 650,000	
	2022	\$ 1,350,000	\$ 1,350,000	
		\$ 650,000	\$ 650,000	
	2023	\$ 1,350,000	\$ 1,350,000	
		\$ 650,000	\$ 650,000	
	2024	\$ 1,350,000	\$ 1,350,000	
		\$ 200,000	\$ 200,000	
	2025	\$ 1,350,000	\$ 1,350,000	
		\$ 200,000	\$ 200,000	
			\$ 9,100,000	\$ 9,100,000



Public works employees repairing streets.

Capital Improvements Program
2021-2025 Program

City Hall Maintenance

This allocation provides funds for the repairs and maintenance of City Hall.

Source	Comments	Year	Requested	Projected
Countywide Sales Tax		2023	\$ 75,000	\$ 75,000
		2024	\$ 75,000	\$ 75,000
		2025	\$ 75,000	\$ 75,000
			\$ 225,000	\$ 225,000

Uses	Year	Requested	Projected
City Hall Maintenance	2023	\$ 75,000	\$ 75,000
	2024	\$ 75,000	\$ 75,000
	2025	\$ 75,000	\$ 75,000
		\$ 225,000	\$ 225,000



The city hall is still in use after being built in the 1920's.

Capital Improvements Program
2021-2025 Program

Sidewalks

Charter Ordinance 54 defines the specific uses for the Countywide Sales Tax/Countywide Compensating Use Tax. Specific projects are identified each year. The reduction in annual sidewalk funding represents a reallocation to road projects.

Source	Comments	Year	Requested	Projected
Sales Tax		2021	\$ 166,874	\$ 166,874
		2022	\$ 192,500	\$ 192,500
		2023	\$ 192,500	\$ 192,500
		2024	\$ 192,500	\$ 192,500
		2025	\$ 192,500	\$ 192,500
				<u>\$ 936,874</u>

Uses	Year	Requested	Projected
Sidewalk Improvements	2021	\$ 166,874	\$ 166,874
	2022	\$ 192,500	\$ 192,500
	2023	\$ 192,500	\$ 192,500
	2024	\$ 192,500	\$ 192,500
	2025	\$ 192,500	\$ 192,500
			<u>\$ 936,874</u>



The Sidewalk Advisory Board submits an annual workplan to the Commission.

Capital Improvements Program
2021-2025 Program

Tier 1 Projects

Project	Requested	Projected
<u>Tier 1 Projects</u>		
Police:		
Animal Control Van Replacement	\$ 51,000	\$ 51,000
Detective Car Replacement	\$ 18,000	\$ 18,000
Police SUV's	\$ 668,951	\$ 668,951
K-9 Replacement	\$ 17,000	\$ 17,000
Information Tech:		
Additional Storage for Police Department	\$ 122,000	\$ 122,000
Phone Separation	\$ 113,000	\$ 113,000
Fire:		
Boiler Replacement	\$ 170,000	\$ 170,000
Public Works:		
20th Street over 3-Mile Creek Bridge Repairs	\$ 40,000	\$ 30,000
Broadway Street over 3-Mile Creek	\$ 20,000	\$ 20,000
3-Mile Creek Trail repairs	\$ 80,000	\$ 80,000
MSC Parking Lot Overlay	\$ 76,146	\$ 76,146
Community Development:		
Transportation Plan	\$ 50,000	\$ 50,000
Parks and Recreation		
Paint and Wood Repairs	\$ 24,926	\$ 24,926
	\$ 1,469,023	\$ 1,459,023

Capital Improvements Program
2021-2025 Program

Police Vehicles

This annual allocation is to fund the acquisition of replacement vehicles and equipment required by the City on an ongoing basis. The 2021 allocation will fund 2 patrol SUV's, an animal control van, and a detective vehicle.

Source	Comments	Year	Requested	Projected
Sales Tax	Animal Control Van	2021	\$ 51,000	\$ 51,000
	Detective Car Replacement	2021	\$ 18,000	\$ 18,000
	Police SUV	2021	\$ 126,000	\$ 126,000
	Police SUV	2022	\$ 189,000	\$ 189,000
	Police SUV	2023	\$ 194,670	\$ 194,670
	Police SUV	2024	\$ 200,510	\$ 200,510
	Police SUV	2025	\$ 206,525	\$ 206,525
				\$ 985,706

Uses		Year	Requested	Projected
Equipment Purchases	Animal Control Van	2021	\$ 51,000	\$ 51,000
	Detective Car Replacement	2021	\$ 18,000	\$ 18,000
	Police SUV	2021	\$ 126,000	\$ 126,000
	Police SUV	2022	\$ 189,000	\$ 189,000
	Police SUV	2023	\$ 194,670	\$ 194,670
	Police SUV	2024	\$ 200,510	\$ 200,510
	Police SUV	2025	\$ 206,525	\$ 206,525
				\$ 985,706



Each year Leavenworth replaces police patrol vehicles

Capital Improvements Program
2021-2025 Program

K-9 Replacement

This allocation is to fund the replacement and training of a new police K-9.

Sources	Comments	Year	Requested	Projected
Sales Tax		2021	\$ 17,000	\$ 17,000

Uses	Year	Requested	Projected
Equipment purchases	2021	\$ 17,000	\$ 17,000
		\$ 17,000	\$ 17,000



K-9 Ace joined the Leavenworth Police Department in 2016 after completing training with his handler.

Capital Improvements Program
2021-2025 Program

Additional Storage for PD Storage

This allocation will provide additional digital storage for the Police Department. According to the Information Technology Department, the City will run out of storage in 2021.

Sources	Comments	Year	Requested	Projected
Sales Tax		2021	\$ 122,000	\$ 122,000
			\$ 122,000	\$ 122,000

Uses	Year	Requested	Projected
Equipment purchases	2021	\$ 122,000	\$ 122,000
		\$ 122,000	\$ 122,000



The digital storage is used to file reports and store video footage.

Capital Improvements Program
2021-2025 Program

Phone Separation

Currently, the Police Department uses the phone system provided by the county for daily operations. Beginning in 2021, the Police Department will use its own stand-alone system. This allocation provides funding to establish the system.

Sources	Comments	Year	Requested	Projected
Sales Tax		2021	\$ 36,000	\$ 36,000
		2022	\$ 40,000	\$ 40,000
		2023	\$ 37,000	\$ 37,000
			<u>\$ 113,000</u>	<u>\$ 113,000</u>

Uses	Year	Requested	Projected
Equipment purchases	2021	\$ 36,000	\$ 36,000
	2022	\$ 40,000	\$ 40,000
	2023	\$ 37,000	\$ 37,000
		<u>\$ 113,000</u>	<u>\$ 113,000</u>



The Police Department is located in the Leavenworth County Justice Center Building. The building is maintained and owned by Leavenworth County.

Capital Improvements Program
2021-2025 Program

Boiler Replacement

This allocation provides funding to replace the boilers at Fire Station 1.

Sources	Comments	Year	Requested	Projected
Sales Tax		2021	\$ 85,000	\$ 85,000
		2022	\$ 85,000	\$ 85,000
			<u>\$ 170,000</u>	<u>\$ 170,000</u>

Uses	Year	Requested	Projected
Equipment purchases	2021	\$ 85,000	\$ 85,000
		\$ 85,000	\$ 85,000
		<u>\$ 170,000</u>	<u>\$ 170,000</u>



The current units are both at the end of their lifespan and due for replacement.

Capital Improvements Program
2021-2025 Program

20th St Over Three Mile Creek Bridge

This provides funds to install additional riprap under the bridge and outfall slab to prevent additional erosion of the bank and undermining the bridge.

Source	Comments	Year	Requested	Projected
Sales Tax		2021	\$ 40,000	\$ 30,000
			\$ 40,000	\$ 30,000

Uses	Year	Requested	Projected
Construction	2021	\$ 40,000	\$ 30,000
		\$ 40,000	\$ 30,000



The City places riprap under bridges to protect the structure from erosion

Capital Improvements Program
2021-2025 Program

Broadway St Over Three Mile Creek Bridge

This provides funds to install additional riprap under the bridge and outfall slab to prevent additional erosion of the bank and undermining the bridge.

Source	Comments	Year	Requested	Projected
Sales Tax		2021	\$ 20,000	\$ 20,000
			\$ 20,000	\$ 20,000

Uses	Year	Requested	Projected
Construction	2021	\$ 20,000	\$ 20,000
		\$ 20,000	\$ 20,000



The City places riprap under bridges to protect the structure from erosion

Capital Improvements Program
2021-2025 Program

Three Mile Creek Trail Repairs

This allocation provides for the installation of riprap, retaining wall, and stabilization of the Three Mile Creek Bank.

Sources	Comments	Year	Requested	Projected
Sales Tax		2021	\$ 80,000	\$ 80,000
			\$ 80,000	\$ 80,000

Uses	Year	Requested	Projected
Construction	2021	\$ 80,000	\$ 80,000
		\$ 80,000	\$ 80,000



Three-Mile Creek trail is a multi-use walking, running and biking trail in Leavenworth.

Capital Improvements Program
2021-2025 Program

Service Center Parking Lot Overlay

This allocation provides funds for overlaying the front parking lot at the Municipal Service Center.

Comments	Year	Requested	Projected
Countywide Sales Tax	2022	\$ 76,146	\$ 76,146
		\$ 76,146	\$ 76,146

Uses	Year	Requested	Projected
Front Parking lot	2022	\$ 76,146	\$ 76,146
		\$ 76,146	\$ 76,146



The current lot has reached the end of its useful life.

Capital Improvements Program
2021-2025 Program

Transportation Plan

Currently there are limited means for public transportation offered by the Council on Aging, the Guidance Center and Welcome Central. These services, while very helpful, do not provide a consistent reliable public transportation for citizens and visitors. KCATA and KDOT are committed to assisting public transportation for the City of Leavenworth. KDOT offers two yearly grants, one with an 80.0 percent grant 20.0 percent match for operations and the capital grant offers a 70.0 percent grant 30.0 percent match.

Source	Comments	Year	Requested	Projected
Sales Tax		2021	\$ 50,000	\$ 50,000
			<u>\$ 50,000</u>	<u>\$ 50,000</u>

Uses	Year	Requested	Projected
Transportation	2021	\$ 50,000	\$ 50,000
		<u>\$ 50,000</u>	<u>\$ 50,000</u>



The program is scheduled to begin in mid-2021.

Capital Improvements Program
2021-2025 Program

Painting and Wood Repairs

This allocation provides funding to contract with a local provider to do preventative maintenance for park shelters, concession stands and other park structures.

Sources	Comments	Year	Requested	Projected
Sales Tax		2021	\$ 24,926	\$ 24,926
			\$ 24,926	\$ 24,926

Uses	Comments	Year	Requested	Projected
Building Maintenance		2021	\$ 24,926	\$ 24,926
			\$ 24,926	\$ 24,926



The City boasts over 20 parks and numerous shelters.

Capital Improvements Program
2021-2025 Program

Tier 2 Projects

Project	Requested	Projected
<u>Tier 2 Projects</u>		
Fire:		
Overhead Door Openers	\$ 48,000	\$ 48,000
Fire Station #3 Replacement (Bonds)	\$ 4,000,000	\$ 4,000,000
Parks & Recreation:		
Dougherty Park Playground	\$ 100,000	\$ 100,000
Replacement Bobcat Skid Steer Loader	\$ 50,626	\$ 50,626
3 - 72" Zero Turn Mowers	\$ 63,615	\$ 63,615
RF Park Water Line Replacement	\$ 50,000	\$ 50,000
Replacement of Pull Type Gang Mower	\$ 30,266	\$ 30,266
Truck Replacement	\$ 68,000	\$ 68,000
	\$ 4,410,507	\$ 4,410,507

Capital Improvements Program
2021-2025 Program

Overhead Door Replacement

This allocation provides funding to replace the garage doors at Stations 1&2.

Sources	Comments	Year	Requested	Projected
Sales Tax		2022	\$ 24,000	\$ 24,000
		2023	\$ 24,000	\$ 24,000
			\$ 48,000	\$ 48,000

Uses	Year	Requested	Projected
Equipment purchases	2022	\$ 24,000	\$ 24,000
	2023	\$ 24,000	\$ 24,000
		\$ 48,000	\$ 48,000



The current doors lack standard safety measures. The new doors will include timers, audible warnings, lights, and countdown timers.

Capital Improvements Program
2021-2025 Program

Replace Fire Station #3

This allocation provides funds to replace fire station #3 because of age and lack of energy efficiency. In addition, the fire trucks are larger than when station 3 was built in 1965, so additional space is necessary. ADA and gender-based requirements also need to be addressed. The current location has enough space to construct the new station.

Source	Comments	Year	Requested	Projected
Bond Proceeds		2023	\$ 320,000	\$ 320,000
		2024	\$ 3,680,000	\$ 3,680,000
			\$ 4,000,000	\$ 4,000,000

Uses	Year	Requested	Projected
Design	2023	\$ 320,000	\$ 320,000
Construction	2024	\$ 3,680,000	\$ 3,680,000
		\$ 4,000,000	\$ 4,000,000



Fire Station #3 was built in 1965. At the time ADA and separate gender facilities were not considered. Additionally, the facility continues to experience drainage and sewer problems.

Capital Improvements Program
2021-2025 Program

Dougherty Park Playground Equipment

This allocation provides for the replacement of the playground equipment at Dougherty Park. This includes the removal of existing equipment, installation of surface drainage, installation of new equipment and mulch. The existing equipment is becoming unsafe and expensive to maintain.

Sources	Comments	Year	Requested	Projected
Sales Tax		2022	\$ 100,000	\$ 100,000
			\$ 100,000	\$ 100,000

Uses	Comments	Year	Requested	Projected
Park Playground Equipment		2022	\$ 100,000	\$ 100,000
			\$ 100,000	\$ 100,000



Bob Dougherty Park (formerly Northside Park) was named in the mid-1980s in honor of the former Mayor and City Commissioner.

Capital Improvements Program
2021-2025 Program

Bobcat Skid Steer Loader

This allocation provides for the replacement of a 2002 Bobcat.

Sources	Comments	Year	Requested	Projected
Sales Tax		2022	\$50,626	\$50,626
			\$50,626	\$50,626

Uses	Year	Requested	Projected
Equipment purchases	2022	\$ 50,626	\$ 50,626
		\$ 50,626	\$ 50,626



The piece of equipment has reached the end of its useful life.

Capital Improvements Program
2021-2025 Program

3 - Zero Turn Mowers

This allocation provides for the replacement of three zero turn mowers for city owned parks and ball fields.

Sources	Comments	Year	Requested	Projected
Sales Tax		2022	\$ 21,205	\$ 21,205
		2023	\$ 21,205	\$ 21,205
		2024	\$ 21,205	\$ 21,205
			\$ 63,615	\$ 63,615

Uses	Comments	Year	Requested	Projected
Equipment purchases		2022	\$ 21,205	\$ 21,205
		2023	\$ 21,205	\$ 21,205
		2024	\$ 21,205	\$ 21,205
			\$ 63,615	\$ 63,615



The current mowers are approaching the end of their useful lives.

Capital Improvements Program
2021-2025 Program

Riverfront Park Water Line Replacement

This allocation provides for replacing the water line at the River Front campground.

Sources	Comments	Year	Requested	Projected
Sales Tax		2022	\$ 50,000	\$ 50,000
			\$ 50,000	\$ 50,000

Uses	Year	Requested	Projected
Riverfront Park Water Line Replacement	2022	\$ 50,000	\$ 50,000
		\$ 50,000	\$ 50,000



Riverfront Park serves as a campground along the Missouri River. The water line being replaced will serve campers and park visitors.

Capital Improvements Program
2021-2025 Program

Replacement of Pull Type Gang Mower

This allocation provides for the purchase of a Replacement Pull Type Gang Mower.

Sources	Comments	Year	Requested	Projected
Sales Tax		2022	\$ 30,266	\$ 30,266
			\$ 30,266	\$ 30,266

Uses	Comments	Year	Requested	Projected
Equipment purchases		2022	\$ 30,266	\$ 30,266
			\$ 30,266	\$ 30,266



The current mower is outdated and is at the end of its useful life.

Capital Improvements Program
2021-2025 Program

Truck Replacement Vehicles

This allocation will provide funding for the replacement of one truck for the Parks and Recreation Department.

Source	Comments	Year	Requested	Projected
Sales Tax	Truck Replacement	2022	\$ 48,902	\$ 48,902
			\$ 48,902	\$ 48,902

Uses	Year	Requested	Projected
Equipment Purchases		\$ 48,902	\$ 48,902
		\$ 48,902	\$ 48,902



Parks staff use the trucks to transport equipment to maintain the parks in the community.

Capital Improvements Program
2021-2025 Program

Tier 3 Projects

Project	Requested	Projected
<u>Tier 3 Projects</u>		
Parks & Recreation:		
RFCC Pool Area Painting	\$ 35,298	\$ 35,298
Cooling Tower Replacement	\$ 120,000	\$ 120,000
Community Center Door Replacement	\$ 40,000	\$ 40,000
Elevator Modernization	\$ 150,000	\$ 150,000
Replace Asphalt Shingle Roof	\$ 200,000	\$ 200,000
RFCC Locker Room Flooring	\$ 27,000	\$ 27,000
Cody Park Backstop and Dugout Repairs	\$ 10,690	\$ 10,690
Sports field Access Trail	\$ 45,000	\$ 45,000
Haven's Park	\$ 190,000	\$ 190,000
Finance:		
Executime	\$ 42,450	\$ 42,450
Public Works:		
Portable Lift Station	\$ 64,500	\$ 64,500
Service Truck	\$ 100,000	\$ 100,000
Service Truck	\$ 24,000	\$ 24,000
Enclosure for Four Open Cubicles	\$ 139,000	\$ 139,000
Leavenworth Airport	\$ 130,000	\$ 130,000
MSC Repairs	\$ 15,000	\$ 15,000
Fire:		
Knox KeySecure	\$ 6,000	\$ 6,000
SCBA Bottles	\$ 10,000	\$ 10,000
	\$ 1,468,938	\$ 1,468,938

Capital Improvements Program
2021-2025 Program

Community Center Renovations

This allocation would provide funding for the necessary upgrades to the Community Center such as roof repairs, new cooling towers, and a modern elevator.

Source	Comments	Year	Requested	Projected
	RFCC Pool Area Painting	2023	\$ 35,298	\$ 35,298
	Cooling Tower replacement	2023	\$ 120,000	\$ 120,000
	Community Center Door Replacement	2023	\$ 40,000	\$ 40,000
	RFCC Locker Room Flooring	2023	\$ 27,000	\$ 27,000
	Elevator Modernization	2023	\$ 150,000	\$ 150,000
	Replace Asphalt Shingle Roof	2023	\$ 200,000	\$ 200,000
			<u>\$ 572,298</u>	<u>\$ 572,298</u>

Uses	Year	Requested	Projected
Sales Tax	2023	\$ 572,298	\$ 572,298
		<u>\$ 572,298</u>	<u>\$ 572,298</u>



The Riverfront Community Center is a 53,000 square foot facility. The building is a fully-restored 1880's train depot nestled in a lovely park on the banks of the Missouri River.

Capital Improvements Program
2020-2024 Program

Cody Park Backstop and Dugout Repairs

This allocation provides for the replacement of the softball backstop and dugouts in Cody Park. The existing structures are well over 20 years old.

Sources	Comments	Year	Requested	Projected
Sales Tax		2023	\$ 10,690	\$ 10,690

Uses	Year	Requested	Projected
Backstop and Dugout Replacement	2023	\$ 10,690	\$ 10,690
		\$ 10,690	\$ 10,690



The fabric and some of the support post are in need of repair and replacement.

Capital Improvements Program
2021-2025 Program

Sportsfield Access Trail

This allocation provides for resurfacing the trail at Sportsfield used to move materials, supplies, and equipment.

Sources	Comments	Year	Requested	Projected
Sales Tax		2023	\$ 45,000	\$ 45,000
			\$ 45,000	\$ 45,000

Uses	Year	Requested	Projected
Sportsfield Access Trail	2023	\$ 45,000	\$ 45,000
		\$ 45,000	\$ 45,000



Sportsfield Recreation Complex consists of 30 acres of land.

Capital Improvements Program
2021-2025 Program

Haven's Park Restrooms

This allocation provides for construction at Haven's Park to include parking lot and facilities.

Sources	Comments	Year	Requested	Projected
Sales Tax		2024	\$ 190,000	\$ 190,000
			<u>\$ 190,000</u>	<u>\$ 190,000</u>

Uses	Year	Requested	Projected
Equipment	2024	\$ 125,000	\$ 125,000
		<u>\$ 65,000</u>	<u>\$ 65,000</u>
		\$ 190,000	\$ 190,000



The current bathroom is beyond repair.

Capital Improvements Program

Executime Time Keeping System

This allocation provides funding for advanced Time Tracking software for the Finance Department.

Sources	Comments	Year	Requested	Projected
Sales Tax		2023	\$ 21,225	\$ 21,225
		2024	\$ 21,255	\$ 21,225
			<u>\$ 42,480</u>	<u>\$ 42,450</u>

Uses	Year	Requested	Projected
Equipment purchases	2023	\$ 21,225	\$ 21,225
	2024	\$ 21,225	\$ 21,225
		<u>\$ 42,450</u>	<u>\$ 42,450</u>



Executime Time software will create efficiencies in the payroll system.

Capital Improvements Program
2021-2025 Program

Portable Lift System

This allocation provides for the purchase of a system that will lift heavy equipment to enable repairs to be made in a timely manner.

Sources	Comments	Year	Requested	Projected
Sales Tax		2023	\$ 64,500	\$ 64,500
			\$ 64,500	\$ 64,500

Uses	Year	Requested	Projected
Equipment purchases	2023	\$ 64,500	\$ 64,500
		\$ 64,500	\$ 64,500



The current lift system is reaching the end of its useful life.

Capital Improvements Program
2021-2025 Program

Service Truck & Tandem Dump Truck

This allocation provides funding to purchase a service truck for the garage. The truck would allow staff to conduct on-site diagnostics.

Sources	Comments	Year	Requested	Projected
		2023	\$ 130,000	\$ 130,000
		2025	\$ 100,000	\$ 100,000
			\$ 230,000	\$ 230,000

Uses	Year	Requested	Projected
Equipment purchases	2023	\$ 130,000	\$ 130,000
	2025	\$ 100,000	\$ 100,000
		\$ 230,000	\$ 230,000



The service truck will allow garage personnel to do on-site diagnostics to decide if the unit needs to be towed to the garage or towed directly to the dealer. This would eliminate the cost of a second tow of a unit being towed to the garage, then finding that it needs to go to the dealer for repairs.

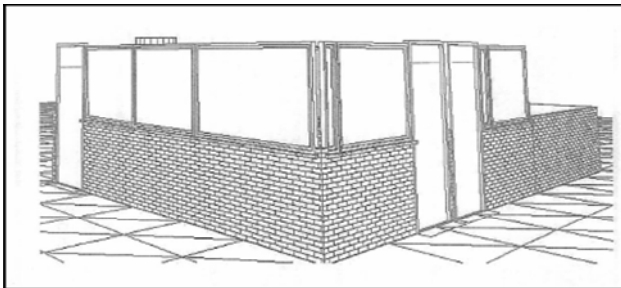
Capital Improvements Program
2021-2025 Program

MSC Office Remodel

This allocation provides funding to remodel four cubicles into two offices for two supervisors.

Source	Comments	Year	Requested	Projected
Sales Tax		2024	\$ 24,000	\$ 24,000
			\$ 24,000	\$ 24,000

Uses	Year	Requested	Projected
MSC Repairs	2024	\$ 24,000	\$ 24,000
		\$ 24,000	\$ 24,000



The remodel will allow supervisors the room to conduct business with vendors and employees in a more professional manner.

Capital Improvements Program
2021-2025 Program

Leavenworth Airport Improvements and Repair Project

This allocation provides funds to make repairs and improvements to mitigate flooding concerns and modernize the facility

Source	Comments	Year	Requested	Projected
Countywide Sales Tax		2023	\$ 10,000	\$ 10,000
Countywide Sales Tax		2024	\$ 10,000	\$ 10,000
Countywide Sales Tax		2025	\$ 45,500	\$ 45,500
KDOT Aviation Grant		2025	\$ 93,500	\$ 93,500
			\$ 159,000	\$ 159,000

Uses	Year	Requested	Projected
Airport Repairs	2023	\$ 10,000	\$ 10,000
	2024	\$ 10,000	\$ 10,000
	2025	\$ 45,500	\$ 45,500
	2025	\$ 93,500	\$ 93,500
		\$ 159,000	\$ 159,000



Sherman Army Airfield is a joint use civilian-military airport located at Fort Leavenworth, Kansas, in Leavenworth County, Kansas. The airport is located on the United States Army post, but the city of Leavenworth, Kansas has an agreement providing for civilian use at all times without prior notice or permission.

Capital Improvements Program
2021-2025 Program

MSC Repairs

This allocation provides funding for numerous repairs to the Municipal Service Center building.

Source	Comments	Year	Requested	Projected
Sales Tax		2025	\$ 15,000	\$ 15,000
			<u>\$ 15,000</u>	<u>\$ 15,000</u>

Uses	Year	Requested	Projected
MSC Repairs	2025	\$ 15,000	\$ 15,000
		<u>\$ 15,000</u>	<u>\$ 15,000</u>



The 2020 allocation was used to replace the skylight at the Municipal Service Center.

Capital Improvements Program
2021-2025 Program

Knox KeySecure

This allocation provides funding to purchase and install KNOX KeySecure systems to 6 fire apparatus.

Sources	Comments	Year	Requested	Projected
Sales Tax		2024	\$ 6,000	\$ 6,000
			\$ 6,000	\$ 6,000

Uses	Year	Requested	Projected
Equipment purchases	2024	\$ 6,000	\$ 6,000
		\$ 6,000	\$ 6,000



Protecting and securing Knox keys is a high priority. Local business owners and institutions trust that only official fire department personnel have access to these keys. These devices will reduce the liability of lost keys.

Capital Improvements Program
2021-2025 Program

SCBA Bottles

This allocation provides funding to purchase and replace the SCBA bottles.

Sources	Comments	Year	Requested	Projected
Sales Tax		2024	\$ 10,000	\$ 10,000
			\$ 10,000	\$ 10,000

Uses	Year	Requested	Projected
Equipment purchases	2024	\$ 10,000	\$ 10,000
		\$ 10,000	\$ 10,000



The self-contained breathing apparatus, or SCBA, is the foundational tool that provides the greatest amount of airway protection from toxic gas and harmful particulates resulting from the fire.

Capital Improvements Program
2021-2025 Program

Refuse

Project	Requested	Projected
Tier 1 Projects		
Recycling Site Relocation Phase 1	\$ 45,000	\$ 45,000
Refuse Truck Replacement	\$ 400,000	\$ 400,000

Capital Improvements Program
2021-2025 Program

Recycling Site Relocation Phase 1

This allocation provides funding for phase 1 of the city recycling site relocation project.

Source	Comments	Year	Requested	Projected
Sales Tax		2021	\$ 45,000	\$ 45,000

Uses	Year	Requested	Projected
MSC Repairs	2021	\$ 45,000	\$ 45,000
		\$ 45,000	\$ 45,000



The current recycling site is congested and causes an increase in risks for accidents/injuries. The new location not only is uncongested but also is isolated and will have no connection with other working area.

Capital Improvements Program
2021-2025 Program

Refuse Truck Replacement

This allocation is to replace a refuse truck whose maintenance costs exceed the cost of replacement. The plan is to trade in a vehicle to offset the costs of the truck.

Sources	Comments	Year	Requested	Projected
Refuse Operating Budget		2022	\$ 200,000	\$ 200,000
		2024	\$ 200,000	\$ 200,000
			\$ 400,000	\$ 400,000

Uses	Year	Requested	Projected
Refuse Truck replacement	2022	\$ 200,000	\$ 200,000
	2024	\$ 200,000	\$ 200,000
		\$ 400,000	\$ 400,000



The City plans to purchase a replacement truck in 2022 and 2024

Capital Improvements Program
2021-2025 Program

Sewer Improvements

Project	Requested	Projected
Tier 1 Projects		
Sewer Vactor Truck	\$ 133,950	\$ 133,950
Sewer Line Rehabilitation/Replacement	\$ 1,375,000	\$ 1,375,000
Sewer Repairs	\$ 700,000	\$ 700,000
Tier 2 Projects		
Sewer Plant Upgrades	\$ 901,600	\$ 901,600
Truck Replacement	\$ 50,000	\$ 50,000

Capital Improvements Program
2021-2025 Program

Sewer Vactor Truck Replacement

This allocation provides for the purchase of a second Vactor truck for WPC to ensure that there is always a truck available. There have been several occasions when the current truck has not been available due to maintenance issues. The truck was purchased in 2003. The mileage was low at 45,226 but there are a lot of hours on the motor. When the truck goes down, it sometimes takes up to 2 hours for the repair contractor to show up. This delays response time to residents with sewage backing into their homes.

Source	Comments	Year	Requested	Projected
Sewer Operating budget		2021	\$ 133,950	\$ 133,950
			\$ 133,950	\$ 133,950

Uses	Year	Requested	Projected
Equipment Purchase	2021	\$ 133,950	\$ 133,950
		\$ 133,950	\$ 133,950



The vactor truck collects and transports sewage to the waste water treatment plant.

Capital Improvements Program
2021-2025 Program

Sewer Line Rehabilitation

The annual allocation has been established to facilitate the reconstruction of sewer lines throughout the city. Specific projects will be identified each year based on the sanitary sewer master plan. This entire allocation comes from the Sewer Fund operating budget.

Source	Comments	Year	Requested	Projected
Operating budget		2021	\$ 200,000	\$ 200,000
		2022	\$ 200,000	\$ 200,000
		2023	\$ 200,000	\$ 200,000
		2024	\$ 200,000	\$ 200,000
		2025	\$ 200,000	\$ 200,000
				<u>\$ 1,000,000</u>

Uses	Comments	Year	Requested	Projected
Construction		2020	\$ 200,000	\$ 200,000
		2021	\$ 200,000	\$ 200,000
		2022	\$ 200,000	\$ 200,000
		2023	\$ 200,000	\$ 200,000
		2024	\$ 200,000	\$ 200,000
				<u>\$ 1,000,000</u>



Each year, the city identifies sewer lines to be replaced.

Capital Improvements Program
2021-2025 Program

Sewer Repairs

The annual allocation has been established for maintenance of the WWTP facility and other infrastructure needs. This entire allocation comes from the sewer Fund operating budget.

Source	Comments	Year	Requested	Projected
Operating budget		2021	\$ 100,000	\$ 100,000
		2022	\$ 100,000	\$ 100,000
		2023	\$ 100,000	\$ 100,000
		2024	\$ 200,000	\$ 200,000
		2025	\$ 200,000	\$ 200,000
				\$ 700,000

Uses	Year	Requested	Projected
Construction	2021	\$ 100,000	\$ 100,000
	2022	\$ 100,000	\$ 100,000
	2023	\$ 100,000	\$ 100,000
	2024	\$ 200,000	\$ 200,000
	2025	\$ 200,000	\$ 200,000
			\$ 700,000



The plant was completed in 1974 and has had three upgrades in the last decade.

Capital Improvements Program
2021-2025 Program

Sewer Plant Upgrades

This allocation is to fund one-time improvements to the Waste Water Treatment Plant

Source	Comments	Year	Requested	Projected
Bond Premiums	Lift Station Improvement Plan	2023	\$ 185,000	\$ 185,000
	Final Clarifier	2023	\$ 229,900	\$ 229,900
	Primary Clarifier	2023	\$ 148,800	\$ 148,800
	Trickling Filter Media	2023	\$ 229,900	\$ 229,900
	Truck Replacement	2023	\$ 50,000	\$ 50,000
	Potable Water	2023	\$ 30,000	\$ 30,000
	Overhead Heaters	2023	\$ 28,000	\$ 28,000
			<u>\$ 901,600</u>	<u>\$ 901,600</u>

Uses	Year	Requested	Projected
Construction	2023	\$ 185,000	\$ 185,000
	2023	\$ 229,900	\$ 229,900
	2023	\$ 148,800	\$ 148,800
	2023	\$ 229,900	\$ 229,900
	2023	\$ 50,000	\$ 50,000
	2023	\$ 30,000	\$ 30,000
	2023	\$ 28,000	\$ 28,000
		<u>\$ 901,600</u>	<u>\$ 901,600</u>



The Water Pollution Control Division staff operate and maintain the Wastewater Treatment Plant and the Wastewater Collection System.

Capital Improvements Program
2021-2025 Program

Truck Replacement

This allocation is to fund a replacement truck for the Sewer Plant.

Source	Comments	Year	Requested	Projected
Operating budget		2021	\$ 50,000	\$ 50,000
			<u>\$ 50,000</u>	<u>\$ 50,000</u>

Uses	Year	Requested	Projected
Construction	2021	\$ 50,000	\$ 50,000
		<u>\$ 50,000</u>	<u>\$ 50,000</u>



The new truck will replace the oldest truck in the fleet.

City of Leavenworth

Appendices



- Appendix A – Summary of Financial Policies
- Appendix B – Budget Publication
- Appendix C – Glossary of Terms
- Appendix D – Glossary of Acronyms

APPENDIX A-Summary of Financial Policies

Finance Staff are committed to adopting and implementing financial best practices as laid out by the Government Finance Officers Association. Currently, the staff is developing, revising, and proposing new policies to the City Manager and City Commission.

Unlike private entities, there are no “bottom line” profit figures that assess the financial performance of the City, nor are there any authoritative standards by which City officials can judge themselves. Instead, City Commission and management work together to set goals and objectives that measure the performance and effectiveness of municipal programs and services.

Financial policies can be used to establish similar goals and targets for the City’s financial operations so that the City Commission and City Officials can monitor how well the City is performing. Formal financial policies provide a consistent approach to financial strategies and set forth guidelines to measure financial performance and future budgetary programs.

The following is a summary of policies adopted by the City Commission. The full text of each policy can be found on the city’s [website](#).

• Budgetary Policy	• Debt Management Policy
• Budgetary Reserve Policy	• Procurement Policy
• Capital Asset Policy	• Revenue Control Policy
• Economic Development Policy	• Investment Policy

Budget Policy

The City of Leavenworth adheres to State statutes, which requires all local governments to operate with a balanced budget. A balanced budget is defined as a budget in which projected revenues and available unencumbered cash are equal to expenditures.

Budgetary Reserve Policy

The City adheres to the Budgetary Reserve Policy to establish a framework to ensure sound financial management, reduce the need for issuing debt through effective use of reserves, and maintaining two months of expenditures level as budgetary reserves.

Capital Asset Policy

The City of Leavenworth defines capital assets as tangible and intangible assets with a value exceeding \$5,000 and a useful life exceeding one business cycle. Capital assets are those items with an acquisition cost of less than \$5,000, but which are particularly at risk or vulnerable to theft or loss. The City’s capital assets are resources used to provide public services to the community.

Debt Management Policy

The City uses debt financing for capital improvement projects and equipment purchases. The City traditionally uses Temporary Notes and General Obligation Bonds to finance the development of infrastructure.

Procurement Policy

The City's procurement policy is based upon Kansas State Statutes and City Ordinances. The purpose of this policy is to provide guidelines to all City personnel, establishing authority and limits for the purchase of materials, supplies, equipment, and services by the City.

Revenue Control Policy

The City uses the revenue control policy to maintain effective revenue controls and cash management practices, including compliance with federal, state and local requirements and industry standards.

Economic Development Policy

The purpose of this policy is to establish the official policy of the City of Leavenworth for the granting of economic development incentives, including uses in accordance with the provisions of the Constitution of the State of Kansas. The appropriate purpose and use of incentives is to broaden and diversify the tax base, create new job opportunities for the citizens of the City of Leavenworth, and promote the economic growth and welfare of the City of Leavenworth.

Investment Policy

Kansas statutes authorize cities to invest cash that is not immediately needed for their intended purposes.

The City's investment policy incorporates the types of investments that are authorized by state statutes. However, during the past year, some of the local banks offered investments in Certificates of Deposit Registry Service (CDARS)-type programs. The CDARS-type program and other qualifying reciprocal deposit programs allows for a participating institution to arrange for the allocation of deposits in excess of the Federal Deposit Insurance Corporation (FDIC) insurance limit of \$250,000 among other participating institutions in amounts that would be eligible for FDIC coverage.

Appendix B: City of Leavenworth Budget Publication



Leavenworth Times Affidavit of Publication

I, Tammy Lawson, of lawful age, being first duly sworn on oath, states, that she (he) is a Legal Representative of the Times a daily newspaper, printed and published in Leavenworth, Leavenworth County, Kansas, that said newspaper has been published for a least Fifty (50)

at least five (5) years prior to that said newspaper has a yearly basis in Leavenworth or fraternal publication and Leavenworth County, Kansas and has a copy of the attached Notice was attached to each issue of said newspaper.

Publication was made on the 29th day of July, 2020.

Publication was made on the day of July, 2020.

Publication was made on the day of July, 2020.

Publication was made on the day of July, 2020.

Publication was made on the day of July, 2020.

Publication was made on the day of July, 2020.

Publication was made on the day of July, 2020.

Publication was made on the day of July, 2020.

Published in the Leavenworth Times, July 29, 2020 State of Kansas
City
2021

NOTICE OF BUDGET HEARING

The governing body of
City of Leavenworth
will meet on August 11, 2020 at 7:00 PM at City Hall for the purpose of hearing and answering objections of taxpayers relating to the proposed use of all funds and the amount of ad valorem tax. Detailed budget information is available at City Hall and Leavenworth Public Library and will be available at this hearing.

BUDGET SUMMARY
Proposed Budget 2021 Expenditures and Amount of 2020 Ad Valorem Tax establish the maximum limits of the 2021 Budget. Estimated Tax Rate is subject to change depending on the final assessed valuation.

FUND	Prior Year Actual for 2019		Current Year Estimate for 2020		Proposed Budget Year for 2021		
	Expenditures	Actual Tax Rate *	Expenditures	Actual Tax Rate *	Budget Authority for Expenditures	Amount of 2020 Ad Valorem Tax	Estimate Tax Rate *
General	19,397,846	16.743	18,567,079	16.743	22,496,283	3,942,544	17.220
Debt Service	3,464,552	7.637	10,499,762	7.637	3,745,404	1,780,810	7.778
Library	895,069	3.750	938,000	3.750	969,500	858,568	3.750
Library Emp Benefit	281,111	1.080	265,895	1.080	293,000	264,228	1.154
Recreation	1,649,457	2.047	1,346,685	2.047	2,742,225	414,011	1.808
Police Pension	15,159	0.061	15,950	0.061	170,349	12,673	0.055
Fire Pension	125,618	0.410	133,000	0.410	308,325	9,278	0.041
Special Highway	1,703,363		1,601,942		2,030,871		
Economic Develop	331,832		346,990		1,251,660		
CVB	615,304		457,963		842,382		
CIP Sales Tax	2,053,608		3,191,971		3,179,315		
County Wide Sales	2,159,192		2,836,939		3,535,436		
Probation	181,038		214,537		297,966		
Auto TIF	624,715		640,208		943,165		
Hotel TIF	400,976		537,451		647,162		
Retail TIF	294,042		293,775		298,771		
Sewer	4,540,355		8,684,306		5,735,268		
Refuse Restricted	6,500		17,500		9,545		
Refuse	1,886,380		2,165,238		2,889,036		
Storm Water	240,079		1,686,020		3,941,502		
Non-Budgeted Funds-A	10,122,334						
Non-Budgeted Funds-B	206,946						
Totals	51,195,476	31.728	54,441,214	31.728	56,527,164	7,282,112	31.806
Less: Transfers	3,875,612		6,043,889		7,241,903		
Net Expenditure	47,319,864		48,397,325		49,285,261		
Total Tax Levied	6,964,499		6,964,499		XXXXXXXXXXXXXXXXXXXX		
Assessed Valuation	219,502,504		219,192,469		228,946,404		
Outstanding Indebtedness:							
January 1,	2018	2019	2020				
G.O. Bonds	28,960,000	26,870,000	19,535,000				
Revenue Bonds	0	0	5,160,000				
Other	0	0	9,190,000				
Lease Purchase Principal	314,132	539,840	254,321				
Total	29,274,132	27,409,840	34,139,321				

*Tax rates are expressed in mills

Carla Williamson
City Official Title: City Clerk

SEAL OF THE CITY OF LEAVENWORTH
 CORPORATE
 SEAL
 KANSAS

103856

Subscribe and sworn before me, this the 29 day of July, 2020.

Rebecca A. Broom
Notary Public

My Commission Expires: 6/7/23

REBECCA A. BROOM
Notary Public - State of Kansas
My Appt. Expires 6/7/23

Appendix C-GLOSSARY of Terms

Accounting System- The total structure of records and procedures for recording, classifying, summarizing and reporting financial information.

Accrual Basis Accounting – A method of accounting that recognizes the financial effect of transactions, events, and inter-fund activities when they occur, regardless of the timing of related cash flows.

Accrued Expense – An expense incurred during the current accounting period but which is not paid until a subsequent accounting period.

Accrued Revenue – Revenue earned during the current accounting period but which is not to be collected until a subsequent accounting period.

Actuarial Liability – The portion of the present value of benefits already earned by the employee but not paid until a future event.

Ad Valorem – A basis for a levy of taxes upon property based on value.

Ad Valorem Taxes- (“According to value”) is a tax based on the value of real estate or personal property.

Addendum- An addition or supplement to a document.

Agency Fund – A fund consisting of resources received and held by the governmental unit as an agent for others.

Appraised Valuation- The value placed upon real estate or other property by the County Appraiser.

Appropriation – An authorization by the City Commission to incur obligations and to expend public funds for a stated purpose. An appropriation is usually limited in amount and as to the time when it may be expended.

Arbitrage- Refers to the rebate or penalty amount due to the Internal Revenue Service where funds received from the issuance of tax-exempt debt have been invested and excess interest earnings have occurred, or where tax-exempt bond proceeds are not spent for their intended purpose within the times permitted by federal regulation. As used in this policy, ‘excess interest earnings’ means interest earned at a rate in excess of the arbitrage permitted yield on any individual bond issue.

Assessed Valuation- A fixed percentage of the appraised valuation, as appraised by the County Appraiser.

Assets – Probable future economic benefits obtained or controlled by a particular entity as a result of past transactions or events

Assigned Fund balance- The cash balance intended for a specific use by the City that are neither restricted nor committed. The Commission or City Manager to which the Commission delegated authority to assign amounts for specific purposes expresses intent.

Audit – A methodical examination of the utilization of and changes in resources. It concludes in a written report of the findings. A financial audit is a test of the management’s financial statements and internal accounting control procedures to determine the extent to which internal accounting controls are both available and being used. It determines whether the financial statements fairly present the City’s financial condition and results of operations.

Available (Undesignated) Fund Balance – This refers to the funds remaining from the prior year, which are available for appropriation and expenditure in the current year.

Balanced Budget – A budget in which total revenues are equal to or greater than total expenditures.

Balance Forward – A cash basis portion of the fund balance required by Kansas statute for budgeting purposes. It is comprised of cash and equivalent balances less current liabilities (such as accounts payable and wages payable) and encumbrances. The balance forward is added with budgeted revenues to calculate the total resources available for budgeted expenditures.

Basis of Budgeting- Method used to determine when revenues and expenses are recognized for budgeting purposes.

Best Value- A selection of a product or service that was based on both price and qualitative Components of a bid and the award are not necessarily to the lowest bidder, but rather on the offer deemed most advantageous and of greatest value to the City. Qualitative considerations include items such as technical design, technical approach, quality of proposed personnel, and or management plan.

Bid- A written offer to perform a contract to provide goods or services to the City in response to a bid opportunity.

Blended Component Unit – Entities for which the elected officials of a government are financially accountable and organizations whose exclusion would cause a government’s financial statements to be misleading.

Bond- A written promise to pay a specific amount of money, called face value, at a fixed time in the future, called the date of maturity, and carrying interest at a fixed rate, payable periodically.

Bond Indebtedness- The portion of a government’s debt represented by outstanding bonds.

Budget- A plan of financial operation including an estimate of proposed expenditures for a given period of time, and proposed means of financing them.

Budget Amendment- A formal change to the budget during the year to increase expenditure limits.

Budget Control – The control or management of the approved Budget for keeping expenditures within the limitations of available appropriations and available resources.

Budget Hearing- The formal hearing for the budget to be presented to the governing body for adoption and approval.

Budget Law- A series of the Kansas Statutes (K.S.A. 79-2925 to 79-2937) which includes specific requirements for preparing an annual budget document. The budget sets a limit on expenditures and tax levies.

Budgetary Fund Balance- Represents only the accumulated amount from prior years based on budgetary basis.

Budgeted Fund- A fund that is required by statute to be budgeted.

Buildings- All permanently walled and/or roofed structures, along with all permanent systems, such as HVAC, drainage, plumbing, etc.

Capital Asset- Tangible or intangible assets with an acquisition cost greater than \$5,000 and an estimated useful life expectancy greater than one business cycle.

Capital Expenditures- An expenditure that results in the acquisition of or addition to capital assets.

Capital Fund- Funds that account for capital the transactions associated with project revenues and expenditures.

Capital Improvements- Expenditures related to the acquisition, expansion, or rehabilitation of an element of the government's physical facilities or infrastructure.

Capital Outlay- Payments made in cash or cash equivalents to purchase a capital asset or extend a capital asset's useful life.

Capital Project- Major Construction, acquisition, or renovation activities, which add value to a government's physical assets or significantly increases their useful life.

Capital Improvement Program- A plan that serves as a guide for the efficient and effective provision of public facilities, outlining timing and financing schedules of capital projects for a five-year time period.

Cash Basis of Accounting – The method of accounting that recognizes revenues and expenses at the time cash is received or paid out.

Cash Basis Reserves- An amount of money budgeted in the Bond Fund to assure there is adequate cash flow.

Cash Currency on Hand Demand- deposits in other types of accounts or cash pools that like demand deposits.

Cash Equivalents – Short term, highly liquid investments that are readily converted to cash.

Challenge- A written objection by a participating bidder regarding a bid, proposal, or quote.

Charges for Services- A revenue source that represents a reimbursement for services provided, such as utilities, facility rentals, inspection fees, parks user fees, etc.

Charter Ordinance- The document used by cities to exempt itself from a non-uniform state statute using constitutional home rule.

Collusion- When two or more parties act together secretly to achieve a fraudulent or unlawful acts such as unlawful activities impacting competitive bidding. This may inhibit free and open competition in violation of antitrust laws.

Commission- The legislative body of the City, made up of members of the community elected at large by popular vote.

Committed Fund Balance- The cash balance that can only be used for specific purposes determined by a formal action (resolution/ordinance) of the City's highest level of decision-making authority-the City Commission. Commitments may only be lifted by taking the same formal action that originally imposed the restriction.

Commodities- Expendable items that are consumable and/or have a short life span that is within one business cycle and whose cost is below a specific threshold established by management, such as small tools, office supplies, etc.

Community Improvement District (CID) - May be either a political subdivision or a not-for-profit corporation and are defined geographic areas. CID's are organized for the purpose of financing a wide range of public-use facilities, establishing, and managing policies and public services relative to the needs of the district.

Component Unit- a legally separate organization for which the elected officials of the primary government are financially accountable.

Construction in Progress (CIP) - Includes all costs of labor, material, and ancillary costs accumulated on a project that is not, yet completed. Once placed in service, the asset is transferred from CIP to the appropriate asset classification.

Contingency- A budgetary reserve set aside for emergencies or unforeseen expenditures not otherwise budgeted.

Contract- Any written instrument or electronic document containing elements of offer, acceptance, and consideration to which the City is a part.

Contractor- An individual, company, corporation, firm, or combination thereof in which the City enters into a contract for procuring goods or services.

Contractual services- Service rendered by private firms, individuals, or other governmental agencies, such as utilities, rent, maintenance agreements, and/or professional services.

Controlled Asset- Controlled assets are those items with an acquisition cost of less than \$5,000, but which are particularly at risk or vulnerable to theft or loss.

Cooperative Purchasing- A process by which two or more jurisdictions cooperate to purchase from the same vendor.

Cost Reimbursement basis – Setting charges so that tests are systematically recovered on a break-even basis.

County Clerk’s Budget Information- The valuation and other information needed to prepare a budget, available June 15.

County Treasurer’s Report- A report, which shows the distribution of taxes made by the county treasurer for the previous year.

COVID-19 - the infectious disease caused by the coronavirus, SARS-CoV-2, which is a respiratory pathogen.

Debt- An obligation resulting from borrowing money or purchasing goods and services. It includes general obligation bonds, revenue bonds, temporary notes, state revolving loans, and lease purchase agreements.

Debt Service Fund- a governmental fund used to pay for the interest and principal payments of the organization

Debt Capacity- An assessment of the amount of debt an entity can repay in a timely manner without jeopardizing its financial viability and/or without violating restrictions placed by governing bodies.

Delinquent Taxes – Taxes remaining unpaid after the due date. Unpaid taxes continue to be delinquent until paid, abated, or converted into a lien on property.

Department – A major unit of organization in the City of Leavenworth comprised of sub-units named divisions or cost centers and responsible for the provision of a specific package of services.

Depreciation- A non-cash expense those results from the use of long-lived assets. It is measured by allocating the acquisition cost of an asset over its estimated useful life.

Design-Build- A project delivery method in which the City contracts with a single entity for both the design and construction/implementation of a project.

Designee- A duly authorized representative of a Department Director

Discrete presentation – Method of reporting financial data in one or more columns separate from the financial data of the primary government

Economic Resource Measurement - Focus a set of financial statements reports used in proprietary and trust fund that focuses on all inflows, outflows, and balances affecting or reflecting an entity’s net position.

Discretely Presented – a method of reporting financial information that is reported in a separate column in the government's government-wide financial statements.

Economic Development- The effort to attract new business and industry and retain existing business and industry.

Emergency Purchases- A purchase made outside of the normal procedures when a lack of which would threaten:

- 1) The functioning of the City government
- 2) The preservation or protection of property, machinery, or equipment
- 3) The health or safety of any person

Employer Contribution - Amount of benefit payments employer make compared to the annual required contribution.

Encumbrance – Commitment related to an unperformed contract for goods and services. Encumbered funds may not be used for any purpose.

Enterprise Funds- Funds that account for activities for which a fee is charged to external users for goods and services, such as wastewater, refuse, sewer, and storm water.

Equipment- Vehicles and equipment which meets the definition of capital assets, is movable in nature, retains its original shape and appearance with use, is non-expendable, and is not permanently attached to a building.

Exchange Like Transaction – a transaction in which each party receives and sacrifices something of approximate equal value.

Expenditures- Includes cash payments plus any encumbrances for budgetary purposes.

Fiduciary Fund – Any fund held by a governmental unit as an agent or trustee.

Fiscal Year – A 12-month period of time to which the annual budget applies and at the end of which a governmental unit determines its financial position and the results of its operations. The City of Leavenworth's fiscal year is a calendar year of January 1 to December 31.

Fringe Benefits – Employer share of FICA taxes, health insurance, life insurance, workmen compensation, unemployment taxes, and retirement contributions made on behalf of the City's employees.

Full-Time Equivalent (FTE) – The conversion of all full-time, part-time, and temporary employees to the amount of full-time employees that would be required for the hours worked. Two part-time employees working 20 hours each would equal one FTE.

Fund- An independent fiscal and accounting entity including all cash with related liabilities or obligations.

Fund Balance- The measure of financial resources available in a governmental fund. The context of fund balance for reporting purposes is different from the context for budgeting purposes. The GAAP context separates fund balance into categories depending on the level of constraints placed on the use of the funds.

General Fund- The City's primary operating fund that accounts for services not otherwise specified in a separate fund.

General Obligation Bonds- Bonds backed by the full faith and credit of the City. Bondholders have the power to compel the City to levy property taxes to repay the bonds, if necessary.

Goal – A goal is a statement of desired conditions to be maintained or achieved through the efforts of an organization

Governmental Funds – This category of funds includes typical governmental activities and includes funds such as the General Fund, Special Revenue Funds, and the Debt Service Fund. These funds are set up to measure current expendable financial resources (only current assets and current liabilities) and use the modified accrual basis of accounting.

Grant – A contribution of assets (usually cash) from one government unit or organization to another. Typically, these contributions are made to local governments from the state or federal governments to be used for specific purposes and require distinctive reporting.

Impact Fee – Fees charged to cover in part or wholly the cost of improvements.

Improvements Other than Buildings- Includes permanent improvements to assets, which cannot be classified as a building with the exception of those improvements that are made with/to infrastructure.

Informal Solicitations- Purchases under a certain dollar threshold may be made by either verbal or written quotes.

Infrastructure- Roads, streets, bridges, curbs, gutters, sidewalks, traffic signals, drainage systems, storm culverts, and lighting systems.

Insurance Fire Rating (ISO) - Also referred to as a fire score or Public Protection Classification(PPC), is a score from 1 to 10 that indicates how well-protected your community is by the fire department. In the ISO rating scale, a lower number is better: 1 is the best possible rating, while a 10 means the fire department did not meet the ISO's minimum requirements.

Intangible Assets- Assets with a useful life exceeding a reporting cycle that lack physical substance, are not financial in nature, and are not held for profit.

Interfund Transfers- Flows of assets-for example cash or goods, between funds and blended component units of the primary government without the equivalent flow of assets in return and without a requirement for repayment (includes both revenues and expenditures). Usually classified as "Other sources and uses".

Internal Service Fund a fund used to track goods or services shifted between departments on a cost reimbursement basis.

Investment – Securities held for the production of income in the form of interest and dividends.

Invitation for bids (IFB)- All documents used to solicit competitive or multi-step bids.

Land- Includes all real estate owned by the City with the exception of real estate that contains infrastructure.

Lease Agreements- The City enters into a lease agreement with another party (typically a third-party vendor) to take temporary possession of an asset over a defined period at a pre-arranged payment, made from operating revenues. The Commission appropriates lease payments unless it chooses not to under Kansas cash basis law. At the end of the leasing term, ownership of the asset remains in the leasing party.

Lease/Purchase Agreements- The City enters into a lease/purchase agreement with another party (typically a third-party vendor) to lease an asset over a defined period of time at a pre-arranged annual payment. Lease/purchase payments are made primarily from operating revenues. The City Commission appropriates annual lease/purchase payments unless it chooses not to appropriate under the Kansas cash basis law. If lease/purchase payments are not appropriated, ownership of the property remains in the leasing party. At the conclusion of the lease term, the City either receives unencumbered ownership of the asset or receives an option to purchase the asset at a predetermined price

Legal Debt Margin- The difference between the amount of debt or debt service the government is authorized to carry and the amount of debt or debt service the government is actually carrying.

Liability - A future sacrifices of economic benefits that the entity is obliged to make to other entities as a result of past transactions or other *past* events. .

Major Fund- Funds whose revenues, expenditures/expenses, assets, or liabilities (excluding extraordinary items) are at least 10 percent of corresponding totals for all governmental or enterprise funds and at least 5 percent of the aggregate amount for all governmental and enterprise funds.

Modified Accrual Basis - Method of accounting that recognizes revenues when they become available and measurable and, with a few exceptions, records expenditures when liabilities are incurred

Non-Major Funds– Funds whose revenues, expenditures/expenses, assets, or liabilities (excluding extraordinary items) are less than 10 percent of corresponding totals for all governmental or enterprise funds and less than 5 percent of the aggregate amount for all governmental and enterprise funds.

Non-Recurring Capital Expenditures - Expenses that are unlikely to occur again in the normal course of business.

Non-spendable- Includes amounts that are not spendable in any form or are legally or contractually required to remain intact.

Original Budget - The first legally adopted budget.

Other Financing Sources- Increases in net position of governmental funds other than revenues.

Other Financing Uses – Decreases in net position of a governmental fund other than expenditures.

Overlapping Debt - Outstanding long-term debt or financial obligations of one political jurisdiction that also falls partly in another jurisdiction. Examples include City, County and School Districts.

Pension Benefits – Retirement income and all benefit other than healthcare that is provided to employees.

Performance Measures – a method of tracking and reporting service levels.

Pilot – Payment in Lieu of Taxes.

Purchasing Agent- City employee assigned to the Finance office designated with the authority and responsibility for purchasing

Refunding – Issuance for new debt whose proceeds are used to repay previously issued debt.

Recurring capital expenditures – Expenses that are likely to occur again in the normal course of business.

Repurchasing Agreement – Transfers of cash/ securities between governments and financial institutions in exchange for promises to repay principal & interest.

Request for Proposal (RFP)- A document used to solicit proposals from potential providers for goods and services

Request for Qualifications- Refers to the pre-qualification stage of the procurement process. Only those proponents who successfully respond to the RFQ and meet the qualification criteria will be included in the subsequent Request for Proposals (RFP) solicitation process.

Request for Quotes- A request made to vendors for non-repetitive purchases below a certain dollar amount, may be either a verbal or a written quote depending on the dollar threshold.

Resources Available- The total cash available to fund the budget.

Restricted Fund Balance- Amounts that can only be spent for specific purposes stipulated by external sources either constitutionally or through legislation.

Revenues- Funds that the government receives as income. It includes such items as tax payments, fees from specific services, receipts from other governments; forfeitures, grants, and interest income.to benefit those properties.

Special Assessment- Compulsory levy made against certain properties to defray all or part of the cost of a specific improvement or service demand

Special Assessment Bonds- Bonds issued to develop facilities and basic infrastructure for the benefit of properties within the assessment district. Assessments are levied on properties benefited by the project. The issuer's recourse for nonpayment is foreclosure and the remaining debt becomes the City's direct obligation, repaid from property taxes.

Special Revenue Funds- Funds that account for revenue sources and uses that are designated for a specific purpose.

Specification- A precise description of the physical or functional characteristics of a product, goods, or services the purchaser is seeking to buy and what a bidder must do to be responsive in order to be awarded a contract. Specifications generally fall under the following categories: design, performance, qualified products list and samples. May also be known as a purchasing description.

Tax Increment Financing (TIF) – is a public financing method that is used as a subsidy for development of blighted areas, infrastructure, and other public improvements.

Tax levy- The total amount to be raised by general property taxes for the purposes specified in the approved City budget.

Tax rate- The amount of tax levied for each \$1,000 of assessed valuation.

Temporary Notes- A temporary debt incurred by states, local governments, and special jurisdictions. Municipal notes are usually issued with a maturity length of 12 months, although maturities can range from 3 months to 3 years.

Unallocated depreciation – Depreciation not properly reported as a direct expense of a function or program.

Unassigned Fund Balance- This is the residual classification for the remaining balances. It includes all amounts not contained in other classifications and technically available for any purpose.

Unencumbered Cash Balance- The cash balance as shown in the accounting records for the fund, less any outstanding encumbrances.

Unearned Revenue – A liability for resources received prior to revenue recognition

Unrestricted fund balance – The difference between total fund balance of a government and its non-spendable and restricted balance

Vendor- A supplier/seller of goods and services. A reference to a provider of product or service.

Appendix D-GLOSSARY OF ACRONYMS

AAP	Annual Action Plan
ACH	Automated Clearing House
ADA	Americans with Disabilities Act
ARC	Annual Required Contribution
APWA	American Public Works Association
BAN	Bond Anticipation Note
CAFR	Consolidated Annual Financial Report
CAPER	Consolidated Annual Performance and Evaluation Report
CD	Certificate of Deposit
CID	Community Improvement District
CDBG	Community Development Block Grant
CIAP	Comprehensive Improvements Assistance Program
CIP	Capital Improvements Program
COVID	Coronavirus Disease
CPI	Consumer Price Index (as published by the US Department of Labor)
CVB	Convention & Visitors Bureau
DOHE/KDOHE	Kansas Department of Health & Environment
DOL/KDOL	Kansas Department of Labor
DOR/KDOR	Kansas Department of Revenue
DOT/KDOT	Kansas Department of Transportation
EFT	Electric Funds Transfer
EMT	Emergency Medical Transport

EPA	Environmental Protection Agency
ESG	Emergency Solutions Grant
FFE	Federal Funds Exchange
FICA	Federal Insurance Contributions Act
FTE	Full – Time Equivalent
FY	Fiscal Year
GAAP	Generally Accepted Accounting Principals
GASB	Governmental Accounting Standards Board
GFOA	Government Finance Officers Association
GIS	Geographic Information Services
GO Bonds	General Obligation Bonds
GPS	Global Positioning System
HCV	Housing Choice Voucher
HIDTA	High Intensity Drug Trafficking Areas program
HR	Human Resources
HUD	Department of Housing and Urban Development
HVAC	Heating, Ventilation, and Air Conditioning
ICMA	International City/County Management Association
ISO	Insurance Services Office
LCDC	Leavenworth County Development Corporation
LEPC	Local Emergency Planning Committee
LHA	Leavenworth Housing Authority
KDOT	Kansas Department of Transportation
KERIT	Kansas Eastern Regional Insurance Trust
KHRC	Kansas Housing Resources Corporation

KLINK	Kansas Highway Connecting Links
KOMA	Kansas Open Meetings Act
KORA	Kansas Open Records Act
KPERS	Kansas Personnel retirement system
KP&F	Kansas Police & Fire retirement system
K.S.A.	Kansas Statues Annotated
M&R	Maintenance & Repairs
MARC	Mid-America Regional Council
NRA	Neighborhood Revitalization Area
OPEB	Other Post Employment Benefits
OMB	Office of Management and Budget
PAC	Performing Arts Center
PILOT	Payment in Lieu of Taxes
RFCC or CC	Riverfront Community Center
RHSCC	Regional Homeland Security Coordinating Committee
ROW	Right of Way
SRO	School Resource Officer
TAN	Tax Anticipation Note
TIF	Tax Increment Financing
USP	United States Penitentiary
VA	Department of Veteran Affairs
VASH	Veterans Affairs Supportive Housing
WWTP	Waste Water Treatment Plant