

CITY OF
HUTCHINSON

2015
ADOPTED BUDGET

**City of Hutchinson, Kansas
ADOPTED BUDGET
Fiscal Year 2015**

CITY COUNCIL

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HUTCHINSON CITY HALL

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GOVERNMENT FINANCE OFFICERS ASSOCIATION

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**City of Hutchinson
Kansas**

For the Fiscal Year Beginning

January 1, 2014

Executive Director

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To: Members of the Governing Body
From: John Deardoff, City Manager
Date: September 2, 2014
Re: Budget for Fiscal Year 2015

Introduction

Presented with this message, I am submitting the 2015 operating and capital budget for the City of Hutchinson. The 2015 budget is expected to continue our focus on quality services and increase investment in the City's infrastructure.

Overview

The 2015 Budget calls for a mill levy of 43.209 which represents an increase in the mill levy from 2014 of 1.724 mills.

	2014 Actual	2015 Budget
General	31.618	33.233
Bond & Interest	<u>9.867</u>	<u>9.976</u>
Total Levy	41.485	43.209

GOALS AND MAJOR ISSUES FACING THE CITY

The 2015 budget contains financial support to address the following goals and issues.

Goal #1: City Services. Continue to pursue excellence in serving and protecting the community.

The big challenge in meeting this goal is our ability to address the continued increase in demands for services with existing funding levels. The City reduced its workforce during the economic recession in the period between 2008 and 2010. In addition to the challenge of a reduced workforce we are faced with the challenge of maintaining a competitive pay structure in order to attract and retain quality employees. We will work with our employee groups to ensure we are competitive in the marketplace.

Goal #2: Continue to do the little things that help create a “Sense of Place” for our residents and building Hutchinson as the “Community of Choice”.

Hutchinson has some really great things to offer its citizens. Including cool spaces, miles of trails, parks, revitalized downtown, nationally recognized museums, numerous community events, active art community, housing options, etc. We have to continue to build on our assets through continued investment in our infrastructure and community facilities.

Goal #3. Increase funding to the annual street maintenance program.

The City has 680 lane miles of streets to maintain. Staff reported last year to the Council that we are doing less street work each year by allocating the same annual dollars to the program. Early in the budget process city staff proposed a new program and associated funding to eliminate the deferring of maintenance on our streets. The additional funding proposed for 2015 is \$400,000 increasing our annual street funding program to \$600,000 from \$200,000 in 2014.

Goal #4. Fiscal Responsibility. Continue to improve the City’s financial position with adequate investment in the City’s operational and capital improvement programs.

The City Council adopted a set of financial policies over recent years that covered operating fund budgets, unreserved fund balances, and debt management. The 2015 budget proposal uses the established policies as a road map to financial stability. Cost of operational commodities, equipment, employee costs coupled with stagnant revenue stream will continue to challenge us.

Goal #5 Housing Initiatives. Continue to focus our discussion and resources on addressing the multitude of housing issues.

For 2014 and 2015 we need to continue our efforts on improving and expanding the capabilities of our housing infrastructure. As federal funds are reduced, it becomes even more critical that we have programs, services, and organizations operating at a high level of efficiency and effectiveness. We have made progress in Hutchinson in addressing our housing issues by strengthening our capabilities and developing and implementing new tools to strengthen neighborhoods and rebuild our housing stock.

Areas of focus for 2014-15:

- Maintain our connection with NeighborWorks America
- Provide training for staff and community
- Continue development of Land Bank
- Continue development of the Housing Trust Fund
- Development of workforce housing projects

Goal # 6. Economic Development. Continue to work with other community partners in Hutchinson to promote and stimulate quality development both in the retail and manufacturing sectors. Emphasis should be placed on the creation of primary jobs.

The City has traditionally been a major player in economic development activities in the community working on the community team. The City has been the primary funder of incentive programs offered on projects and will continue to be asked to provide the leadership and funding needed for the Community economic activities to succeed.

The City's source of funding has come from what is commonly known as the "Economic Opportunity Fund" (EOF). For years it has been mistakenly memorialized that the City's EOF was a dedicated economic development reserve fund separate from all other municipal funds. In reality the internal EOF balance calculation is reflected in the total General Fund balance. Our goal with respect to the EOF is to create a reserve fund separate from the General Fund. Staff will evaluate cash balances in the General Fund at year-end to determine the potential to make a transfer of funds to a newly created EOF. The ultimate goal is to clearly separate economic development funds reserves from the General Fund. The Council will want to consider a policy on the appropriate balances and where future funding will come from.

2015 Budget Assumptions:

1. Increases the property tax mill levy by 1.724 mills
2. Assessed Valuation growth of 3.35%
3. Increase Street Program funding by \$400,000.
4. Merit step increase for eligible employees
5. Health Insurance increase of 5%
6. 1.25 new employee positions (although budget has a net decrease of 2.25 positions)
7. No increase in water and sewer rates.

Budget Summary

General Fund

The financial strength of the General fund is significant due to the impact it has on the overall property tax levy, bond ratings, operating cash flows, and the City's ability to handle contingencies. In 2011, the Council approved established fund balance goals for the General Fund. Over the past 5 years we have made some progress to meet our goal of approximately \$6,500,000 General Fund year-ending cash balance. Last year the City experienced a large hail event that created a windfall of sales tax and building permit fee revenue that allowed us to gain on our goal. Prior to last year the lack of revenue growth coupled with the increasing cost of doing business prevented us from making any progress in increasing our year end General Fund balance.

For the past five years, we have strived to fix the structural deficiency of our General Fund budget where projected revenues equal or exceed projected expenditures. While we have reduced the use of one-time revenues, we have not eliminated such completely. The 2015 budget while balanced does not completely meet that objective as we are budgeted to spend \$723,462 more in the General Fund than projected revenue which will be covered by available cash balances..

General Fund Revenues

Property Taxes

The preliminary unofficial 2014 assessed valuation used for the 2015 budget is \$290,492,920 which represents a 3.35% increase over last year's figure of \$281,084,315. The increased in valuation using the same mill levy provides an estimated \$300,000 in property tax revenue for the General Fund. The increase in valuation can be attributed to a combination of new value added to the property tax rolls and annual adjustments to existing property values.

Sales Tax

Sales tax revenues represent 36% of our general fund revenues. Sales tax receipts for 2013 exceeded budget due to the storm event resulting in significant hail damage. It appears that 2014 receipts are again exceeding budget due to continued revenues from the 2013 storm damage. Projects for 2014 are based on a trends of the last three years which smooth out the spike in revenue that occurred in 2013.

2011	2012	2013	2014	2015
Actual	Actual	Actual	Revised	Budget
\$10,865,619	\$11,192,917	\$11,894,588	\$11,755,730	\$11,614,411

Franchise Fees

Franchise fees compensate the City for the use of right-of-way by private utilities. The City collects 5% of gross revenue for gas, electric, and cable television utilities, and a \$2.25 per line access charge for telephone. Franchise fees represent 15% of general fund revenues. We are projecting no increase in franchise revenue in total for 2015.

General Fund Expenditures

Budgeted 2015 General Fund expenses total \$33,645,381 compared to a 2014 budget of \$32,299,066 which represents a 4.1% budgeted expenses increase.

Personnel and Wages

The 2015 budget includes funding for merit step increases for all eligible employees. The budget impact of the merit steps to the General Fund is approximately \$130,000 plus benefits. In 2012 employees received no wage increases, in 2013 a 2% cost of living increase and in 2014 employees were eligible for a step increase equal to 3.35%-3.50%.

The budget contains funding for 1.25 new positions.

Human Resource Specialist
IT Tech (10 additional hours per week)

The 2015 Human Resources Department includes a request to restore one of the two positions that were cut from the department in 2003. The addition of a HR Specialist position will enable the department to more effectively provide proactive services and programming to the wide diversity of operations that it supports. Key areas include applicant sourcing/recruiting, occupational safety and wellness, compensation and benefits design and compliance, and employee relations. Perhaps most importantly, the additional staff person is needed to ensure continuity of critical HR and payroll functions in the event of unplanned absences.

Outside Agencies

The 2015 budget contains \$52,758 (\$63,471-2014) for United Way funding. In 2010, the Council approved a change in the allocation of funding to the various social service agencies receiving annual funding from the City. The new approach is to annually allocate a lump sum of money to be allocated

by United Way Reno County. Per Council directive the goal is to reduce the social service agency grant by 10% each year beginning in 2010.

Outside Agency funding:

United Way	\$ 52,758
Arts and Humanities Council	24,600
Cultural Activities Fund	47,250

The Arts Council 2015 budget request was \$29,000. The budget proposal maintains funding at 2014 levels (\$24,600).

Growth Fund. The 2015 budget includes \$700,000 for the Growth Fund which was created in 1986 as part of a ½ cent sales tax successful public referendum. The City Commission passed an ordinance that places a minimum of \$700,000 to be allocated to the Growth Fund to be used for job creation and capital improvements. The \$700,000 figure has been the annual allocation since the implementation of the Fund. Annually this fund has allocated funds to the Chamber and CVB to support the economic development and tourism promotion activities of the Chamber. In addition to the annual allocations to the Chamber the Fund has allocated money towards a variety of projects submitted either by the Chamber, City staff, community or City Council. Below is the proposed funding for the 2015 Growth Account:

Economic Development	Proposed
Arts & Humanities Council	\$ 15,000
Market Hutch	92,000
EDC	58,000
Growth Inc.	46,000
Chamber (Community Develop)	15,000
Welcome Channel	13,000
Housing Demolition Program	75,000
Housing Initiatives	33,000
Third Thursday	<u>3,000</u>
Sub Total	\$350,000

Capital Improvement

Arterial/Collector	\$ 250,000
Aquatic Center Payment	<u>100,000*</u>
Sub Total	350,000
TOTAL Request	\$700,000

*15th year of a 20 year funding commitment.

Street Maintenance Program

In April of this year, Reg Jones, Public Works Director, Brian Clennan, Director of Engineering, and Michael Kramer, Senior Civil Engineer provided the Council with a detailed overview of our street maintenance program. A well maintained street system is a vital service for the City of Hutchinson. It provides safe access for motorists, bicycles, pedestrians, and public transportation.

The City of Hutchinson has 274 centerline miles equal to 680 lane miles in the City of Hutchinson. The street system includes Highway, Arterial/Collector, and Residential streets representing possibly the most valuable asset the City owns. It is estimated that \$555,000,000 would be needed to reconstruct all of the streets at today's cost. The existing street system represents a significant investment in the community that must be maintained.

Timely preventive maintenance is essential in making streets last longer. In 2012, a Pavement Management Condition Summary was prepared for the City, rating the condition of the streets with an average PCI, pavement condition index, of 70. This represents that the streets in 2012 on average were in good condition. Generally it takes about 15 years for a new road to go from Excellent to Good to Fair condition. However, once a street reaches the fair to marginal condition, the roadway begins to fall apart rapidly, reaching very poor condition within about 5 years. Research has shown that spending \$1 on pavement preservation can eliminate or delay spending \$6 to \$10 on future rehabilitation or reconstruction costs.

Street maintenance costs have continued to increase over time, while funding levels have remained even, or in some cases been reduced. Since 2006 the maintenance costs per square yard of street has increased approximately 80% from \$15 to \$26 dollars, while funding of street maintenance has remained relatively stagnant; 2006 funding = \$1.4M, 2013 funding = \$1.3M (these figures include estimated street department labor).

In 2014 Street Maintenance was funded at \$2.1M. The increase in funding was from additional ¼ cent sales tax revenue and \$300,000 from the Federal Fund Exchange. The Federal Fund Exchange is

a voluntary program that allows the City to trade all or a portion of our federal funds with KDOT in exchange for state transportation dollars allowing more flexibility and lower project costs.

The 2015 recommended street maintenance program funding is \$2,928,000, equal to \$4,305 per lane mile. The comparison of maintenance activities for 2014 and 2015 is:

Maintenance Activity	2014	2015 (Proposed)
Crack & Street Seal	\$900,000	\$1,248,000
Arterial/Col Surfacing	\$725,000	\$1,430,000
Residential Surfacing	\$250,000	\$250,000
KLINK Project	\$200,000	\$0
Totals	\$2,075,000	\$2,928,000

The 2015 Street Maintenance Program represents an important step in meeting the City’s street maintenance needs. The program is designed to maintain the roadway condition and reduce future reconstruction costs.

As recently as 2010, the Special Street gas tax was funding \$750,000 of our street maintenance program. Estimated reserve at the end of 2015 is \$240,000. The reserve is projected to be depleted to \$35,000 at the end of 2016. The use of ¼ cent sales tax for street maintenance will require bonding approximately \$1.6 million for Main Street Phase I improvements. Typically bonding is not used for funding street maintenance activities due to the relatively short, 7 to 10 year, life of the maintenance activity.

Bond & Interest

The levy rate in 2015 for the Bond & Interest will increase slightly to 9.976. Keeping the mill levy close to last year’s level is requiring us to spend down most of the cash balance in the Fund. Included in the budget document is a bond and interest schedule which reflects all of our general obligation debt. The City issued the debt for the Wiley Building parking garage and our first principle and interest payments are due in early 2015. These payments are included in the 2015 B & I budget.

Utility Funds

Water (no increase proposed) - Proposed water rates for 2011 through 2014 were discussed with the City Council in study session on July 27, 2010. Based on revenue and expenditure projections provided during that discussion, it was anticipated that water rate increases would be

necessary to generate the revenue for the funding of the Water Utility since the groundwater remediation and reverse osmosis water treatment system improvements (RO Project) were completed and operational. The City Council agreed to the proposed water rates for 2011, with water rates for future years to be revisited during the budget process. The 2011 water rates represented a 4% increase over the 2010 water rates. There was no rate increase for 2012, 2013 and 2014. Based on the actual 2013 water fund expenditures and revenues and the proposed 2014 revised and 2015 water fund budgets and projected revenues, no water rate increase is proposed for 2015. Proposed 2015 expenditures of \$7,948,350 and projected revenues of \$7,108,972 are within \$839,378 (11.8%) of a balanced fund budget, while the projected 2015 ending balance of \$4,351,175 exceeds the desired minimum fund balance of \$2,226,180 per City Council Unreserved Fund Balance Policy. The proposed 2015 budget expenditures include an increase for the CIP Reserve Transfers of \$550,000 for radio read meters and an increase of \$117,298 in the MERF Reserve Transfers from \$59,000 in 2014 to \$176,298 in 2015. With no increase in water rates proposed for 2015, the average monthly residential water billing based on the average monthly water consumption of 9 hundred cubic feet (6,750 gallons) will be around \$32.05 per month. A water rate study will be conducted in 2014 to consider rate adjustments for 2016 and future years.

Sewer (no increase proposed) - Proposed sewer user rates for 2011 through 2014 were discussed with the City Council in study session on July 27, 2010. Based on revenue and expenditure projections provided during that discussion, it was anticipated that sewer user rate increases would be necessary to generate the revenue for the funding of the Sewer Utility with the completion of the Wastewater Treatment Facility (WWTF) Biosolids Improvements Project. The City Council agreed to the proposed sewer user rates for 2011, with sewer user rates for future years to be revisited during the budget process. The 2011 sewer user rates represented a 2% increase over the 2010 sewer user rates. There was no rate increase for 2012, 2013 and 2014. Based on the actual 2013 sewer fund expenditures and revenues and the proposed 2014 revised and 2015 sewer fund budgets and projected revenues, no sewer user rate increase is proposed for 2015. Proposed 2015 expenditures of \$6,690,959 and projected revenues of \$5,983,818 are within \$707,141 (11.8%) of a balanced fund budget, while the projected 2015 ending balance of \$3,070,934 exceeds the desired minimum fund balance of \$1,433,800 per City Council Unreserved Fund Balance Policy. The proposed 2015 budget expenditures include the same amount for the CIP Reserve Transfers as in the 2014 budget at \$800,000 and a decrease of \$307,085 in the MERF Reserve Transfers from \$444,000 in 2014 to \$136,915 in 2015. With no increase in sewer user rates proposed for 2015, the average monthly residential sewer user billing based on the average monthly sewer use of 8 hundred cubic feet (6,000 gallons) will be around \$21.38 per month. A sewer rate study will be conducted in 2014 to consider rate adjustments for 2016 and future years.

Refuse (approximately 2.8% increase is proposed based on a \$0.30 per cart increase) – Refuse rate increases for 2013, 2014 and 2015 are set at \$0.30 per cart for each year as per the Refuse Collection and Related Services Agreement (City Contract #2011C216) between the City and Stutzman Refuse Disposal Inc. Based on the proposed increase the average monthly residential refuse billing will be around \$10.95 per month, which includes a refuse cart collected weekly, a single-stream recycling cart collected once every two weeks and the opportunity to sign up for recycling rewards through the Recycle Bank program.

Storm Water

In October of 2013 during a city council study session, City staff presented information about the City's storm sewer system and also compared the City's storm water fee to those of other communities. At the conclusion of that discussion, City Council directed staff to proceed with the selection of a consultant to conduct a Storm Water Utility Study.

The goals of the Storm Water Utility Study are to:

Involve key stakeholders (business community, developers, tax exempt properties, etc.) to:

- Guide and assist the project team in establishing overall Storm Water management programs goals
- Develop an appropriate and affordable level of service from the storm water management program goals
- Identify how much funding is needed
- Determine if an Equivalent Residential Unit Storm water Utility is the appropriate mechanism to fund storm water improvement needs.

The Storm Water Utility Study is projected to be completed by March of 2015.

Capital Improvement and Equipment Replacement Program.

Included in the 2015 Budget is the 5-year Capital Improvement Program (CIP) along with the recommended funding levels. The 2015 Capital Budget represents capital improvements for 2015 in all Funds. The total capital project list for 2015 is \$12,558,628. Funding of these projects comes from a variety of sources, including property tax, sales tax, water and sewer fees, bonding, grants, etc. The City Council received a preliminary review and discussion on the CIP in May followed by a tour of some of the proposed projects in June.

The equipment replacement fund totals \$1,821,250 which represents equipment purchases for all City operations (General Fund and Utility Funds). Due to budget constraints we did defer several equipment replacements which are cause for concern. Over the past several years and again this year we have deferred equipment replacement needs in order to balance the budget. I am hopeful that we

get to a place financially that allows creating a formal replacement schedule and the ability to follow the plan.

(See Tab CIP/MERF for more details)

Other Budget Notes

1). Housing. The Housing division was established in the 2012 budget and is staffed with a contracted Director with support from existing Planning staff. The Housing Division works closely with the Housing Commission on addressing the many housing strategies set forth in the 2011 Housing Task Report. The 2015 Growth Fund budget has \$75,000 earmarked for housing demolition and \$33,000 for other housing initiatives which will not cover the funding requests listed below.

- Land Bank.-\$25,000 for ongoing operational costs
- Downtown Design Guidelines. \$6,200
- CDBG cash match and administrative fees. \$25,000
- Brush- Up- Hutch Paint Program-\$6,000

2). Trail Development. The next section of trail development to be completed is the remainder of the trail within Orchard Park if funding becomes available. This project would include approximately 1,425 L.F of trail along 43rd Avenue connecting the trail to the “Old K61” trail. Funding for this trail will come from a \$200,000 grant from the Land Water Conservation Fund and an estimated \$175,000 from KDWP Grant. The next phases of trail development could be the K-61 trail from 30th to 43rd and the section that would connect Halstead Street trail over to 30th and K-61 which will require some property acquisition.

3). Hutchinson Recreation Commission (HRC). The 2015 budget will be the second year under recently changed tax levy boundaries for HRC. Previously HRC’s tax levy was based on USD 308 boundaries. The study of 2011 ultimately lead to the City Council and USD 308 agreeing to the establishment of a City Recreation Commission which expanded the taxing district for HRC. The City’s only budgetary action dealing with HRC is approval of the property tax levy. HRC has presented a budget reflecting a decrease in the mill levy from last year which was expected. Although, HRC as did the City will benefit from an increase in property tax revenue as a result of the increase in the assessed valuation. The decrease was expected due to the now larger city levy boundaries. Details of the HRC budget will be presented in a separate cover from the HRC.

2014 Levy (City Levy)

2015 Levy (City Levy)

3.669 (\$1,031,298)

3.669 (\$1,116,911)

4). Fun Valley/Hobart Detter. The 2015 Fun Valley/Hobart Detter (FV/HD) budget reflects the new management agreement with Hutchinson Recreation Commission (HRC). In early May of this year City staff entered into discussions with HRC about an operating agreement for certain functions of the operation. The intent was to make the changes effective 2015, however, due to some operational difficulties at Fun Valley early this summer the City asked HRC to take over management functions immediately. Under the operating agreement HRC will provide management and operations of all activities held at FV/HB fields. The City will continue to provide all field and facility operations. The operating agreement will be similar to our current operations agreement with HRC for the Salt City Splash. The new arrangement will be a first step in lowering the annual Fun Valley/Hobart Detter subsidy. The 2015 budgeted subsidy for FV/HB is \$329,834 down from 2013 actual subsidy of \$427,390. Due to the timing of the need to make the management change it will take some time to further evaluate the new operations and hopefully result in an even lower subsidy in the future.

Final Comments:

The 2015 budget requires a 1.724 mill levy increase. In order to address the issue of deferring maintenance and investment in our infrastructure, employee wage and retirement increases, and rises in general operating cost, an increase in property tax revenues is necessary. The budget begins to head us in the right direction concerning our street maintenance program and replacement of aging capital equipment and maintains our General Fund cash balance at an acceptable and safe level.

We have been committed to the goal of spending no more money in a budget year than expected revenues. We have made significant progress towards over the past 5 years, but still rely on the use of one-time revenues. The 2015 budget shows budgeted expenditures exceeding revenues by \$758,289. Historically the City has underspent its budget resulting in a situation where revenues exceed actual spending.

Special thanks to City staff for pulling together in preparing the 2015 Budget proposal. My personal situation kept me out of the office most of June which is typically the most critical time in our budget process. Staff pulled together to complete the budget proposal in a timely fashion. I especially want to recognize and thank Meryl Dye, Assistant City Manager, Frank Edwards, Director of Finance and Marcela Berney-Brown, Senior Financial Analyst for their support and efforts in the preparation of the 2015 budget.

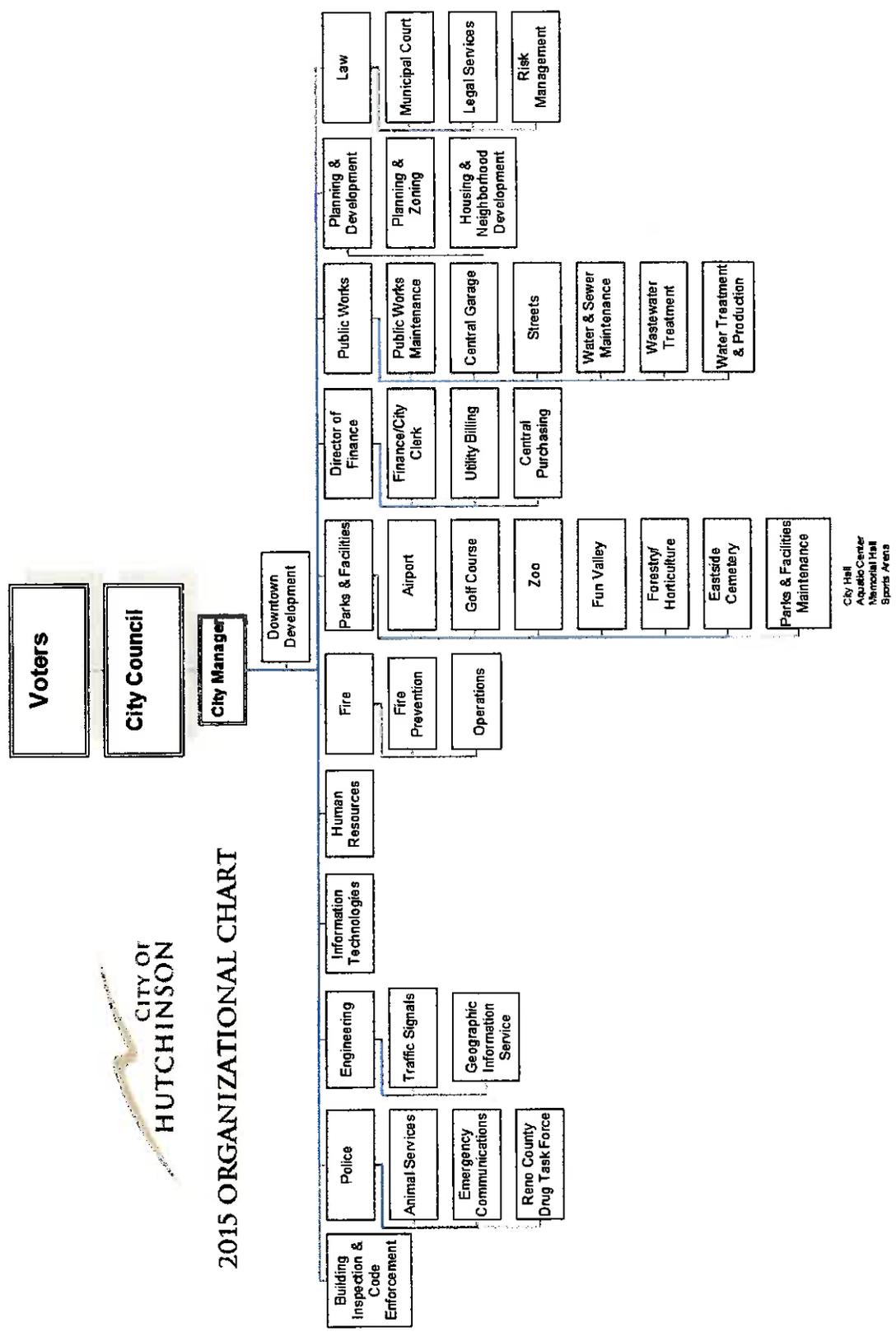


Mission Statement

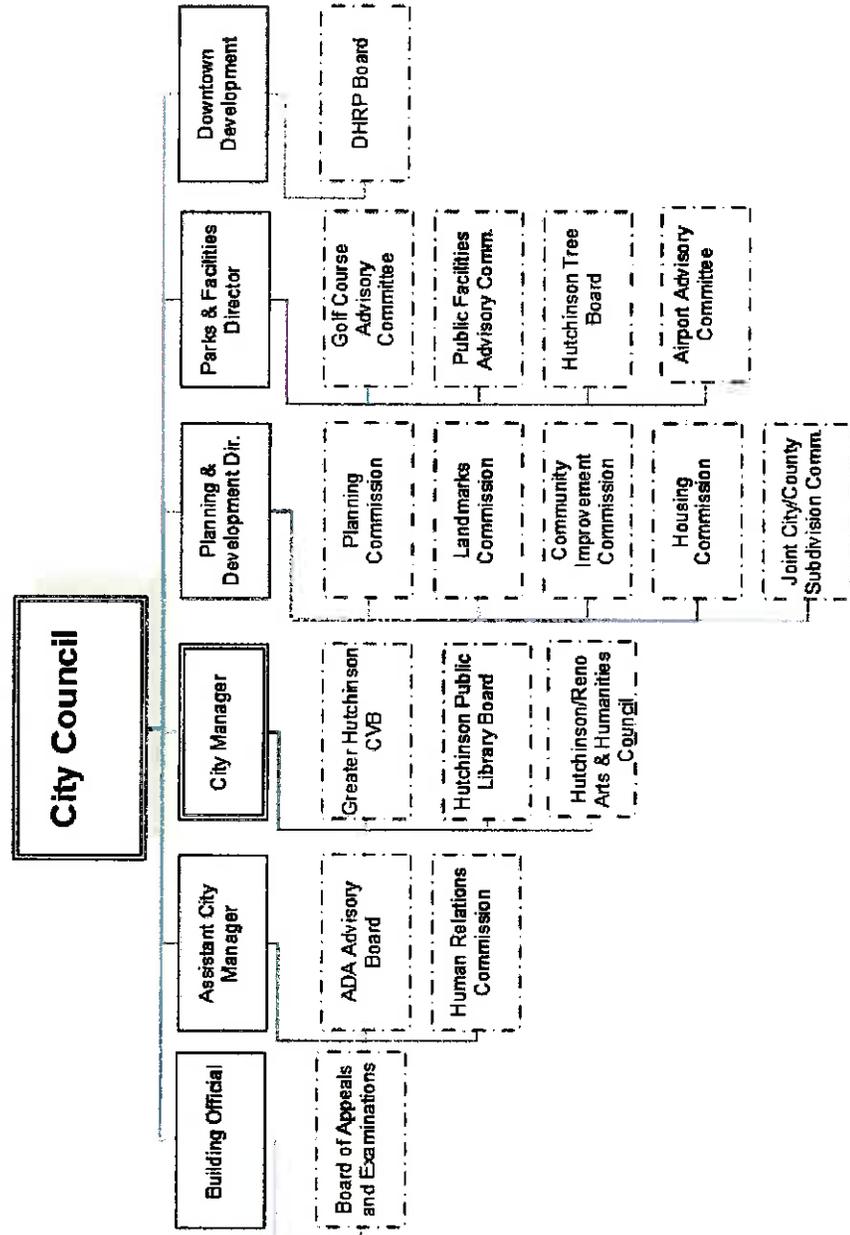
“Hutchinson City employees are dedicated to making the City a quality place to live, work, and play by pursuing excellence in serving and protecting the community.”



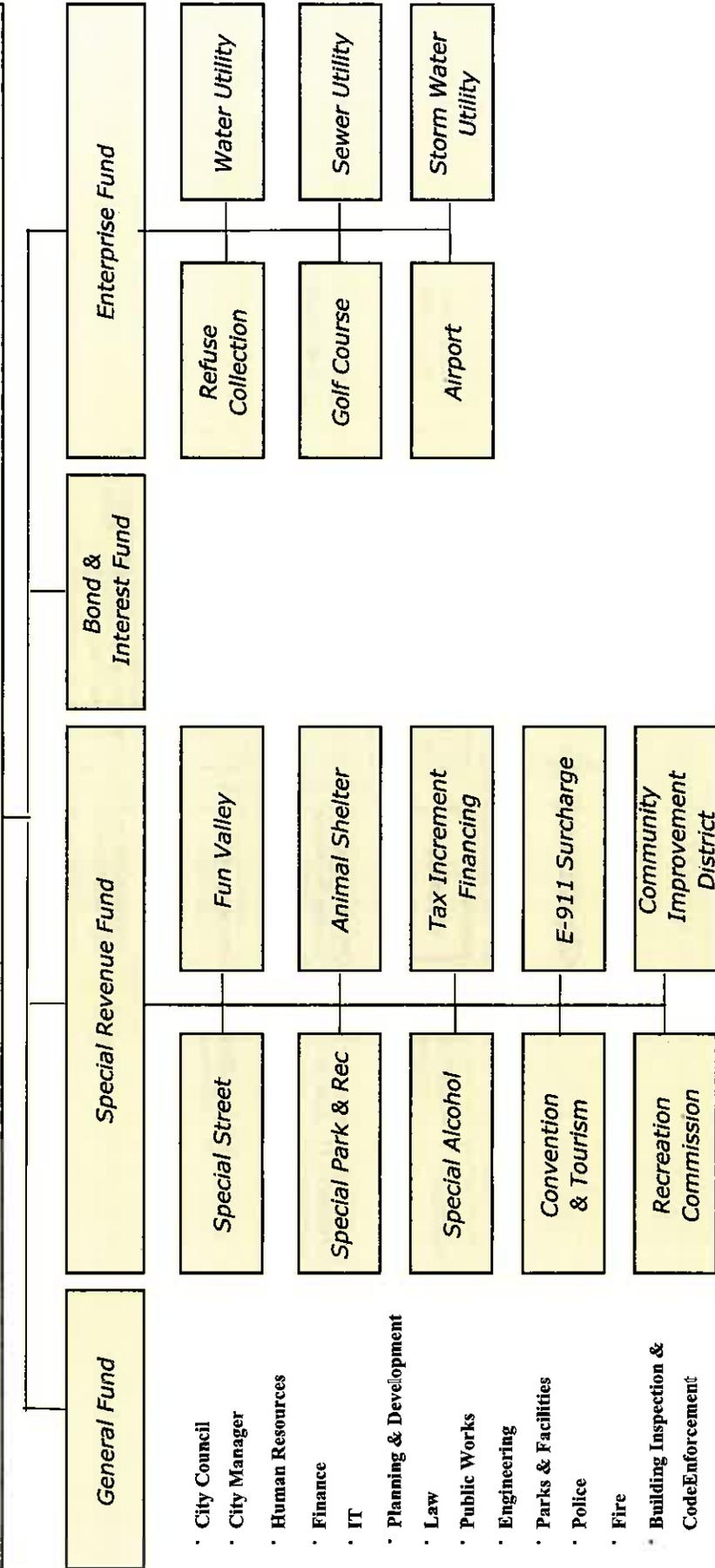
2015 ORGANIZATIONAL CHART



**CITY OF HUTCHINSON
BOARDS & COMMITTEES
JANUARY 2015**



**City of Hutchinson
Fund Structure
Kansas Cash Basis Accounting**



The Budget Process

The City of Hutchinson, Kansas was incorporated on August 15, 1872 under the statutes of the State of Kansas. The City operates under a Modified Mayor-Council-Manager form of government. In 1994, the City Council by Charter Ordinance created four council districts and one at large district to elect Council members, making this process a modified version of the State Authorized form of Government. The City provides numerous services to citizens, including general government, public safety, streets, cultural and recreation, park facilities, and social services. It also operates the water distribution system, the sewer utility and wastewater treatment plant, the municipal airport, and Carey Park Golf Course.

Budget Process

Beginning in March each year, the City Manager initiates the preparation phase of the budget cycle for the ensuing fiscal year by issuing budget instructions to department directors. The annual budget process is defined by the City Manager based on Council's overall service strategies and organizational objectives. An annual budget process is not clearly defined in either the Kansas Code or the Hutchinson Municipal Code. The fiscal year is from January 1 to December 31.

The department directors prepare budget requests for their individual departments. These requests are sent to the Finance Department for compilation. Department directors meet with the City Manager and the Director of Finance to discuss the individual budget requests. Following several months of review and revision, the City Manager submits a proposed budget to the City Council. The budget contains estimates of revenues and expenditures for the coming year, as well as, re-estimates of revenues and expenditures for the current year. The six-month preparation process culminates in August when the City Council, following a public hearing, adopts the annual budget and certifies it to the State of Kansas by August 25. If necessary, the current budget is amended at this same time. An operating budget, as well as a capital improvement budget, is approved.

The operating portion of the budget is for the day-to-day costs associated with providing and maintaining the programs and services noted previously. The City also prepares a five-year capital improvement plan. The five-year capital improvement plan is available in a separate document. The capital improvement portion goes to the construction of infrastructure such as streets, parks, sewer and water systems, buildings and other public facilities. Each year management reviews the plan and updates it as necessary. The first year of the plan is adopted in the annual budget as the Capital Improvement Projects Fund and Capital Improvement Reserve.

The City is required to hold a public hearing on the proposed budget and publish such notice not less than ten days before such hearing. Following the required public hearing, the City Council may adopt by resolution the proposed budget. The budget must then be certified with the Reno County Clerk's office no later August 25.

The amendment process is similar to the original certification process. The City may amend the current year's budget at any time during the fiscal year so long as it follows the same public hearing requirements needed for the budget's original certification and it is filed prior to December 31, the last day of the fiscal year.

An amendment may be necessary due to events and situations that are unanticipated and could cause the City's expenditures to exceed the State's legal level of control. The mandated legal level of control is referred to as the fund level. Total expenditures for each individual fund may not exceed the certified appropriation for each individual fund. The Finance Department continually monitors the budget to determine the need for budget amendments in order to refrain from exceeding the legal expenditure limits.

The budget is prepared by City staff in accordance with the Budget Calendar as determined by the City Manager.

Budget Accounting

The City prepares its budget and audited financial statements on the Kansas cash basis of accounting. The Kansas cash basis accounting recognizes revenues when cash is received and expenditures when the expenditure has been incurred or committed to even though it may not yet be paid. This differs from an accrual basis of accounting, which is the basis prescribed by Generally Accepted Accounting Principles (GAAP). Accrual accounting recognizes revenues when they are earned and expenses when they are incurred. The budget basis, or Kansas cash basis, is applied to all funds for budget and financial reporting purposes including the comprehensive annual financial report.

The accounts of the City are organized on the basis of funds or account groups, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for by providing a separate set of self-balancing accounts, which are comprised of each fund's assets, liabilities, fund equity, revenues and expenditures or expenses. The City uses the following funds and groups of accounts.

Governmental Fund Types

General Fund – The General Fund is the general operating fund of the City. All general tax receipts and other receipts that are not allocated by law or contractual agreement to some other fund are accounted for in this fund. From the fund are paid the general operating disbursements, the fixed charges and the capital improvement costs that are not paid through other funds.

Special Revenue Funds – The Special Revenue Fund is utilized to account for receipts derived from specific sources that are usually required by law or regulation to be accounted for in separate funds. (E.g. Special Street, Special Alcohol)

Debt Service Fund – The Bond and Interest Fund is utilized to account for the accumulation of resources for, and the payment of general long-term debt including capital lease obligations, bond principal, interest and related costs.

Capital Project Funds – The Capital Project Funds are utilized to account for all resources used in the acquisition and construction of capital facilities, with the exception of those that are financed through enterprise funds.

Proprietary Fund Types

Enterprise Funds – The Enterprise Funds are utilized to finance and account for all resources used in the acquisition, operation and maintenance of governmental facilities and services that are supported by user charges. (E.g. Water Utility.)

Internal Service Funds – The Internal Service Funds are utilized to account for the financing of goods or services provided by one department or agency to other departments or agencies of a government, or to other governments, on a cost-reimbursement basis. (E.g. Risk Management)

Fiduciary Fund Types

Trust and Agency Funds – The Trust and Agency Funds are utilized to account for monies and properties received and held by the City in a trustee capacity as an agent for individual, private organizations and other governmental units and/or other funds. These include expendable trust funds and agency funds. Expendable trust funds are used to account for activity in trust funds that were set-up to be used for specific purposes and are accounted for in essentially the same manner as governmental funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. (E.g. Donations).

These fund types are then categorized as *budgeted* or *unbudgeted* funds. Funds are considered budgeted if the City is required to certify their expenditures with the State of Kansas. The General fund, the bond and interest fund, and the enterprise funds must be budgeted. Fiduciary funds, internal service funds, and capital project funds are not required to file a budget and are unbudgeted. The special revenue funds may be budgeted or unbudgeted depending upon which section of the State code that they were created under.

Budget Calendar

Fiscal Year 2015

March 12, 2014

Initial staff budget meeting to review fiscal policies and priorities, present special budget issues, distribute budget manuals, and instruct staff on budget preparation process and schedule.

March 12 – April 9, 2014

Each Department develops budget line items and requests for each activity. Finance Department develops personnel budget through consultation with the Human Resource department and each individual department.

April 9, 2014

Department directors deliver Excel budget request forms to Director of Finance.

April 14 – April 25, 2014

City Manager and Director of Finance review budget requests to determine departmental budget issues and discussion items; a comprehensive summary of significant budget issues is prepared for the department meetings. The Finance Department combines budget requests and prepares financial summaries.

May 5 - 12, 2014

City Manager and Director of Finance meet with each Department Manager to discuss their budget requests and submittals.

May 19 - May 30, 2014

City Manager and Finance Department finalize departmental budget requests and integrate Capital Improvement and Equipment Replacement programs.

June 10, 2014

City Manager and Staff meets with Council to present and discuss the proposed CIP program and to finalize the 5-year Capital Improvement Program and MERF Program.

July 1, 2014

Preliminary City 2015 Budget distributed to City Council.

July 2 - July 21, 2014

City Council meets with City Manager and staff to discuss proposed budget, significant budget issues, and to incorporate Council policy preferences.

July 25, 2014

Publication of notice of public hearing on the proposed fiscal year 2015 budget. Detailed budget information made available to the public at City Hall.

August 5, 2014

Public hearing with City Council to adopt proposed 2015 Budget

August 23, 2014

Adopted budget certified with Reno County Clerk.

August 25, 2014

Adopted budgets submitted to the State.

Long Range and Strategic Planning Processes

City Manager

Downtown Hutchinson Economic Enhancement Strategy – This document presents the community’s vision for Downtown Hutchinson as well as the findings of a market analysis. The Economic Enhancement Strategy was specifically crafted to strengthen Downtown Hutchinson and to guide its future development.

Downtown Streetscape Master Plan – This plan was created to help the City most effectively develop a physical streetscape plan which supports the Economic Enhancement Strategy and brings excitement to the use and future of downtown.

Finance Department

Five-Year Capital Improvement Program – This document is compiled and updated annually listing anticipated capital improvement projects for the City over the next five years, the year of their construction, and the anticipated funding sources to be used. A program summary is included in the annual budget document, with the first year of the program incorporated into the adopted budget.

Five-Year Municipal Equipment Replacement Program – This document is compiled annually listing the anticipated replacement schedules for capital equipment over the next five years. The five-year schedule is included in the annual budget document with the first year of the program incorporated into the adopted budget.

Planning & Community Development

Comprehensive Plan – This plan encompasses all aspects of the City to provide direction and guidance for growth and development within and around the City. Specific plans have been developed to provide a more detailed focus on certain areas within the City such as the Airport Master Plan. The comprehensive plan is updated approximately every ten years.

Housing Task Force Strategic Plan – The Housing Task Force developed this long-term strategic plan for the purpose of addressing the City’s needs in housing including the lack of available, quality housing and the deterioration of aging

housing stock. The Housing Task Force prioritized the plan's recommendations into six priority strategies. The strategies include the addition of a Housing Program Manager and a Housing Trust fund. Several of the plan's recommendations have been completed, and the City is still in the process of implementing the remaining Task Force recommendations.

Historic Preservation Plan - This is the five year strategic plan for the City of Hutchinson Landmarks Commission. This document is intended to identify and establish those priority items to be accomplished in the upcoming five years. The items listed are not intended to be limiting, nor all inclusive. The Landmarks Commission has the authority to revise the plan as needed. This document is also intended to be reviewed and adjusted at the end of each year.

Community Improvements Commission Strategic Plan – This plan was produced by the Community Improvements Commission to develop future strategies, goals, and action plans for the commission that will improve the look of our community and our neighborhoods.

Engineering

Storm water Management Plan – The storm water management plan that is a five-year plan designed to reduce the discharge of pollutants from the community in order to protect water quality and satisfy water quality requirements of the Clean Water Act. The City's plan includes goals and steps for public education, public involvement, illicit discharge detection and elimination, erosion and sediments control from construction, post construction runoff control, and good housekeeping and pollution prevention from municipal operations.

Five-Year Street Reconstruction Plan – This plan was produced in conjunction with the ¾ cent sales tax referendum to plan the future use of a portion of the sales tax revenue. This plan outlines the locations for major arterial reconstruction over the next five years, which is integrated into the five-year capital improvement program.

Parks & Facilities

Airport Master Plan – This plan is updated periodically to evaluate the airport's future capabilities and future aviation demand in order to plan for the timely development of new or expanded facilities that may be required to meet that

demand. The plan also establishes systematic proactive guidelines for the airport's overall maintenance, development, and operation.

Hike/Bike Trail Master Plan – The trail plan was produced to provide long-term guidance for the location and construction of walking trails throughout the City. This plan assists with the application for related grants and the timing of construction of trail sections so that the trails grow and connect in a way that is most beneficial to the public.

Park and Recreation Master Plan – This plan was developed in partnership with the Hutchinson Recreation Commission to guide future long term planning and operational decisions for the two departments. The process analyzed public input to identify opportunities for parks and recreational program growth or efficiencies within the community.

Zoo Master Plan – This plan is a guideline for the improvement and maintenance of the Hutchinson Zoo. The master plan also includes a number of renovations to several existing exhibits, the addition of more interactive play areas for children and adults, and plans for new exhibits.

Carey Park Golf Course Master Plan – The golf course master plan was developed to provide for a long-term plan for the improvement of the golf course including irrigation, hazard features, tee box locations, and all of the buildings and amenities of the municipal golf course. These plans are being staged in every few years through an annual allocation to the Capital Improvement Reserve.

43rd Avenue Park Master Plan – A long-term plan was drawn up to phase the development of a 72 acre park at the intersection of 43rd Avenue and K-61. Through a generous contribution by a private donor, phase I of the plan is expected to be implemented in fiscal year 2013 and completion in 2014.

HUTCHINSON CITY COUNCIL POLICY – 3

SUBJECT: OPERATING FUND BUDGETS

DATE: March 1, 2010

PURPOSE: To provide full value for each tax dollar by delivering quality services efficiently and on a cost-effective basis; to preserve our quality of life by providing and maintaining adequate financial resources necessary to sustain a sufficient level of municipal services, and to respond to changes in the economy, the priorities of governmental and nongovernmental entities, and catastrophic events that may affect our financial well-being; to maintain a strong credit rating in the financial community.

POLICY: It is the policy of the City of Hutchinson to adhere to the following operating budget statements:

1. Annual budgets shall be adopted for the General Fund, Special Revenue Funds, Debt Service Fund, Internal Service Funds, Capital Funds, and Enterprise Funds. Where feasible, multi-year operating budgets shall be prepared to facilitate financial planning.
2. Annual budgets for the General, Waterworks, Sewer, and Debt Service Funds shall be adopted on a balanced basis, where current operating revenues (estimated revenues) are used to fund current operating expenditures (appropriations). Current operating revenues shall include taxes, franchise fees, user fees, licenses and permits, fines and forfeitures, revenues from other sources, recreation and concessions, central garage, reimbursements for services provided, and transfers for recurring operating expenses. *Current operating revenues do not include one-time transfers, restricted reserves, or unreserved fund balance.* Current operating expenditures shall include expenditures for debt service, personal services, contractual services, commodities, non-capital equipment, and non-capital improvements. *Current operating expenditures do not include expenditures for capital equipment, capital improvements, emergencies, or unexpected events.*
3. Should a budget not meet the balance requirements of paragraph 2, decisions shall be made to bring the budget into compliance the following fiscal year. At no time shall the budget remain out of balance for longer than three fiscal years.
4. One-time revenues that are not required by law or contractual agreement to be expended for a specific purpose shall only be used to fund capital or emergency expenditures in the adopted budget or as part of an approved recovery plan to bring a deficient fund reserve back into compliance with the fund balance policy. *One-time revenues include, but are not limited to, proceeds from the sale of property and other assets, governmental aid that is not regularly received and is unlikely to recur on a regular basis, major gifts or donations, major insurance recoveries, and transfers from or reduced reimbursements to a special revenue fund for the explicit purpose of reducing the fund level to comply with the fund balance policy.*
5. The City Manager may at any time during the fiscal year transfer part or all of any

available appropriation balance among programs or accounts within any fund allowed by law. The City Council may, by resolution, transfer part or all of any available appropriation balance among Programs or accounts within and/or between any funds allowed by law.

6. No appropriation for debt service may be reduced or transferred, and no appropriation may be reduced below any amount required by law to be appropriated or by more than the amount of the available balance thereof.
7. Neither debt nor bond financing shall be used to finance current operating expenditures.

HUTCHINSON CITY COUNCIL POLICY – 4

SUBJECT: UNRESERVED FUND BALANCES

DATE: March 1, 2010

PURPOSE: Unreserved fund balances are important for the financial health of the City of Hutchinson. Some of the reasons to maintain such balances are listed below:

1. *Cash flow for the continuation of municipal services from one fiscal year to the next without interruption.* The City's expenses do not stop with the change from one budget year to the next. The City must have adequate cash reserves to carry over from one year to the next so that services are not interrupted until new revenues arrive.
2. *The mitigation of risks.* Whether affected by economic slowdown or catastrophic weather events, the City may find itself in need of cash reserves to face either substantial revenue shortfalls or unanticipated expenditures. Adequate cash reserves will help reduce the need to issue debt to meet the extraordinary financial needs of the City.
3. *Evidence of financial stability and credit worthiness.* When the City must issue debt, rating agencies and bond holders look to the adequacy and management of unreserved fund balance in the General Fund to ascertain the City's financial health and its capacity to repay the debt. This analysis directly impacts the City's bond rating and interest rates on bonds to be issued.
4. *Cash for unforeseen opportunities.* On occasion, the City has opportunities to take advantage of special purchases or to retain or increase jobs in the community, but needs to have the available cash to complete the transaction.
5. *Property tax and utility rate stability.* Unreserved fund balances may be used to stabilize property tax and utility rates as swings in the economy effect more elastic revenues, such as sales tax. Adequate fund balances allow the City to withstand many brief economic downturns without raising the mill levy or utility rates to offset other losses of revenue.

The level of unreserved fund balances should be determined after an analysis of the economic circumstances leading to the possible use of balances. Those circumstances may include, but not be limited to the amount of available cash from other City funds, the level of risk for revenue shortfalls and/or unanticipated expenditures faced by the City, the overall economy of the community, and the City's ability to secure bridge financing, and the frequency of tax disbursements from the State.

DEFINITIONS:

Cash Balance – The sum of cash and investments of an accounting fund.

Unreserved Fund Balance – The portion of net assets of an accounting fund that is not legally restricted or otherwise committed by the governing body for future use.

General Fund – The City’s primary operating fund that accounts for City services not otherwise specified in a separate fund.

Special Revenue Funds – Accounts for proceeds of designated revenue sources used to finance specified activities as required by law or administration.

Debt Service Fund – Accounts for proceeds of designated revenue sources used to finance general obligation debt.

Internal Service Funds – Accounts for the financing and administration of general services provided to various departments of the City.

Capital Funds – Accounts for capital improvements and capital equipment financed from general obligation bonds, special revenue funds, enterprise funds, general fund, and grants.

Enterprise Funds – Accounts for activities for which a fee is charged to external users for goods and services.

POLICY: It is the policy of the City of Hutchinson to adhere to the following fund balance statements:

1. *Minimum unreserved fund balances* shall be maintained at the end of each fiscal year commensurate with the levels described in the table below:

FUND	UNRESTRICTED FUND BALANCE
General Fund	\$2,000,000 for mitigation of risk due to natural disaster; + \$2,000,000 for tax stabilization during economic decline; + one month previous year operating expense for working capital.
Special Revenue Fund: Refuse	An amount equal to 8.3% of current year original or revised budget expenditures for new fiscal year working capital (one month).
Debt Service Fund	An amount adequate to cover budgeted interest payments in first quarter of following year + unforeseen fees.
Internal Service Fund: Risk Management	3 x highest claims expenditures in the last 3 years.
Internal Service Fund: Workers	3 x highest settlement expenditures in the last 3 years.

Compensation	
Internal Service Fund: Health & Dental	35% of prior year claims.
Enterprise Fund: Waterworks	one month previous year operating expense for working capital; + one month previous year operating expense for risk mitigation & emergency equipment replacement; + 5% of previous year water use charges for rate stabilization during low usage years.
Enterprise Fund: Sewer	one month previous year operating expense for working capital; + one month previous year operating expense for risk mitigation & emergency equipment replacement; + 5% of previous year sewer use charges for rate stabilization during low usage years.

2. *Excess unreserved fund balances* exceeding the minimum balance requirements in the General Fund, Special Revenue Funds, Debt Service Fund, and Enterprise Funds at the end of each fiscal year may be used in one or a combination of the following ways:

Debt reduction;

One-time expenditures that do not increase recurring operating costs that cannot be funded through current revenues. Emphasis will be placed on one-time uses that reduce future operating costs.

Establishment of or increase in reserves for internal service programs, equipment replacement, capital projects, emergencies, or disaster recovery.

Start-up expenditures for new programs provided that such action is approved by the governing body and is considered in the context of multi-year projections of revenue and expenditures as prepared by the Finance Department.

In the event the unreserved fund balance of an Internal Service Fund exceeds the minimum balance requirement for that fund, the excess may be used in one or a combination of the following ways:

Reduce charges for services levied against other funds;

Return the excess balance to the fund(s) from which it was originally derived.

3. Should the unreserved fund balance fall below the target level, the City Manager and City Council will prepare and implement a plan to restore the balance to the target level.

HUTCHINSON CITY COUNCIL POLICY - 5

SUBJECT: INDUSTRIAL REVENUE BOND POLICY

DATE: February 27, 1990
Revised: July 23, 2001
Revised: October 2, 2012

PURPOSE: The City of Hutchinson is committed to encouraging economic development of the City and Reno County by promoting the expansion and improvement of existing businesses and by encouraging new business enterprises to locate facilities in the Hutchinson area. Preservation and redevelopment of the City's downtown core area is a principle concern along with expansion of job opportunities for persons of all skill levels. To assist in such economic development efforts, the City is willing to consider requests for the issuance of industrial and economic development revenue bonds under the provisions of Kansas law.

POLICY: The City Council's policy on Industrial Revenue Bonds shall be as follows:

1. Authority to issue Industrial Revenue Bonds
Under K.S.A. 12-1740 et seq., the City is authorized to issue industrial revenue bonds to promote and advance the physical and mental health, industrial, commercial, agricultural, natural resources and recreational development and to encourage and assist in the location of new businesses and industry in the state and the expansion, relocation or retention of existing businesses. The proceeds of industrial revenue bonds issued under Kansas law may be used to pay all or part of the costs of purchasing, acquiring, constructing, reconstructing, improving, equipping, furnishing, repairing, enlarging or remodeling facilities for such purposes. Such revenue bonds and the interest thereon are exempt from all Kansas taxes. In addition, the interest on such bonds may also be excludable from gross income for purposes of federal income taxation, subject to the various exceptions and limitations imposed by the Internal Revenue Code.
2. Approval of Application for Industrial Revenue Bonds
The City Council generally will approve requests to issue industrial revenue bonds for economic development purposes as permitted by Kansas law. Requests for approval to issue industrial revenue bonds shall be submitted through a completed copy of the application form attached hereto as Exhibit A. Along with the completed application form, a Resolution Determining the Advisability of the Issuance of Industrial Revenue Bonds ("Resolution"), an example attached hereto as Exhibit B, shall be submitted.

City Council approval of the Resolution is intended to satisfy the “official action” requirements imposed by the Internal Revenue Code in connection with the issuance of “Qualified Private Activity Bonds” as such terms are defined in the code. Such Resolution does not constitute, nor shall it be construed as, approval of the issuance of revenue bonds. The applicant submitting such Resolution is required to acknowledge that the City’s approval of the Resolution does not impose any obligation upon the City to approve the issuance of such revenue bonds and that the City Council retains the authority at all times to impose such additional requirements or conditions as it may determine to be appropriate in connection with its authorization and issuance of bonds. In addition, each applicant is required to waive any claim or right of action against the City in the event revenue bonds are not issued for any reason including the City Council’s subsequent determination not to approve issuance of the bonds.

3. Submission of Required Information

In addition to the requirements in Section 2, the applicant will be required to make arrangements for preparation of the legal instruments required in connection with authorization and issuance of the industrial revenue bonds. The applicant is responsible for selecting Bond Counsel to render the customary legal opinions with respect to the authorization and issuance of the bonds and the treatment of the interest on the bonds for purposes of Federal and State income taxation. The City, however, retains the right to approve the applicants selection of Bond Counsel and the further right to retain counsel satisfactory to the City. As a matter of policy the, City requires that Bond counsel be admitted to practice in the State of Kansas. In the event the applicant retains counsel who is not admitted to practice in Kansas or is otherwise not satisfactory to the City, the applicant shall assume responsibility for payment of the professional fees and expenses of counsel selected by the City.

The City requires, as a matter of policy, the inclusion of certain specific provisions in the agreements relating to the authorization of and security for payment of revenue bonds issued by the City. Such provisions include specific representations and warranties with respect to the authorized uses of the project site and the prevention of environmental contamination, representations, warranties and indemnity provisions with respect to the offering and sale of the bonds and compliance with applicable provisions of the United States and Kansas securities laws as well as various other matters identified by the City as matters of particular concern. Copies of such required provisions may be obtained from the City’s Bond Counsel. Any amendments or modifications of such prescribed provisions will be subject to the approval of the City Attorney and Bond Counsel.

Formal action by the City Council to authorize issuance of industrial revenue bonds is subject in all circumstances to the discretion of the City Council. Neither the approval of the Resolution nor any subsequent negotiations between the

applicant and the staff, employees, and agents of the City shall be construed as creating any obligation on the part of the City to approve the issuance of any particular revenue bond issue.

4. Exemption of Ad Valorem taxes

In connection with the issuance of industrial revenue bonds under Kansas law, the City also is authorized to grant exemption of ad valorem taxes with respect to property acquired from the proceeds of such revenue bonds. Such exemption is limited to a period of ten calendar years commencing in the year subsequent to the year in which the bonds are issued. The City, however, is not required to approve any such tax exemptions. If the applicant intends to request the exemption of all or some portion of the ad valorem taxes with respect to property acquired from bond proceeds, the applicant is required to submit a completed Industrial Revenue Bond Questionnaire (“Questionnaire”) in the form attached hereto as Exhibit C, and provide sufficient information so that a cost-benefit analysis can be performed. The City Council will not consider requests for formal action to authorize the issuance of bonds until the completed Questionnaire is submitted and the City’s staff has had an adequate opportunity to review the Questionnaire as well as all other materials and information which may be required to satisfy the conditions prescribed in the Resolution. The decision to grant any exemption of ad valorem taxes rests within the discretion of the City Council and requests will be considered on a case-by-case basis.

As a general rule, the City will approve requests for ad valorem tax exemption only in connection with those projects which promise substantial expansion of employment opportunities and some other unusual economic benefit to the City. As a matter of policy, grants of ad valorem tax exemption will reflect the anticipated economic benefits to be realized as a result of a particular project. In addition, the applicant will be required to enter into an agreement to make payments in lieu of taxes in such amounts (which may be subject to adjustment from time to time based upon an evaluation of the applicant’s compliance with specified criteria) as may be approved by the City Council.

Under K.S.A. 12-1749d., prior to issuing any revenue bonds pursuant to K. S. A. 12-1740 to 12-1749, for any business the property of which will be eligible for an exemption from ad valorem taxation, the governing body of any city shall be required to:

- a) Prepare an analysis of the costs and benefits of each exemption which shall include the effects of the exemption on state revenues; and
- b) Conduct a public hearing on the granting of such exemption.

Notice of the public hearing shall be published at least seven days prior to the hearing in the official city newspaper and shall indicate the purpose, time and place thereof. In addition to such publication notice, the city clerk shall notify in writing the governing body of the county

and school district within which the property proposed for exemption is located.

The City will also notify other governmental taxing units which might be affected by a property tax exemption and solicit their input as a part of the decision making process.

5. Service Fee to City

Following approval of the Lease Agreement, each tenant of a facility shall pay the City annually, on March 1, a service fee to cover administrative and other City costs during the lease period. The service fee will be in addition to any payment by the applicant to reimburse the city for its out-of-pocket expenses associated with processing the application or the bonds. In addition, the applicant will pay the City for the costs, expenses, and the City's attorney's time in reviewing and preparing documents. A provision for payment of the service fee will be included in the Lease Agreement.

The annual service fee will be \$250 for industrial revenue bonds without an ad valorem property tax exemption and \$1,000 for industrial revenue bonds with an ad valorem property tax exemption.

6. City Not Bound Policy

This policy is intended to be a set of general guidelines only. Any provisions herein may be waived or added to at the discretion of the City Council.

HUTCHINSON CITY COUNCIL POLICY - 28

SUBJECT: DEBT MANAGEMENT POLICY

DATE: Adopted: January 2, 2013

PURPOSE: This policy sets forth the parameters and guidance for issuing long-term debt, managing the City's long-term debt portfolio, and protecting the City's credit rating.

POLICY:

The City of Hutchinson recognizes the issuance of debt is an integral financing component of the capital improvement process and that a debt policy ensures maintenance of a sound debt position and protection of the City's credit. Therefore, this debt policy is adopted with the understanding that it needs to be periodically reviewed as a component of the capital improvement process.

1. Debt will be used to finance long-lived capital and operating assets. Debt maturities shall be for the shortest time possible under the circumstances, and in no situation will debt maturities exceed the useful life of the asset being acquired or constructed.
2. Debt shall be managed in such a way that the City's bond and interest mill levy shall be maintained at a fairly consistent level, avoiding wide movement either up or down.
3. The City may utilize a financial consultant specializing in the issuance of municipal debt. Unless extenuating circumstances dictate, debt shall only be sold on a competitive bid basis with the bid being awarded to the bidder submitting the lowest net interest cost (NIC).

General obligation debt to be repaid with Ad Valorem taxes shall only be utilized when the asset being acquired will serve the overall public good. Other forms of debt to be utilized include revenue debt, when sufficient revenues are available to make such debt feasible; capital loan notes, where some source of revenues, other than General Fund revenues are available to service the debt, and tax increment bonds, when feasible. Lease purchase financing arrangements may be used for the acquisition of vehicles or equipment when practical, but only if no other financing method is feasible. Temporary notes will be used for special assessment projects and for projects where the amount of long-term financing required may vary greatly from the initial project estimates.

4. The City will place temporary notes in the following preferential order: 1) self-purchased if internal resources are available, 2) competitive local bidding if local bank interest is sufficient, 3) competitive market-wide bidding.
5. Debt management will provide for compliance with debt instrument provisions and appropriate disclosures to investors, underwriters, and rating agencies.

6. The City's debt shall be rated by Moody's Investors Service. The Finance Director will recommend whether or not an additional rating shall be requested on a particular financing and which of the major rating agencies shall be asked to provide such a rating.
7. The State Treasurer of Kansas shall serve as the registrar for all bonded debt incurred by the City.
8. Under Kansas Law, the City is limited to total outstanding bonded debt for general purposes of thirty percent (30%) of its equalized assessed valuation. As a matter of general practice, the City's outstanding applicable bonded debt shall not exceed 20% of its equalized assessed valuation. The remaining debt limit of 10% of equalized assessed valuation is to be reserved for emergency purposes.
9. No less than fifty percent (50%) of all debt outstanding shall be retired within ten years.
10. Nothing in this policy shall be construed as being in conflict with the provisions of the State Code of Kansas, nor shall this policy prevent the City Council from exercising its legal rights as established by State or Federal Statutes, if the majority of the City Council feels that it is in the best interest of the City.

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Hutchinson City Council Policy - 15

SUBJECT: INVESTMENT POLICY

DATE: Adopted: September 28, 1999
Reviewed: October 1, 2001
Amended: November 15, 2011

I. Governing Authority

The investment program shall be operated in conformance with federal, state and other legal requirements, including Kansas State Statute (K.S.A.) 12-1675.

II. Scope

This policy applies to the investment of all municipal funds.

Except for cash in certain restricted and special funds, the City of Hutchinson will consolidate cash and reserve balances from all funds to maximize investment earnings and to increase efficiencies with regard to investment pricing, safekeeping and administration. Investment income will be allocated to the various funds based on their respective participation and in accordance with Kansas cash basis law.

III. General Objectives

The primary objectives, in priority order, of investment activities shall be safety, liquidity, and yield:

A. Safety

Safety of principal is the foremost objective of the investment program. Investments will be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. The objective will be to mitigate credit risk and interest rate risk.

1. Credit Risk

The City of Hutchinson will minimize credit risk, which is the risk of loss due to the failure of the security issuer or backer, by:

- Limiting investments to the types of securities listed in Section V of this Investment Policy.
- Diversifying the investment portfolio so that the impact of potential losses from any one type of security or from any one individual issuer will be minimized.

2. Interest Rate Risk

The City of Hutchinson will minimize interest rate risk, which is the risk that the market value of securities in the portfolio will change due to changes in market interest rates, by staggering investment maturities.

3. Safekeeping and Custody

- **Delivery vs. Payment**
All trades of marketable securities will be executed by delivery vs. payment (DVP) to ensure that securities are deposited in an eligible financial institution prior to the release of funds.
- **Safekeeping**
All investment securities purchased by the City shall be held in third-party safekeeping by an institution designated as primary agent. The primary agent shall issue a safekeeping receipt.
- **Internal Controls**
The Director of Finance shall establish a system of internal controls, which shall be documented in writing. The internal controls shall be reviewed by an independent auditor. The controls shall be designed to prevent the loss of public funds arising from fraud, employee error, and misrepresentation by third parties, unanticipated changes in financial markets, or imprudent actions by employees and officers of the City of Hutchinson.
- **Collateralization**
Where allowed by state law, full collateralization will be required on all demand deposit accounts, including checking accounts and non-negotiable certificates of deposit. Collateralization may include allowable securities with maturities of four years or less, corporate surety bonds, Federal Home Loan Bank letters of credit or Certificate of Deposit Account Registry Services (CDARS).
- **Bonding**
All City Council designees that participate in the investment of funds shall be bonded to the extent of \$100,000.

B. Liquidity

The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated, thereby avoiding the need to sell securities on the open market prior to maturity. This is accomplished by structuring the portfolio so that investments mature concurrent with cash needs to meet anticipated demands.

C. Yield

The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and liquidity needs. Yield is of secondary importance compared to the safety and liquidity objectives described above. The core of investments is limited to relatively low risk securities in anticipation of earning a fair return relative to the risk being assumed. Investments shall generally be held until maturity unless liquidity needs of the portfolio require that the security be sold.

IV. Standards of Care

A. Delegation of Authority

The City Council shall designate, by resolution, those employees that are approved to conduct City investment and banking activities. The Director of Finance shall have the responsibility for

the operation of investment activities and shall act in accordance with established written procedures and internal controls.

No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Director of Finance. The Director of Finance shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials.

B. Prudence

The standard of prudence to be used by investment officials shall be the “prudent person rule” and shall be applied to the management of all investment funds.

The “prudent person rule” states: *Investments shall be made with judgment and care, under circumstances then prevailing, which person of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.*”

C. Ethics

Officers and employees involved with City investments shall refrain from engaging in any outside matters of financial or personal interests incompatible with the impartial and objective performance of duties. Officers and employees involved with City investments shall disclose any material interests in financial institutions with which they conduct business.

V. Suitable and Authorized Investments

A. Investment Types

The following investments will be permitted by this policy and are those defined by state and local law where applicable:

- 1) U.S. Treasury obligations, which carry the full faith and credit guarantee of the United States government and are considered to be the most secure instruments available,
- 2) Direct obligations of, or obligations that are insured as to principal and interest by, the United States of America or any agency thereof and obligations and securities of United States sponsored enterprises which under federal law may be accepted as security for public funds, except that such investments shall not be in mortgage-backed securities;
- 3) Time deposit, open accounts, certificates of deposit or time certificates of deposit; in banks, savings and loan associations and savings banks, which have main or branch offices located in the City of Hutchinson,
- 4) Temporary notes or no-fund warrants issued by such investing governmental unit,
- 5) Repurchase agreements with banks, savings and loan associations and savings banks, which have main or branch offices located in the City of Hutchinson, for direct obligations of, or obligations that are insured as to principal and interest by, the United States government or any agency thereof,
- 6) Municipal investment pool fund established in K.S.A. 12-1677a and amendments thereto, and,
- 7) Multiple municipal investment pools managed by the trust departments of banks which have main or branch offices located in Reno County, or with trust companies incorporated

under the laws of the state of Kansas which have contracted to provide trust services under the provisions of K.S.A. 9-2107, and amendments thereto, with banks which have main or branch offices located in Reno County.

B. Maximum Maturities

The City of Hutchinson shall attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the City will not make investments maturing more than four years from date of purchase, in accordance with state and local statutes and ordinances. Authorized investment types in Section V.A.1 and Section V.A.2 shall be limited to maturities of not more than two years from the date of purchase.

C. Investment Consolidation Limits

The City of Hutchinson shall attempt to diversify its investments across types of investments and institutions and will adhere to the following limits. The City shall invest no more than 50% of its investment portfolio with one single institution or one single issuer at any given time. The City shall invest no more than 35% of its investment portfolio in the types of investments listed in Section V.A.1 and Section V.A.2 at any given time.

VI. Competitive Bids

The Director of Finance or authorized designee shall solicit competitive bids from at least two brokers and two financial institutions on all purchases of investment instruments. Funds will be offered first to local banks and other eligible financial institutions and then to brokers, in compliance with K.S.A. 12-1675.

VII. Local Considerations

It is the City's policy to conduct business with all of the banks in Hutchinson as long as competitive rates are being offered and the service received is satisfactory. A rate is considered not competitive when it is lower than the "Minimum Investment Rates Banks Must Offer to Secure Public Funds" published by the Kansas Municipal Investment Pool.

The City will use brokerage firms that have proof of National Association of Securities Dealer (N.A.S.D.) certification and proof of state registration with the Kansas Securities Commission. Preference will be given to local brokerage firms.

VIII. Reporting

The Director of Finance or authorized designee, shall prepare an investment report at least quarterly, including a management summary that provides an analysis of the status of the current investment portfolio and the individual transactions executed over the last quarter. The report should be provided to the City Manager and City Council.

IX. Approval of Investment Policy

The investment policy shall be formally approved and adopted by City Council of the City of Hutchinson and reviewed annually.

HUTCHINSON CITY COUNCIL POLICY - 20

SUBJECT: SPECIAL ASSESSMENTS POLICY

DATE: Adopted: March 8, 1994

PURPOSE: To encourage development within the City limits through the use of special assessment financing for public improvements under KSA 12-6a01 et. seq.

POLICY:

Section 1. The City of Hutchinson will facilitate new development by providing for the installation of public improvements (streets, sidewalks, storm drains, water lines, sanitary sewers, etc.) upon submission of a valid petition and required financial commitment. For purposes of this policy, newly developing areas shall be those areas where less than 35% of the lots have principal structures. Substantially developed areas shall be those areas where not all public improvements exist and 35% or more of the lots have principal structures. Financial commitment is considered to be provided whenever the City has been furnished with:

- A.) Funding (cash, cashier's check, escrow account) equal to 25% of the estimated cost of the project, or
- B.) Financial guarantee, (irrevocable letter of credit, corporate completion bond) equal to 35% of the estimated cost of the project.

Project costs are those incurred by the City and shall include engineering design, specification preparation, construction, inspection, legal, permits / licenses, temporary financing, utility relocation, acquisition of right-of-way, material testing, and administrative costs.

All projects shall be constructed in accordance with plans and specifications prepared by or approved by the City Engineer. The required cash funds or financial guarantee shall be provided prior to the City incurring any expense. The petitioner's share of not less than 25% of the estimated engineering cost shall be given to the City prior to the City incurring any monetary obligation for engineering work; the petitioner's share of not less than 25% of the estimated construction costs shall be given to City prior to the award of any construction contract. All Engineering and design costs associated with new development are the responsibility of the developer.

Cash funding will be used to reduce the amount of project costs covered by special assessment bond financing. The financial guarantee will be applied to satisfy the annual principal and interest costs of bonded public improvements should any special assessment not be paid when due. The entire financial guarantee will be released upon request of the developer, when certificates of occupancy for a principal building are issued for at least 35% of the properties within the development that received the

improvements. At the time bonds are issued, any funds in excess of the petitioner's contribution shall be refunded by the City or the financial guarantee shall be reduced by an equivalent amount.

Section 2. Special assessment financing will not be approved if the petitioner has a financial interest in an existing development that has delinquent special assessment taxes. All petitioners for newly developing areas under this policy will be required to certify, under oath, that they have no financial interest, either directly or indirectly through partnership or corporate interest, in any property with delinquent special assessments anywhere within the City.

Section 3. Installation of public improvements with special assessment financing may be authorized by the Board of City Commissioners without a financial commitment when deemed to be in the public interest and when one or more of the following exist:

- A. Improvements are ordered by resolution of the City Commission.
- B. The majority of land in the benefit district is in public ownership.
- C. The benefit district is in multiple ownership and at least 35% of the lots therein are developed with principal buildings.

Section 4. The distribution of costs for financing of public improvements shall be in accordance with the following policies:

A. Street and Alleys

- 1.) The cost of construction of typical local streets shall be assessed 100% to the property within the benefit district. The benefit district shall include those properties as approved by City Commission.
- 2.) The costs associated with construction of street intersections shall be paid 100% by the City when special assessments are used.
- 3.) The costs of the construction of collector and arterial streets shall be distributed whereby property within the benefit district shall pay the cost equivalent of a local street and the City-at-large shall pay the cost of any excess width or thickness to meet City standards and specifications.
- 4.) The cost of improvements such as curb-cuts, driveways, frontage roads, special turn lanes, traffic signals, etc. associated with commercial or industrial development shall be assessed 100% to property owned by said developer.
- 5.) The cost of bridge construction shall be paid 100% by the City.
- 6.) The initial cost of construction of alleys shall be paid 100% by the benefitted property, except intersection costs shall be paid 100% by the City when special assessments are used.
- 7.) The cost of reconstruction arterial and collector streets shall be paid 100% by the City. The City Commission shall select those streets which it will reconstruct.

8.) Definition:

Bridge: A physical structure used for the conveyance of vehicular or pedestrian traffic over another facility that conveys water or vehicular traffic which has at total span width in excess of 20 linear feet.

Typical local Street: A Street which will carry less than 800 vehicles per day and consists of the following minimum standards; other site conditions notwithstanding:

Urban:

2 – 30” monolithic curbs and gutters and an asphalt pavement 29 feet wide and 7” thick; related storm sewer facilities where required.

Sub-urban:

Open ditches with a minimum slope of 0.3% and an asphalt pavement a minimum of 5” thick and 22 feet wide with related drainage structures at all entrances.

Street: Routine Maintenance: Rehabilitation of the existing street facilities by the repair of potholes, crack filling, minor curb or gutter patching or concrete replacement, utility cut repairs by an approved method, chat seal cost and applying and/or rejuvenating existing pavement markings as necessary to keep the roadway in a safe condition.

Streets: Major Maintenance: Rehabilitation of existing facilities beyond the scope of routine maintenance consisting of either on or a combination of the following: minor sporadic curb and gutter repairs; micro surfacing; milling of the existing pavement; placement of engineering fabric; an asphalt overlay of 2” or less; and other minor concrete flatwork repairs.

Streets: Reconstruction: Rehabilitation of existing street facilities beyond the scope of major maintenance consisting of either one or a combination of the following: extensive curb and gutter repairs, storm sewer replacement or repairs, pavement sub-base enhancement, milling of the existing pavement, placement of an engineering fabric, placing of asphalt in a thickness greater than 2”, and other concrete flatwork repairs.

- 9.) The cost of reconstructing residential streets shall be paid 20% by the property owner and 80% by the City-at-large. If an area desires to reconstruct a local street with special materials (i.e. brick surfaced streets), the property owners shall pay 80% of the cost for the special materials plus 20% of the cost equivalent of a typical local street. The City-at-large shall pay the remaining 20% of the special material costs plus 80% of the cost equivalent of a typical local street.

- 10.) When it has been determined by the Director of Public Works and Engineering, or his/her designee, that a residential street is in need of major maintenance (milling and overlay) the City shall pay 100% of the cost. A maximum of \$250,000 per year will be allocated for such improvements with the City Commission selecting the streets to be overlaid.

B. Sidewalks

- 1.) The initial cost or reconstruction of all sidewalk improvements shall be paid 100% by the benefitted property
- 2.) The cost of handicapped accessible ramps built at intersections shall be considered intersection costs and shall be paid 100% by the City-at-large.

C. Storm Drainage

- 1.) Improvements to the existing Flood Control System shall be funded 100% by the City-at-large.
- 2.) Drainage improvements in developed areas of the City that have been included in a previous benefit district shall be funded 100% by the City-at-large, if initiated by the City.
- 3.) Storm Sewer improvements in newly developing areas of the City shall be funded 100% by the benefit district for a 36 inch diameter or equivalent or smaller sewer with 100% of the costs prorated associated with a sewer over 36 inches diameter or equivalent paid by the City-at-large.
- 4.) The cost of storm sewer improvements within street intersections shall be paid 100% by the City-at-large when special assessments are used.
- 5.) The cost allocation of drainage ditches shall be determined by the City Commission.

D. Water Systems

- 1.) The cost of lines for 8 inch water mains shall be assessed 50% to the benefit district. If the City Desires to place a larger water main to or through the area to benefit the overall system, the benefit district shall pay 50% of the cost equivalent of an 8 inch line and the City Water Utility Fund shall pay the remainder. A maximum of \$100,000.00 per year will be on a first-come, first-serve basis. In those areas annexed prior to 1978 and not built to City standards, the City Water Fund shall pay 100% of the costs of the distribution system.
- 2.) The cost of valves and hydrants shall be paid 100% by the City Water Fund.
- 3.) The cost of service lines and fire lines shall be paid by the benefitted property owners. The City shall maintain fire lines to and including the first valve
- 4.) The cost of water storage facilities and wells shall be paid 100% by the City Water Fund.

E. Sanitary Sewer

- 1.) The cost of laterals, manholes and pump stations for lateral sewers shall be assessed 100% to the benefit district. Sub-mains and trunk sewers (larger than 8 inch" diameter) which serve areas greater than those directly adjacent to the installation shall be paid for by the benefit district (10%) and the City-at-large (90%). Those properties connecting to a sub-main or trunk sewer shall pay the equivalent of an 8" sewer.
- 2.) The cost of service lines shall be paid by the benefitted property.

Section 5. All petitions for special assessment financing shall be submitted to the City Clerk. At the time of submission, the petitioner for improvements shall indicate on the petition the recommended method of allocating the costs of improvements within the benefit district. The Director of Public Works or his designee shall specify the distribution method for allocating these costs.

Section 6. The City Clerk shall notify all property owners within a proposed benefit district that certain improvements have been requested and the date, time, and place the City Commission will consider authorizing said improvements. The petitioner shall provide the City Clerk a list of current property owners from the Register of Deeds Office and addresses within the proposed benefit district.

Section 7. This policy shall apply to all petitions for public improvements within the City limits filed on or after January 18, 1994.

Section 8. Resolution No. 2726 adopted January 18, 1994, is hereby repealed.

All Funds Summary of Funds

Fund	Code	Unencumbered Cash Balance January 1, 2015	Revenues	Transfers In	Expenditures	Transfers Out	Unencumbered Cash Balance December 31, 2015
General	001	\$ 6,102,394	\$32,914,618	\$ 7,301	\$ 30,950,333	\$2,695,048	\$ 5,378,932
Special Revenue:							
Special Street	003	(0)	1,284,710	1,292,380	2,577,090	-	(0)
Special Parks & Recreation	009	-	90,816	112,653	203,470	-	-
Special Alcohol Programs	010	6,465	90,816	-	89,980	7,301	0
Convention & Tourism Promotion	030	0	700,000	-	700,000	-	0
Fun Valley	031	-	-	329,834	329,834	-	-
Recreation Commission	038	-	1,116,911	-	1,116,911	-	-
Animal Shelter	044	-	80,000	376,792	456,792	-	-
Tax Increment Financing	055	792,351	193,667	-	473,100	-	512,918
Community Improvement Districts	345	12,192	162,000	-	162,000	-	12,192
E-911 Surcharge	346	272,325	336,000	-	608,325	-	(0)
Bond and Interest	200	182,158	4,404,423	1,072,631	5,127,510	-	531,702
Enterprise:							
Refuse Collection	005	170,467	2,287,500	-	2,264,389	-	193,578
Golf Course	008	0	651,649	214,351	866,000	-	0
Airport	050	-	214,210	269,037	483,247	-	-
Water Utility	051	5,676,378	7,108,972	-	7,948,350	485,825	4,351,175
Sewer Utility	052	3,778,075	5,983,818	-	6,230,124	460,835	3,070,934
Storm Water Utility	057	482,600	560,000	-	131,684	25,971	884,945
Total Budgeted		\$ 17,475,404	\$58,180,111	\$3,674,980	\$ 60,719,139	\$3,674,980	\$ 14,936,376
Fiduciary:							
Donations	048	\$ 479,712	\$ -	\$ -	\$ -	\$ -	\$ 479,712
Hutchinson Community Foundation	053	108,653	-	-	-	-	108,653
Special Revenue:							
Federal & State Grant Funds	002	196,692	784,460	-	784,460	-	196,692
Gossage Animal Shelter Trust	007	(0)	57,851	-	57,851	-	(0)
Municipal Equipment Replacement	036	1,311,544	1,876,750	-	1,821,250	-	1,367,044
Internal Service:							
Health & Dental Insurance	032	3,999,735	4,508,786	-	4,508,525	-	3,999,997
Risk Management	035	1,664,636	836,730	-	728,330	-	1,773,036
Worker's Compensation	037	2,135,522	409,405	-	440,100	-	2,104,827
Central Purchasing	046	49,468	-	-	-	-	49,468
Capital Project:							
Special Assessments	100	50,562	-	-	-	-	50,562
Capital Improvement Projects	088	3,534,461	6,555,128	-	6,555,128	-	3,534,461
Capital Improvement Reserve	089	8,188,842	6,003,500	-	6,003,500	-	8,188,842
Total Unbudgeted		\$ 21,719,826	\$21,032,610	\$ -	\$ 20,899,144	\$ -	\$ 21,853,293
Total (1)		\$ 39,195,231	\$79,212,721	\$3,674,980	\$ 81,618,283	\$3,674,980	\$ 36,789,668

(1) Includes interfund transactions.

City of Hutchinson Fund Balance Summary

Fund	Code	2011 Actual	2012 Actual	2013 Actual	2014 Budget	2014 Revised	2015 Budget
General	100	\$ 4,252,296	\$ 4,453,620	\$ 5,561,298	\$ 4,670,493	\$ 6,072,594	\$ 5,349,132
Special Revenue:							
Special Street	003	-	0	0	(0)	(0)	(0)
Special Parks & Recreation	009	-	-	-	-	-	-
Special Alcohol Programs	010	27,933	7,911	7,126	-	6,465	0
Convention & Tourism Promotion	030	-	-	0	0	0	0
Fun Valley	031	-	-	-	-	-	-
Recreation Commission	038	-	-	-	-	-	-
Animal Shelter	044	-	-	-	-	-	-
Tax Increment Financing	055	1,535,097	968,482	789,451	836,282	792,351	512,918
Central Garage	302	-	-	-	-	-	-
Community Improvement Districts	345	-	24,103	12,192	24,103	12,192	12,192
E-911 Surcharge	346	838,048	548,716	547,325	323,716	272,325	(0)
Debt Service	300	503,199	390,696	200,996	725,661	182,158	531,702
Enterprise:							
Refuse Collection	005	64,551	102,868	141,203	144,965	170,467	193,578
Golf Course	008	-	0	0	0	0	0
Airport	050	-	-	-	-	-	-
Water Utility	051	5,001,227	6,068,819	6,214,819	5,099,717	5,676,378	4,351,175
Sewer Utility	052	3,366,900	4,312,642	4,475,230	3,152,412	3,778,075	3,070,934
Storm Water Utility	057	477,897	691,861	594,452	62,429	482,600	884,945
Total Budgeted Funds		\$ 16,067,148	\$ 17,569,719	\$ 18,544,090	\$ 15,039,778	\$ 17,445,604	\$ 14,906,576
Fiduciary:							
Donations	048	\$ 186,334	\$ 224,812	\$ 479,712	\$ 224,812	\$ 426,475	\$ 426,475
Hutchinson Community Foundation	053	27,919	53,069	108,653	53,219	108,653	108,653
Special Revenue:							
Federal & State Grant Funds	002	480,608	196,692	170,840	196,692	170,840	196,692
Gossage Animal Shelter Trust	007	1,006	2	(0)	-	(0)	-
Municipal Equipment Replacement	036	1,208,881	1,339,408	1,255,819	1,255,819	1,311,544	1,367,044
Internal Service:							
Health & Dental Insurance	032	3,321,760	3,824,902	3,999,735	3,147,713	3,554,851	3,555,112
Risk Management	035	1,128,534	1,306,405	1,664,636	1,300,000	1,692,964	1,801,364
Worker's Compensation	037	2,161,984	2,136,856	2,135,522	1,886,821	1,899,907	1,869,212
Central Purchasing	046	16,995	53,066	49,468	53,067	49,468	49,468
Capital Project:							
Special Assessments	100	946,833	365,582	50,562	50,562	50,562	50,562
Capital Improvement Projects	088	6,351,936	1,526,932	3,534,461	1,513,733	4,975,180	4,975,180
Capital Improvement Reserve	089	7,962,772	9,600,034	9,126,305	6,774,228	8,188,842	8,188,842
Total Unbudgeted Funds		\$ 23,795,582	\$ 20,627,760	\$ 22,575,713	\$ 16,456,665	\$ 22,429,285	\$ 22,588,603
Total All Funds		\$ 39,862,709	\$ 38,197,478	\$ 41,119,803	\$ 31,496,443	\$ 39,874,889	\$ 37,495,179

Changes in Fund Balance Explanation and Analysis Fiscal year 2015

General:

Decrease \$723,462 11.9%

The general fund has a \$769K increase in revenues from due primarily to a 3.35% increase in property tax valuations. Expenses for the 2015 budget are higher due to inclusion of an employee step pay increase of \$223K and filling open vacancies of approximately \$800K. There is also an initiative to increase the Slurry Seal Program by \$400K due to needed street repairs.

Special Alcohol Programs:

Decrease \$6,465 N/M

The change in the fund balance for the Special Alcohol Programs fund is small as the fund is intended to be fully utilized for the programs it supports. This fund collects a portion of the liquor tax revenue and disburses those funds to alcohol assistance programs. In the past this fund has accumulated a fund balance, however, the City's current policy is to expend the revenues each year.

Tax Increment Financing:

Decrease \$279,433 35.3%

This fund balance is projected to decrease \$279K as the State TIF replacement revenue is decreased from \$279K to \$90K. There is sufficient fund balance in 2015 for the oversight for the 4th and Carey remediation and the RO Water Treatment Project however water and sewer rates may need to be increased in future years with the reduced State revenue for this fund.

E-911 Surcharge:

Decrease \$272,325 N/M

The fund balance decrease is due primarily to allow for radio and communication equipment upgrades. The projected 2015 fund balance is \$0 if all this equipment is purchased.

Debt Service:

Increase \$349,544 N/M

The Debt Service fund has an increasing fund balance from 2014 projections as transfers in due to refunding water bonds begins in 2015. Debt Service obligations are funded primarily from tax revenues and special assessments. Other sources of Debt Service come from fund transfer including other Sewer, Water and General Funds.

Refuse Collection:

Increase \$23,111 13.6%

The increase in fund balance is not significant.

Water Utility:

Decrease \$1,325,203 23.3%

The decrease in fund balance is due to an increase in the CIP reserve to cover water line production projects and the acquisition of the remaining radio read water meters to cover the entire city. The radio read meter project was originally planned to last 4 more years, but due to the efficiencies and technology advantage, it has been moved up to complete in 2015. While the fund balance decreased, there is adequate cash balance, including maintaining a balance above fund policy guidelines, to service all operating requirements.

Sewer Utility:

Decrease \$707,141 18.7%

The decrease in fund balance is due to providing increased funding levels for CIP and MERF reserves as the aging infrastructure is addressed in the strategic plans. Although the fund balance is adequate to service all 2015 operating requirements, future rate increases may be necessary to continue repairs and upgrades to aging equipment and sewer lines.

Storm Water Utility:

Increase \$403,344 83.4%

The change in fund balance is primarily due lower transfers to the Capital Improvement Projects fund and the Capital Improvements Reserves.

Municipal Equipment Replacement:

Increase \$55,500 4.2%

The fund anticipates spending the 2015 budget provisions of \$1,821K in fiscal 2015. The increase is driven by the anticipated sale of scrap items.

Health & Dental Insurance:

Increase \$261 N/M

The change is not significant for this insurance reserve fund. There is a sufficient fund balance to meet all of the reserve requirements for a self-insurance fund.

Risk Management:

Increase \$108,400 6.4%

The Risk Management fund has a projected balance of \$1,801K which is above the city council policy of 3x the highest claims expenditures in the last 3 years.

Workers Compensation:

Decrease \$30,695 1.6%

The decrease in fund balance is due to slightly higher claims projections compared to premiums charged. The fund has a projected balance of \$1,869K which is within the city council policy for unreserved fund balances. The city also has a stop loss insurance policy which limits exposure on claims.

Special Assessments:

Unchanged \$0 N/M

The special assessment fund projects has no foreseen activity in the 2015 budget.

Capital Improvement Projects:

Unchanged \$0 N/M

There is no change in fund balance as revenues match expected expenditures. The balance is projected to be \$4,975K at year-end for open projects.

Capital Improvement Reserves:

Unchanged \$0 N/M

There is no change in fund balance as revenues match expected expenditures. The balance at year-end is projected to be \$8,189K for project use.

For more information regarding each of the above funds, please refer to the individual fund summaries.

City of Hutchinson Revenue Summary by Fund

Fund	Code	2011 Actual	2012 Actual	2013 Actual	2014 Budget	2014 Revised	2015 Budget
General	001	\$ 30,472,434	\$ 30,512,738	\$ 32,197,994	\$ 31,953,920	\$ 32,128,942	\$ 32,914,618
Special Revenue:							
Special Street	003	1,285,120	1,311,559	1,229,076	1,303,280	1,271,190	1,284,710
Special Parks & Recreation	009	96,338	91,978	90,965	90,000	90,000	90,816
Special Alcohol Programs	010	96,337	91,978	90,965	90,000	90,000	90,816
Convention & Tourism Promotion	030	553,517	569,635	796,258	650,000	650,000	700,000
Fun Valley	031	361,453	317,163	183,401	347,525	279,450	-
Recreation Commission	038	-	-	-	1,031,298	1,031,298	1,116,911
Animal Shelter	044	111,248	95,406	81,913	109,000	79,633	80,000
Tax Increment Financing	055	222,276	438,927	411,107	476,000	476,000	193,667
Central Garage	302	-	-	-	-	-	-
Community Improvement Districts	345	-	31,364	181,602	162,000	162,000	162,000
E-911 Surcharge	346	838,048	544,499	342,897	334,000	334,000	336,000
Debt Service	200	4,496,645	4,177,882	4,443,241	4,237,336	4,264,056	4,404,423
Enterprise:							
Refuse Collection	005	2,088,565	2,117,930	2,192,969	2,242,993	2,233,500	2,287,500
Golf Course	008	583,247	604,866	568,392	621,532	620,401	651,649
Airport	050	169,605	225,680	216,303	182,333	182,333	214,210
Water Utility	051	7,635,020	13,883,556	7,010,323	7,269,368	7,132,672	7,108,972
Sewer Utility	052	7,326,199	6,208,255	5,948,259	6,032,025	5,984,718	5,983,818
Storm Water Utility	057	284,257	285,463	688,965	530,000	571,538	560,000
Total Budgeted Revenues		\$ 56,620,309	\$ 61,508,880	\$ 56,674,630	\$ 57,662,610	\$ 57,581,731	\$ 58,180,111
Fiduciary:							
Donations	048	\$ 341,963	\$ 278,269	\$ 502,963	\$ -	\$ 258,128	\$ -
Hutchinson Community Foundation	053	5,776	65,475	82,439	-	-	-
Special Revenue:							
Federal & State Grant Funds	002	1,905,767	1,054,170	983,571	-	-	784,460
Gossage Animal Shelter Trust	007	15,840	55,403	56,839	57,411	57,411	57,851
Municipal Equipment Replacement	036	1,313,316	1,378,212	1,407,653	1,718,932	1,774,657	1,876,750
Internal Service:							
Health & Dental Insurance	032	3,756,434	3,810,657	3,971,237	4,477,386	3,896,336	4,508,786
Risk Management	035	785,662	809,924	1,088,952	721,921	723,073	836,730
Worker's Compensation	037	637,365	378,603	438,099	202,485	202,485	409,405
Central Purchasing	046	109,917	373,529	342,362	-	-	-
Capital Project:							
Special Assessments	100	1,375,000	476,678	1,167,615	-	-	-
Capital Improvement Projects	088	6,242,324	4,946,996	11,233,026	6,040,424	3,744,750	6,555,128
Capital Improvement Reserve	089	10,259,427	4,369,656	4,273,255	3,668,400	3,668,400	6,003,500
Total Unbudgeted Revenues		\$ 26,748,790	\$ 17,997,572	\$ 25,548,011	\$ 16,886,959	\$ 14,325,241	\$ 21,032,610
Total All Revenues (1)		\$ 83,369,099	\$ 79,506,452	\$ 82,222,641	\$ 74,549,569	\$ 71,906,972	\$ 79,212,721

(1) Includes interfund transactions.

Major Budgeted Revenue Sources

The City has fifteen separate revenue categories or sources for budgeting revenues. They are property taxes, tax incremental revenues, non-property taxes, special assessments, franchise fees, intergovernmental revenues, licenses and permits, fines, forfeitures, and penalties, use of money and property, external and internal service charges, bond and loan proceeds, recreation commission, miscellaneous revenues, and reserve transfers. All revenues within the City's budget are categorized as one of these types. Each category or source is comprised of many individual revenue sources that vary greatly in how they are derived and how they change.

Revenue estimates are prepared by the Finance Department. The method used to estimate revenues varies depending upon the revenue category or source and the individual revenues that make up that source. For instance, property taxes are estimated using current taxable property values provided by Reno County and the expected levy rate. Gas and liquor tax estimates are provided by the State of Kansas. Rental revenues are estimated based on the contracts in place and interest income revenues are estimated using current levels of investments and expected maturities. Revenues such as service charges and permit revenues are estimated based on a combination of factors such as history, rate changes, and future activity estimates. Revenues are estimated to the detail level – not just to the category level - using many factors and variables in order to provide the most accurate revenue estimates as possible.

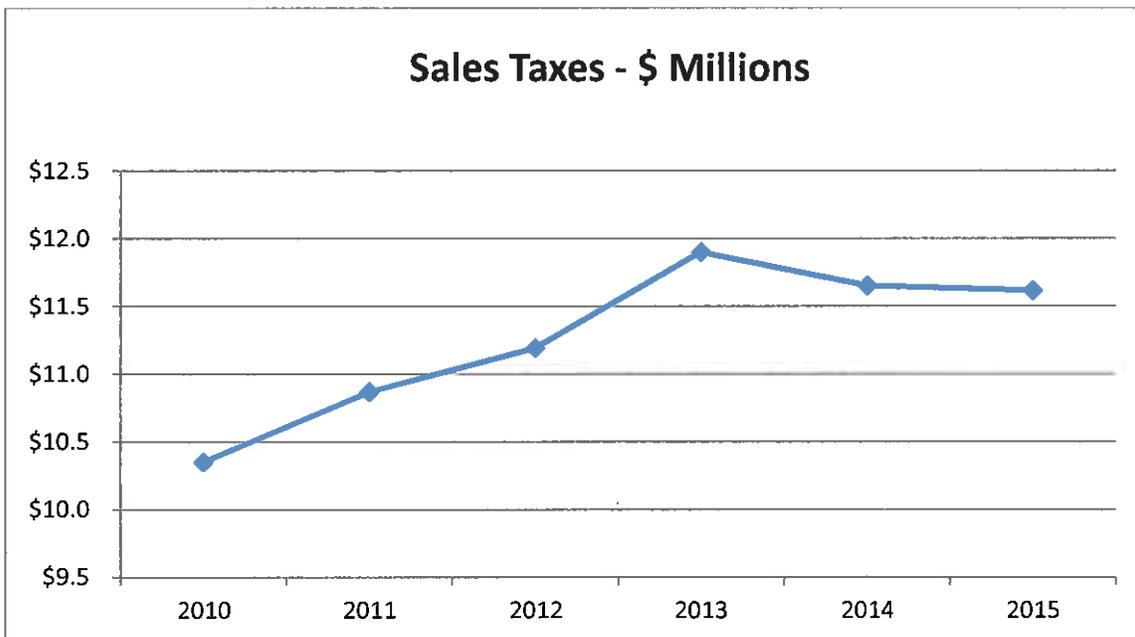
The following is a general summary of each revenue source, some of the individual revenues that make up that source, the trends that have been associated with these revenues, and what is anticipated for the next fiscal year.

Property Taxes – Property taxes are a major source for the City's general governmental operations and account for 24.2% of the City's total budgeted revenues and 32.8% of General fund revenues. Total property taxes levied are estimated to increase by 3.35% in fiscal year 2015, which is entirely due to the growth in taxable property valuation. Each year, Reno County provides the City with the taxable property values within the City's jurisdiction. The City's estimated property tax revenues are approved by the City Council and then applied to the taxable property values. This calculation produces the City's property tax rate for the upcoming year. Property taxes are levied in the General fund and the Bond and Interest fund. Property tax rate and valuation history is shown on page 69.

Tax Increment Financing – Tax increment financing (TIF) revenue is property taxes levied on the incremental valuation in a renewal area created by the City Council for specific purposes. The tax revenues derived from the specific area are used to finance improvements within the specific area. Tax increment financing revenue accounts for 0.1% of the City's total revenues. Revenues from the City's one tax increment financing district are expected to decrease from

levels in the 2014 budget as the State TIF funds decrease by 2/3. The tax increment collections in this area have decreased from earlier years due to the continued decline and removal of valuation within the district. Tax increment revenues are accounted for in the Tax Increment Financing fund.

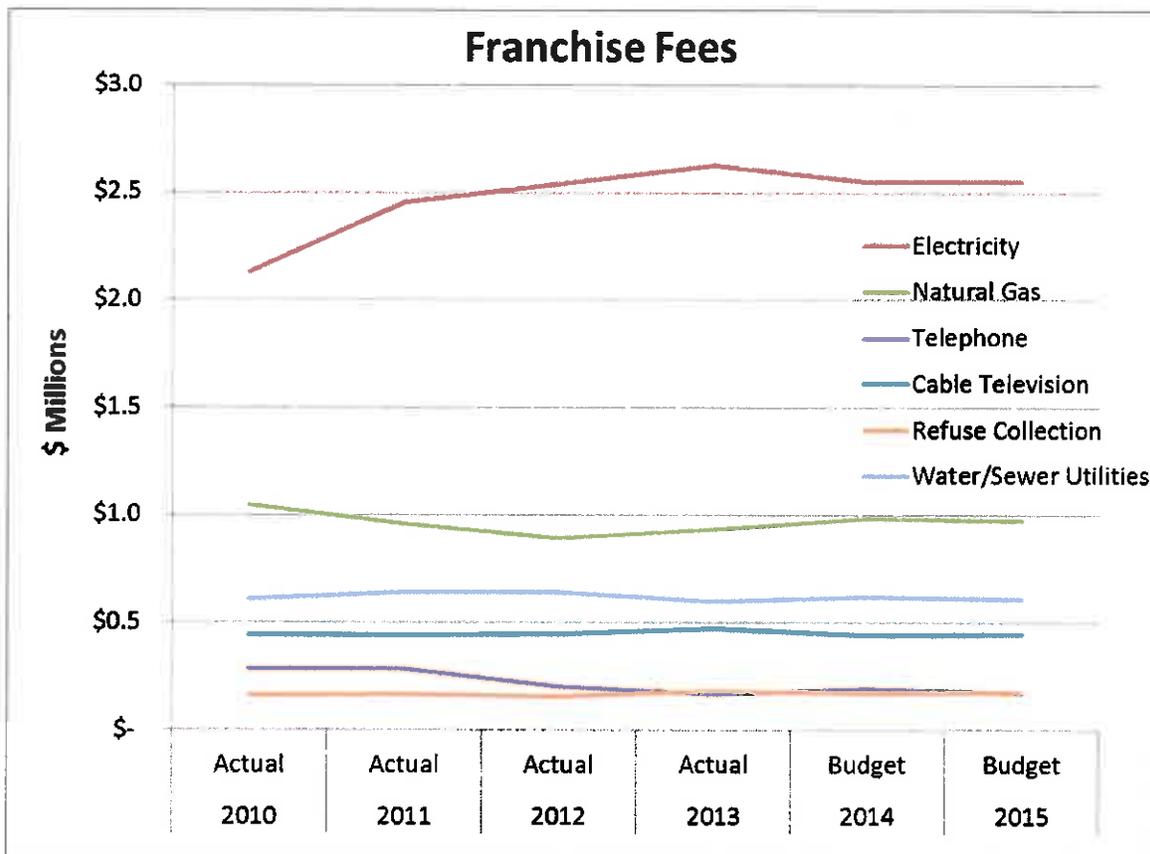
Non-property Taxes – Non-property taxes are City taxes on services, transactions, or goods other than property. These include transient guest taxes, liquor taxes, and sales taxes. These taxes account for 21.9% of the City’s total revenue budget. Over the past three years non-property taxes have remained basically unchanged. These taxes may fluctuate with the economy or due to unplanned events such as hail storms. It appears that economic trend started reversing in 2011 and is expected to continue this trend into 2015. Revenue from non-property taxes is estimated to remain near \$11.6 Million in 2014-2015. Most of the non-property taxes are used to support general operations and are accounted for in the General fund. Two-thirds of liquor taxes are reported in the Special Alcohol fund and the Special Parks & Recreation fund and support those programs. Transient guest taxes, which are accounted for separately in the Convention & Tourism Promotion fund, are entirely remitted to outside parties. Sales taxes collected in the General fund also support the Kansas Cosmosphere, the Underground Salt Museum, and capital street projects. Below is the five-year chart for the City’s sales tax revenues.



Special Assessments – Special assessments are a means used by the City to recover costs related to construction from the property owners that are directly benefited by the construction. Collections from special assessments are somewhat unpredictable and depend upon the pace of development. In fiscal year 2015, special assessment revenue is budgeted to increase slightly as one

new district was completed in 2014. Special assessments are accounted for in the Bond & Interest fund and amount to 1.6% of the City's total revenue.

Franchise Fees – Franchise fees are collected on utility/enterprise operations within the City that depend upon the usage of City right-of-ways to deliver their services. The City's franchise fee is 5% of revenues, which is collected on natural gas, electricity, water and sewer, refuse collection, telephone service, and cable television services. Franchise fees amount to 8.5 % of the City's 2015 budgeted revenue. In 2015, the franchise fee revenues are estimated to decrease by 0.6% based on 2014 collections. Below is a chart showing the trends in the various franchise fees charged by the City.



Intergovernmental – Intergovernmental revenues are State and Federal shared and grant revenues received by the City. Most revenues of this nature are reported in the unbudgeted grant funds or capital project fund, however, the Special Street fund is supported almost entirely from State and County gasoline taxes, which represent nearly half of the revenue source in these budgeted

funds. Another small portion is a contribution from Reno County to the City's Bond & Interest fund for the Salt City Business Park railroad spur debt. Intergovernmental revenues represent 3.1 % of the City's total revenues and have remained fairly flat over the last few years up until 2011 when the E-911 surcharge revenues were transferred to the City. These State and County surcharges were previously collected and managed by those entities, but starting in 2012, those collections were consolidated into one charge and transferred to the City to manage.

Licenses and Permits – Licenses and permits are used by the City as a means of monitoring certain activities in order to help protect the residents from certain aspects of these activities. The activities include the sale of alcohol, building construction, fireworks, contractor licensing, door-to-door soliciting, dog licensing, and more. The revenues generated by these licenses and permits help offset the cost of monitoring the activities. License and permit fees account for 0.8% of the total of the City's total revenues. Building permits and construction licenses account for 58.5% of these revenues. These revenues remained stable over the years but saw a jump in fiscal years 2013 due to a permits to repair roofs and car hail damage. The revenues are expected to return to normal levels in 2015. These revenues are primarily accounted for in the General fund. Below is the five-year chart for license and permit revenue.



Fines, Forfeitures, and Penalties – These revenues are primarily derived from the municipal court system and accounted for in the General fund. They have been stable in for several years and are expected to remain stable in the 2015 budget. Fines, forfeitures, and penalties represent 1.2% of the City's total revenues.

Use of Money and Property – This is income the City receives from the rental of non-recreational facilities and from interest income. The rental income is mostly derived from the Airport fund and a small amount from the General fund. Interest income has historically been the most significant source of Use of Money and Property revenue. In recent years interest income has steadily dropped due to the continued decrease in interest rates. Record low interest rates are expected to continue through 2015. Use of Money and Property revenue is earned in many of the budgeted funds and represents 0.4% of the 2015 total budgeted revenues.

External Service Charges – External service charges are direct fees charged to the public and other entities for the specific services provided. Service charges include recreation charges, fire service charges, police service charges, golf charges, sewer charges, water charges, animal shelter charges, and many other service charges. External service charges is the City's largest revenue source and accounts for 33.2% of total City revenues. Enterprise funds are primarily funded through service charges. Water and Sewer service charges amount to 67.7% of total External Service Charge revenues. Revenue from service charges have decreased 1.8% primarily due to transitioning Fun Valley revenue to the Hutchinson Recreation Commission (HRC) in 2015. Fire District #2 charges increased by \$135,378 or 8.3% due to salary & benefit increases and higher operating costs. Water and sewer utility service charges are estimated to remain basically unchanged as rates were not increased in 2013, 2014 or the 2015 budget.

Internal Service Charges – Internal service charges are fees charged to City activities and funds for their usage of other City services. Internal service charges include charges for Central garage labor and parts, City fuel, and City custodial services. These charges are reported as City revenue but in reality, are offset by an equivalent expenditure that is charged to other City departments. The amount of these costs have increased due to inflations and anticipated revenue for 2015 is increased by 11.2%. Internal service charges represent 2.4% of total City revenues.

Bond/Loan Proceeds – This revenue category is not really a revenue source but rather the proceeds from borrowings that the City is making. This is similar in nature to revenue but provides a financial inflow to the City rather than an economic inflow. From an economic stand point, the City is not in a better financial position. Bond and loan proceeds vary from year to year and are typically reported in the unbudgeted capital project funds. Bond and loan proceeds in the budgeted funds typically represent the re-financing of older

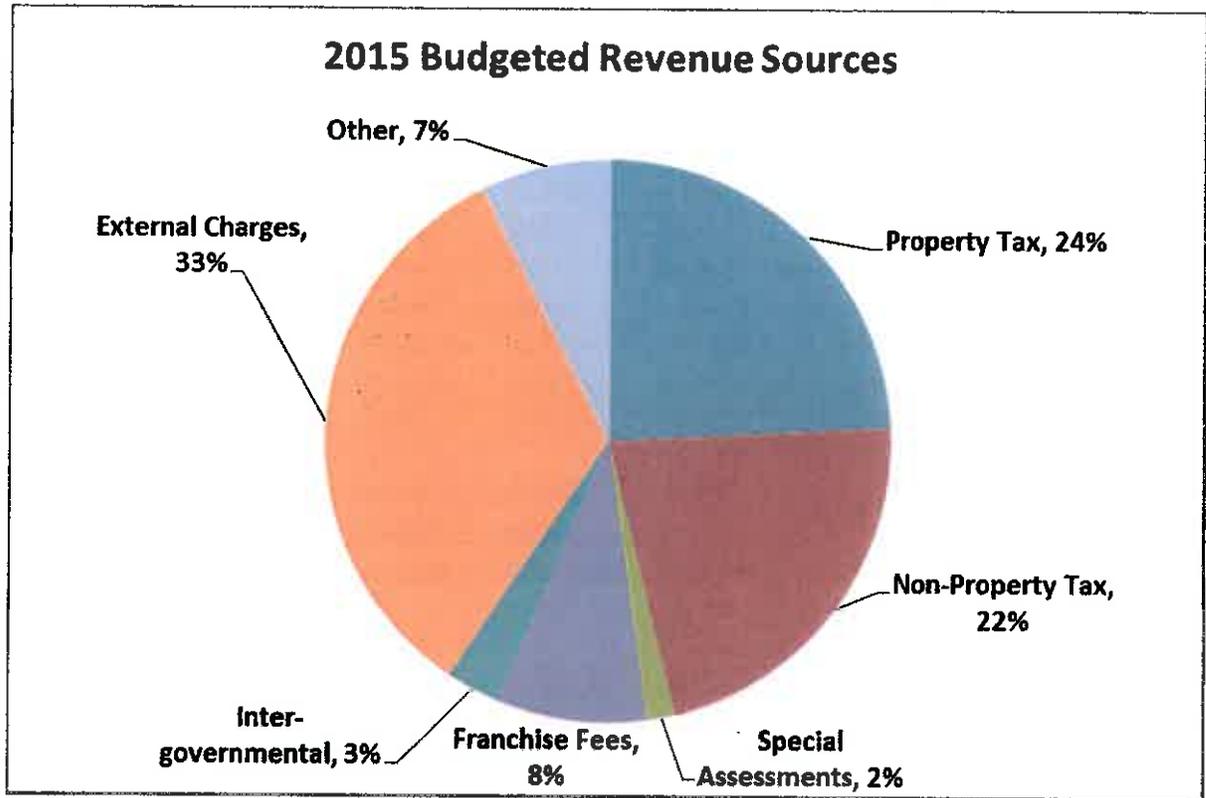
general obligation bonds with newer debt. No outstanding general obligation bonds are budgeted expected to be refinanced in fiscal year 2015.

Recreation Commission – This revenue category is new to the City in 2014 and is a pass-through based on estimated tax collections. There is no net financial impact to the City due to this category.

Miscellaneous – Miscellaneous revenue consists of miscellaneous inflows that do not qualify for one of the other categories. The collection of these revenues is difficult to predict and may be erratic. The revenues include reimbursements, donations, refunds and rebates, and other miscellaneous sales and fees. Other revenues account for .4% of the City total revenues. Miscellaneous revenues can be found in most funds.

Reserve Transfers – Reserve transfers represent inter-fund transfers of monies between an unbudgeted fund and a budgeted fund. Reserve transfers are presented as revenues and expenditures in the participating funds rather than separately like Operating transfers. In previous years, reserve transfers have represented the transfer of unused bond money to the Bond and Interest fund, the transfer of insurance reserve money to the General fund, and transfers of unused capital project money back to the originating fund. In fiscal year 2013, Reserve transfers were budgeted for transfers from the Gossage Trust fund to the Bond & Interest fund and from the Health & Dental Insurance fund to the General fund. No change in reserve transfers is anticipated in the 2015 budget.

The following chart represents the budgeted revenue sources for the City.



Additional trends for specific revenues can be found in the individual fund summaries.

City of Hutchinson

Summary of Revenues by Source and Expenditures by Type

	2011 Actual	2012 Actual	2013 Actual	2014 Budget	2014 Revised	2015 Budget
Budgeted Revenues:						
Property Tax	\$ 12,286,120	\$ 12,336,973	\$ 12,553,781	\$ 13,151,870	\$ 13,157,122	\$ 14,088,162
Tax Increment Revenues	167,193	160,936	155,774	155,000	155,000	52,667
Non-property Taxes	11,724,799	12,076,138	13,158,293	12,742,564	12,850,230	12,761,360
Special Assessments	936,325	955,669	971,451	915,000	930,550	944,600
Franchise Fees	4,946,730	4,879,004	4,974,774	4,961,286	4,933,914	4,932,700
Intergovernmental	2,225,542	2,233,185	1,888,702	2,019,686	1,988,846	1,822,088
Licenses and Permits	456,597	469,833	948,923	515,000	695,308	469,700
Fines, forfeitures, and penalties	678,102	714,326	652,723	704,100	682,000	692,000
Use of Money and Property	227,590	287,363	249,601	210,695	220,595	248,410
External Service Charges	19,409,600	19,155,129	18,789,727	19,689,710	19,225,180	19,337,511
Internal Service Charges	1,205,843	1,245,566	1,305,326	1,259,508	1,401,180	1,401,180
Bond/Loan Proceeds	1,161,050	6,370,569	186,342	-	-	-
Rec Commission	-	-	-	1,031,298	1,031,298	1,116,911
Miscellaneous	355,765	463,253	515,945	249,482	253,096	254,970
Reserve Transfers	839,053	158,483	323,267	57,411	57,411	57,851
Total Budgeted Revenues	\$ 56,620,309	\$ 61,506,426	\$ 56,674,630	\$ 57,662,610	\$ 57,581,731	\$ 58,180,111
Unbudgeted Revenues:						
Property Tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	2,222,158	846,424	661,991	2,186,511	4,620	1,003,460
Internal Service Charges	4,184,053	4,245,229	4,396,508	4,135,419	3,728,809	4,587,338
Federal and State Grants	-	2,048,677	2,933,088	-	317,110	704,460
Use of Money and Property	56,210	45,479	47,231	12,500	19,236	8,500
External Service Charges	1,045,128	1,030,862	1,067,504	1,218,873	1,051,054	1,124,583
Bond/Loan Proceeds	4,630,685	2,064,429	5,050,000	1,885,022	2,545,000	5,695,449
Miscellaneous	994,780	1,492,990	4,544,588	449,911	975,847	972,349
Reserve Transfers	13,615,776	6,223,483	6,847,101	6,998,723	5,683,565	6,936,471
Total Unbudgeted Revenues	\$ 26,748,790	\$ 17,997,572	\$ 25,548,011	\$ 16,886,959	\$ 14,325,241	\$ 21,032,610
Total All Revenues	\$ 83,369,099	\$ 79,503,998	\$ 82,222,641	\$ 74,549,569	\$ 71,906,972	\$ 79,212,721
Budgeted Expenditures:						
Personal Services	\$ 26,054,258	\$ 26,169,022	\$ 26,904,405	\$ 27,754,318	\$ 26,474,772	\$ 28,076,113
Contractual Services	11,043,830	11,227,630	12,011,508	12,687,507	12,831,884	13,148,971
Commodities	4,519,274	4,564,489	4,701,694	4,949,856	4,868,567	4,992,751
Capital Outlay	893,370	1,271,147	566,784	957,275	1,003,213	1,012,100
Debt Service	7,962,864	12,685,574	6,303,428	6,283,096	6,298,596	5,982,925
Reserve Transfers	4,479,828	4,142,446	5,289,441	6,200,246	6,200,246	6,511,368
Rec Commission	-	-	-	1,031,298	1,031,298	1,116,911
Overhead Cost Allocation	(33,360)	(54,000)	(77,000)	(145,151)	(145,151)	(122,000)
Total Expenditures	\$ 54,920,064	\$ 60,006,309	\$ 55,700,259	\$ 59,718,445	\$ 58,563,424	\$ 60,719,139
Unbudgeted Expenditures:						
Non-Program	24,448,223	21,165,373	23,600,058	18,059,974	14,471,668	20,899,144
Total All Expenditures	\$ 79,368,286	\$ 81,171,682	\$ 79,300,317	\$ 77,778,419	\$ 73,035,093	\$ 81,618,283

City of Hutchinson Expenditure Summary by Fund

Fund	Code	2011 Actual	2012 Actual	2013 Actual	2014 Budget	2014 Revised	2015 Budget
General	001	\$ 28,634,712	\$ 28,263,188	\$ 28,997,064	\$ 30,214,781	\$ 29,493,963	\$ 30,950,333
Special Revenue:							
Special Street	003	1,817,965	2,113,748	2,002,081	2,045,990	2,024,728	2,577,090
Special Parks & Recreation	009	170,002	159,832	176,090	181,314	181,314	203,470
Special Alcohol Programs	010	75,000	95,000	81,750	66,375	66,375	89,980
Convention & Tourism Promotion	030	553,517	569,635	796,258	650,000	650,000	700,000
Fun Valley	031	714,290	697,262	610,792	729,383	655,839	329,834
Recreation Commission	038	-	-	-	1,031,298	1,116,911	1,116,911
Animal Shelter	044	378,870	396,350	415,571	437,426	448,476	456,792
Tax Increment Financing	055	476,528	405,542	590,138	377,100	473,100	473,100
Central Garage	302	-	-	-	-	-	-
Community Improvement Districts	345	-	7,261	193,514	162,000	162,000	162,000
E-911 Surcharge	346	-	833,832	344,288	609,000	609,000	608,325
Debt Service	200	4,750,132	4,411,513	5,051,333	5,046,501	5,046,501	5,127,510
Enterprise:							
Refuse Collection	005	2,041,441	2,079,613	2,154,634	2,227,386	2,204,236	2,264,389
Golf Course	008	773,758	824,851	769,422	841,856	841,856	866,000
Airport	050	373,045	419,835	399,347	386,486	418,763	483,247
Water Utility	051	7,547,665	13,402,199	6,756,910	7,283,468	7,175,844	7,948,350
Sewer Utility	052	6,446,228	5,255,150	5,653,192	6,760,110	6,545,053	6,230,124
Storm Water Utility	057	166,911	71,499	707,875	667,971	651,870	131,684
Total Budgeted Expenditures		\$ 54,920,064	\$ 60,006,309	\$ 55,700,259	\$ 59,718,445	\$ 58,765,829	\$ 60,719,139
Fiduciary:							
Donations	048	\$ 255,730	\$ 239,791	\$ 248,064	\$ -	\$ 311,366	\$ -
Hutchinson Community Foundation	053	16,657	40,325	26,854	-	-	-
Special Revenue:							
Federal & State Grant Funds	002	1,539,490	1,338,086	1,009,421	-	-	784,460
Gossage Animal Shelter Trust	007	55,954	56,407	56,841	57,411	57,411	57,851
Municipal Equipment Replacement	036	1,208,584	1,247,685	1,491,241	1,718,932	1,718,932	1,821,250
Internal Service:							
Health & Dental Insurance	032	3,223,935	3,307,515	3,796,405	4,460,000	4,341,221	4,508,525
Risk Management	035	742,268	632,053	730,721	694,745	694,745	728,330
Worker's Compensation	037	552,945	403,731	439,433	438,100	438,100	440,100
Central Purchasing	046	139,029	337,457	345,960	-	-	-
Capital Project:							
Special Assessments	100	427,950	1,057,929	1,482,636	-	-	-
Capital Improvement Projects	088	13,253,581	9,772,000	9,225,497	6,084,923	2,304,031	6,555,128
Capital Improvement Reserve	089	3,032,100	2,732,394	4,746,984	4,605,863	4,605,863	6,003,500
Total Unbudgeted Expenditures		\$ 24,448,223	\$ 21,165,373	\$ 23,600,058	\$ 18,059,974	\$ 14,471,668	\$ 20,899,144
Total All Expenditures(1)		\$ 79,368,286	\$ 81,171,683	\$ 79,300,317	\$ 77,778,419	\$ 73,237,498	\$ 81,618,283

(1) Includes interfund transactions.

City of Hutchinson Interfund Transfer Summary

Fund	Code	Transfers In					
		2011 Actual	2012 Actual	2013 Actual	2014 Budget	2014 Revised	2015 Budget
General	001	\$ 82,619	\$ 17,000	\$ 10,000	\$ 24,286	\$ 24,286	\$ 7,301
Special Revenue:							
Special Street	003	532,845	802,189	773,005	742,710	753,538	1,292,380
Special Parks & Recreation	009	73,664	67,854	85,125	91,314	91,314	112,653
Special Alcohol Programs	010	-	-	-	-	-	-
Fun Valley	031	352,837	380,098	427,390	381,858	376,389	329,834
Animal Shelter	044	267,622	300,944	333,658	328,426	368,842	376,792
Tax Increment Financing	055	-	-	-	-	-	-
Bond and Interest	020	114,372	121,128	418,392	763,607	763,607	1,072,631
Enterprise:							
Refuse Collection	005	-	-	-	-	-	-
Golf Course	008	190,511	219,985	201,030	220,324	221,455	214,351
Airport	050	203,440	194,155	183,043	219,653	236,430	269,037
Water Utility	051	-	600,000	-	15,500	-	-
Sewer Utility	052	-	-	-	-	-	-
Storm Water Utility	057	-	-	-	-	-	-
Total		\$ 1,817,910	\$ 2,703,354	\$ 2,431,644	\$ 2,787,678	\$ 2,835,862	\$ 3,674,980

Fund	Code	Transfers Out					
		2011 Actual	2012 Actual	2013 Actual	2014 Budget	2014 Revised	2015 Budget
General	001	\$ 1,720,919	\$ 2,065,226	\$ 2,103,252	\$ 2,084,285	\$ 2,147,969	\$ 2,695,048
Special Revenue:							
Special Street	003	-	-	-	-	-	-
Special Parks & Recreation	009	-	-	-	-	-	-
Special Alcohol Programs	010	82,619	17,000	10,000	24,286	24,286	7,301
Fun Valley	031	-	-	-	-	-	-
Animal Shelter	044	-	-	-	-	-	-
Tax Increment Financing	055	-	600,000	-	-	-	-
Bond and Interest	020	-	-	-	-	-	-
Enterprise:							
Refuse Collection	005	-	-	-	-	-	-
Golf Course	008	-	-	-	-	-	-
Airport	050	-	-	-	15,500	-	-
Water Utility	051	7,186	13,765	107,413	495,269	495,269	485,825
Sewer Utility	052	7,186	7,363	132,479	136,819	136,819	460,835
Storm Water Utility	057	-	-	78,500	31,519	31,519	25,971
Total		\$ 1,817,910	\$ 2,703,354	\$ 2,431,644	\$ 2,787,678	\$ 2,835,862	\$ 3,674,980

**City of Hutchinson
Detailed Schedule of Interfund Transfers
Fiscal Year 2015 Budget**

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund		
Special Street Fund		\$ 1,292,380
Special Parks & Recreation Fund		112,653
Special Alcohol Programs	7,301	-
Bond and Interest Fund		100,000
Fun Valley Fund		329,834
Animal Shelter Fund		376,792
Airport Fund		269,037
Golf Course Fund		<u>214,351</u>
Total General Fund	<u>\$ 7,301</u>	<u>\$ 2,695,048</u>
Special Street Fund		
General Fund	1,292,380	
Special Parks and Recreation Fund		
General Fund	112,653	
Special Alcohol Programs Fund		
General Fund	-	7,301
Fun Valley Fund		
General Fund	329,834	
Animal Shelter Fund		
General Fund	376,792	
Bond and Interest Fund		
General Fund	100,000	
Water Fund	485,825	
Sewer Fund	460,835	
Storm Water Fund	<u>25,971</u>	
Total Bond and Interest Fund	1,072,631	
Golf Course Fund		
General Fund	214,351	
Airport Fund		
General Fund	269,037	
Water Fund		
Water Utility Fund		
Bond & Interest		485,825
Sewer Utility Fund		
Bond and Interest Fund		460,835
Storm Water Fund		
Bond and Interest Fund		<u>25,971</u>
	<u>\$ 3,674,980</u>	<u>\$ 3,674,980</u>

City of Hutchinson
Detailed Schedule of Reserve Transfers
Fiscal Year 2015 Budget

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund		
Municipal Equipment Replacement Fund		\$ 1,197,950
Capital Improvement Projects Fund		35,900
Capital Improvement Reserve		<u>1,504,500</u>
Total General Fund	\$ -	\$ 2,738,350
Special Street Fund		
Capital Improvement Reserve		600,000
Municipal Equipment Replacement Fund		<u>227,500</u>
Total Special Street Fund	-	827,500
Animal Shelter Fund		
Municipal Equipment Replacement Fund		<u>1,915</u>
Total Animal Shelter Fund	-	1,915
Convention & Tourism Promotion Fund		
Capital Improvement Reserve		<u>11,100</u>
Total Convention & Tourism Fund	-	11,100
Fun Valley Fund		
Municipal Equipment Replacement Fund		<u>39,715</u>
Total Fun Valley Fund	-	39,715
Bond and Interest Fund		
Gossage Trust Fund	<u>57,851</u>	
Total Bond and Interest Fund	57,851	-
Golf Course Fund		
Municipal Equipment Replacement Fund		<u>40,000</u>
Total Golf Course Fund	-	40,000
Water Utility Fund		
Municipal Equipment Replacement Fund		176,298
Capital Improvement Reserve		<u>1,725,000</u>
Total Water Utility Fund	-	1,901,298
Sewer Utility Fund		
General Fund		-
Municipal Equipment Replacement Fund		136,915
Bond and Interest Fund		-
Capital Improvement Reserve		<u>800,000</u>
Total Sewer Utility Fund	-	936,915
Gossage Trust Fund		
Bond and Interest Fund		<u>57,851</u>
Total Gossage Trust Fund	-	57,851
Municipal Equipment Replacement Fund:		
General Fund	1,197,950	
Special Street Fund	227,500	
Fun Valley Fund	39,715	
Golf Course Fund	40,000	
Animal Shelter	1,915	
Water Utility Fund	176,298	
Sewer Utility Fund	<u>136,915</u>	
Total Municipal Equipment Replacement Fund	1,820,293	-
Capital Improvement Projects Fund:		
General Fund	35,900	
Capital Improvement Reserve	<u>350,000</u>	
Total Capital Improvement Projects Fund	385,900	106,821
Capital Improvement Reserve:		
Capital Improvement Projects Fund	106,821	350,000
General Fund	1,504,500	
Special Street Fund	600,000	
Convention & Tourism Promotion Fund	11,100	
Water Utility Fund	1,725,000	
Sewer Utility Fund	800,000	
Bond and Interest Fund	-	
Total Capital Improvement Reserve	<u>4,747,421</u>	<u>350,000</u>
	<u>\$ 7,011,465</u>	<u>\$ 7,011,465</u>

City of Hutchinson

Tax Rates and Valuations

Last Five Years

	2011	2012	2013	2014	2015
<u>Property tax by Mill Levy Rates</u>					
General Operating	\$ 31.592	\$ 31.561	\$ 31.561	\$ 31.618	\$ 33.233
Debt Service	9.861	9.851	9.851	9.867	9.976
Total City Mill Levy Rate	\$ 41.453	\$ 41.412	\$ 41.412	\$ 41.485	\$ 43.209
Increase or (Decrease)	\$ 0.070	\$ (0.041)	\$ -	\$ 0.073	\$ 1.724
<u>Property Tax Dollars by Mill Levy</u>					
General Operating	\$ 8,305,965	\$ 8,408,191	\$ 8,571,556	\$ 8,887,324	\$ 9,653,951
Debt Service	2,592,513	2,624,413	2,675,403	2,773,459	2,897,957
Total City Property Taxes Levied	\$ 10,898,478	\$ 11,032,604	\$ 11,246,959	\$ 11,660,783	\$ 12,551,909
Increase or (Decrease)	\$ 819,489	\$ 134,126	\$ 214,356	\$ 413,823	\$ 891,126
<u>Taxable Assessed Valuations</u>					
Real Estate	\$ 230,452,104	\$ 234,717,680	240,012,773	249,620,111	259,291,018
Personal Property	17,210,531	16,612,110	15,489,275	14,625,517	12,852,238
State Assessed	14,777,913	15,081,001	16,084,918	16,838,687	18,349,664
Total Taxable Assessed Valuation	\$ 262,440,548	\$ 266,410,791	\$ 271,586,966	\$ 281,084,315	\$ 290,492,920
Increase or (Decrease)	7.75%	1.51%	1.94%	3.50%	3.35%
<u>Consolidated Mill Rate by Jurisdiction</u>					
City	41.453	41.412	41.412	41.485	43.209
Hutchinson Community School District	58.414	57.174	56.180	60.183	Unknown
Hutchinson Recreation Commission	3.969	4.962	4.969	3.675	Unknown
Reno County	39.629	38.594	38.582	38.582	Unknown
Hutchinson Public Library	6.200	6.119	6.120	6.130	Unknown
Hutchinson Community College	23.798	22.597	22.612	22.511	Unknown
State	1.500	1.500	1.500	1.500	Unknown
Total Consolidated Mill Rate *	\$ 174.963	\$ 172.358	\$ 171.375	\$ 174.066	Unknown
Increase or (Decrease)	1.000	(2.605)	(0.983)		Unknown
Buhler Community School District	\$ 54.016	54.061	50.783	58.047	Unknown
Upper Little Arkansas Watershed District	4.000	3.980	3.843	3.999	Unknown
Total Consolidated Mill Rate *	\$ 170.596	\$ 168.263	\$ 164.852	\$ 175.929	Unknown
Increase or (Decrease)	1.698	(2.333)	(3.411)	11.077	Unknown
Nickerson Community School District	\$ 48.926	49.515	49.276	50.220	Unknown
Total Consolidated Mill Rate *	\$ 161.506	\$ 159.737	\$ 159.502	\$ 164.103	Unknown
Increase or (Decrease)	1.661	(1.769)	(0.235)	4.601	Unknown
Haven Community School District	\$ 51.077	50.985	50.681	53.398	Unknown
Total Consolidated Mill Rate *	\$ 163.657	\$ 161.207	\$ 160.907	\$ 167.281	Unknown
Increase or (Decrease)	1.241	(2.450)	(0.300)	6.374	Unknown
<u>Other tax rates</u>					
Kansas state sales tax (1)	6.30%	6.30%	6.30%	6.15%	6.15%
Reno County sales tax	1.00%	1.00%	1.00%	1.50%	1.50%
Hutchinson City sales tax	0.75%	0.75%	0.75%	0.75%	0.75%
Transient Guest tax	7.00%	7.00%	7.00%	7.00%	7.00%
City franchise tax	5.00%	5.00%	5.00%	5.00%	5.00%

City of Hutchinson Summary of Permanent Personnel

Activity	2011 Budget	2012 Budget	2013 Budget	2014 Budget	2014 Revised	2015 Budget
General Fund:						
General Government:						
City Council	-	-	-	-	-	-
City Manager	3.00	3.00	2.63	2.00	2.00	2.00
Downtown Development	1.00	1.00	1.00	1.00	1.00	1.00
Human Resources	3.00	3.00	3.00	3.00	3.00	4.00
Finance/City Clerk	6.75	4.50	4.50	4.00	4.00	4.00
Utility Billing	-	10.75	10.00	10.00	10.00	10.00
Central Purchasing	-	2.00	2.00	2.00	2.00	2.00
Information Technology	3.75	3.75	3.75	3.75	3.75	4.00
	<u>17.50</u>	<u>28.00</u>	<u>26.88</u>	<u>25.75</u>	<u>25.75</u>	<u>27.00</u>
Planning and Development:						
Planning & Zoning	6.00	6.00	6.00	4.00	4.00	4.00
Housing Development	-	1.00	1.00	2.00	2.00	2.00
	<u>6.00</u>	<u>7.00</u>	<u>7.00</u>	<u>6.00</u>	<u>6.00</u>	<u>6.00</u>
Law:						
City Attorney	2.00	2.00	2.00	2.00	2.00	2.00
Municipal Court	4.00	4.00	4.00	4.00	4.00	4.00
	<u>6.00</u>	<u>6.00</u>	<u>6.00</u>	<u>6.00</u>	<u>6.00</u>	<u>6.00</u>
Public Works:						
Public Works Administration	1.00	2.00	2.00	2.00	2.00	2.00
Public Works Maintenance	13.00	13.00	12.00	12.00	12.00	12.00
Central Garage Revolving	7.00	7.00	7.00	7.00	7.00	7.00
Street Administration	-	-	-	-	-	-
Street Signs & Markings	2.00	2.00	2.00	2.00	2.00	2.00
	<u>23.00</u>	<u>24.00</u>	<u>23.00</u>	<u>23.00</u>	<u>23.00</u>	<u>23.00</u>
Engineering:						
Engineering	10.83	9.00	9.00	9.00	9.00	9.00
Traffic Signals	2.00	2.00	2.00	2.00	2.00	2.00
Geographical Information Systems	1.00	2.00	2.00	3.00	3.00	3.00
	<u>13.83</u>	<u>13.00</u>	<u>13.00</u>	<u>14.00</u>	<u>14.00</u>	<u>14.00</u>
Parks and Facilities:						
Park Administration	3.00	3.00	3.00	3.00	4.00	3.00
Park Maintenance	10.00	11.00	10.00	10.00	10.00	10.00
Zoo	7.00	7.00	7.00	7.00	7.00	7.00
Forestry & Horticulture	8.00	8.00	9.00	10.00	10.00	10.00
Eastside Cemetery	2.00	2.00	2.00	1.00	1.00	1.00
	<u>30.00</u>	<u>31.00</u>	<u>31.00</u>	<u>31.00</u>	<u>32.00</u>	<u>31.00</u>
Police:						
Police Administration	17.00	17.00	17.00	17.00	16.00	16.00
Patrol & Investigation	65.00	65.00	67.00	67.00	67.00	67.00
Dispatch (HRCEC)	19.00	19.00	19.00	19.00	20.00	21.00
Radio Maintenance	2.00	2.00	2.00	2.00	2.00	1.00
Animal Control	3.00	3.00	3.00	3.00	3.00	3.00
	<u>106.00</u>	<u>106.00</u>	<u>108.00</u>	<u>108.00</u>	<u>108.00</u>	<u>108.00</u>
Fire:						
Fire Administration	6.00	6.00	6.00	7.00	7.00	7.00
Fire Prevention	2.00	2.00	2.00	2.00	2.00	2.00
Fire Fighting	83.00	83.00	83.00	82.00	82.00	82.00
	<u>91.00</u>	<u>91.00</u>	<u>91.00</u>	<u>91.00</u>	<u>91.00</u>	<u>91.00</u>
Building Inspection & Code Enforcement:						
Inspection/Code Enforcement	6.00	6.00	6.00	7.00	7.00	7.00
Total General Fund	<u>299.33</u>	<u>312.00</u>	<u>311.88</u>	<u>311.75</u>	<u>312.75</u>	<u>313.00</u>

Activity	2011 Budget	2012 Budget	2013 Budget	2014 Budget	2014 Revised	2015 Budget
Special Street Fund:						
Street Maintenance	18.00	18.00	18.00	18.00	18.00	18.00
Street Cleaning	1.00	1.00	1.00	1.00	1.00	1.00
Total Special Street Fund	19.00	19.00	19.00	19.00	19.00	19.00
Special Parks & Recreation Fund:						
Swimming Pools	1.00	1.00	1.00	1.00	1.00	1.00
Fun Valley Fund:						
Fun Valley Operations	4.00	4.00	4.00	4.00	3.00	1.00
Animal Shelter Fund:						
Animal Shelter Operations:	5.00	5.00	5.00	5.00	5.00	5.00
Airport Fund:						
Airport Operations	3.00	3.00	3.00	3.00	3.00	3.00
Golf Course Fund:						
Golf Course Operations	6.00	6.00	6.00	6.00	6.00	6.00
Total Golf Course Fund	6.00	6.00	6.00	6.00	6.00	6.00
Water Utility Fund:						
Water Production	8.50	7.00	7.00	7.00	7.00	7.00
Water Distribution	13.75	13.00	13.00	13.00	13.00	13.00
Water Administration	8.00	-	-	-	-	-
Total Water Utility Fund	30.25	20.00	20.00	20.00	20.00	20.00
Sewer Utility Fund:						
Wastewater Treatment Facility	20.00	17.50	17.50	16.50	16.50	16.00
Sanitary Sewer Maintenance	13.25	13.00	13.00	13.00	13.00	13.00
Total Sewer Utility Fund	33.25	30.50	30.50	29.50	29.50	29.00
Storm Water Utility Fund:						
Storm Water Administration	1.00	1.00	1.00	1.00	1.00	1.00
Total	401.83	401.50	401.38	400.25	400.25	398.00

City of Hutchinson

Department Statistical Data

Department/Division	2012	2013
City Manager		
Downtown Development		
Cost of façade renovations	\$82,044	\$122,620
Cost of building renovations/construction	\$958,236	\$485,810
New Businesses Opened	16	14
Value of public improvements	\$1,000	\$300,950
Human Resources		
Human Resources		
Authorized permanent FTE	400.25	398.00
Finance		
Utility Billing		
Number of water customer accounts	15,987	16,072
Number of sewer customer accounts	16,206	16,232
Number of refuse customer accounts	14,516	14,490
Number of refuse carts	16,452	16,609
Number of radio read meters installed	2,654	2,110
Total number of water meters in service	16,596	16,672
Number of service calls	8,463	10,227
Central Purchasing		
Number of contracts bid	150	167
Total number of bids	207	213
Number of purchase orders issued	474	504
Number of items maintained in warehouse	4,594	4,777
Total Inventory Value	\$111,466	\$128,940
Warehouse square footage	2,760	2,760
Finance/City Clerk		
Number of checks issued	7,384	7,103
Number of fireworks licenses issued	9	2
Information Technology		
Information Technology		
Number of computer devices	971	1,356
Number of Help desk support tickets	725	891
Number of web site visits	346,436	422,291
Number of web site unique visitors	139,529	189,048
Number of users	293	469
Number of e-mail accounts	182	447

City of Hutchinson

Department Statistical Data

Department/Division	2012	2013
Planning and Development		
Planning and Zoning		
Zoning amendments	8	5
Conditional use permits	8	7
Special use permits	2	2
Zoning variances and appeals	9	9
Subdivision plats	4	15
Subdivision variances	2	-
Lot splits	2	1
Temporary use permits	32	21
Zoning violation notices	43	65
Zoning certifications	30	34
Landmark administrative reviews	83	57
Landmark cases	7	7
Brush-Up Hutch projects	11	24
Housing		
Number of Neighborhood Revitalization applications	26	36
Growth in value of Neighborhood Revitalization properties	\$1,657,660	\$5,995,330
Law		
Municipal Court		
Complaints/tickets	7,618	7,587
Fines and costs generated	\$686,088	\$631,515
Monitored individuals	200	226
Number of probation officers	1	1
Diversions	374	326
Community Service Hours	4,020	3,930
Engineering		
Acres Street Drainage	\$118,332	
Sidewalk and ADA Asset Survey	\$36,366	
Pavement Management Survey	\$58,360	
Plaza East 2nd - Water, Sewer, Street	\$134,443	
Sherwood Hills Sanitary Sewer	\$218,574	
Salt City Business Park Phase III	\$3,308,070	
NEGVI Trail Phase III	\$348,242	
Zoo Stormwater Management	\$135,000	
Plum Street	\$1,751,540	
Arterial & Residential Mill and Overlay	\$971,099	
K-61/17th Intersection	\$414,821	
Right Turn Lane	\$110,823	
Arterial (17th from K-61 to RR Tracks)	\$153,264	
Olive Garden Development - Water and Sewer	\$20,900	
Total for 2012	\$7,779,834	

City of Hutchinson

Department Statistical Data

Department/Division	2012	2013
Engineering continued		
Arterial & Residential Mill and Overlay		\$884,039
Avenue A Improvements		\$124,868
Drainage Improvements		\$84,507
Waldron Street 30th to 33rd (Dillons Development)		\$1,174,609
Waldron Street 17th to 23rd Phase I and II		\$319,418
Airport Generator Concrete		\$45,000
Water Tower #4 Rehabilitation		\$655,000
Prairie Hills Benefit District Waterline Extension		\$168,275
Plaza East 3rd Water and Sewer Dillons		\$48,000
43rd Ave School Water and Sewer		\$84,000
RO Raw Waterline Repairs		\$70,000
Airport Road Bridge Repair		\$19,100
WWTP 36" Sewer Upgrades		\$51,453
Hawk Signal Upgrades		\$20,000
4th Ave Bridge Rehabilitation		\$619,730
Total for 2013		\$4,367,998
Engineering		
Traffic		
Number of Traffic Signals	75	76
Number of Tornado Sirens	30	30
Storm Water Management		
Storm drain stenciling - Number of inlets	2,075	0
Stormwater Educational Presentations - Number of People	674	334
Illicit Discharge Call ins	17	6
Plans and SWPPPs reviewed	6	9
Post Construction BMP reviews	12	9
Construction Site BMP Inspections Completed	17	4
Number of bridges	67	67
Public Works		
Public Works Maintenance		
Miles of flood levies	28	28
Miles of drainage ditches	30	30
Acres of street right-of-way	400	400
Miles of highway/trail	20	20
Central Garage		
Size of City fleet maintained (vehicles & equipment)	975	975
Fuel usage-unleaded (gallons)	137,030	141612
Fuel usage-diesel (gallons)	70,473	74543
Number of mechanics	6	6

City of Hutchinson Department Statistical Data

Department/Division	2012	2013
Street Signs & Markings		
Traffic control/street signs	11,000+	11,000+
Linear feet of painted street markings	360,000	360,000
Linear feet of thermoplastic street markings	62,564	62,564
Street Maintenance		
Miles of paved streets	270	270
Miles of alleys	45	45
Miles of streets treated with slurry seal	10	10
Tons of asphalt applied to street repairs	1,054	623
Street Cleaning		
Curb miles swept in-house	3,979	1,655
Curb miles swept by contractor	2,500	2,437
Number of street sweepers owned	1	1
Storm Sewer		
Miles of storm sewer system	70	70
Inlets repaired/replaced	33	14
Storm sewer pipe repairs	9	19
Miles of storm sewer cleaned	11.4	5.37
Miles of storm sewer inspected	0.43	0.82
Water Production & Treatment		
Number of supply wells	19	19
Elevated water towers/storage structures	4	4
Number of deep disposal wells	2	2
Number of pressure booster pumping stations	2	2
Gallons of water treated (millions) for distribution	2,265	2,016
*Water samples tested	600	600
Water treatment facilities	1	1
Distribution Disinfection Monitoring Stations	4	5
Source Area Remediation Systems	4	4
Remediation Wells	5	5
Distribution Lead & Copper	30	0
Daily Point of Entry Inorganics	365	417
Other Distribution & POE required by KDHE	5	9
RO VOC's	12	12
RO Process Inorganics	1,150	1,150
WQ Complaints - Chlorine & Total Coliform	18	13
Disposal Well Inorganics	52	52
Disposal Well VOC's	4	4
Total annual samples including 600 coliform samples	2,236	2,236
*Water samples tested above are only for distribution coliform tests		
Other samples collected include the following:		

City of Hutchinson

Department Statistical Data

Department/Division	2012	2013
Water Distribution		
Miles of water main	313.1	313.5
Number of water valves	5,197	5,220
Number of fire hydrants	2,703	2,722
Miles of water service lines	75	75
Service lines replaced/repared	320	222
Water main breaks repaired	92	68
Feet of new water main installed	1,113	12,762
Service line taps	64	87
Utility locates	5,059	5,322
Wastewater Treatment Plant		
Number of lift/pump stations	33	33
Gallons per day of sewage treated	4,550,000	4,700,000
Cu. Yd. of biosolids produced for agricultural use	6,176	6,877
Sanitary Sewer Maintenance		
Miles of sanitary sewer lines	239.0	239.3
Number of manholes	5,394	5,398
Miles of sewer lines cleaned	66.4	26.4
Miles of sewer lines inspected by camera	28.8	15.0
Sanitary sewer lines repaired	74	45
Parks and Facilities		
Park Maintenance		
Number of developed parks	22	29
Developed acres of parks	664	820
Miles of developed trails	18.4	18.4
Number of undeveloped parks	19	21
Acres of undeveloped parks	73.0	13.4
Buildings & facilities maintained	43	44
Horticulture & Forestry		
Square Feet of Landscaping Beds Maintained	65,000	125,000
Acres mowed In-house	295	296
Acres mowed by Contractor	111	110
Zoo		
Acres	35	35
Ponds/Water Features/Wetlands/Basins	6	6
Structures	16	16
Fun Valley		
Fun Valley maintained acreage	50	50
Fun Valley structures	25	25

City of Hutchinson

Department Statistical Data

Department/Division	2012	2013
Carey Park Golf Course		
Acres	120	120
Structures	11	11
College/high school/amateur tournaments	49	32
Rounds of golf played	25,278	24,255
Airport		
Acres	1,752	1,752
Number of runways	3	3
Flight operations	40,885	39,370
Tenants	11	15
Fun Valley and Hobart Detter Stadium		
Acre at Fun Valley and Hobart Detter- Total	127	127
Lighted Ball Fields	7	7
Buildings	5	5
Eastside Cemetery		
Plots	18,000	18,000
Acres	26	26
Structures	3	3
Police Department		
Police Operations		
Calls for burglary	1,192	1,091
Calls for battery	679	664
Calls for accidents	1,755	1,652
Calls for noise complaints	574	489
Calls for parking complaints	661	632
Calls for drug activity	236	209
Calls for stolen vehicles	124	110
Calls for suspicious activity	1,799	1,930
Calls for theft	2,392	2,389
Total calls for service	30,768	30,974
Animal Control		
Animals impounded	988	961
Number of citations issued	467	393
Number of calls for service	4,718	4,743
Written warnings issued	274	274
Number of animal control officers	3	3

City of Hutchinson Department Statistical Data

Department/Division	2012	2013
Animal Shelter		
Animals adopted	546	470
Total reclaimed animals	382	321
Total animals surrendered by public	253	282
Total stray animals	1,458	1,448
Totals animal intake	2,041	2,182
Animals euthanized	1,145	1,274
Number of dog licenses issued	1,887	1,713
Fire Department		
Fire Operations		
Number of fire stations	7	7
Square miles of coverage	108	108
Emergency runs inside city	3,769	4,045
Emergency runs outside city	391	338
Total emergency runs	4,160	4,383
Residential fires	93	66
Commercial fires	16	19
Brush, tree, crop, grass fires-number	139	84
Brush, tree, crop, grass fires-acres	554	250
Emergency medical calls	2,752	2,865
False alarm calls	262	330
Fire loss	\$1,903,405	\$1,066,995
Mututal aid rendered	36	18
Fire Prevention		
Fire inspections	1,120	839
Hydrant inspections	4,462	5,898
Plans examined	40	39
Investigations	73	54
Public Appearances	42	59
Deaths from fire/explosion	1	4
Building Inspection & Code Enforcement		
Building Inspection		
Number of new residential permits	23	35
Value of new residential permits	\$3,874,500	\$11,828,676
Number of new commercial permits	5	9
Value of new commercial permits	\$11,260,000	\$21,871,000
Total number of permits issued	2,290	4,184
Total value of permits issued	\$40,041,468	\$102,253,222
Number of inspections	3,847	4,995
Permit fees	\$398,047	\$783,328.94

City of Hutchinson Department Statistical Data

Department/Division	2012	2013
Code Enforcement		
Nuisance/trash/junk violations	616	490
Nuisance/trash/junk investigations	1,282	1,034
Tall weeds, grass, & brush violations	1,359	1,694
Tall weeds, grass, & brush investigations	2,493	3,127
Property maintenance violations	55	66
Property maintenance investigations	128	197
Rental violations	30	35
Rental investigations	34	57
Total violations	2,353	2,469
Total investigations	4,597	4,838
Number of demolitions under City demo program	11	7
Number of vehicles towed	15	4

General Fund

The General fund for the City of Hutchinson is a legally required fund which accounts for the general operations and activities of the City that are not specifically required to be accounted for elsewhere. These activities include police protection, fire protection, building code enforcement, parks and facilities, engineering services, public works, planning and zoning, and the general administration of the City.

The financial strength of the General fund is of great importance to the City because of the implications that it has on the overall property tax levy, the City's bond rating, operating cash flows during the year, and the City's ability to handle contingencies. City Council has set a minimum fund balance for the General Fund of \$4,000,000 plus one month of operating expenditures of the previous fiscal year. The minimum fund balance for fiscal year 2014 should be \$6,518,560. The estimated ending fund balance for fiscal year 2014 is \$6,102,394, up from the 2014 budget of \$4,670,473.

Taxes are the primary funding source for General fund activities. Over thirty-two percent (32.8%) of General Fund revenues are derived from property taxes and more than thirty-six percent (36.9%) of General fund revenues are derived from non-property taxes such as sales taxes and liquor taxes. For fiscal year 2015, the City's general property tax mill levy rate will increase by 1.668 to 33.233 due to higher road maintenance costs and personal service increases.

The next largest General fund revenue sources are franchise fees (15.0%) and public safety revenues (7.9%). The franchise revenues include franchise taxes on natural gas, electricity, water, sewer, and refuse collection. Public safety revenue includes fire protection contributions from Fire District #2 and dispatch cost sharing with Reno County. The other revenues such as licenses and permits, fines and forfeitures, recreation and concessions, use of money & property, and miscellaneous revenues each comprise 2.1% or less of the General Fund revenues individually. Internal service charges amount to 4.3% of the General fund revenues, however, these are not revenues derived from outside sources. They include internal charges for fuel, vehicle and equipment maintenance, vehicle parts, and custodial charges.

The primary expenditures in the General Fund are for personal services. Personal services comprise nearly seventy-four percent (74.2%) of the General fund's expenditures because the General fund's activities are primarily service related. Equipment, supplies, and contractual services are generally in support of the personnel and the performance of their duties. The full-time equivalents in the General Fund are budgeted to increase 1.25 from 311.75 to 313.00 in fiscal year 2015. Expenditures for personal services are budgeted to increase by

\$404,597 due to budgeted step increases, higher health insurance costs, and retirement plan contribution rate increases.

The other expenditure types in the General fund – contractual services, commodities, and capital outlay comprise 27.4% of the General fund's budget. These expenditures are budgeted to grow by \$251,494 or 3.1% in fiscal year 2015. This growth is primarily related to a \$100,000 commitment to the new Family Entertainment Center and a Kohl's tax rebate. The General fund also makes reserve transfers out to the various unbudgeted funds. General funds are transferred to the Capital Improvement Reserve funds, to the Capital Improvement fund for the capital improvement programs, and to the Municipal Equipment Replacement Fund (MERF). The Growth Account also makes transfers for street improvements. Reserve transfers are budgeted to increase by \$120,494 or 4.6% in fiscal year 2015. These increases include payments for 1 Fire Pumper engine and a traffic signal boom truck.

The General fund also allocates its expenditures to other funds as a means of allocating overhead cost to enterprise, internal service, and other funds. In fiscal year 2015, the overhead cost being allocated out increased by \$51,132 to \$3,253,893 which is an increase of 1.6%. This increase reflects the salary and benefit step increases.

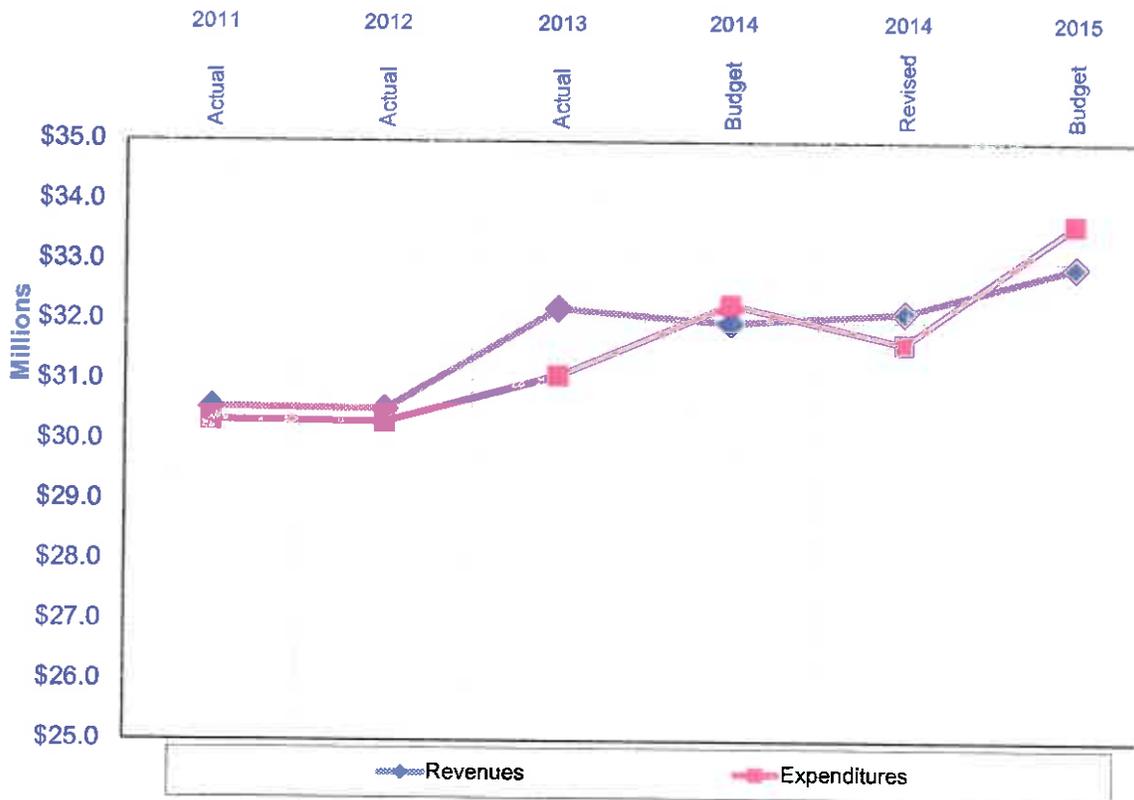
In addition, the General fund transfers funds to subsidize the Special Street, Special Parks and Recreation, Fun Valley, Animal Shelter, Airport, and Golf Course funds. These subsidy transfers are expected to amount to \$2,603,133 in fiscal year 2015 which is an increase of \$618,848 or 31.2% from the fiscal year 2014 budget. The primary increase is to the Special Street Fund, up \$549,670, as emphasis on road maintenance and repairs is addressed. The General fund will also transfer \$100,000 from the Growth Account to the Bond and Interest fund for the aquatic center's debt service payment.

The General fund's 2015 ending fund balance is budgeted at \$5,378,932 which is an increase from the 2014 budgeted fund balance by \$718,539. Of the projected ending fund balance, \$2,456,346 has been reserved by the City Council for economic development purposes and is presented as the Economic Development Funds. \$821,585 is reserved for economic development incentives and \$1,634,761 is reserved for economic development capital improvement projects.

General Fund (001) Fund Summary

	2011 Actual	2012 Actual	2013 Actual	2014 Budget	2014 Revised
Cash Balance, January 1	\$ 4,052,874	\$ 4,252,296	\$ 4,453,620	\$ 4,991,353	\$ 5,561,298
Revenues	30,472,434	30,512,738	32,197,994	31,953,920	32,128,942
Transfers In	82,619	17,000	10,000	24,286	24,286
Funds available	\$ 34,607,927	\$ 34,782,034	\$ 36,661,614	\$ 36,969,559	\$ 37,714,526
Expenditures	28,634,712	28,263,188	28,997,064	30,214,781	29,493,963
Transfers Out	1,720,919	2,065,226	2,103,252	2,084,285	2,147,969
Ending Balance, December 31	<u>\$ 4,252,296</u>	<u>\$ 4,453,620</u>	<u>\$ 5,561,298</u>	<u>\$ 4,670,493</u>	<u>\$ 6,072,594</u>

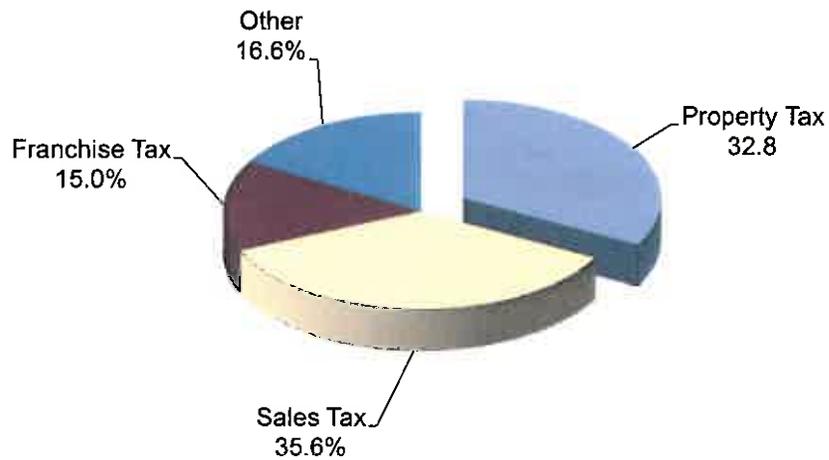
General Fund Revenue and Expenditure Trend lines Including Transfers In/Out



General Fund (001) Revenue Summary

	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Actual</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>
Property Tax	\$ 9,337,745	\$ 9,393,379	\$ 9,557,667	\$ 10,005,351	\$ 10,005,351	\$ 10,802,318
Non-property Taxes	10,978,607	11,297,294	11,998,503	11,750,564	11,858,230	11,717,728
Franchise Fees	4,946,730	4,879,004	4,974,774	4,961,286	4,933,914	4,932,700
Licenses and Permits	422,513	438,873	918,736	483,600	669,200	444,200
Fines, Forfeitures & Penalties	678,102	714,326	652,723	704,100	682,000	692,000
Use of Money & Property	19,222	27,278	21,047	19,000	27,000	20,000
Public Safety Service Charges	2,227,939	2,017,866	2,228,250	2,482,517	2,276,767	2,611,522
Recreation & Concession Service Charges	125,592	124,042	116,642	121,300	116,800	116,800
Internal Service Charges	1,205,843	1,245,566	1,305,326	1,259,508	1,401,180	1,401,180
Miscellaneous	250,141	375,111	157,898	166,694	158,500	176,170
Reserve Transfers	<u>280,000</u>	<u>-</u>	<u>266,427</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Revenues	<u>\$ 30,472,434</u>	<u>\$ 30,512,738</u>	<u>\$ 32,197,994</u>	<u>\$ 31,953,920</u>	<u>\$ 32,128,942</u>	<u>\$ 32,914,618</u>
Transfers In	<u>82,619</u>	<u>17,000</u>	<u>10,000</u>	<u>24,286</u>	<u>24,286</u>	<u>7,301</u>
Total	<u><u>\$ 30,555,053</u></u>	<u><u>\$ 30,529,738</u></u>	<u><u>\$ 32,207,994</u></u>	<u><u>\$ 31,978,206</u></u>	<u><u>\$ 32,153,228</u></u>	<u><u>\$ 32,921,919</u></u>

General Fund Revenue Summary Fiscal Year 2015 \$32,914,618



General Fund (001) Revenue Summary by Source

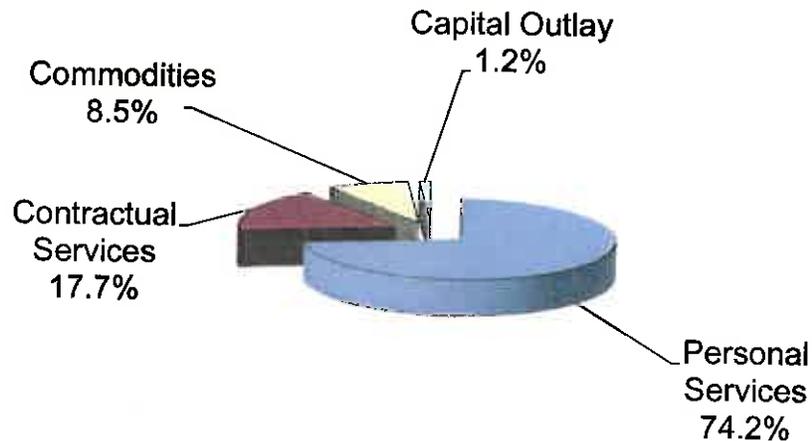
	2011 Actual	2012 Actual	2013 Actual	2014 Budget	2014 Revised	2015 Budget
Property Taxes:						
Ad valorem property tax	\$ 7,968,430	\$ 8,124,686	\$ 8,226,356	\$ 8,872,415	\$ 8,872,415	\$ 9,653,811
Uncollected tax delinquency	-	(50,294)	-	(177,038)	(177,038)	(180,579)
Motor vehicle tax	1,122,192	1,089,945	1,136,961	1,051,344	1,051,344	1,066,102
Other vehicle tax	14,290	12,600	12,461	15,330	15,330	16,384
Payments in lieu of tax	-	-	7,967	3,300	3,300	6,600
Delinquent tax collections	232,833	216,443	173,923	240,000	240,000	240,000
Subtotal	\$ 9,337,745	\$ 9,393,379	\$ 9,557,667	\$ 10,005,351	\$ 10,005,351	\$ 10,802,318
Non-Property Taxes:						
Local sales tax - countywide	\$ 4,869,940	\$ 5,093,067	\$ 5,413,893	\$ 5,302,199	\$ 5,325,205	\$ 5,226,485
Local sales tax - citywide	5,995,679	6,099,850	6,480,695	6,345,865	6,430,525	6,387,926
Liquor taxes	96,337	91,978	90,965	90,000	90,000	90,816
Intoxicating liquor tax	16,650	12,400	12,950	12,500	12,500	12,500
Subtotal	\$ 10,978,607	\$ 11,297,294	\$ 11,998,503	\$ 11,750,564	\$ 11,858,230	\$ 11,717,728
Utility franchise fees:						
Electricity - Westar Energy	\$ 2,454,996	\$ 2,541,221	\$ 2,623,956	\$ 2,550,000	\$ 2,550,000	\$ 2,550,000
Gas - Kansas Gas Service Company	814,878	769,076	832,029	850,000	850,000	850,000
Telephone	283,890	203,908	166,910	190,000	170,000	170,000
Gas - Black Hills Utility	144,137	123,893	103,378	134,486	134,486	126,000
Cable Television & Other Communications	445,004	446,483	471,435	445,728	445,728	450,000
Refuse Collection	164,890	155,370	180,241	170,000	174,000	177,000
Water/sewer system fund	638,937	639,053	596,824	621,072	609,700	609,700
Subtotal	\$ 4,946,730	\$ 4,879,004	\$ 4,974,774	\$ 4,961,286	\$ 4,933,914	\$ 4,932,700
Licenses and Permits:						
Cereal malt beverage licenses	\$ 2,800	\$ 2,800	\$ 2,725	\$ 3,000	\$ 3,000	\$ 3,000
Tree trimming licenses	550	450	600	1,000	1,000	1,000
Alarm License fees	17,160	25,575	16,360	25,000	23,500	23,500
Fireworks permits	30,000	22,500	5,000	5,000	5,000	5,000
Police and protective licenses	214	93	328	200	200	200
Other licenses & permits	1,357	2,793	7,951	3,000	3,000	3,000
Building & fence permits	225,705	264,915	762,804	325,000	500,000	275,000
Sign permits	3,465	2,933	2,510	3,000	3,000	3,000
Demolition permits	793	26,089	949	1,000	1,000	1,000
Building occupancy permits	3,191	7,302	2,243	3,000	2,000	2,000
Mechanical permits	39,027	14,703	35,881	32,000	32,000	32,000
Electrical permits	6,460	16,675	10,903	6,000	12,500	12,500
Plumbing permits	21,101	12,750	13,577	15,000	13,500	13,500
Electrical license fees	13,850	15	10,820	13,000	16,000	16,000
Plumbing license fees	9,165	14,560	7,049	11,000	15,000	15,000
Gas fitters license fees	35	1,904	15	100	-	-
Mechanical license fees	13,565	1,656	8,022	13,500	15,000	15,000
Wrecking license fees	1,100	60	1,150	1,300	1,000	1,000
Building contractor licenses	32,975	21,100	29,850	22,500	22,500	22,500
Subtotal	\$ 422,513	\$ 438,873	\$ 918,736	\$ 483,600	\$ 669,200	\$ 444,200
Fines, forfeitures, and penalties:						
Municipal court fines	\$ 395,695	\$ 423,039	\$ 390,313	\$ 420,000	\$ 400,000	\$ 400,000
Admin fee and set-off charge	549	276	12	500	500	500
Probation	23,386	24,821	21,496	25,000	25,000	25,000
Municipal court bond forfeitures	9,350	31,182	22,453	10,000	15,000	20,000
Overtime parking fees/late & other fees	191	-	-	100	-	-
Municipal court costs	186,000	178,930	166,197	187,500	187,500	187,500
Court surcharge	13,683	13,141	12,234	14,000	13,000	13,000
Diversion fees	46,718	42,106	39,046	45,000	40,000	45,000
DARE fees	1,079	831	973	1,000	1,000	1,000
Court confiscated monies and property	1,452	-	-	1,000	-	-
Subtotal	\$ 678,102	\$ 714,326	\$ 652,723	\$ 704,100	\$ 682,000	\$ 692,000
Use of Money & Property:						
Interest income	\$ 8,521	\$ 9,576	\$ 11,864	\$ 10,000	\$ 11,000	\$ 11,000
Rents and Leases	10,701	17,702	9,183	9,000	16,000	9,000
Subtotal	\$ 19,222	\$ 27,278	\$ 21,047	\$ 19,000	\$ 27,000	\$ 20,000

	2011 Actual	2012 Actual	2013 Actual	2014 Budget	2014 Revised	2015 Budget
Public Safety Service Charges:						
Police Officer reimbursements	\$ 60,918	\$ 100,789	\$ 125,018	\$ 105,000	\$ 100,000	\$ 105,000
Impoundment lot storage/auction	4,714	1,282	1,595	-	100	-
Police records	2,852	3,076	2,464	3,000	3,000	3,000
Fingerprinting fees	1,570	1,370	4,330	1,500	2,500	2,500
Radio maintenance reimbursement	94,918	81,396	44,139	100,000	40,000	60,000
Fire protection contracts	-	-	-	-	-	22,170
Fire District #2	1,532,489	1,316,142	1,461,261	1,628,917	1,628,917	1,764,295
Fire Inspection fees	3,150	-	-	-	-	-
Building Inspection fees	200	160	-	500	-	-
Central dispatch - Reno county	432,772	415,932	503,528	547,600	400,000	550,000
Central dispatch - others	30,133	30,309	30,491	30,000	31,250	31,557
Records - Reno county	9,111	8,598	636	10,000	15,000	17,000
Evidence custodian - Reno county	55,113	58,813	54,789	56,000	56,000	56,000
Subtotal	\$ 2,227,939	\$ 2,017,866	\$ 2,228,250	\$ 2,482,517	\$ 2,276,767	\$ 2,611,522
Recreation & Concession Service Charges:						
Ball park - rental fees	\$ 4,158	\$ -	\$ -	\$ 1,500	\$ -	\$ -
Sports Arena - rental fees	7,763	6,678	4,245	6,500	4,000	4,000
Sports Arena - advertising	1,215	30	-	1,500	-	-
Memorial Hall - rental fees	4,574	8,648	6,730	8,500	7,000	7,000
Sports Arena reimbursements	51,290	49,337	44,464	50,000	50,000	50,000
Homebuilders rental	17,661	12,087	11,914	15,000	15,000	15,000
Rice Park building rental	13,571	9,056	9,408	11,500	11,500	11,500
Sports Arena Concessions	13,279	12,947	27,117	12,500	15,000	15,000
Memorial Hall Concessions	8,477	5,635	4,166	5,300	5,300	5,300
Soft drink contract	3,605	19,625	8,598	9,000	9,000	9,000
Subtotal	\$ 125,592	\$ 124,042	\$ 116,642	\$ 121,300	\$ 116,800	\$ 116,800
Internal Service Charges:						
Labor charges	\$ 192,150	\$ 207,335	\$ 213,047	\$ 189,230	\$ 272,515	\$ 272,515
Parts charges	315,874	289,201	321,346	296,843	350,450	350,450
Fuel charges	663,105	672,200	698,579	676,435	675,014	675,014
Custodial charges	24,711	57,706	63,070	85,000	91,200	91,200
Diesel fuel tax reimbursement	10,003	19,123	9,284	12,000	12,000	12,000
Subtotal	\$ 1,205,843	\$ 1,245,566	\$ 1,305,326	\$ 1,259,508	\$ 1,401,180	\$ 1,401,180
Miscellaneous:						
Sale of real estate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sale/auction of City property	26,523	90,738	5,143	50,000	50,000	50,000
Flood control project	21,769	20,732	20,901	22,000	22,000	22,170
DHRP contribution	15,000	15,000	10,000	15,000	-	15,000
Miscellaneous	11,583	575	2,172	10,000	500	-
IRB/CID administration fees	6,650	3,150	14,826	5,000	12,000	15,000
Eastside cemetery charges	17,025	19,457	18,486	17,518	20,000	20,000
Zoning application fees	6,230	6,155	6,715	6,176	6,000	6,000
Reimbursement of expenses	134,719	205,336	60,264	30,000	30,000	30,000
Zoo gift shop salary reimbursement	10,642	13,968	19,420	11,000	18,000	18,000
Overages (shortages)	-	-	(29)	-	-	-
Subtotal	250,141	375,111	\$ 157,898	166,694	158,500	176,170
Reserve Transfers:						
Reserve Transfers-CIP Reserve	80,000	-	-	-	-	-
Risk Management Reserve Transfer	-	-	-	-	-	-
Workers Comp Reserve Transfer	200,000	-	-	-	-	-
Health & Dental Insurance Reserve Transfer	-	-	266,427	-	-	-
Subtotal	\$ 280,000	\$ -	\$ 266,427	\$ -	\$ -	\$ -
Total Revenues	\$ 30,472,434	\$ 30,512,738	\$ 32,197,994	\$ 31,953,920	\$ 32,128,942	\$ 32,914,618
Transfers In:						
Refuse Collection Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special Alcohol Fund	82,619	17,000	10,000	24,286	24,286	7,301
Total Transfers In	\$ 82,619	\$ 17,000	\$ 10,000	\$ 24,286	\$ 24,286	\$ 7,301
Total	\$ 30,555,053	\$ 30,529,738	\$ 32,207,994	\$ 31,978,206	\$ 32,153,228	\$ 32,921,919

General Fund (001) Expenditure Summary by Type

	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Actual</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>
Personal Services	\$ 20,567,141	\$ 21,223,620	\$ 22,033,965.51	22,560,889	21,669,886	22,965,486
Contractual Services	4,383,206	4,758,674	4,945,769	5,232,830	5,384,890	5,474,054
Commodities	2,402,786	2,489,626	2,522,723	2,574,066	2,590,227	2,642,936
Capital Outlay	<u>253,481</u>	<u>270,682</u>	<u>184,867</u>	<u>406,225</u>	<u>408,190</u>	<u>357,725</u>
Total External Expenditures	\$ 27,606,614	\$ 28,742,601	\$ 29,687,324	\$ 30,774,010	\$ 30,053,192	\$ 31,440,201
Reserve Transfers	2,684,313	2,338,446	2,358,941	2,643,532	2,643,532	2,764,025
Overhead Cost Allocation	<u>(1,656,215)</u>	<u>(2,817,859)</u>	<u>(3,049,201)</u>	<u>(3,202,761)</u>	<u>(3,202,761)</u>	<u>(3,253,893)</u>
Total Expenditures	\$ 28,634,712	\$ 28,263,188	\$ 28,997,064	\$ 30,214,781	\$ 29,493,963	\$ 30,950,333
Transfers Out	<u>1,720,919</u>	<u>2,065,226</u>	<u>2,103,252</u>	<u>2,084,285</u>	<u>2,147,969</u>	<u>2,695,048</u>
Total	<u>\$ 30,355,631</u>	<u>\$ 30,328,414</u>	<u>\$ 31,100,316</u>	<u>\$ 32,299,066</u>	<u>\$ 31,641,932</u>	<u>\$ 33,645,381</u>

General Fund External Expenditures by Type Fiscal year 2015 \$31,440,201



General Fund (001)

Expenditure Summary by Department

Activity	2011 Actual	2012 Actual	2013 Actual	2014 Budget	2014 Revised	2015 Budget
Expenditures:						
General Government:						
City Council	\$ 21,333	\$ 20,683	\$ 20,789	\$ 30,630	\$ 23,277	\$ 25,000
City Manager	369,896	346,319	310,932	306,839	307,053	318,175
Downtown Development	126,378	123,718	124,240	127,959	126,220	131,330
Human Resources	287,269	282,544	359,459	330,521	356,193	409,169
Finance/City Clerk	496,353	350,180	325,644	372,251	366,328	376,547
Utility Billing	-	762,824	800,572	772,193	743,274	802,957
Central Purchasing	-	122,414	131,162	125,240	125,684	129,913
Information Technology	328,369	543,563	590,745	569,676	604,697	601,861
Planning and Development:						
Planning & Zoning	461,961	445,034	443,659	364,358	294,989	332,478
Housing Development	-	95,347	95,824	167,020	153,306	174,491
Law:						
City Attorney	178,774	180,401	181,389	194,127	195,667	202,726
Municipal Court	403,239	406,254	422,025	434,105	430,665	442,615
Public Works:						
Public Works Administration	129,021	184,681	198,146	201,804	196,770	209,595
Public Works Maintenance	831,386	860,195	830,873	847,198	806,321	857,444
Central Garage Revolving	1,469,938	1,488,092	1,589,835	1,562,581	1,537,023	1,579,738
Central Garage Shop Operations	43,448	52,383	79,449	79,449	77,545	83,034
Street Administration	3,545	-	-	-	-	-
Street Signs & Markings	137,022	116,978	136,870	146,344	151,495	158,470
Storm Sewer	8,789	5,353	-	-	-	-
Street Lighting	556,073	572,700	586,932	600,224	623,568	634,408
Engineering:						
Engineering	745,211	773,665	809,151	811,865	689,780	805,399
Traffic Signals	296,420	309,650	273,775	278,182	250,483	301,499
Geographical Information Systems	69,901	159,137	187,983	256,281	243,524	246,228
Parks and Facilities:						
Park Administration	319,013	372,317	366,044	408,313	454,931	409,571
Park Maintenance	976,727	958,268	980,332	958,788	962,695	961,751
Zoo	524,165	547,773	576,079	566,020	577,134	605,726
Forestry & Horticulture	705,556	754,446	850,654	908,911	908,199	959,321
Central Custodial Revolving	25,336	57,706	63,070	89,771	89,771	92,875
Insect/Rodent Control	6,578	6,666	5,999	-	-	-
Memorial Hall	71,298	98,809	100,084	106,948	109,555	110,136
Memorial Hall Concessions	-	-	-	-	-	-
Sports Arena	126,890	206,449	210,317	230,572	230,572	237,651
City Hall Building	70,492	85,535	95,657	113,515	113,515	112,649
Eastside Cemetery	140,038	139,175	110,658	112,122	114,083	122,213
Police:						
Police Administration	1,121,539	1,215,483	1,068,040	1,172,687	1,082,283	1,190,462
Detention of Prisoners	308,022	337,894	377,265	388,300	388,300	408,800
Patrol & Investigation	5,287,654	5,261,624	5,449,236	5,386,307	5,453,816	5,561,547
Police Records	55,603	18,549	28,603	39,300	38,400	33,950
Narcotics Control	27,389	33,826	18,529	31,300	24,000	24,000
Police Unclassified	66,531	142,002	119,958	124,600	121,500	130,857
Police Communications	3,333	1,090	1,991	5,600	5,600	5,600
Dispatch (HRCEC)	828,310	889,403	1,005,148	1,095,200	1,043,814	1,201,211
Radio Maintenance	163,381	141,744	80,297	165,811	119,120	123,229
Animal Control	173,644	176,575	170,233	177,773	178,326	184,291
Fire:						
Fire Administration	617,894	567,896	767,256	718,627	781,464	669,702
Fire Prevention	182,431	179,749	190,074	195,253	172,114	193,401
Fire Fighting	6,344,827	6,335,995	6,557,899	6,919,218	6,504,850	6,953,410
Fire Unclassified	234,598	200,282	219,446	254,839	255,839	265,754
Building Inspection & Code Enforcement:						
Inspection/Code Enforcement	496,636	463,127	503,128	584,787	569,851	547,957
Non-Departmental:						
Growth	600,000	599,856	550,000	600,000	600,000	600,000
Economic Opportunity Funds	337,285	150,894	191,316	170,468	170,468	267,396
Non-Departmental	3,511,431	2,935,800	2,889,499	3,313,662	3,322,662	3,407,689
Overhead Cost Allocation	(1,656,215)	(2,817,859)	(3,049,201)	(3,202,761)	(3,202,761)	(3,253,893)
Total Expenditures	\$ 28,634,712	\$ 28,263,186	\$ 28,997,064	\$ 30,214,781	\$ 29,493,963	\$ 30,950,333
Transfers Out:						
Growth	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
Non-Departmental	1,620,919	1,965,226	2,003,252	1,984,285	2,047,969	2,595,048
Total Transfers Out	\$ 1,720,919	\$ 2,065,226	\$ 2,103,252	\$ 2,084,285	\$ 2,147,969	\$ 2,695,048
Total	\$ 30,355,631	\$ 30,328,414	\$ 31,100,316	\$ 32,299,066	\$ 31,641,932	\$ 33,645,381
	\$ 30,355,631	\$ 30,328,414	\$ 31,100,316	\$ 32,299,066	\$ 31,641,932	\$ 33,645,381

Department Summary

Department:	Division:	Activity:
City Council	City Council	City Council (1100-410)

This budget accounts for the council members function of the City, members are elected from four districts (Northwest, Northeast, Southwest, and Southeast) and serve a four-year term. One council members is elected at-large basis and serves a two-year term. The five member City Council serves as the governing body of the City. The City Council establishes the policies for the city government through passages of ordinances and resolutions, and through the adoption of the annual budget. The City Council hires a City Manager to carry out the policies of the City and to administer the annual budget and city organization. The Mayor and Vice-Mayor are appointed by the majority of the City Council. The Mayor appoints members to various advisory boards with the consent of the City Council.

	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Actual</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>	<u>Change in Budget</u>
Expenditures:							
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Contractual Services	21,153	20,611	20,766	30,130	22,777	24,500	-18.69%
Commodities	180	72	23	500	500	500	0.00%
Capital Outlay	-	-	-	-	-	-	0.00%
Total Expenditures	<u>\$ 21,333</u>	<u>\$ 20,683</u>	<u>\$ 20,789</u>	<u>\$ 30,630</u>	<u>\$ 23,277</u>	<u>\$ 25,000</u>	-18.38%
Funding Sources:							
Overhead Cost Allocation	\$ 10,815	\$ 6,396	\$ 6,431	\$ 7,567	\$ 7,567	\$ 6,045	-20.11%
General Revenues	10,518	14,287	14,358	23,063	15,710	18,955	-17.81%
Total Funding Sources	<u>\$ 21,333</u>	<u>\$ 20,683</u>	<u>\$ 20,789</u>	<u>\$ 30,630</u>	<u>\$ 23,277</u>	<u>\$ 25,000</u>	-18.38%

Current Trends and Issues:

In the 2015 budget, the City Council continues to focus on Housing issues facing our community through incentive programs and aggressive demolition. The City Council continues to address capital maintenance and equipment needs outlined the Capital Improvements Program and Municipal Equipment Reserve Fund that in the past have been deferred in preference to other budget priorities. The 2015 budget also provides increased funding for the street maintenance program in order to a maintain roadway conditions, reduce future deferred costs, meet recommendations from the streets evaluation by Infrastructure Management Systems, and bring the City's street program in line with peer cities. The City Council continues to aim toward increased fund balances to levels set by City policy intended to strengthen the City's ability to respond to changes in the economy and address catastrophic events that could affect the City's financial well-being, provide a sufficient level of City services, and maintain a strong credit rating in the financial community.

Department Summary

Department:	Division:	Activity:
City Manager	City Manager	City Manager (2100-420)

This budget accounts for the city manager function of the City, which serves as the chief administrative officer of the City, responsible for the administration of the annual budget, the daily conduct of all departments and employees, and for keeping the City Council fully advised of the financial conditions and needs of the City. Preparing and submitting the annual budget for consideration by the City Council, as well as playing a role in the community's economic development, legislative issues, and public relations efforts, are also necessary responsibilities of the City Manager. The City Manager is appointed and serves at the pleasure of the City Council. Major responsibilities of the staff include monitoring information technology department, management of City funds, coordinating all management services of the City, various contracts and acquisitions, negotiating with employee bargaining units, and oversight of City operations.

	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Actual</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>	<u>Change in Budget</u>
Expenditures:							
Personal Services	\$ 348,224	\$ 324,694	\$ 286,774	\$ 283,689	\$ 292,469	\$ 298,475	5.21%
Contractual Services	20,423	20,708	23,088	22,250	13,870	19,100	-14.16%
Commodities	1,249	917	1,071	900	714	600	-33.33%
Capital Outlay	-	-	-	-	-	-	0.00%
Total Expenditures	<u>\$ 369,896</u>	<u>\$ 346,319</u>	<u>\$ 310,932</u>	<u>\$ 306,839</u>	<u>\$ 307,053</u>	<u>\$ 318,175</u>	3.69%
Funding Sources:							
Overhead Cost Allocation	\$ 105,278	\$ 81,849	\$ 74,590	\$ 75,799	\$ 75,799	\$ 76,936	1.50%
General Revenues	264,618	264,470	236,342	231,040	231,254	241,238	4.41%
Total Funding Sources	<u>\$ 369,896</u>	<u>\$ 346,319</u>	<u>\$ 310,932</u>	<u>\$ 306,839</u>	<u>\$ 307,053</u>	<u>\$ 318,175</u>	3.69%

Personnel Schedule

Full Time Equivalents

	<u>2011 Budget</u>	<u>2012 Budget</u>	<u>2013 Budget</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>
City Manager	1.00	1.00	1.00	1.00	1.00	1.00
Administrative Secretary	1.00	1.00	0.63	-	-	-
Asst. to the City Manager	1.00	1.00	1.00	1.00	1.00	1.00
Total	3.00	3.00	2.63	2.00	2.00	2.00

Current Trends and Issues:

The City Manager's office continues to focus efforts on steering the City through the recent recession. Although the worst part of the recession appears to be over, the City must continue to carefully tend to its finances while finding ways to address Council goals of addressing housing issues, infrastructure investment needs, municipal equipment replacement programs, recreational facility development and economic development. The past two budget years including the 2014 budget, allocate funds directly towards City council initiatives on housing, recreational facility development, infrastructure investment and economic development.

Department Summary

Department:

City Manager

Division:

City Manager

Activity:

City Manager (2100-420)

2015 Goals - (Quantifiable and Measurable)

- Complete master plan for Sports Arena renovation.
- Organize and facilitate a Council budget retreat for the 2016 budget process.
- Complete development agreement for convention center project.
- Work with Finance to create a vehicle depreciation and funding replacement program.

2016-2010 Strategic Goals (Directional and Strategic)

- Organize a strategic planning process for Council and staff to engage the public to best serve citizens, to align resources to achieve goals, to bring transparency to all operations, and to work toward continuous improvement.
- Multi-year budget preparation process.
- Reorganize the City's Economic Development Funding Program.

Department Summary

Department:	Division:	Activity:
City Manager	Downtown Development	Downtown Development (4110-461)

This budget funds the downtown development function of the City of Hutchinson, which is responsible for providing professional and promotional efforts to preserve, enhance, and promote downtown Hutchinson as a viable and integral part of the city.

	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Actual</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>	<u>Change in Budget</u>
Expenditures:							
Personal Services	\$ 88,615	\$ 88,900	\$ 91,108	\$ 92,684	\$ 91,843	\$ 96,745	4.38%
Contractual Services	36,757	34,518	32,539	34,550	33,748	33,910	-1.85%
Commodities	1,006	300	593	725	628	675	-6.90%
Capital Outlay	-	-	-	-	-	-	
Total Expenditures	<u>\$ 126,378</u>	<u>\$ 123,718</u>	<u>\$ 124,240</u>	<u>\$ 127,959</u>	<u>\$ 126,220</u>	<u>\$ 131,330</u>	2.63%
Funding Sources:							
Private Contributions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
General Revenues	<u>126,378</u>	<u>123,718</u>	<u>124,240</u>	<u>127,959</u>	<u>126,220</u>	<u>131,330</u>	2.63%
Total Funding Sources	<u>\$ 126,378</u>	<u>\$ 123,718</u>	<u>\$ 124,240</u>	<u>\$ 127,959</u>	<u>\$ 126,220</u>	<u>\$ 131,330</u>	2.63%

Personnel Schedule

Full Time Equivalents

	<u>2011 Budget</u>	<u>2012 Budget</u>	<u>2013 Budget</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>
Downtown Director	<u>1.00</u>	<u>1.00</u>	<u>1.00</u>	<u>1.00</u>	<u>1.00</u>	<u>1.00</u>
Total	<u>1.00</u>	<u>1.00</u>	<u>1.00</u>	<u>1.00</u>	<u>1.00</u>	<u>1.00</u>

Trends and Issues:

Much private investment continues downtown, most notably on Main Street between Sherman and Avenue A and on Main between 4th & 5th Street. A number of new façade improvements can be easily seen downtown with others currently in the design stage. Developer Jack Manske has been awarded federal housing tax credits for the Wiley Plaza project a mixed use residential/office/retail development of the 8 story landmark building at First & Main. As part of the development agreement, The City of Hutchinson will build a multi-level parking structure at the corner of First & Walnut that will connect thru the upper floors of the FOX Theater for access to the Wiley Plaza project. Residents will be moving into the Wiley Plaza early in 2015 providing an immediate economic impact to Downtown Hutchinson.

Department Summary

Department:

City Manager

Division:

Downtown Development

Activity:

Downtown Development (4110-461)

2015 Goals - (Quantifiable and Measurable)

- 1) Increase downtown resident population to 400 up 25% from today's estimate of 300 people living in downtown buildings.
- 2) Increase downtown events, activities and promotion by one a month over 2014 Calendar in 2015.
- 3) Find new uses/occupants for Stevens, Décor and Pegues buildings.

2016-2010 Strategic Goals (Directional and Strategic)

- 1) Increase the downtown resident population to the national average of 2 to 4% of the population base.
- 2) Repair, re-configure, expand or acquire Public Parking lots in strategic downtown locations.
- 3) Strategically recruit new businesses and uses for existing downtown properties.
- 4) Help foster business succession planning and create opportunity for entrepreneurs in Downtown Hutchinson.

Department Summary

Department:	Division:	Activity:
City Manager	City Manager	Street Lighting (6810-453)

This activity is charged with the cost of maintenance and power for the street lighting system under contract with Westar Energy, and for maintenance of City-owned street lighting. The street light activity also includes the cost of converting mercury vapor lighting to high pressure sodium lighting, and the cost of adding new street lights through residential requests, annexations, new subdivisions, and street reconstruction projects.

	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Actual</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>	<u>Change in Budget</u>
Expenditures:							
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Contractual Services	556,073	572,700	586,932	600,224	623,568	634,408	5.70%
Commodities	-	-	-	-	-	-	0.00%
Capital Outlay	-	-	-	-	-	-	0.00%
Total Expenditures	<u>\$ 556,073</u>	<u>\$ 572,700</u>	<u>\$ 586,932</u>	<u>\$ 600,224</u>	<u>\$ 623,568</u>	<u>\$ 634,408</u>	5.70%
Funding Sources:							
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
General Revenues	<u>556,073</u>	<u>572,700</u>	<u>586,932</u>	<u>600,224</u>	<u>623,568</u>	<u>634,408</u>	5.70%
Total Funding Sources	<u>\$ 556,073</u>	<u>\$ 572,700</u>	<u>\$ 586,932</u>	<u>\$ 600,224</u>	<u>\$ 623,568</u>	<u>\$ 634,408</u>	5.70%

Current Trends and Issues:

Streetlight upgrades have been made along Plum Street from 4th to 11th Avenue. Plans are in place for several streetlight conversions and additional streetlights along Avenue A from Maple to Nelson. The addition of new developments and the cost of service increases from Westar Energy contribute to the growth of streetlight expenditures. The City continues to assess lighting quality and coverage throughout the City in order to ensure proper safety for drivers and pedestrians.

Department Summary

Department:	Division:	Activity:
Human Resources	Human Resources	Human Resources (2300-430)

This budget accounts for the Human Resource function of the City, which is responsible for the administration and development of the City's human resources management programs, payroll operations, and employment related reporting and record keeping. Specific functional areas include, labor relations, employment policy administration and development, recruitment and selection, compensation and employment benefit design/administration, wellness initiatives, organizational development, and compliance with all statutes and regulations related to employment and payroll.

	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Actual</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>	<u>Change in Budget</u>
Expenditures:							
Personal Services	\$ 229,221	\$ 208,671	\$ 234,759	\$ 238,089	\$ 245,895	\$ 305,327	28.24%
Contractual Services	52,976	68,369	123,269	85,958	104,380	94,868	10.37%
Commodities	5,072	2,915	1,431	3,974	3,418	3,974	0.00%
Capital Outlay	-	2,589	-	2,500	2,500	5,000	100.00%
Total Expenditures	\$ 287,269	\$ 282,544	\$ 359,459	\$ 330,521	\$ 356,193	\$ 409,169	23.80%
Funding Sources:							
Overhead Cost Allocation	\$ 57,387	\$ 60,169	\$ 74,422	\$ 121,612	\$ 121,612	\$ 134,328	10.46%
General Revenues	229,882	222,375	285,037	208,909	234,581	274,841	31.56%
Total Funding Sources	\$ 287,269	\$ 282,544	\$ 359,459	\$ 330,521	\$ 356,193	\$ 409,169	23.80%

Personnel Schedule Full Time Equivalents

	<u>2011 Budget</u>	<u>2012 Budget</u>	<u>2013 Budget</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>
Human Resource Director	1.00	1.00	1.00	1.00	1.00	1.00
Human Resource Specialist	1.00	1.00	1.00	1.00	1.00	2.00
Payroll Specialist	1.00	1.00	1.00	1.00	1.00	1.00
Total	3.00	3.00	3.00	3.00	3.00	4.00

Capital Outlay:

<u>Item:</u>	<u>Quantity</u>	<u>Replacement/ New/Maint</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>
File Cabinets		Purchase	2,500	2,500	5,000

Department Summary

Department:	Division:	Activity:
Human Resources	Human Resources	Human Resources (2300-430)

Current Trends and Issues:

The continued evolution of the City's Wellness Initiative will remain a strategic priority for 2015. The city also continues to experience difficulty in sourcing and recruitment of high-quality candidates to city service at all levels of the organization. The new and constantly shifting compliance burden imposed by the Patient Protection and Affordable Care Act (PPACA) remains significant. Internally, the department continues to struggle with its ability to ensure continuity of operations due to current staffing levels.

2015 Goals - (Quantifiable and Measurable)

Continued refinement of the Wellness Initiative's performance metrics.
Development of absence management programs for City departments
Benchmarking and evaluating the city's total compensation program.

2016-2010 Strategic Goals (Directional and Strategic)

Continued emphasis on promoting employee wellness (personal and occupational)
Refining policies and programs that promote recruitment and retention of quality employees
Continued exploration of adopting performance-based pay systems
Continue to explore strategies to control the growth of health and dental benefit programs

Department Summary

Department:	Division:	Activity:
Finance	Finance/City Clerk	Finance/City Clerk (3000-451)

This budget accounts for the finance and city clerk functions of the City. The Finance Department is responsible for the accounting, budgeting and record retention obligations of the City. Major functions include accounts payable, accounts receivable, internal accounting control, temporary and long-term financing through the issuance of general obligation debt. Management activities include budget preparation and monitoring, investment of City funds, and financial planning. The department also handles requests for the Reserve-a-Truck, managing refuse disposal contracts, and dog tags. City Clerk functions include open record requests, records management, special assessments certifications, and mowing assessments.

	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Actual</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>	<u>Change in Budget</u>
Expenditures:							
Personal Services	\$ 471,804	\$ 313,684	\$ 291,086	\$ 325,526	\$ 319,258	\$ 326,147	0.19%
Contractual Services	17,272	33,401	32,679	43,425	40,270	45,700	5.24%
Commodities	4,522	2,746	1,379	3,300	1,800	2,700	-18.18%
Capital Outlay	2,955	348	500	-	5,000	2,000	#DIV/0!
Total Expenditures	<u>\$ 496,353</u>	<u>\$ 350,180</u>	<u>\$ 325,644</u>	<u>\$ 372,251</u>	<u>\$ 366,328</u>	<u>\$ 376,547</u>	1.15%
Funding Sources:							
Overhead Cost Allocation	\$ 176,288	\$ 105,580	\$ 97,842	\$ 109,087	\$ 109,087	\$ 108,551	-0.49%
General Revenues	320,065	244,600	227,802	263,164	257,241	267,996	1.84%
Total Funding Sources	<u>\$ 496,353</u>	<u>\$ 350,180</u>	<u>\$ 325,644</u>	<u>\$ 372,251</u>	<u>\$ 366,328</u>	<u>\$ 376,547</u>	1.15%

Personnel Schedule

Full Time Equivalents

	<u>2011 Budget</u>	<u>2012 Budget</u>	<u>2013 Budget</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>
Director of Finance	1.00	1.00	1.00	1.00	1.00	1.00
Finance Services Manager	1.00	-	-	-	-	-
Purchasing Manager	1.00	-	-	-	-	-
Secretary - Purchasing	0.75	-	-	-	-	-
Sr Financial Analyst	-	-	1.00	1.00	1.00	1.00
Accounting Manager	1.00	1.00	1.00	1.00	1.00	1.00
Staff Accountant	-	0.75	0.50	-	-	-
Account Clerk	2.00	1.75	1.00	1.00	1.00	1.00
Total	6.75	4.50	4.50	4.00	4.00	4.00

Capital Outlay:

<u>Item:</u>	<u>Quantity</u>	<u>Replacement/ New/Maint</u>	<u>2013 Actual</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>
Miscellaneous Office Equipmer File Cabinets	1	New New	500	-	5,000	2,000

Department Summary

Department:	Division:	Activity:
Finance	Finance/City Clerk	Finance/City Clerk (3000-451)

Current Trends and Issues:

The Finance Department continues to look and execute ways to move functions from paper to digital. Over next 1-2 years, new software and hardware will be available to enhance all of the financial records including better automation with billing and collection processes, automatic water and sewer meter readings, and better tools for budgeting and financial reporting. The organization will also be looking at methods to streamline purchasing and reduce the overall cost of acquiring materials and supplies by joining with other purchasing groups within the surrounding areas.

2015 Goals - (Quantifiable and Measurable)

Establish Routine Internal Audits for Internal; Control monitoring
Review and Reduce Purchasing Inventory Part Volume
Establish Quarterly CIP Project Reviews
Establish Quarterly Department Expense Reviews
Establish Formal Records Retention Policy
No Major Negative Audit Comments

2016-2010 Strategic Goals (Directional and Strategic)

Migrate to Newer Financial Software Package
Assess Outsourcing Options for Purchasing
Complete Installation of Radio Read Meters

Department Summary

Department:	Division:	Activity:
Finance	Utility Billing	Utility Billing (3050-455)

This budget funds the utility billing function of the City of Hutchinson, which includes meter reading, bill calculation, mailing, and receipting for the water, sewer, storm water, and refuse collection operations of the City. Other expenses included in this budget are those associated with debt service, reserves, franchise fees, and bad debt. The Utility Billing Office manager oversees the administration of this operation under the oversight of the Director of Finance.

	2011 Actual	2012 Actual	2013 Actual	2014 Budget	2014 Revised	2015 Budget	Change in Budget
Expenditures:							
Personal Services	\$ -	\$ 493,079	\$ 533,981	\$ 494,334	\$ 484,663	\$ 500,799	1.31%
Contractual Services	-	178,084	197,979	192,459	188,106	201,008	4.44%
Commodities	-	34,870	29,941	47,100	32,206	40,150	-14.76%
Capital Outlay	-	56,790	38,672	38,300	38,300	61,000	59.27%
Total Expenditures	\$ -	\$ 762,824	\$ 800,572	\$ 772,193	\$ 743,274	\$ 802,957	3.98%
Funding Sources:							
Overhead Cost Allocation	\$ -	\$ 794,885	\$ 767,321	\$ 772,193	\$ 772,193	\$ 802,957	3.98%
General Revenues	-	(32,061)	33,251	-	(28,919)	-	#DIV/0!
Total Funding Sources	\$ -	\$ 762,824	\$ 800,572	\$ 772,193	\$ 743,274	\$ 802,957	3.98%

Personnel Schedule

Full Time Equivalents

	2011 Budget	2012 Budget	2013 Budget	2014 Budget	2014 Revised	2015 Budget
Utility Office Manager	-	1.00	1.00	1.00	1.00	1.00
Water Service Technician	-	4.00	4.00	4.00	4.00	4.00
Utility Clerk	-	5.75	5.00	5.00	5.00	5.00
Total	-	10.75	10.00	10.00	10.00	10.00

Capital Outlay:

Item:	Quantity	Replacement/ New/Maint	2013 Actual	2014 Budget	2014 Revised	2015 Budget
Water Meter replacements		Replacement	36,000	38,300	38,300	36,000
Lockers	4	New	1,000			
Printers						3,000
VXU Unites to allow reading of both kinds of water meters						22,000

Current Trends and Issues:

The Utility Billing Department is undertaking several projects to improve productivity, customer service and reduce operating costs. Productivity improvements include expedited installation of the water usage radio read meters, electronic transmission of service orders, and consolidating meter reading routes. Customer service improvements including online statements and modifying the on-line payment process including customer training on how to utilize the payment service. Operating costs reduction targets include automating the billing process to reduce postage and supplies and faster meter reading with the radio read meters.

Department Summary

Department:

Finance

Division:

Utility Billing

Activity:

Utility Billing (3050-455)

2015 Goals - (Quantifiable and Measurable)

- 1) Install at least 2000 radio read meters
- 2) Reduce cut-off list by 25+ % compared to 2013 by the end of 2014
- 3) Establish ability to process credit cards over the phone to reduce walk in traffic by year-end

2016-2010 Strategic Goals (Directional and Strategic)

- 1) Reduce staffing by 1 through efficiency of radio read meters, electronic payments, and outsourced billing
- 2) Keep unrepaired metering equipment to less than 50% of 2013 levels
- 3) Compare Hutchinson Utility Billing process with best in State for potential efficiencies
- 4) Determine how to modify billing cycle due dates to meet customer requests for change

Department Summary

Department:	Division:	Activity:
Finance	Central Purchasing	Central Purchasing (3060-456)

This budget is responsible for the purchasing/bidding functions of the City. The Purchasing Department is responsible for preparing, posting, evaluating and record retention of bids and maintaining warehouse operations of the City. Major functions include bidding of products and services for various city departments, preparing purchase orders and contracts from awards, assisting departments with disposal of obsolete or unneeded items through public auction, maintaining adequate supplies of inventory in the warehouse and distribution of items from the warehouse.

	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Actual</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>	<u>Change in Budget</u>
Expenditures:							
Personal Services	\$ -	\$ 119,079	\$ 123,986	\$ 121,340	\$ 120,109	\$ 121,913	0.47%
Contractual Services	-	1,990	5,891	2,600	4,560	6,800	161.54%
Commodities	-	1,201	1,285	1,200	1,015	1,200	0.00%
Capital Outlay	-	144	-	100	-	-	-100.00%
Total Expenditures	\$ -	\$ 122,414	\$ 131,162	\$ 125,240	\$ 125,684	\$ 129,913	3.73%
Funding Sources:							
Overhead Cost Allocation	\$ -	\$ 25,499	\$ 29,454	\$ 30,938	\$ 30,938	\$ 31,414	1.54%
General Revenues	-	96,915	101,708	94,302	94,746	98,500	4.45%
Total Funding Sources	\$ -	\$ 122,414	\$ 131,162	\$ 125,240	\$ 125,684	\$ 129,913	3.73%

Personnel Schedule

Full Time Equivalents

	<u>2011 Budget</u>	<u>2012 Budget</u>	<u>2013 Budget</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>
Purchasing Manager	-	1.00	1.00	1.00	1.00	1.00
Account Clerk	-	1.00	1.00	1.00	1.00	1.00
Total	-	2.00	2.00	2.00	2.00	2.00

Capital Outlay:

<u>Item:</u>	<u>Quantity</u>	<u>Replacement/ New/Maint</u>	<u>2013 Budget</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>
Miscellaneous Office Equipment	1	New	100	100	100	

Department Summary

Department:

Finance

Division:

Central Purchasing

Activity:

Central Purchasing (3060-456)

Current Trends and Issues:

The Purchasing Department has worked to expand service by adding a web site which allows other City departments to view and order supplies. Additionally the staff evaluates overstocked or slow moving items and returns them to suppliers or auctions these items to increase cash.

Future initiatives include vendor stocking of high use items and utilization of blanket PO's to reduce the City's warehouse inventory levels.

2015 Goals - (Quantifiable and Measurable)

Upgrade Vendor notification to an electronic system as budget allows

Evaluate best warehousing methods for the good of the City.

2016-2010 Strategic Goals (Directional and Strategic)

Reduction in bidding costs and a more efficient/vendor friendly system by moving to an electronic notification system.

Identify and target specific needs for the warehouse stock

Determine possible ways to joint purchasing or consolidation purchasing with other agencies.

Department Summary

Department:	Division:	Activity:
Information Technology	Information Technology	Information Technology (3100-452)

This budget accounts for the information technology function of the City. The purpose of IT is to maintain and improve staff and citizen productivity through the use of technology. The IT department is responsible for services and support to all computers, networks, printers, telephones, cell phones, devices, television, websites, social media outlets, audio, video and internet connections.

	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Actual</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>	<u>Change In Budget</u>
Expenditures:							
Personal Services	\$ 284,705	\$ 292,074	\$ 301,003	\$ 308,402	\$ 311,213	\$ 328,606	6.55%
Contractual Services	41,755	215,531	273,585	248,949	280,452	260,955	4.82%
Commodities	1,494	35,433	15,898	11,825	12,532	11,800	-0.21%
Capital Outlay	415	525	259	500	500	500	0.00%
Total Expenditures	<u>\$ 328,369</u>	<u>\$ 543,563</u>	<u>\$ 590,745</u>	<u>\$ 569,676</u>	<u>\$ 604,697</u>	<u>\$ 601,861</u>	5.65%
Funding Sources:							
Overhead Cost Allocation	\$ 38,965	\$ 142,307	\$ 142,506	\$ 142,506	\$ 142,506	\$ 191,457	34.35%
General Revenues	289,404	401,256	448,239	427,170	462,191	410,404	-3.92%
Total Funding Sources	<u>\$ 328,369</u>	<u>\$ 543,563</u>	<u>\$ 590,745</u>	<u>\$ 569,676</u>	<u>\$ 604,697</u>	<u>\$ 601,861</u>	5.65%

Personnel Schedule

Full Time Equivalents

	<u>2011 Budget</u>	<u>2012 Budget</u>	<u>2013 Budget</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>
Information Tech Director	1.00	1.00	1.00	1.00	1.00	1.00
Network Administrator	1.00	1.00	1.00	1.00	1.00	1.00
Media Specialist	-	1.00	1.00	1.00	1.00	1.00
Information Tech Technician	1.75	0.75	0.75	0.75	0.75	1.00
Total	3.75	3.75	3.75	3.75	3.75	4.00

Capital Outlay:

<u>Item:</u>	<u>Quantity</u>	<u>Replacement/ New/Maint</u>	<u>2013 Actual</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>
Miscellaneous Office Equipment		Replacement	500	500	500	500

Department Summary

Department:	Division:	Activity:
Information Technology	Information Technology	Information Technology (3100-452)

Trends and Issues:

The primary focus for 2015 will be completing the replacement to Community Services ERP (Enterprise resource planning) applications. We will begin the upgrade to the Financial system ERP and schedule the Utility Billing systems ERP.

2015 Goals - (Quantifiable and Measurable)

- 1) Have Community Service 100% installed on the replacement ERP including field workers (inspectors)
- 2) Be 30% complete on Finance ERP replacement
- 3) Improve Network Up-Time to 99.99% (Q1 2014 levels were 99.96%)
- 4) Improve helpdesk metrics to 80% 3 hours first contact and 18 hours completion (Q1 2014 metrics are 56% in 4/24 hours)
- 5) Improve staff efficiency by having 20% of total staff on training program

2016-2010 Strategic Goals (Directional and Strategic)

- 1) Replace Customer Service (Utility Billing) ERP
- 2) Double web/social media traffic year over year.
- 3) Reduce overall visits and calls to City Offices through improved website and mobile services including full self service payment service
- 4) Increase to 50% of staff on training program

Department Summary

Department:	Division:	Activity:
Planning & Development	Planning & Zoning	Planning & Zoning (4100-460)

The Planning and Development Department provides professional planning services for the Planning Commission, Housing Commission, Hutchinson-Reno County Joint Subdivision Committee, Landmarks Commission, Community Improvements Commission and Land Bank Board, as well as for the City Council and City Administration.

Major activities also include subdivision platting, review of and processing current planning projects associated with development proposals (conditional use permits, zoning amendments, special use permits, site plans, etc.); preparation of the City's Comprehensive Plan; administration of the City's Zoning Regulations, Subdivision Regulations and Landmarks Regulations; developing policies and programs to support quality housing and community development; and grants administration.

	2011 Actual	2012 Actual	2013 Actual	2014 Budget	2014 Revised	2015 Budget	Change in Budget
Expenditures:							
Personal Services	\$ 388,496	\$ 404,333	\$ 398,380	\$ 302,373	\$ 258,765	\$ 280,568	-7.21%
Contractual Services	68,946	36,766	40,624	53,455	27,694	47,310	-11.50%
Commodities	3,621	3,780	4,291	4,480	4,480	4,600	2.68%
Capital Outlay	898	154	363	4,050	4,050	-	-100.00%
Total Expenditures	\$ 461,961	\$ 445,034	\$ 443,659	\$ 364,358	\$ 294,989	\$ 332,478	-8.75%
Funding Sources:							
Licenses and Permits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Zoning Application Fees	6,230	6,155	6,715	6,176	6,000	6,000	-2.85%
General Revenues	455,731	438,879	436,944	358,182	288,989	326,478	-8.85%
Total Funding Sources	\$ 461,961	\$ 445,034	\$ 443,659	\$ 364,358	\$ 294,989	\$ 332,478	-8.75%

Personnel Schedule

Full Time Equivalents

	2011 Budget	2012 Budget	2013 Budget	2014 Budget	2014 Revised	2015 Budget
Director of Planning	1.00	1.00	1.00	1.00	1.00	1.00
Secretary	1.00	1.00	1.00	1.00	1.00	1.00
City Planner	1.00	1.00	1.00	1.00	1.00	-
Long Range Planner	1.00	1.00	1.00	1.00	1.00	-
Community Dev. Specialist	1.00	1.00	1.00	-	-	-
Administrative Assistant	1.00	1.00	1.00	-	-	-
Sr Plnrr (Current/Strategic)	-	-	-	-	-	1.00
Assoc Plnrr (Cur/Strategic)	-	-	-	-	-	1.00
Total	6.00	6.00	6.00	4.00	4.00	4.00

Department Summary

Department:	Division:	Activity:
Planning & Development	Planning & Zoning	Planning & Zoning (4100-460)

Capital Outlay:

Item:	Quantity	Replacement/ New/Maint	2013 Actual	2014 Budget	2014 Revised	2015 Budget
Library Materials		New	200	200	200	
41" color Scanner/Plotter Printer				3,850	3,850	

Current Trends and Issues:

The Planning and Development Department is moving towards improving efficiencies through implementation of electronic submittals and project tracking. The Department is also improving customer service through cross-training of employees, developing brochures, and improving the website. Integration of the Complete Streets Policy into the City's regulations is a high priority as are adoption of new subdivision regulations and updating the City's Comprehensive Plan.

2015 Goals - (Quantifiable and Measurable)

- 1) In conjunction with the Housing & Advance Planning Division, update the City's Comprehensive Plan
- 2) Streamline the application and development review process through electronic tracking and submittals
- 3) Develop a minimum of 3 brochures outlining planning regulations / processes
- 4) Reduce flood insurance rates through implementation of a Community Rating System
- 5) Update the City's Planning & Development fees (last revised 24 years ago)

2016-2020 Strategic Goals (Directional and Strategic)

- 1) Benchmark against other cities to improve processes and efficiencies
- 2) Assist with implementation of an integrated software system for development projects and permitting including Planning, Inspections, Code Enforcement, Engineering and other departments
- 3) Cross-train with the Housing & Advance Planning Division to provide integration of services

Department Summary

Department:	Division:	Activity:
Planning & Development	Housing Development	Housing Development (4120-462)

The Housing & Advance Planning Division is a new division of the Planning & Development Department, which was created in 2012 to address the housing needs in the City of Hutchinson and to implement the strategies recommended in the 2009 Housing Needs Assessment and the 2011 Housing Task Force Report. The Brush Up Hutch Paint program, Bravo Awards and Neighborhood Revitalization Program are managed by the Housing & Advance Planning Division, as are preservation planning and housing, neighborhood, community development and healthy communities components of the Comprehensive Plan.

	2011 Actual	2012 Actual	2013 Actual	2014 Budget	2014 Revised	2015 Revised	Change in Budget
Expenditures:							
Personal Services	\$ -	\$ 61,622	\$ 81,160	\$ 149,030	\$ 63,040	\$ 140,896	-5.46%
Contractual Services	-	33,660	13,594	16,940	89,215	32,645	92.71%
Commodities	-	65	438	1,050	1,050	950	-9.52%
Capital Outlay	-	-	632	-	-	-	0.00%
Total Expenditures	\$ -	\$ 95,347	\$ 95,824	\$ 167,020	\$ 153,306	\$ 174,491	4.47%
Funding Sources:							
Private Contributions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
General Revenues	-	95,347	95,824	167,020	153,306	174,491	4.47%
Total Funding Sources	\$ -	\$ 95,347	\$ 95,824	\$ 167,020	\$ 153,306	\$ 174,491	4.47%

Personnel Schedule

Full Time Equivalents

	2011 Budget	2012 Budget	2013 Budget	2014 Budget	2014 Revised	2015 Budget
Community Dev. Specialist	-	-	-	1.00	1.00	-
Housing Program Manager	-	1.00	1.00	1.00	1.00	-
Senior Plnrr (Housing/Advance)	-	-	-	-	-	1.00
Assoc Plnrr (Housing/Advance)	-	-	-	-	-	1.00
Total	-	1.00	1.00	2.00	2.00	2.00

Trends and Issues:

The Housing and Advance Planning Division continues to work on creating quality housing opportunities in Hutchinson. Priorities for 2015 include:

- * Reducing blight by holding property owners accountable for property conditions and through sponsorship of such programs as the Brush Up Hutch Paint program and the Bravo Awards.
- * Using the newly-established Land Bank as a vehicle for repurposing vacant properties through infill development, side-lot purchase, community gardens or open space.
- * Seek grant and partnership opportunities for housing rehabilitation and supporting projects to improve and expand the housing stock.

Department Summary

Department:	Division:	Activity:
Planning & Development	Housing Development	Housing Development (4120-462)

2015 Goals - (Quantifiable and Measurable)

- 1) Work in partnership with the Neighborhood Standards Officer to promote the Brush Up Hutch Paint program as a mechanism to improve neighborhood appearance; completing at least 20 paint projects per year
- 2) Acquire and repurpose 3 vacant properties via the Land Bank
- 3) Actively promote the NRP, resulting in a minimum of 20 applications per year
- 4) Update the City of Hutchinson Comprehensive Plan
- 5) Implement the Hutchinson Housing Trust Marketing Plan

2016-2020 Strategic Goals (Directional and Strategic)

- 1) Develop partnerships with non-profit, market rate and other developers of housing, actively promoting Land Bank and other properties and assisting with the development approval process
- 2) Improve customer service and project delivery through cross-training with the Current & Strategic planners
- 3) Increase efficiencies through electronic file management and database tracking of projects
- 4) Conduct a Housing Needs Assessment (2018) to assess progress of the City's housing programs
- 5) Benchmark against other cities for best practices

Department Summary

Department:	Division:	Activity:
Law	Legal Services	City Attorney (5000-471)

The City Attorney provides counsel and legal services to the City. The City Attorney is the ex-officio member of the City Council, attending all its meetings, provides legal advice and legal staff services to the City Administration, prepares revisions to City Code, reviews and approves all City contracts, attends economic development meetings, serves on the City's union negotiation teams, cooperates with county administrators on joint projects, takes legal action when necessary to collect money owed to the City, defends law suits against the City and/or works with appointed defense counsel when necessary. The City Attorney is the overall supervisor of the municipal court system, serves as the risk manager for the City, recommending the purchase of insurance coverage, and for the adjustment of claims by and against the City.

	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Actual</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Revised</u>	<u>Change in Budget</u>
Expenditures:							
Personal Services	\$ 168,706	\$ 165,903	\$ 172,988	\$ 173,577	\$ 175,720	\$ 181,601	4.62%
Contractual Services	8,663	13,253	6,963	15,360	15,247	15,925	3.75%
Commodities	271	211	461	1,000	500	1,000	0.00%
Capital Outlay	<u>1,134</u>	<u>1,034</u>	<u>976</u>	<u>4,200</u>	<u>4,200</u>	<u>4,200</u>	0.00%
Total Expenditures	<u>\$ 178,774</u>	<u>\$ 180,401</u>	<u>\$ 181,389</u>	<u>\$ 194,127</u>	<u>\$ 195,667</u>	<u>\$ 202,726</u>	4.43%
Funding Sources:							
Overhead Cost Allocation	\$ 94,062	\$ 76,270	\$ 84,210	\$ 89,956	\$ 89,956	\$ 91,020	1.18%
General Revenues	<u>84,712</u>	<u>104,131</u>	<u>97,179</u>	<u>104,171</u>	<u>105,711</u>	<u>111,706</u>	7.23%
Total Funding Sources	<u>\$ 178,774</u>	<u>\$ 180,401</u>	<u>\$ 181,389</u>	<u>\$ 194,127</u>	<u>\$ 195,667</u>	<u>\$ 202,726</u>	4.43%

Personnel Schedule

Full Time Equivalents

	<u>2011 Budget</u>	<u>2012 Budget</u>	<u>2013 Budget</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>
City Attorney	1.00	1.00	1.00	1.00	1.00	1.00
Legal Staff Aide	<u>1.00</u>	<u>1.00</u>	<u>1.00</u>	<u>1.00</u>	<u>1.00</u>	<u>1.00</u>
Total	2.00	2.00	2.00	2.00	2.00	2.00

Capital Outlay:

<u>Item:</u>	<u>Quantity</u>	<u>Replacement/ New/Maint</u>	<u>2013 Actual</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>
Books		New	1,200	1,200	1,200	1,200
File Cabinets		New	3,000	3,000	3,000	3,000

Trends and Issues:

Economic development, municipal facility management and the levee modification and certification continue to be significant legal issues for the City. Working with developers, railroads and other governmental entities and agencies will consume time and resources from the division, but will have significant potential future benefits for the City.

Department Summary

Department:	Division:	Activity:
Law	Municipal Court	Municipal Court (5400-473)

This budget accounts for the municipal court function of the City, which includes the responsibility for handling misdemeanor court cases filed by the City law enforcement personnel, such as police officers, animal control officers, and code compliance staff. Court is in session five mornings a week. The Court service window is open between 7am and 6pm for the convenience of the public. Four employees are fulltime, all other positions are contractual or part-time. In 2012, there were more than 7,600 complaints and tickets handled by the court. These cases generated approximately \$686,000 in fines and costs. The probation officer monitored nearly 200 persons who were on probation for municipal court cases. Further, 374 new diversions were handled by the City's diversion officer. 317 people were able to perform community service work to pay off their fines. This program is overseen by the court supervisor.

	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Actual</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>	<u>Change in Budget</u>
Expenditures:							
Personal Services	\$ 246,136	\$ 247,679	\$ 254,507	\$ 257,805	\$ 255,400	\$ 261,165	1.3%
Contractual Services	154,146	157,163	165,181	171,700	172,862	177,350	3.3%
Commodities	2,427	1,036	1,709	3,000	1,704	2,500	-16.7%
Capital Outlay	530	376	628	1,600	700	1,600	0.0%
Total Expenditures	<u>\$ 403,239</u>	<u>\$ 406,254</u>	<u>\$ 422,025</u>	<u>\$ 434,105</u>	<u>\$ 430,665</u>	<u>\$ 442,615</u>	2.0%
Funding Sources:							
Fines & Forfeitures	\$ 395,695	\$ 406,254	\$ 422,025	\$ 434,105	\$ 430,665	\$ 442,615	2.0%
General Revenues	7,544	-	-	-	-	-	0.0%
Total Funding Sources	<u>\$ 403,239</u>	<u>\$ 406,254</u>	<u>\$ 422,025</u>	<u>\$ 434,105</u>	<u>\$ 430,665</u>	<u>\$ 442,615</u>	2.0%

Personnel Schedule

	Full Time Equivalents					
	<u>2011 Budget</u>	<u>2012 Budget</u>	<u>2013 Budget</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>
Municipal Court Clerk	2.00	2.00	2.00	2.00	2.00	2.00
Probation Officer	1.00	1.00	1.00	1.00	1.00	1.00
Court Supervisor	1.00	1.00	1.00	1.00	1.00	1.00
Total	4.00	4.00	4.00	4.00	4.00	4.00

Capital Outlay:

<u>Item:</u>	<u>Quantity</u>	<u>Replacement/ New/Maint</u>	<u>2013 Actual</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>
Books		New	600	600	600	600
Miscellaneous Office Equipment		Replacement	1,000	1,000	1,000	1,000

Department Summary

Department:

Division:

Activity:

Law

Municipal Court

Municipal Court (5400-473)

Current Trends and Issues:

The Municipal Court continues to administer a high volume of court cases. New diversions and individuals performing community service to satisfy fines have increased in number. A substantial case load is expected to continue in the future.

Department Summary

Department:	Division:	Activity:
Public Works	Public Works	Administration (6100-550)

To this activity are charged the costs of overall administration of the Department of Public Works. The Director of Public Works oversees the activities of street maintenance, water production, treatment and distribution, wastewater collection and treatment, public works maintenance/flood control, and central garage, storm water management, traffic signals, GIS and Engineering.

	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Actual</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>	<u>Change in Budget</u>
Expenditures:							
Personal Services	\$ 125,348	\$ 180,493	\$ 194,204	\$ 197,304	\$ 194,229	\$ 202,930	2.9%
Contractual Services	3,601	4,167	3,659	4,225	2,266	5,965	41.2%
Commodities	72	21	283	275	275	700	154.5%
Capital Outlay	-	-	-	-	-	-	0.0%
Total Expenditures	<u>\$ 129,021</u>	<u>\$ 184,681</u>	<u>\$ 198,146</u>	<u>\$ 201,804</u>	<u>\$ 196,770</u>	<u>\$ 209,595</u>	3.9%
Funding Sources:							
Overhead Cost Allocation	\$ 33,965	\$ 131,952	\$ 162,895	\$ 165,479	\$ 165,479	\$ 171,868	3.9%
General Revenues	<u>95,056</u>	<u>52,729</u>	<u>35,251</u>	<u>36,325</u>	<u>31,291</u>	<u>37,727</u>	3.9%
Total Funding Sources	<u>\$ 129,021</u>	<u>\$ 184,681</u>	<u>\$ 198,146</u>	<u>\$ 201,804</u>	<u>\$ 196,770</u>	<u>\$ 209,595</u>	3.9%

Personnel Schedule

Full Time Equivalents

	<u>2011 Budget</u>	<u>2012 Budget</u>	<u>2013 Budget</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>
Public Works Director	1.00	1.00	1.00	1.00	1.00	1.00
Administrative Staff Aide	-	1.00	1.00	1.00	1.00	1.00
*Director of Utilities	-	-	-	-	-	-
*Special Projects Manager	-	-	-	-	-	-
Total	1.00	2.00	2.00	2.00	2.00	2.00

Trends and Issues:

Beginning in 2015 the Public Works Department will include the Engineering Department/Divisions. This reorganization will have an impact on the Public Works Administration budget by including new positions budgeted in the Engineering budget prior to 2015. This is based on a reorganization and succession plan developed in 2014 and being implemented in 2015.

Department Summary

Department:

Public Works

Division:

Public Works

Activity:

Administration (6100-550)

2015 Goals - (Quantifiable and Measurable)

Beginning in 2014, the City Public Works Department will begin a self assessment process to document and evaluate the procedures, functions and effectiveness of all public works divisions.

2016-2020 Strategic Goals (Directional and Strategic)

In conjunction with the self assessment of the Public Works Department, the ultimate goal will be APWA Accreditation sometime in 2016 or 2017. This accreditation will provide a means for ongoing evaluation of departmental programs and procedures addressing productivity, functionality and fiscal responsibility.

Department Summary

Department:	Division:	Activity:
Public Works	Public Works Maintenance	Public Works Maintenance (6150-574)

This activity is charged with the cost of maintenance of levees, floodways, Cow Creek, open storm drains and ditches, and various street, highway and drainage rights-of-way of the City. Activities include mowing, weed-eating, vegetation control, rodent control and structure repair; picking up trash along streets, highways and drainage rights-of-way and the Martinez hike and bike trail; and assisting other public works divisions as needed. This division maintains 28 miles (over 1,000 acres) of flood levees, 30 miles (over 1,200 acres) of drainage ditches through town and 3 miles of Cow Creek through town. They are also responsible for mowing approximately 6 miles along the K-61 highway, 20 miles along the Martinez and Northeast Bike Trails and 400 acres of street rights-of-way. The Public Works Maintenance Superintendent oversees the administration of this budget account under the oversight of the Director of Public Works.

	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Actual</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>	<u>Change in Budget</u>
Expenditures:							
Personal Services	\$ 694,316	\$ 702,470	\$ 667,512	\$ 673,053	\$ 626,621	\$ 673,643	0.1%
Contractual Services	23,227	38,550	50,603	43,445	52,965	49,901	14.9%
Commodities	113,826	119,175	112,758	127,700	124,490	130,700	2.3%
Capital Outlay	<u>17</u>	<u>-</u>	<u>-</u>	<u>3,000</u>	<u>2,245</u>	<u>3,200</u>	0.0%
Total Expenditures	<u>\$ 831,386</u>	<u>\$ 860,195</u>	<u>\$ 830,873</u>	<u>\$ 847,198</u>	<u>\$ 806,321</u>	<u>\$ 857,444</u>	1.2%
Funding Sources:							
Service Charges	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
General Revenues	<u>831,386</u>	<u>860,195</u>	<u>830,873</u>	<u>847,198</u>	<u>806,321</u>	<u>857,444</u>	1.2%
Total Funding Sources	<u>\$ 831,386</u>	<u>\$ 860,195</u>	<u>\$ 830,873</u>	<u>\$ 847,198</u>	<u>\$ 806,321</u>	<u>\$ 857,444</u>	1.2%

Personnel Schedule

Full Time Equivalents

	<u>2011 Budget</u>	<u>2012 Budget</u>	<u>2013 Budget</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>
Supt. of PW Maintenance	1.00	1.00	1.00	1.00	1.00	1.00
Equipment Operator	6.00	6.00	5.00	5.00	5.00	5.00
Heavy Equipment Operator	2.00	2.00	2.00	2.00	2.00	2.00
Maintenance Worker	<u>4.00</u>	<u>4.00</u>	<u>4.00</u>	<u>4.00</u>	<u>4.00</u>	<u>4.00</u>
Total	13.00	13.00	12.00	12.00	12.00	12.00

Capital Outlay:

<u>Item:</u>	<u>Quantity</u>	<u>Replacement/ New/Maint</u>	<u>2013 Actual</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>
3 Point Swing Offset Blade for snow removal on Hike Bike Trails			-	3,000	2,245	
Air Compressor		Replacement				3,200

Department Summary

Department:	Division:	Activity:
Public Works	Public Works Maintenance	Public Works Maintenance (6150-574)

Trends and Issues:

The Federal Government, through FEMA and the U.S. Army Corps of Engineers, has implemented programs that require municipalities that own flood control levee systems to meet higher standards of maintenance, operation and certification, resulting in increased costs for flood control system maintenance and improvements to ensure a satisfactory level of protection from flooding. Also, the Federal Government, through the EPA and the Clean Water Act and the implementation of the Phase II storm water regulations, established control measures impacting how we maintain our storm water systems and flood control systems to reduce erosion and pollution, ultimately resulting in increased operation and maintenance costs. Numerous regulatory requirements are also driving the need to evaluate other methods and equipment used for the flood control levee system and drainage ditch system maintenance.

2015 Goals - (Quantifiable and Measurable)

Do final levee top repairs to levees A and F to meet FEMA requirements.
Remove silt from Prairie Village II addition, Sierra parkway, and Countryside ditches.
Complete at least 4 miles of asphalt millings on levee tops per new USACE recommendations
Improve access restriction controls on the levee system
On going levee vegetation improvement

2016-2020 Strategic Goals (Directional and Strategic)

Complete putting asphalt millings on all the levee tops (3-5 miles per year until completed)
Complete 1st phase of silt removal from storm drainage ditches, all ditches north of 17th Ave
Improve vegetation on the levee system
Deal with recommendations of the Storm Water Study report when it is completed
Deal with final projects to complete the FEMA flood levee certification process

Department Summary

Department:	Division:	Activity:
Public Works	Central Garage	Central Garage Revolving (6310-554)

This activity is charged with the repair and maintenance of all City owned motorized and non motorized vehicles and equipment operated by all City Departments. The City has over 360 rolling pieces of equipment and over 575 pieces of small construction equipment including pumps, gas powered saws, chainsaws, weed-eaters, skid-steers, tractor attachments, small mowing equipment, generators and stationary auxillary engines and other misc. equipment. Fuel for the City vehicles and equipment is dispensed from the Central Garage fueling station located at the Public Works Facility. The City's average fuel useage is 138,800 gallons of unleaded and 71,500 gallons of diesel. The Automotive Maintenance Superintendent oversees the administration of this budget account under the guidance of the Director of Public Works.

	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Actual</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>	<u>Change in Budget</u>
Expenditures:							
Personal Services	\$ 403,553	\$ 419,591	\$ 437,218	\$ 443,581	\$ 429,064	\$ 435,738	-1.77%
Contractual Services	-	-	-	-	-	-	0.00%
Commodities	1,066,385	1,068,501	1,152,617	1,119,000	1,107,959	1,144,000	2.23%
Capital Outlay	-	-	-	-	-	-	0.00%
Total Expenditures	<u>\$ 1,469,938</u>	<u>\$ 1,488,092</u>	<u>\$ 1,589,835</u>	<u>\$ 1,562,581</u>	<u>\$ 1,537,023</u>	<u>\$ 1,579,738</u>	1.10%
Funding Sources:							
Overhead Cost Allocation	\$ 289,131	\$ 65,084	\$ 65,783	\$ 51,831	\$ 51,831	\$ 52,442	1.18%
Central Garage Charges	1,181,132	1,187,860	1,242,256	1,174,508	1,309,980	1,309,980	11.53%
General Revenues	(325)	235,148	281,796	336,242	175,212	217,316	-35.37%
Total Funding Sources	<u>\$ 1,469,938</u>	<u>\$ 1,488,092</u>	<u>\$ 1,589,835</u>	<u>\$ 1,562,581</u>	<u>\$ 1,537,023</u>	<u>\$ 1,579,738</u>	1.10%

Personnel Schedule

Full Time Equivalents

	<u>2011 Budget</u>	<u>2012 Budget</u>	<u>2013 Budget</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>
Auto Maint. Superintendent	1.00	1.00	1.00	1.00	1.00	1.00
Senior Auto Mechanic	2.00	2.00	2.00	1.00	1.00	1.00
Master Auto Mechanic	4.00	4.00	4.00	5.00	5.00	5.00
Total	<u>7.00</u>	<u>7.00</u>	<u>7.00</u>	<u>7.00</u>	<u>7.00</u>	<u>7.00</u>

Department Summary

Department:	Division:	Activity:
Public Works	Central Garage	Central Garage Revolving (6310-554)

Trends and Issues:

Since budget constraints has forced the deferral of previously scheduled replacement of equipment / vehicles, the City fleet is becoming more aged and requiring more frequent, and many times, more expensive repairs. As a result of the aging fleet, we are finding it difficult to obtain some replacement parts. Repair costs for the City's fleet of vehicles and equipment is continuing to increase. Another major trend affecting Central Garage operations is the uncertainty of fuel costs. In recent years past (2012 to 2013) prices for both unleaded gasoline and diesel fuel were relatively stable. It remains to be seen whether prices will remain stable in coming years. Stable pricing for 2014 and 2015 is being used for budgeting purposes. Central Garage utilizes information from the Department of Energy in order to make projections for future fuel costs.

2015 Goals - (Quantifiable and Measurable)

Provide important vehicle and equipment maintenance and replacement data to all departments for the City's MERF.
Better track equipment and vehicle repair costs of Central Garage to make more efficient and timely.
Provide more specialized training for the Central Garage Mechanics (funds in 2014 budget)
Setup vehicle GIS system trials for future consideration for City fleets.

2016-2020 Strategic Goals (Directional and Strategic)

Evaluate and potentially move toward a more City Centralized Fleet arrangement with a Fleet Manager.
Evaluate and potentially install GPS systems on selected City vehicles and equipment for safety and productivity.
Continue to reduce the number of underutilized vehicles
Add one (1) additional mechanic to Central Garage to provide better service and meet demands of special department needs (i.e. Fire Department Equipment).

Department Summary

Department:	Division:	Activity:
Public Works	Central Garage	Central Garage Shop (6320-555)

This activity reflects the cost of maintaining the Central Shop operations as distinct from the personnel and costs of the City vehicle fleet maintenance and fuel, which are included in the Central Garage Revolving budget. The Automotive Maintenance Superintendent oversees the administration of this budget account under the guidance of the Director of Public Works.

	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Actual</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>	<u>Change in Budget</u>
Expenditures:							
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Contractual Services	14,016	23,374	27,649	27,649	28,149	29,384	6.28%
Commodities	21,880	26,009	29,800	29,800	27,396	29,650	-0.50%
Capital Outlay	7,552	3,000	22,000	22,000	22,000	24,000	0.00%
Total Expenditures	<u>\$ 43,448</u>	<u>\$ 52,383</u>	<u>\$ 79,449</u>	<u>\$ 79,449</u>	<u>\$ 77,545</u>	<u>\$ 83,034</u>	4.51%
Funding Sources:							
Overhead Cost Allocation	\$ 9,224	\$ 11,121		\$ 16,867	\$ 16,463		-100.00%
General Revenues	34,224	41,262	79,449	62,582	61,082	83,034	32.68%
Total Funding Sources	<u>\$ 43,448</u>	<u>\$ 52,383</u>	<u>\$ 79,449</u>	<u>\$ 79,449</u>	<u>\$ 77,545</u>	<u>\$ 83,034</u>	4.51%

Capital Outlay:

<u>Item:</u>	<u>Quantity</u>	<u>Replacement/ New/Maint</u>	<u>2013 Actual</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>
Fuel Management System				22,000	22,000	
Air compressor						12,000
Snap-On Diagnostic Scan tool						12,000

Trends and Issues:

The size and diversity of the City's fleet continues to grow and the complexity of the equipment and vehicles increases every year. Maintaining diagnostic equipment and staying current with technology is an ongoing challenge.

2015 Goals - (Quantifiable and Measurable)

Provide training to Mechanics with emphasis on Fire Apparatus Equipment & on new Vactor Sewer Cleaner Truck
 Continue to improve inventory control
 Utilize the new GASBOY fuel upgrade system to its fullest potential
 Continue to utilize the CFA (computerized fleet analysis program) to its full potential

2016-2020 Strategic Goals (Directional and Strategic)

Replace worn fixed plant equipment- Vehicle Lifts, Car Wash Pumps, Lubrication Equipment
 Stay up to date on new diagnostic equipment and procedures, which includes ongoing mechanic training and investment in specialized equipment and tools

Department Summary

Department:	Division:	Activity:
Public Works	Streets	Street Signs & Markings (6470-557)

This activity is charged with the installation, repair, and maintenance of 11,000+ traffic control/street identification signs and 6,000+ sign post locations in the City, with the exception of electrical traffic signals. In addition, this activity is responsible for the painting of traffic lanes, crosswalks, and parking stalls along the City Streets. Annually approximately 360,000 linear feet of painted street markings and 48,000 linear feet of thermoplastic street markings are put down. The Street Superintendent oversees the administration of this budget account under the leadership of the Director of Public Works.

	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Actual</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>	<u>Change in Budget</u>
Personal Services	\$ 85,190	\$ 66,524	\$ 90,324	\$ 88,419	\$ 91,830	\$ 98,545	11.5%
Contractual Services	1,990	1,680	2,262	1,875	2,895	2,475	32.0%
Commodities	49,842	48,774	44,284	56,050	56,769	57,450	2.5%
Capital Outlay	-	-	-	-	-	-	0.0%
Total Expenditures	<u>\$ 137,022</u>	<u>\$ 116,978</u>	<u>\$ 136,870</u>	<u>\$ 146,344</u>	<u>\$ 151,495</u>	<u>\$ 158,470</u>	8.3%
Funding Sources:							
Reimbursement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
General Revenues	<u>137,022</u>	<u>116,978</u>	<u>136,870</u>	<u>146,344</u>	<u>151,495</u>	<u>158,470</u>	8.3%
Total Funding Sources	<u>\$ 137,022</u>	<u>\$ 116,978</u>	<u>\$ 136,870</u>	<u>\$ 146,344</u>	<u>\$ 151,495</u>	<u>\$ 158,470</u>	8.3%

Personnel Schedule

Full Time Equivalents

	<u>2011 Budget</u>	<u>2012 Budget</u>	<u>2013 Budget</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>
Maintenance Technician	1.00	1.00	1.00	1.00	1.00	1.00
Maintenance Worker	1.00	1.00	1.00	1.00	1.00	1.00
Total	2.00	2.00	2.00	2.00	2.00	2.00

Trends and Issues:

A sign reflectivity evaluation was completed by staff in 2014. Staff will continue working to identify and replace sign face material on traffic control signs to adhere to the Federal Reflectivity Standards. Historically City owned parking areas are scheduled for re-marking on a 3 year rotation. Increase of \$1,000 to purchase street marking paint to re-mark City owned parking and handicap areas in the following areas; Downtown parking areas, Elmdale Park, Animal Shelter, Fairgrounds Water Park, Golf Course, Zoo/Home Builders parking and the Airport parking areas. As street markings continue to age there is a concern of maintaining adequate funding to maintain street markings at an acceptable level.

Department Summary

Department:

Division:

Activity:

Public Works

Streets

Street Signs & Markings (6470-557)

2015 Goals - (Quantifiable and Measurable)

- 1) Work on replacing 400+ signs identified as not meeting the Federal Reflectivity requirements.
- 2) Continue to train staff to maintain and update GIS and dataset information. Currently there are 6,000 + sign locations and 11,000 + signs that staff maintain and evaluate for condition and reflectivity.

2016-2020 Strategic Goals (Directional and Strategic)

- 1) Evaluate current street marking equipment. Current equipment is 20+ years old and is inefficient in operation and required maintenance to prepare for use.
- 2) Evaluate current use of materials for street marking. Although paint is the most economical it has a minimum life of 6 months in high traffic environments making it somewhat inefficient and labor intensive to maintain.

Department Summary

Department:	Division:	Activity:
Engineering	Engineering	Engineering (6210-551)

This budget funds the engineering function of the City, which is responsible for planning, designing, administering, inspecting, and overseeing the construction of bridges, streets, traffic signals, sewers, water mains, and drainage projects. Activities includes project pre-planning, design review, right-of-way and utility coordination, estimating, contract administration, project financing, and engineering advice for the Capital Improvement Program (CIP) and City departments. Engineering also supports the Planning Commission on development issues, monitors traffic, and responds to the general public on Engineering questions.

	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Actual</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>	<u>Change in Budget</u>
Expenditures:							
Personal Services	\$ 714,927	\$ 725,567	\$ 769,376	\$ 749,766	\$ 628,929	\$ 766,686	2.3%
Contractual Services	14,930	31,752	22,277	43,699	43,281	20,313	-53.5%
Commodities	15,202	13,447	12,053	18,300	16,300	18,300	0.0%
Capital Outlay	152	2,899	5,445	100	1,270	100	0.0%
Total Expenditures	<u>\$ 745,211</u>	<u>\$ 773,665</u>	<u>\$ 809,151</u>	<u>\$ 811,865</u>	<u>\$ 689,780</u>	<u>\$ 805,399</u>	-0.8%
Funding Sources:							
Overhead Cost Allocation	\$ 419,679	\$ 525,531	\$ 660,007	\$ 665,729	\$ 665,729	\$ 660,427	-0.8%
General Revenues	325,532	248,134	149,144	146,136	24,051	144,972	-0.8%
Total Funding Sources	<u>\$ 745,211</u>	<u>\$ 773,665</u>	<u>\$ 809,151</u>	<u>\$ 811,865</u>	<u>\$ 689,780</u>	<u>\$ 805,399</u>	-0.8%

Personnel Schedule

Full Time Equivalents

	<u>2011 Budget</u>	<u>2012 Budget</u>	<u>2013 Budget</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>
Director of Engineering	1.00	1.00	1.00	1.00	1.00	1.00
Assistant City Engineer	1.00	1.00	1.00	1.00	1.00	1.00
Civil Engineer, Senior	1.00	1.00	2.00	2.00	2.00	2.00
Construction Proj. Coord.	1.00	1.00	-	-	-	-
Engineering Tech-Design	2.00	2.00	2.00	2.00	2.00	2.00
Engineering Tech-Constr.	4.00	3.00	3.00	3.00	3.00	3.00
Secretary	0.83	-	-	-	-	-
Total	<u>10.83</u>	<u>9.00</u>	<u>9.00</u>	<u>9.00</u>	<u>9.00</u>	<u>9.00</u>

Capital Outlay:

<u>Item:</u>	<u>Quantity</u>	<u>Replacement/ New/Maint</u>	<u>2013 Actual</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>
Books		New	100	100	100	
Plan holding filing cabinet		New	5,000			

Department Summary

Department:	Division:	Activity:
Engineering	Engineering	Engineering (6210-551)

Current Trends and Issues:

The Engineering Department will begin transitioning key staff into new roles within the Public Works Department. We anticipate incorporating Engineering into the Public Works Department in 2015.

2015 Goals - (Quantifiable and Measurable)

- Execute the 2015 Street Maintenance Program.
- Complete the construction of the first phase of Main Street Reconstruction.
- Complete the design of the second phase of the Main Street Reconstruction Project.
- Complete the rehabilitation of the Airport Road Bridge.
- Complete the rehabilitation of the Avenue A Pedestrian Bridge.
- Complete the design of an aging water main replacement project.
- Complete the construction of an aging water main replacement project.
- Complete the construction of a sanitary sewer rehab project.
- Complete the design of a sanitary sewer rehab project.
- Complete pavement marking inspection and identify replacement needs.
- Review top ten accident locations and evaluate potential safety improvements.
- Conduct annual audit of citywide sign retro-reflectivity levels. Schedule non-compliant signs for replacement.
- Utilize bike and pedestrian masterplan to identify an opportunity for a transportation enhancement grant.

2016-2020 Strategic Goals (Directional and Strategic)

- Revise/update technical specs by 2017
- Revise/update standard details by 2018
- Document processes in order to become an Accredited American Public Works Agency by 2018
- Final project cost vs. initial project budget – target 5% under budget.
- Percent of CIP project contracts completed by original contract date – target 80%.
- Average cost change of projects during construction – target 2%.

Department Summary

Department:	Division:	Activity:
Engineering	Traffic Signals	Traffic Signals (6215-652)

This activity is charged with the responsibility for the operation, repair, and maintenance of the traffic signals in the City. They are also responsible for trouble shooting problems in any City-owned facility.

	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Actual</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>	<u>Change In Budget</u>
Expenditures:							
Personal Services	\$ 144,911	\$ 146,505	\$ 148,240	\$ 152,068	\$ 135,483	\$ 165,698	8.96%
Contractual Services	87,327	92,514	99,857	97,764	93,224	99,151	1.42%
Commodities	36,982	38,631	25,678	28,350	21,777	36,650	29.28%
Capital Outlay	<u>27,200</u>	<u>32,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	0.00%
Total Expenditures	<u>\$ 296,420</u>	<u>\$ 309,650</u>	<u>\$ 273,775</u>	<u>\$ 278,182</u>	<u>\$ 250,483</u>	<u>\$ 301,499</u>	8.38%
Funding Sources:							
Overhead Cost Allocation	\$ 76,648	\$ 79,361	\$ 70,470	\$ 69,518	\$ 69,518	\$ 75,345	8.38%
General Revenues	<u>219,772</u>	<u>230,289</u>	<u>203,305</u>	<u>208,664</u>	<u>180,965</u>	<u>226,154</u>	8.38%
Total Funding Sources	<u>\$ 296,420</u>	<u>\$ 309,650</u>	<u>\$ 273,775</u>	<u>\$ 278,182</u>	<u>\$ 250,483</u>	<u>\$ 301,499</u>	8.38%

Personnel Schedule

Full Time Equivalents

	<u>2011 Budget</u>	<u>2012 Budget</u>	<u>2013 Budget</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>
Traffic Signal Tech., Senior	1.00	1.00	1.00	1.00	1.00	1.00
Traffic Signal Tech.	<u>1.00</u>	<u>1.00</u>	<u>1.00</u>	<u>1.00</u>	<u>1.00</u>	<u>1.00</u>
Total	2.00	2.00	2.00	2.00	2.00	2.00

Current Trends and Issues:

The traffic control division goal is to upgrade old loop detection systems with state of the art video/radar and microwave detection systems. We also have several intersections in town that experience frequent malfunction due to old wiring, we plan to gradually install new wiring, this will reduce disruption to traffic and reduce emergency call outs and maintenance. Another goal is to install detection systems at some intersections that presently function on a pre-timed basis.

Department Summary

Department:

Division:

Activity:

Engineering

Traffic Signals

Traffic Signals (6215-552)

2015 Goals - (Quantifiable and Measurable)

- * Conduct scheduled inspection (twice a year) of 76 signals and 2 ped crossings. Repair or replace defective items.
- * Conduct scheduled inspections (twice/yr & after wind storms) of street lights. Repair and replace defective items.
- * Conduct 20 tests of the emergency warning sirens. Repair or replace defective items.
- * Perform inspections of RR Crossings on a monthly basis and do necessary repairs.
- * Install eight new emergency sirens (grant funding pending) and install radio control for 30 sirens
- * Install new pedestrian signals at 3 intersections.
- * Install battery back up systems to 3 scheduled intersections.

2016-2010 Strategic Goals (Directional and Strategic)

- * Evaluate options to make battery backup of emergency sirens more reliable.
- * Evaluate number of tests needed for emergency sirens. Each test requires 160 miles of travel and 13 man-hours.
- * Continue preventive maintenance and correct major issues to reduce number of callouts to less than 36/year.

Department Summary

Department:	Division:	Activity:
Engineering	Geographical Information Systems	Geographical Information Systems (6220-553)

The GIS division is part of the Engineering Department. This activity reflects the cost of maintaining the City's Geographic Information System (GIS), which is responsible for the creating and maintaining of geographic databases and provides mapping services and integrates GIS and existing systems.

	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Actual</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>	<u>Change in Budget</u>
Expenditures:							
Personal Services	\$ 69,558	\$ 142,625	\$ 173,363	\$ 237,551	\$ 225,031	\$ 227,498	-4.23%
Contractual Services	343	16,512	14,620	18,730	18,493	18,730	0.00%
Commodities	-	-	-	-	-	-	0.00%
Capital Outlay	-	-	-	-	-	-	0.00%
Total Expenditures	<u>\$ 69,901</u>	<u>\$ 159,137</u>	<u>\$ 187,983</u>	<u>\$ 256,281</u>	<u>\$ 243,524</u>	<u>\$ 246,228</u>	-3.92%
Funding Sources:							
Overhead Cost Allocation	\$ -	\$ 109,426	\$ 153,213	\$ 210,150	\$ 210,150	\$ 201,907	-3.92%
General Revenues	69,901	49,711	34,770	46,131	33,374	44,321	-3.92%
Total Funding Sources	<u>\$ 69,901</u>	<u>\$ 159,137</u>	<u>\$ 187,983</u>	<u>\$ 256,281</u>	<u>\$ 243,524</u>	<u>\$ 246,228</u>	-3.92%

Personnel Schedule

Full Time Equivalents

	<u>2011 Budget</u>	<u>2012 Budget</u>	<u>2013 Budget</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>
GIS & Support Sys Manager	1.00	1.00	1.00	1.00	1.00	1.00
Engineering Systems Tech	-	-	-	1.00	1.00	1.00
Engineering Associate	-	1.00	1.00	1.00	1.00	1.00
Total	1.00	2.00	2.00	3.00	3.00	3.00

Current Trends and Issues:

Data, geographic & otherwise, continues to be in high demand. Other City departments & the general public are moving toward Web, mobile & lightweight (e.g. tablet) devices, which present new challenges in serving them with our existing GIS infrastructure.

Department Summary

Department:	Division:	Activity:
Engineering	Geographical Information Systems	Geographical Information Systems (6220-553)

2015 Goals - (Quantifiable and Measurable)

- Increased use of Lucity (asset, request & work management system). Additional divisions/departments using system.
- Implement & support field work order data entry.
- Provide data reporting/analysis capabilities using Crystal Reports to identify trends and improve work processes.
- Ensure work done within the division is not dependent on one staff member.

2016-2010 Strategic Goals (Directional and Strategic)

- Implement GIS technology on mobile devices.
- Expand the use of GIS technology as a productivity enhancement tool for city employees.
- Expand GIS on the City's website to improve citizen access to information and promote transparency in city government.

Department Summary

Department:	Division:	Activity:
Parks and Facilities	Parks and Facilities	Park Administration (6910-560)

The mission of the Parks and Facility Services Department is threefold: enhance and protect Hutchinson's natural beauty through a vibrant system of parks, open spaces and trails; provide citizens of all ages with efficient and wholesome recreational and cultural opportunities in clean, safe, and accessible facilities; and promote an appreciation of our environmental resources while preserving a quality living environment for future generations. The Parks and Facility Services Department has eight divisions that work together to accomplish this mission.

This Division is charged with the overall costs of administering the Parks and Facility Services Department. The Administration group is responsible for the planning, acquisition, development and operational oversight of City parks and facilities. This staff oversees park and trail development consistent with the Linear Park Master Plan and the implementation of the Parks Capital Improvement Plan (CIP). This division coordinates budgeting, grants, professional development, training, and administrative oversight for the Department. This staff also provides support for the Hutchinson Community Tree Board, Airport Advisory Board, Friends of the Zoo Board, and the Public Facilities Board.

The Division aggressively pursues alternative funding for supplementing or leveraging City CIP Funds allocated for completing capital projects. The grant application and grant administration processes are a key function of the Administrative Division.

	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Actual</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>	<u>Change in Budget</u>
Expenditures:							
Personal Services	\$ 263,308	\$ 263,277	\$ 270,239	\$ 273,751	\$ 320,369	\$ 281,747	2.92%
Contractual Services	33,141	96,589	95,180	102,382	102,382	107,144	4.65%
Commodities	1,114	2,364	624	1,180	1,180	1,180	0.00%
Capital Outlay	21,450	10,087	-	31,000	31,000	19,500	-37.10%
Total Expenditures	<u>\$ 319,013</u>	<u>\$ 372,317</u>	<u>\$ 366,044</u>	<u>\$ 408,313</u>	<u>\$ 454,931</u>	<u>\$ 409,571</u>	0.31%
Funding Sources:							
Licenses and Permits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
General Revenues	319,013	372,317	366,044	408,313	454,931	409,571	0.31%
Total Funding Sources	<u>\$ 319,013</u>	<u>\$ 372,317</u>	<u>\$ 366,044</u>	<u>\$ 408,313</u>	<u>\$ 454,931</u>	<u>\$ 409,571</u>	0.31%

Personnel Schedule

Full Time Equivalents

	<u>2011 Budget</u>	<u>2012 Budget</u>	<u>2013 Budget</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>
Parks & Facilities Director	1.00	1.00	1.00	1.00	1.00	1.00
Asst. Parks & Facilities Dir.	1.00	1.00	1.00	1.00	1.00	1.00
Secretary	1.00	1.00	1.00	1.00	1.00	1.00
Office Manager	-	-	-	-	1.00	-
Total	3.00	3.00	3.00	3.00	4.00	3.00

Department Summary

Department:	Division:	Activity:
Parks and Facilities	Parks and Facilities	Park Administration (6910-560)

Capital Outlay:

Item:	Quantity	Replacement/ New/Maint	2013 Actual	2014 Budget	2014 Revised	2015 Budget
Blue Print Storage System	1	New	1,200			
Office Furniture				31,000	31,000	19,500

Trends and Issues:

The residents of Hutchinson continue to increase the demand for more recreational amenities throughout the community and the community leaders continue to increase pressure on existing resources as they struggle to find funds to address the quality of life issues related to this community. As the limited resources continue to be stretched, this division/department is going to be challenged to maintain facilities and equipment within appropriate standards.

2015 Goals - (Quantifiable and Measurable)

1. Budget to improve staff work stations by replacing antiquated office equipment.
2. Budget to centralize contingency needs for the department - recruitment travel and advertising.
3. Budget to centralize critical work functions - new hire orientations, budget monitoring and website maintenance.

2016-2010 Strategic Goals (Directional and Strategic)

1. Continue to evaluate the overall conditions of the public buildings and enhance overall appearance and functionality of the facilities.
2. Continue to drive efficiencies across the organization by centralizing redundant work functions.
3. Continue to evaluate long term sustainability of current business practices.
4. Continue to enhance the image of the department by improving training processes, developing sound business practices, and adding critically needed skill sets when staffing changes occur.

Department Summary

Department:	Division:	Activity:
Parks and Facilities	Parks & Facilities Maintenance	Park Maintenance (6940-561)

The City offers its citizens many activities for recreation, health, and fitness through an interactive system of parks, open spaces, trails, and recreational facilities. Hutchinson has twenty-one developed parks consisting of approximately 565 acres and 7.8 miles of developed trails. In addition, the City has 19 undeveloped park properties consisting of 129.68 acres.

This Division provides year-round maintenance services to recreational athletic fields, playgrounds, trails, and public buildings. The public buildings include Memorial Hall, Rice Park Community Center, Hutchinson Animal Shelter, Public Works Facility, Airport Terminal and City Hall. The Division's goal is to ensure clean, safe, and accessible facilities and well maintained grounds. The Division maintains 20 buildings, 2 rental facilities, 14 public restrooms and 7 fire stations while juggling any number of special projects.

	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Actual</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>	<u>Change In Budget</u>
Expenditures:							
Personal Services	\$ 583,962	\$ 587,458	\$ 602,663	\$ 603,373	\$ 590,711	\$ 612,600	1.53%
Contractual Services	145,145	131,959	159,180	139,865	149,416	141,201	0.96%
Commodities	207,887	202,987	196,328	168,650	175,668	169,650	0.59%
Capital Outlay	39,733	35,864	22,161	46,900	46,900	38,300	-18.34%
Total Expenditures	<u>\$ 976,727</u>	<u>\$ 958,268</u>	<u>\$ 980,332</u>	<u>\$ 958,788</u>	<u>\$ 962,695</u>	<u>\$ 961,751</u>	0.31%
Funding Sources:							
Facility Rentals	\$ 35,390	\$ 21,142	\$ 21,322	\$ 28,000	\$ 26,500	\$ 26,500	-5.36%
Overhead Cost Allocation	-	352,256	393,252	358,314	358,314	360,186	0.52%
General Revenues	941,337	584,870	565,758	572,474	577,881	575,065	0.45%
Total Funding Sources	<u>\$ 976,727</u>	<u>\$ 958,268</u>	<u>\$ 980,332</u>	<u>\$ 958,788</u>	<u>\$ 962,695</u>	<u>\$ 961,751</u>	0.31%

Personnel Schedule

Full Time Equivalents

	<u>2011 Budget</u>	<u>2012 Budget</u>	<u>2013 Budget</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>
Park Maint. Supervisor	1.00	1.00	1.00	1.00	1.00	1.00
Master Plumber	1.00	1.00	1.00	1.00	1.00	1.00
Master Electrician	1.00	1.00	1.00	1.00	1.00	1.00
Heat/AC Specialist	1.00	1.00	1.00	1.00	1.00	1.00
Senior Park Specialist	1.00	1.00	1.00	1.00	1.00	1.00
Irrigation Maint. Tech.	1.00	1.00	-	-	-	-
Heavy Equip Operator	1.00	1.00	1.00	1.00	1.00	1.00
Maintenance Worker	3.00	3.00	3.00	3.00	3.00	3.00
Maintenance Technician	-	1.00	1.00	1.00	1.00	1.00
Total	10.00	11.00	10.00	10.00	10.00	10.00

Department Summary

Department:	Division:	Activity:
Parks and Facilities	Parks & Facilities Maintenance	Park Maintenance (6940-561)

Capital Outlay:

Item:	Quantity	Replacement/ New/Maint	2013 Actual	2014 Budget	2014 Revised	2015 Budget
Fish stocking program		Maintenance	1,000	1,000	1,000	1,500
Chain link fence for ball field repairs		Maintenance	6,500	4,000	4,000	10,000
Replace irrigation flow meters		Replacement	4,000			
Replace irrigation controllers		Replacement	4,000			
Laser Leveling Transmitter for skid loader		New	3,200			
Replace trash/recycle receptacles		Replacement	4,000			
Security Poles and Light Fixtures - Park Shop Yard				13,500	13,500	
Replace Ice Machine - Park Department				6,800	6,800	
Thermal Imaging Scanner for HVAC				2,800	2,800	
Office Workstation				8,800	8,800	
8" Rip/Rap for Carey Park Lagoon				10,000	10,000	10,000
New doors for Shadduck park						5,500
Tables, chairs and locker for the park						8,800
Jumping Jack soil compactor						2,500

Current Trends and Issues:

As pressure continues to mount on the overall city budget, this division has been called on to perform more construction related work in order to control expenditures related to constructing new or renovating existing facilities. Prior to 2008, this division spent less than 50% of its time on new construction and since that time that number is closer to 75-80%. This has led to significant savings related to new construction but has impacted the division's ability to address preventative maintenance across the entire City organization. The division's leadership has also been working to develop and hopes to eventually implement a formalized preventative maintenance program for all City facilities. Prior to 2006, the division was strictly a reactionary force to address issues as they arose and by implementing a preventative maintenance program they should be able to prolong the life of the facility equipment.

2015 Goals - (Quantifiable and Measurable)

1. Facility Maintenance Technician to complete at least 1000 hours of work in non general fund departments.
2. HVAC Technician to complete all preventative maintenance work orders when scheduled.
3. Fully implement electrical safety policy and lockout – tag out procedures.
4. Budget parking lot replacements in accordance with a long range plan for maintaining these facilities.

2016-2010 Strategic Goals (Directional and Strategic)

1. Continue to budget for adequate resources to perform appropriate levels of building maintenance.
2. Continue to evaluate the cost benefit return of performing certain construction activities in-house versus outsourcing them.
3. Continue to increase the overall skill level of the division by ensuring advanced training opportunities are available to all staff.
4. Continue to monitor use of staff resources by non-general fund departments to ensure that these departments are contributing the appropriate service allocation levels.

Department Summary

Department:	Division:	Activity:
Parks and Facilities	Zoo	Zoo (6945-562)

The Zoo Division is part of the Parks and Facility Services Department. It maintains and provides year-round animal care services ensure clean, safe, and accessible venue is available for the residents enjoyment. The division also treats approximately 500 animals annually in it's animal emergency care and rehab operations. The Hutchinson Zoo encompassed approximately 9 acres and maintains 16 structures on the location. The division normally hosts approximately 65,000 guests annually and accommodates 97 community education programs each year.

	2011 Actual	2012 Actual	2013 Actual	2014 Budget	2014 Revised	2015 Budget	Change in Budget
Expenditures:							
Personal Services	\$ 398,173	\$ 396,851	\$ 413,331	\$ 393,656	\$ 406,281	\$ 417,778	6.13%
Contractual Services	55,412	74,581	80,837	81,584	80,264	86,943	6.57%
Commodities	64,424	73,595	71,681	69,030	68,839	78,755	14.09%
Capital Outlay	6,156	2,746	10,230	21,750	21,750	22,250	2.30%
Total Expenditures	\$ 524,165	\$ 547,773	\$ 576,079	\$ 566,020	\$ 577,134	\$ 605,726	7.01%
Funding Sources:							
Private Contributions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Gift Shop Reimburse	10,642	13,968	-	11,000	18,000	18,000	63.64%
General Revenues	513,523	533,805	576,079	555,020	559,134	587,726	5.89%
Total Funding Sources	\$ 524,165	\$ 547,773	\$ 576,079	\$ 566,020	\$ 577,134	\$ 605,726	7.01%

Personnel Schedule

Full Time Equivalent

	2011 Budget	2012 Budget	2013 Budget	2014 Budget	2014 Revised	2015 Budget
Zoo Director	1.00	1.00	1.00	1.00	1.00	1.00
Senior Keeper	1.00	-	-	-	-	-
Zoo Keeper	4.00	5.00	5.00	5.00	5.00	4.00
Zoo Curator	1.00	1.00	1.00	1.00	1.00	1.00
Zoo Education Tech	-	-	-	-	-	1.00
Total	7.00	7.00	7.00	7.00	7.00	7.00

Department Summary

Department:	Division:	Activity:
Parks and Facilities	Zoo	Zoo (6945-562)

Capital Outlay:

Item:	Quantity	Replacement/ New/Maint	2013 Actual	2014 Budget	2014 Revised	2015 Budget
Incubator		Replacement	1,000			
Water spigot behind porcupine & ringtail enclosure		Maintenance	500			
Large Message Center		New	1,000			
Recycling stations and trash	8	New	5,000			
Work unit for Director's office		Replacement	2,400			
Recreation Equipment						
Building including ADA ramp				13,800	13,800	
Furniture				2,200	2,200	
Fence				5,000	5,000	
Television/DVD for training				750	750	
Wire to redo Bobcat enclosure top						1,500
Extend height and re-do Ringtail, Porcupine & Crow enclosures						3,500
Staffing Level Consultant						10,000
Refrigerator for Wild Care C	1	Replacement				700
Table Saw	1	Replacement				500
Fire-proof file cabinet						750
Radio	1	New				300
Exterior Perimeter Fence	1	Replacement				5,000

Trends and Issues:

The Zoo continues to redefine itself as a new director gets established in her role. Over the past 18 months, the Zoo has slowly moved away from its previous role of trying to provide rehab services for every injured animal that the public brought to the Zoo. They have done this by limiting the types of animals that they provide care for to those that are more unique or less common. While the Zoo's mission is still to support conservation efforts in every way possible, everyone recognizes that there is a real cost to providing that care and, in many cases, there are other options available for addressing these issues.

Staff has reprioritized maintenance of the physical plant to being one of the top budget items for the Zoo. This item had long been ignored and the overall condition of the structures/exhibits was getting to be substandard. Staff has also adopted a plan to try and add small exhibits with an element of revenue generation in an effort to enhance the user's experience.

2015 Goals - (Quantifiable and Measurable)

1. Budget to allow Education Coordinator to be removed from animal care duties - add one regular PTE.
2. Budget to continue incremental repairs to the existing facilities - Fence replacement, renovate 2 exhibits.
3. Evaluate existing staffing levels per recommendation of AZA Certification comments.

2016-2010 Strategic Goals (Directional and Strategic)

1. Continue to evaluate ways to reduce turnover in this staff.
2. Continue to make incremental increases to maintenance budget to allow for improvements to the buildings and exhibits.
3. Continue to seek outside funding to allow for additional exhibits at the zoo to improve user experiences.
4. Continue to evaluate revenue generators such as programs, new exhibits, or even incorporating admissions fees.

Department Summary

Department:	Division:	Activity:
Parks and Facilities	Forestry & Horticulture	Forestry & Horticulture (6950-563)

Horticulture and Forestry is a newly created division within the Department of Parks & Facilities. The division oversees and provides year-round maintenance for street trees and landscaped areas in the City. The division also provides mowing, landscape design and ensures the plants used in City projects are appropriate for South Central Kansas. The goal is to focus on the aesthetic beauty on the city's parks and other public places through landscaping enhancements and through this effort, City staff hopes to help create a pleasing image for the community and a sense of pride in our residents.

This division was previously integrated into the Park Operation and Maintenance Division but was formally created as an individual work unit in 2007. This was done because of the specialized job knowledge/skill sets required to perform this work and the volume of beautification projects currently underway in the City.

The staff in the division assigned to horticulture related work is also responsible for maintain approximately 65,000 square feet of landscaping beds, for mowing 285 acres of grass and managing an additional 111 acres of contracted mowing. This division also is responsible for providing a community education component where residents can participate in the community garden, adopt-a-plot, and Children's Garden programs.

	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Actual</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>	<u>Change in Budget</u>
Expenditures:							
Personal Services	\$ 465,633	\$ 517,263	\$ 623,261	\$ 630,761	\$ 619,516	\$ 657,352	4.22%
Contractual Services	58,906	66,080	77,455	72,600	75,000	84,369	16.21%
Commodities	154,085	165,898	149,937	175,750	183,884	183,600	4.47%
Capital Outlay	26,932	5,205	-	29,800	-	34,000	14.09%
Total Expenditures	<u>\$ 705,556</u>	<u>\$ 754,446</u>	<u>\$ 850,654</u>	<u>\$ 908,911</u>	<u>\$ 878,399</u>	<u>\$ 959,321</u>	5.55%
Funding Sources:							
Private Contributions	\$ 15,000	\$ 15,000	\$ 10,000	\$ 15,000	\$ -	\$ 15,000	0.00%
General Revenues	690,556	739,446	840,654	893,911	878,399	944,321	5.64%
Total Funding Sources	<u>\$ 705,556</u>	<u>\$ 754,446</u>	<u>\$ 850,654</u>	<u>\$ 908,911</u>	<u>\$ 878,399</u>	<u>\$ 959,321</u>	5.55%

Personnel Schedule Full Time Equivalents

	<u>2011 Budget</u>	<u>2012 Budget</u>	<u>2013 Budget</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>
Hort. & Forestry Supv.	1.00	1.00	1.00	1.00	1.00	1.00
Senior Forestry Tech.	1.00	1.00	1.00	1.00	1.00	1.00
Pest Control Specialist	1.00	1.00	1.00	1.00	1.00	1.00
Horticulturist	1.00	1.00	1.00	1.00	1.00	1.00
Horticultural Technician	1.00	1.00	1.00	1.00	1.00	1.00
Turf Maint Tech	-	-	-	1.00	1.00	1.00
Irrigation Maint. Tech.	-	-	1.00	1.00	1.00	1.00
Maintenance Worker	3.00	3.00	3.00	3.00	3.00	3.00
Total	8.00	8.00	9.00	10.00	10.00	10.00

Department Summary

Department:	Division:	Activity:
Parks and Facilities	Forestry & Horticulture	Forestry & Horticulture (6950-563)

Capital Outlay:

Item:	Quantity	Replacement/ New/Maint	2013 Actual	2014 Budget	2014 Revised	2015 Budget
Greenhouse benches		New	2,500			
Out-front Mowers w/60" Decks	2	Replacement	18,000			
20' Tandem Axle Equipment T1	1	Replacement	7,000			
Scoreboard - Rice Park	1	Replacement				10,000
Lexan covering for greenhouse	1	Replacement				11,000
Bucket truck leveling cables	1	Replacement				5,000
Mower & Compact Loader				19,300	19,300	
Replacement of Flow Meters & Controllers				10,500	10,500	8,000

Trends and Issues:

This division completed the installation of a new greenhouse structure in 2012 and 2013 will mark the first full season for growing stock in that structure. Again, as budget pressures increase, staff was looking for ways to decrease cost while not impacting resident services. The new greenhouse operation is expected to pay for itself with four years do to the cost savings associated with growing our own stock versus purchasing the stock from outside vendors.

This division has undertaken several renovation projects with the intent of reducing costs and improving the aesthetic value of different parts of the community. As an example, in the downtown district, staff has been aggressively increasing the number of perennial flowers in these beds to reduce the cost associated with planting annuals.

This division continues to see significant street tree loss related to the drought conditions of the past three years. Additionally, many highly stressed trees are also expected to be casualties in the upcoming years.

2015 Goals - (Quantifiable and Measurable)

1. Replace 2 manual irrigation controller with new automated controllers to improve efficiency.
2. Perform street tree prunings in next identified zone of the City.
3. Plant at least 75 new trees in 2014.
4. Recruit at least 4 volunteers to assist with bed plantings in the downtown area.

2016-2010 Strategic Goals (Directional and Strategic)

1. Continue to budget to replace manual irrigation controller with new automated controllers to improve efficiency.
2. Continue to budget necessary resources to perform street tree pruning.
3. Continue to recruit volunteers to assist with planting landscape beds in the downtown and at the zoo.

Department Summary

Department:	Division:	Activity:
Parks and Facilities	Parks & Facilities Maintenance	Central Custodial Revolving (6960-569)

This division has been established to centralize the custodial function. The funds for this division are budgeted in the individual departments/divisions who utilize these services.

	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Actual</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>	<u>Change In Budget</u>
Expenditures:							
Personal Services	\$ 25,336	\$ 57,706	\$ 63,070	\$ 83,871	\$ 83,871	\$ 84,975	1.32%
Contractual Services	-	-	-	1,750	1,750	1,750	0.00%
Commodities	-	-	-	2,650	2,650	3,150	0.00%
Capital Outlay	-	-	-	1,500	1,500	3,000	0.00%
Total Expenditures	<u>\$ 25,336</u>	<u>\$ 57,706</u>	<u>\$ 63,070</u>	<u>\$ 89,771</u>	<u>\$ 89,771</u>	<u>\$ 92,875</u>	3.46%
Funding Sources:							
Service Charges	24,711	57,706	63,070	85,000	91,200	91,200	7.29%
General Revenues	625	(0)	-	4,771	(1,429)	1,675	0.00%
Total Funding Sources	<u>\$ 25,336</u>	<u>\$ 57,706</u>	<u>\$ 63,070</u>	<u>\$ 89,771</u>	<u>\$ 89,771</u>	<u>\$ 92,875</u>	3.46%

Capital Outlay:

<u>Item:</u>	<u>Quantity</u>	<u>Replacement/ New/Maint</u>	<u>2013 Actual</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>
Buffer Machine		New		1,500	1,500	
Shared Floor Scrubber						3,000

Trends and Issues:

For the past five years or so, it has become evident that securing a quality contractor to perform the custodial services needed in City building is increasingly difficult to do. To be fair to the contractors, the services ebb and flow with the quality of staff they are able to hire. Most of the contractors are willing to perform the work but like any business they have a fair amount of turnover which combined with the need to maintain profit margins impacts the quality of work.

City staff have talked to HCC, USD308, and Promise Regional Hospital all of whom have explored or experienced similar issues with outsourcing the custodial services. All of these agencies have since brought the services in house to some degree and are paying wages comparable to what the city is.

During the 2010 and 2011 bid process only three vendors submitted bids for the various city facilities. These bids had increases from 10-68% depending upon the building and the services needed so the city elected to bring some of the services in house.

Department Summary

Department:

Parks and Facilities

Division:

Parks & Facilities Maintenance

Activity:

Central Custodial Revolving (6960-569)

2015 Goals - (Quantifiable and Measurable)

1. Continue to monitor staffing levels to ensure they align with ultimate cleaning needs of facilities.
2. Continue to improve on "quarterly" floor care operations (stripping/waxing and carpet cleaning etc.).
3. Continue quarterly training of cleaning staff on new cleaning methods, safety, and existing equipment use.

2016-2010 Strategic Goals (Directional and Strategic)

1. Create a full-time position to serve as a crew leader for all cleaning crews.
2. Continue to improve on "quarterly" floor care operations (stripping/waxing and carpet cleaning).
3. Provide outside professional training for staff to allow for up-to-date methods for cleaning and equipment.

Department Summary

Department:	Division:	Activity:
Parks and Facilities	Parks & Facilities Maintenance	Memorial Hall (6970-564)

To this activity is charged the expenses of repair and maintenance of the Memorial Hall. Facility maintenance staff provided project oversight for a number of projects at Memorial Hall including a partial roof replacement, parking lot replacement, a ceiling sheetrock and tile replacement project, a floor tile replacement project and miscellaneous paint projects. For 2010 the City terminated the management agreement with the Fox Theater and leased the hall to Hutch Hall Productions to manage events at the facility. In June 2010 Hutch Hall productions opted out of the contract and operations and maintenance were taken over by City Parks/Facilities Staff.

	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Actual</u>	<u>2014 Budget</u>	<u>2014 revised</u>	<u>2015 Budget</u>	<u>Change in Budget</u>
Expenditures:							
Personal Services	\$ 17,748	\$ 19,718	\$ 20,412	\$ 19,032	\$ 21,239	\$ 23,081	21.28%
Contractual Services	40,660	61,024	63,623	68,566	68,666	69,105	0.79%
Commodities	12,105	10,208	10,445	15,550	15,850	14,450	-7.07%
Capital Outlay	785	7,859	5,603	3,800	3,800	3,500	0.00%
Total Expenditures	<u>\$ 71,298</u>	<u>\$ 98,809</u>	<u>\$ 100,084</u>	<u>\$ 106,948</u>	<u>\$ 109,555</u>	<u>\$ 110,136</u>	2.98%
Funding Sources:							
Rental Fees	\$ 4,574	\$ 8,648	\$ 6,730	\$ 8,500	\$ 7,000	\$ 7,000	-17.65%
Concession Revenue	\$ 8,477	\$ 5,635	\$ 4,166	\$ 5,300	\$ 5,300	\$ 5,300	0.00%
General Revenues	58,248	84,527	89,187	93,148	97,255	97,836	5.03%
Total Funding Sources	<u>\$ 71,298</u>	<u>\$ 98,809</u>	<u>\$ 100,084</u>	<u>\$ 106,948</u>	<u>\$ 109,555</u>	<u>\$ 110,136</u>	2.98%

Capital Outlay:

<u>Item:</u>	<u>Quantity</u>	<u>Replacement/ New/Maint</u>	<u>2013 Actual</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>
Floor Scrubber	1	Replacement	5,500			
Building & Equipment			5,500	3,800	3,800	
Heavy Duty Deep Well Entrance Mats						1,500
Upgrades to sound/amplification system						1,200
Sound Lighting Supplies						800

Trends and Issues:

The City markets Memorial Hall for productions, events, and entertainment. Due to the lack of air conditioning, its use is limited in summer months.

2015 Goals - (Quantifiable and Measurable)

1. Continue to try to increase rentals/revenues at Memorial Hall.
2. Try different methods/items in our concessions to increase revenues in that area.
3. Consider rate charges for setting up for events and or use of amenities (tables, chairs, etc.) to offset labor costs.

2016-2010 Strategic Goals (Directional and Strategic)

1. Continue to try to increase rentals/revenues at Memorial Hall.
2. Re-evaluate rental rates and other charges to consider future rate increases to offset labor and operation costs.

Department Summary

Department:	Division:	Activity:
Parks and Facilities	Parks & Facilities Maintenance	Sports Arena (6980-565)

To this activity is charged the costs of repair and maintenance of the Sports Arena. In addition to its use for public events, the building is used extensively by the Hutchinson Community College by contractual arrangement. Custodial services are provided by Community College personnel; the City supplies cleaning commodities; the Community College makes a contribution to utility costs; facility Maintenance staff are responsible for all major mechanical systems (electrical, HVAC, plumbing, etc.). The Public Facilities Advisory Committee advises the City Council on matters pertaining to the operation of the Sports Arena.

	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Actual</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>	<u>Change in Budget</u>
Expenditures:							
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Contractual Services	110,177	186,087	189,966	207,072	207,072	209,651	1.25%
Commodities	16,713	20,362	20,351	23,500	23,500	23,500	0.00%
Capital Outlay	-	-	-	-	-	4,500	0.00%
Total Expenditures	<u>\$ 126,890</u>	<u>\$ 206,449</u>	<u>\$ 210,317</u>	<u>\$ 230,572</u>	<u>\$ 230,572</u>	<u>\$ 237,651</u>	3.07%
Funding Sources:							
Rental Fees	\$ 7,763	\$ 6,678	\$ 4,245	\$ 6,500	\$ 4,000	\$ 4,000	-38.46%
Advertising	1,215	30	-	1,500	-	-	-100.00%
Expense Reimbursement	51,290	49,337	44,464	50,000	50,000	50,000	0.00%
Concession Revenue	13,279	12,947	27,117	12,500	15,000	15,000	20.00%
Soft Drink Contract	3,605	19,625	8,598	9,000	9,000	9,000	0.00%
General Revenues	49,738	117,831	125,892	151,072	152,572	159,651	21.19%
Total Funding Sources	<u>\$ 126,890</u>	<u>\$ 206,449</u>	<u>\$ 210,317</u>	<u>\$ 230,572</u>	<u>\$ 230,572</u>	<u>\$ 237,651</u>	9.63%

Capital Outlay:

<u>Item:</u>	<u>Quantity</u>	<u>Replacement/ New/Maint</u>	<u>2013 Actual</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>
Electrical Panels	1	Replacement				4,500

Current Trends and Issues:

The Sports Arena continues to be a major venue for junior college athletics. A portion of the ticket prices are captured and placed into a capital improvement reserve to allow for replacement items such as seats and upgrades such as scoreboards or ADA compliance changes. This City has a contract with Hutchinson Community College which renews each year unless renegotiated.

Department Summary

Department:	Division:	Activity:
Parks and Facilities	Parks & Facilities Maintenance	City Hall Building (6990-566)

To this activity is charged the cost of repair and maintenance of the City Office building and the surrounding grounds. The building houses the departments of Human Resources, Planning and Inspection, Finance, City Manager, Law, Engineering, and the City Council chambers which is used by various boards and committees.

	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Actual</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>	<u>Change in Budget</u>
Expenditures:							
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Contractual Services	60,434	69,117	79,828	85,315	85,315	85,949	0.74%
Commodities	10,058	11,387	10,529	9,700	9,700	9,700	0.00%
Capital Outlay	-	5,031	5,300	18,500	18,500	17,000	-8.11%
Total Expenditures	<u>\$ 70,492</u>	<u>\$ 85,535</u>	<u>\$ 95,657</u>	<u>\$ 113,515</u>	<u>\$ 113,515</u>	<u>\$ 112,649</u>	-0.76%
Funding Sources:							
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Overhead Cost Allocation	19,283	26,740	29,605	30,245	30,245	36,048	19.19%
General Revenues	51,209	58,795	66,052	83,270	83,270	76,601	-8.01%
Total Funding Sources	<u>\$ 70,492</u>	<u>\$ 85,535</u>	<u>\$ 95,657</u>	<u>\$ 113,515</u>	<u>\$ 113,515</u>	<u>\$ 112,649</u>	-0.76%

Capital Outlay:

<u>Item:</u>	<u>Quantity</u>	<u>Replacement/ New/Maint</u>	<u>2013 Actual</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>
Guest chair replacement		Replacement	3,500			
Counter Top - Print Room				15,000	15,000	
Recycle receptacles				3,500	3,500	
Wayfinding Signage		New				17,000

Trends and Issues:

This facility has been undergoing significant renovations during the past year. It is expected that this process will be complete by the end of 2013. The shift will be towards maintaining the improvements made as part of this project and budgeting to address smaller yet needed improvements that were not incorporated with this latest remodeling project. Some of these include reworking the area outside of the old drive up window to include better ADA accessibility in this area. Future projects will include adding needed storage to the print/copy room, adding storage to the document vault, and eventually addressing both public and staff restroom needs in the facility.

Department Summary

Department:

Parks and Facilities

Division:

Parks & Facilities Maintenance

Activity:

City Hall Building (6990-566)

2015 Goals - (Quantifiable and Measurable)

1. Install Wayfinding Signage to Exterior of Building (See form X)
2. Continue upgrades to landscaping and exterior design of front entryway.

2016-2010 Strategic Goals (Directional and Strategic)

1. Remodel/expand restrooms to better fit needs and size of staff assigned in City Hall.
2. Get design ideas for extending building on west end.
3. Parking lot upgrades - Mill and overlay and replace curb/gutter and sidewalk areas.

Department Summary

Department:	Division:	Activity:
Parks and Facilities	Eastside Cemetery	Eastside Cemetery (6995-693)

The City resumed providing care and maintenance of the Eastside Cemetery grounds in 2006 after an IRS review of the City's outsourcing arrangement was determined to not be in compliance with federal regulations governing the same. The division, which is a part of the Park & Facilities Department, oversees the maintenance and upkeep of the Eastside Cemetery which consists of 12,000 plots placed on 26 acres. The staff also maintains three physical structures, the mausoleum, the office, and maintenance shed.

	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>	<u>2014 Budget</u>	<u>Change in Budget</u>
Expenditures:							
Personal Services	\$ 114,174	\$ 107,535	\$ 72,133	\$ 72,582	\$ 73,370	\$ 80,460	10.86%
Contractual Services	9,197	12,391	12,567	12,440	13,613	14,453	16.18%
Commodities	16,447	19,169	19,092	19,700	19,700	19,700	0.00%
Capital Outlay	220	80	6,865	7,400	7,400	7,600	2.70%
Total Expenditures	<u>\$ 140,038</u>	<u>\$ 139,175</u>	<u>\$ 110,658</u>	<u>\$ 112,122</u>	<u>\$ 114,083</u>	<u>\$ 122,213</u>	9.00%
Funding Sources:							
Private Contributions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Service Charges	17,025	19,457	18,486	17,518	20,000	20,000	14.17%
General Revenues	123,013	119,718	92,172	94,604	94,083	102,213	8.04%
Total Funding Sources	<u>\$ 140,038</u>	<u>\$ 139,175</u>	<u>\$ 110,658</u>	<u>\$ 112,122</u>	<u>\$ 114,083</u>	<u>\$ 122,213</u>	3.10%

Personnel Schedule

Full Time Equivalents

	<u>2011 Budget</u>	<u>2012 Budget</u>	<u>2013 Budget</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>
Cemetery Sexton	1.00	1.00	1.00	1.00	1.00	1.00
Cemetery Maint. Tech.	1.00	1.00	1.00	-	-	-
Total	2.00	2.00	2.00	1.00	1.00	1.00

Capital Outlay:

<u>Item:</u>	<u>Quantity</u>	<u>Replacement/ New/Maint</u>	<u>2013 Actual</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>
Miscellaneous Other Equipment		Replacement	600	600	600	800
Heckendorn 36" Rotary Riding Mower		Replacement	6,800	6,800	6,800	6,800

Department Summary

Department:	Division:	Activity:
Parks and Facilities	Eastside Cemetery	Eastside Cemetery (6995-693)

Trends and Issues:

In 2012 we, unfortunately, lost a valued employee who worked through a health issue. When the vacancy occurred we took the opportunity to evaluate how we staffed this division. Since this work unit is a part of the Horticulture and Forestry Division and has some seasonality to how it operates it was decided to move one of the full-time employees into the Horticulture and Forestry Division and replace that position with seasonal hours. It was also decided that the Horticulture and Forestry Division will be responsible for providing assistance from their full time staff as required to ensure that we have the appropriate coverage in the functions that the Eastside Cemetery provides.

Department Summary

Department:	Division:	Activity:
Police	Police	Police Administration (7110-500)

This activity is responsible for maintaining all police records, the preparation of time records and departmental payrolls, the Division training program as well as all other administrative functions. Officers charged to this activity are the Chief of Police and three Police Lieutenants. (Professional Standards Lt., Staff Services Lt. and the Administration Lt.) The remainder of the personnel are civilian employees.

	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Actual</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2014 Budget</u>	<u>Change in Budget</u>
Expenditures:							
Personal Services	\$ 1,081,834	\$ 1,132,309	\$ 963,770	\$ 1,078,287	\$ 976,299	\$ 1,072,112	-0.57%
Contractual Services	25,947	73,971	90,831	80,900	91,783	101,400	25.34%
Commodities	13,108	8,757	12,747	13,000	13,700	13,700	5.38%
Capital Outlay	650	446	692	500	500	3,250	550.00%
Total Expenditures	<u>\$ 1,121,539</u>	<u>\$ 1,215,483</u>	<u>\$ 1,068,040</u>	<u>\$ 1,172,687</u>	<u>\$ 1,082,283</u>	<u>\$ 1,190,462</u>	1.52%
Funding Sources:							
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
General Revenues	1,121,539	1,215,483	1,068,040	1,172,687	1,082,283	1,190,462	1.52%
Total Funding Sources	<u>\$ 1,121,539</u>	<u>\$ 1,215,483</u>	<u>\$ 1,068,040</u>	<u>\$ 1,172,687</u>	<u>\$ 1,082,283</u>	<u>\$ 1,190,462</u>	1.52%

Personnel Schedule

Full Time Equivalents

	<u>2011 Budget</u>	<u>2012 Budget</u>	<u>2013 Budget</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>
Police Chief	1.00	1.00	1.00	1.00	1.00	1.00
Lieutenant	3.00	3.00	3.00	3.00	3.00	3.00
Administrative Secretary	2.00	2.00	2.00	2.00	1.00	1.00
Secretary	2.00	2.00	2.00	2.00	2.00	2.00
Records Technician	4.00	4.00	4.00	5.00	5.00	5.00
Records Supervisor	-	-	-	-	1.00	1.00
Desk Clerks	3.00	3.00	3.00	2.00	1.00	1.00
Evidence Technician	2.00	2.00	2.00	2.00	2.00	2.00
Total	17.00	17.00	17.00	17.00	16.00	16.00

Capital Outlay:

<u>Item:</u>	<u>Quantity</u>	<u>Replacement/ New/Maint</u>	<u>2013 Actual</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>
Library Books		New	721	500	500	500
Secure ID Tokens		Replacement				2,750

Department Summary

Department:	Division:	Activity:
Police	Police	Police Administration (7110-500)

Current Trends and Issues:

Over the last three years we have transitioned all officers required to carry a cell phone, to the Verizon Government account. The remaining officers moved to the government account in March of 2014. This means that all cell phone allowances have been terminated. This has resulted in a gradual increase in telephone costs in this account. Another issue that has developed is the need to begin paying 60% of the costs for the wireless MIFI cards used in the patrol cars to connect our patrol cars to our network wirelessly. The 911 budget has absorbed the full cost of all MIFI cards in the past, however due to legislative changes the MIFI cards are now a cost share item since 911 and HPD both benefit from their use. The Secure ID tokens that officers are required by the state to use are no longer an approved expense charged to the 911 budget (legislative changes), therefore we will be responsible for funding the replacements of these tokens. These tokens expire every three years. We are scheduled to replace 50 tokens in 2015 at a cost of \$50 per token. These tokens allow officers to access the KCJIS files securely.

2015 Goals - (Quantifiable and Measurable)

- 1) Complete the training for the newly appointed Records Supervisor
- 2) Reduce overtime for this account

2016-2010 Strategic Goals (Directional and Strategic)

- 1) Continue to look for technology and methodology that enhances the delivery of services to both officers and citizens of Hutchinson.

Department Summary

Department:	Division:	Activity:
Police	Police	Detention of Prisoners (7120-501)

Included in this activity are all major costs related to the confinement of alleged and actual lawbreakers. The budgeted amount is based on 14% of the overall operation budget for the Jail. City of Hutchinson prisoners make up 14% of the daily population of the county jail.

	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Actual</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>	<u>Change in Budget</u>
Expenditures:							
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Contractual Services	307,772	337,674	376,411	386,000	386,000	406,500	5.31%
Commodities	250	220	854	2,300	2,300	2,300	0.00%
Capital Outlay	-	-	-	-	-	-	0.00%
Total Expenditures	<u>\$ 308,022</u>	<u>\$ 337,894</u>	<u>\$ 377,265</u>	<u>\$ 388,300</u>	<u>\$ 388,300</u>	<u>\$ 408,800</u>	5.28%
Funding Sources:							
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
General Revenues	308,022	337,894	377,265	388,300	388,300	408,800	5.28%
Total Funding Sources	<u>\$ 308,022</u>	<u>\$ 337,894</u>	<u>\$ 377,265</u>	<u>\$ 388,300</u>	<u>\$ 388,300</u>	<u>\$ 408,800</u>	5.28%

Current Trends and Issues:

The Jail expenses continue to rise due in part to the overcrowding of the jail and the need to house prisoners in other jurisdictions at an inflated cost. The hope is that when the new Jail is constructed, the need to house prisoners elsewhere will be eliminated. In March 2014 the Undersheriff reported that they are submitting the 2015 jail operation budget request for \$2,832,098. 14% of this figure is \$396,500

Department Summary

Department:	Division:	Activity:
Police	Police	Patrol & Investigation (7130-502)

This activity includes the Patrol, Criminal Investigation and the Juvenile sections of the Police Division. The City is divided into patrol districts and the present staffing provides four or five patrol officers on the streets 24 hours per day. Additional officers are available for supervision. The detective section consists of adult and juvenile investigations. The adult investigators follow up and investigate criminal and drug related activities. The juvenile investigators work closely with schools, courts, and various welfare agencies on juvenile problems.

	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Actual</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>	<u>Change in Budget</u>
Expenditures:							
Personal Services	\$ 4,952,079	\$ 4,913,610	\$ 5,119,559	\$ 5,053,257	\$ 5,118,097	\$ 5,224,247	3.38%
Contractual Services	93,386	101,039	83,699	84,150	85,804	83,650	-0.59%
Commodities	235,913	238,424	238,663	236,650	237,115	237,650	0.42%
Capital Outlay	6,276	8,551	7,315	12,250	12,800	16,000	30.61%
Total Expenditures	<u>\$ 5,287,654</u>	<u>\$ 5,261,624</u>	<u>\$ 5,449,236</u>	<u>\$ 5,386,307</u>	<u>\$ 5,453,816</u>	<u>\$ 5,561,547</u>	3.25%
Funding Sources:							
Reimbursement	\$ 60,918	\$ 100,789	\$ 125,018	\$ 105,000	\$ 100,000	\$ 105,000	0.00%
Impoundment/auction	4,714	1,282	1,595	-	100	-	0.00%
General Revenues	5,222,022	5,159,554	5,322,623	5,281,307	5,353,716	5,456,547	3.32%
Total Funding Sources	<u>\$ 5,287,654</u>	<u>\$ 5,261,624</u>	<u>\$ 5,449,236</u>	<u>\$ 5,386,307</u>	<u>\$ 5,453,816</u>	<u>\$ 5,561,547</u>	3.25%

Personnel Schedule

Full Time Equivalents

	<u>2011 Budget</u>	<u>2012 Budget</u>	<u>2013 Budget</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>
Police Captain	1.00	1.00	1.00	1.00	1.00	1.00
Police Lieutenant	3.00	5.00	5.00	5.00	5.00	5.00
Detective Sergeant	6.00	2.00	2.00	2.00	2.00	2.00
Police Sergeant	8.00	9.00	9.00	9.00	9.00	9.00
Patrol Officer	47.00	48.00	50.00	50.00	50.00	50.00
Total	65.00	65.00	67.00	67.00	67.00	67.00

Department Summary

Department:

Police

Division:

Police

Activity:

Patrol & Investigation (7130-502)

Capital Outlay:

Item:	Quantity	Replacement/ New/Maint	2013 Actual	2014 Budget	2014 Revised	2015 Budget
Taser replacement	6	Replacement	6,000	6,000	6,000	6,000
Desk top scanner replacement	3	Replacement	1,500	1,500	1,500	1,500
Ticket writer printer replacement	1	Replacement	700	700	700	700
IP Camera	1	Replacement		1,800	1,800	1,800
Computer Storage device + 5 sc	1	Replacement		2,250	2,250	-
Upgrade Audio/Visual Equipmer	1	Replacement				6,000

Current Trends and Issues:

With the approval of the additional two patrol officer positions, we have been able to fill a position in the Drug Enforcement Unit (DEU). This position will be dedicated to working with other members of the DEU investigation drug offenses within the city and Reno County.

2015 Goals - (Quantifiable and Measurable)

- 1) Upgrade the technology of our interview room to allow for better quality evidence to present in court.
- 2) Reduce overtime costs by re-evaluating our overtime needs (NJCAA Tournament, Parades, Kansas State Fair, etc.)
- 3) Increase our overtime rate to \$55/hour and require that reimbursed overtime be paid for in advance
- 4) Continue to improve our recruiting and hiring efforts by implementing more efficient and practical methods
- 5) If we can keep our staffing levels up, we will attempt to place another detective in the Drug Enforcement Unit (DEU)

2016-2010 Strategic Goals (Directional and Strategic)

- 1) Becoming more aggressive in employee succession planning to fill key roles in the future
- 2) re-evaluate the structure of top management within the department
- 3) Begin planning for the building changes that will occur with the opening of the new jail in August of 2015
- 4) Look for emerging trends to provide more efficient and effective law enforcement services to increase quality of life issues in Hutchinson.

Department Summary

Department:	Division:	Activity:
Police	Police	Police Records (7150-504)

This function operates the data processing system and maintains the records of the Police Department and of the Reno County Sheriff's office. The County reimburses the City for costs incurred by the City attributable to the keeping of County records. The share arrangement is on a 50-50 percentage basis.

	2011 Actual	2012 Actual	2013 Actual	2014 Budget	2014 Revised	2015 Budget	Change in Budget
Expenditures:							
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Contractual Services	51,961	17,155	28,226	29,950	32,450	33,000	10.18%
Commodities	3,642	1,394	377	1,350	950	950	-29.63%
Capital Outlay	-	-	-	8,000	5,000	-	0.00%
Total Expenditures	\$ 55,603	\$ 18,549	\$ 28,603	\$ 39,300	\$ 38,400	\$ 33,950	-13.61%
Funding Sources:							
Records Fees	\$ 2,852	\$ 3,076	\$ 2,464	\$ 3,000	\$ 3,000	\$ 3,000	0.00%
Intergovernmental	9,111	8,598	636	10,000	15,000	17,000	70.00%
Fingerprinting Charges	1,570	1,370	4,330	1,500	2,500	2,500	66.67%
General Revenues	42,070	5,506	21,174	24,800	17,900	11,450	-53.83%
Total Funding Sources	\$ 55,603	\$ 18,549	\$ 28,603	\$ 39,300	\$ 38,400	\$ 33,950	-13.61%

Capital Outlay:

Item:	Quantity	Replacement/ New/Maint	2013 Actual	2014 Budget	2014 Revised	2015 Budget
Microfilm Reader	1	Replacement		8,000	5,000	

Current Trends and Issues:

We are funding all of our annual maintenance contracts in this account to support the increasing need to make our records available through our computers and data storage systems.

2016-2010 Strategic Goals (Directional and Strategic)

1) Begin looking at solutions to transfer all microfilm records to computer based format. Abandon old technology.

Department Summary

Department:	Division:	Activity:
Police	Reno County Drug Task Force	Narcotics Control (7153-505)

This section is a joint operation with the Reno County Sheriff's office. All expenses are split on a 50/50 basis. The above amount reflects the City's contribution.

	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Actual</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>	<u>Change in Budget</u>
Expenditures:							
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Contractual Services	23,920	31,267	17,825	26,300	21,000	21,000	-20.15%
Commodities	3,469	2,559	704	5,000	3,000	3,000	-40.00%
Capital Outlay	-	-	-	-	-	-	0.00%
Total Expenditures	<u>\$ 27,389</u>	<u>\$ 33,826</u>	<u>\$ 18,529</u>	<u>\$ 31,300</u>	<u>\$ 24,000</u>	<u>\$ 24,000</u>	-23.32%
Funding Sources:							
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
General Revenues	<u>27,389</u>	<u>33,826</u>	<u>18,529</u>	<u>31,300</u>	<u>24,000</u>	<u>24,000</u>	-23.32%
Total Funding Sources	<u>\$ 27,389</u>	<u>\$ 33,826</u>	<u>\$ 18,529</u>	<u>\$ 31,300</u>	<u>\$ 24,000</u>	<u>\$ 24,000</u>	-23.32%

Current Trends and Issues:

With the approval of the additional two patrol positions, we have been able to contribute one officer to the Reno County Drug Enforcement Unit. Although we are budgeted for 71 commission officers, we are currently operating with 69 officers with four of them still in training. We are in the process of attempting to find two more candidates to fill the remaining vacancies.

Department Summary

Department:	Division:	Activity:
Police	Police	Unclassified (7160-507)

This account is where the city pays the county for the use of the Law Enforcement Center. The primary costs are housekeeping functions including utilities, building repairs and maintenance and minor equipment.

	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Actual</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>	<u>Change in Budget</u>
Expenditures:							
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Contractual Services	64,551	123,395	117,814	121,000	118,500	127,857	5.67%
Commodities	1,980	1,606	2,145	3,600	3,000	3,000	-16.67%
Capital Outlay	-	17,001	-	-	-	-	0.00%
Total Expenditures	<u>\$ 66,531</u>	<u>\$ 142,002</u>	<u>\$ 119,958</u>	<u>\$ 124,600</u>	<u>\$ 121,500</u>	<u>\$ 130,857</u>	5.02%
Funding Sources:							
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
General Revenues	66,531	142,002	119,958	124,600	121,500	130,857	5.02%
Total Funding Sources	<u>\$ 66,531</u>	<u>\$ 142,002</u>	<u>\$ 119,958</u>	<u>\$ 124,600</u>	<u>\$ 121,500</u>	<u>\$ 130,857</u>	5.02%

Current Trends and Issues:

The City also accumulates shared costs with the County for facility repairs and contractual services which are increasing.

Department Summary

Department:	Division:	Activity:
Police	Emergency Communications	Communications (7180-508)

This budget is charged with the costs of maintaining the Police communications system located in the Police Department along with the purchase of some minor communications equipment.

	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Actual</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>	<u>Change in Budget</u>
Expenditures:							
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Contractual Services	3,333	1,090	1,991	5,600	5,600	5,600	0.00%
Commodities	-	-	-	-	-	-	0.00%
Capital Outlay	-	-	-	-	-	-	0.00%
Total Expenditures	<u>\$ 3,333</u>	<u>\$ 1,090</u>	<u>\$ 1,991</u>	<u>\$ 5,600</u>	<u>\$ 5,600</u>	<u>\$ 5,600</u>	0.00%
Funding Sources:							
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
General Revenues	3,333	1,090	1,991	5,600	5,600	5,600	0.00%
Total Funding Sources	<u>\$ 3,333</u>	<u>\$ 1,090</u>	<u>\$ 1,991</u>	<u>\$ 5,600</u>	<u>\$ 5,600</u>	<u>\$ 5,600</u>	0.00%

Current Trends and Issues:

Our Portable and Mobile radios are no longer under warranty, therefore any repairs that are needed by the factory will not be covered.

Department Summary

Department:	Division:	Activity:
Police	Emergency Communications	Dispatch (HRCEC) (7190-509)

Emergency Dispatch is managed by the City on behalf of the City, the County and others as a means of achieving efficiency and a more coordinated response to emergencies throughout Hutchinson and Reno County. Hutchinson and Reno County split the costs of this section on a 50/50 basis. The City of South Hutchinson contributes the costs of half of one dispatch position.

	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Actual</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>	<u>Change in Budget</u>
Expenditures:							
Personal Services	\$ 795,701	\$ 853,919	\$ 971,426	\$ 1,050,100	\$ 997,514	\$ 1,154,411	9.93%
Contractual Services	27,519	28,836	25,553	33,800	35,000	35,500	5.03%
Commodities	2,386	5,300	4,028	8,300	8,300	8,300	0.00%
Capital Outlay	<u>2,704</u>	<u>1,348</u>	<u>4,142</u>	<u>3,000</u>	<u>3,000</u>	<u>3,000</u>	0.00%
Total Expenditures	<u>\$ 828,310</u>	<u>\$ 889,403</u>	<u>\$ 1,005,148</u>	<u>\$ 1,095,200</u>	<u>\$ 1,043,814</u>	<u>\$ 1,201,211</u>	9.68%
Funding Sources:							
Intergovernmental	\$ 534,019	\$ -	\$ 534,019	\$ 577,600	\$ 431,250	\$ 581,557	0.69%
General Revenues	<u>294,291</u>	<u>889,403</u>	<u>471,129</u>	<u>517,600</u>	<u>612,564</u>	<u>619,654</u>	19.72%
Total Funding Sources	<u>\$ 828,310</u>	<u>\$ 889,403</u>	<u>\$ 1,005,148</u>	<u>\$ 1,095,200</u>	<u>\$ 1,043,814</u>	<u>\$ 1,201,211</u>	9.68%

Personnel Schedule

Full Time Equivalents

	<u>2011 Budget</u>	<u>2012 Budget</u>	<u>2013 Budget</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>
Dispatch Director	1.00	1.00	1.00	1.00	1.00	1.00
Asst Dispatch Director						1.00
Asstnt Admin Services Director	1.00	1.00	-	-	-	1.00
Shift Supervisor	4.00	4.00	5.00	5.00	5.00	4.00
Dispatcher	13.00	13.00	13.00	13.00	13.00	13.00
HRCEC Office Assistant	-	-	-	-	1.00	1.00
Total	19.00	19.00	19.00	19.00	20.00	21.00

Capital Outlay:

<u>Item:</u>	<u>Schedule Type</u>	<u>Replacement/ New/Maint</u>	<u>2013 Actual</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>
Chair replacements		Replacement	3,000			
Lockers, Storage Cabinet, Tables/Classroom, Police		Replacement		3,000	3,000	
Misc Office supplies that cant be funded through 911						3,000

Department Summary

Department:

Police

Division:

Emergency Communications

Activity:

Dispatch (HRCEC) (7190-509)

Current Trends and Issues:

1) It remains a challenge to find and retain qualified staff to fill dispatch positions. Although we are not fully staffed, we have increased our staffing levels considerably. There are many new positions that are currently in training and we will continue the hiring process in hopes of achieving full staffing levels.

2) We currently have one Communications Technician position vacant in the Radio Maintenance 7191 account. The need for clerical staff outweighs the need for an additional technician, therefore we are requesting that we eliminate the technician position in 7191 and create a clerical position in this account 7190, that will offer support to the Lead technician along with the HRCEC and Reno County Emergency Management. This position will be a 50/50 cost share with the County; No additional funding will be needed.

2015 Goals - (Quantifiable and Measurable)

- 1) Establish a relevant and effective training program for all staff.
- 2) Maintain and implement training on the continuity of operations plan (COOP).
- 3) Develop, implement and maintain professional standards through a comprehensive Quality Assurance Program that includes Emergency Medical Dispatch Protocols, Telephone techniques and radio use.

2016-2010 Strategic Goals (Directional and Strategic)

Plan, develop and implement policies, procedures and equipment needs to transition to Next Generation 911

Department Summary

Department:	Division:	Activity:
Police	Emergency Communications	Radio Maintenance (7191-511)

This budget is set up to cover radio maintenance activities. The costs are shared by the County and other departments of the City. In addition there are state agencies and other local agencies that have their radio equipment repaired who reimburse the City for this service.

	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Actual</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>	<u>Change in Budget</u>
Expenditures:							
Personal Services	\$ 136,618	\$ 117,642	\$ 62,487	\$ 113,086	\$ 66,645	\$ 68,254	-39.64%
Contractual Services	6,643	7,314	2,272	22,675	22,675	27,675	22.05%
Commodities	20,120	13,328	15,537	26,050	25,800	25,800	-0.96%
Capital Outlay	-	3,460	-	4,000	4,000	1,500	-62.50%
Total Expenditures	<u>\$ 163,381</u>	<u>\$ 141,744</u>	<u>\$ 80,297</u>	<u>\$ 165,811</u>	<u>\$ 119,120</u>	<u>\$ 123,229</u>	-25.68%
Funding Sources:							
Reimbursement	\$ 94,918	\$ 81,396	\$ 44,139	\$ 100,000	\$ 40,000	\$ 60,000	-40.00%
General Revenues	68,463	60,348	36,157	65,811	79,120	63,229	-3.92%
Total Funding Sources	<u>\$ 163,381</u>	<u>\$ 141,744</u>	<u>\$ 80,297</u>	<u>\$ 165,811</u>	<u>\$ 119,120</u>	<u>\$ 123,229</u>	48.35%

Personnel Schedule

Full Time Equivalents

	<u>2011 Budget</u>	<u>2012 Budget</u>	<u>2013 Budget</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>
Lead Communication Tech	1.00	1.00	1.00	1.00	1.00	1.00
Communication Tech II	1.00	1.00	1.00	1.00	1.00	-
Total	2.00	2.00	2.00	2.00	2.00	1.00

Capital Outlay:

<u>Item:</u>	<u>Quantity</u>	<u>Replacement/ New/Maint</u>	<u>2013 Actual</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>
Radio Equipment		Replacement	500	4,000	4,000	
Misc						1,500

Current Trends and Issues:

Get all of the 800mhz radio updated to where we can get all of the "bugs" that we've found the last couple years taken care of and the Sedgwick zones converted to the new system. Work on setting up a training class to educate officers on our radios.

Department Summary

Department:

Police

Division:

Emergency Communications

Activity:

Radio Maintenance (7191-511)

2015 Goals - (Quantifiable and Measurable)

Continuing Education for Radio Comm Tech's – to ensure they are certified on our new system by end of 2015 when our first year support expires.

Upgrade software and programming cables as needed; tools- etc.

2016-2010 Strategic Goals (Directional and Strategic)

Stay current with technology trends.

Department Summary

Department:	Division:	Activity:
Public Safety	Animal Services	Animal Control (7410-481)

This activity is charged with conducting the animal control services, enforcing city codes and state law concerning the protection and control of domestic animals within the City of Hutchinson.

	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Actual</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>	<u>Change in Budget</u>
Expenditures:							
Personal Services	\$ 148,070	\$ 153,544	\$ 151,256	\$ 152,123	\$ 152,676	\$ 158,641	4.28%
Contractual Services	7,089	8,249	5,328	6,650	6,650	6,650	0.00%
Commodities	17,117	14,290	13,288	18,000	18,000	18,000	0.00%
Capital Outlay	1,368	492	361	1,000	1,000	1,000	0.00%
Total Expenditures	<u>\$ 173,644</u>	<u>\$ 176,575</u>	<u>\$ 170,233</u>	<u>\$ 177,773</u>	<u>\$ 178,326</u>	<u>\$ 184,291</u>	3.67%
Funding Sources:							
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Licenses and Permits	-	-	-	-	-	-	0.00%
General Revenues	173,644	176,575	170,233	177,773	178,326	184,291	3.67%
Total Funding Sources	<u>\$ 173,644</u>	<u>\$ 176,575</u>	<u>\$ 170,233</u>	<u>\$ 177,773</u>	<u>\$ 178,326</u>	<u>\$ 184,291</u>	4.75%

Personnel Schedule

Full Time Equivalent

	<u>2011 Budget</u>	<u>2012 Budget</u>	<u>2013 Budget</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>
Animal Control Officer	3.00	3.00	3.00	3.00	3.00	3.00
Total	3.00	3.00	3.00	3.00	3.00	3.00

Capital Outlay:

<u>Item:</u>	<u>Quantity</u>	<u>Replacement/ New/Maint</u>	<u>2013 Actual</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>
Miscellaneous Other Equipment		Replacement	1,000	1,000	1,000	1,000

Department Summary

Department:

Public Safety

Division:

Animal Services

Activity:Animal Control (7410-481)

Current Trends and Issues:

Animal Control is scheduled to purchase a new truck from the MERF in 2015. This should decrease our spending in vehicle repairs. The OT increase is due to the continued effort by Animal Control to move the egrets out of the city. This requires ACO's to work OT in the evenings as the egrets are finding a place to roost.

2015 Goals - (Quantifiable and Measurable)

- 1) Continue training the ACO's by getting them all certified in animal cruelty investigations
- 2) Increase enforcement and encourage owner reunification

Department Summary

Department:	Division:	Activity:
Fire	Fire Operations	Fire Administration (7210-520)

Fire Administration is responsible for providing direction, oversight and control of the entire fire department organization. In addition, Fire Administration provides significant oversight and coordination for the City's Disaster and Emergency Operation functions.

	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Actual</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>	<u>Change in Budget</u>
Expenditures:							
Personal Services	\$ 581,992	\$ 552,303	\$ 746,147	\$ 689,872	\$ 752,709	\$ 637,272	-7.62%
Contractual Services	11,847	11,869	14,848	23,030	23,030	19,405	-15.74%
Commodities	2,523	3,724	6,261	5,425	5,425	5,425	0.00%
Capital Outlay	21,532	-	-	300	300	7,600	2433.33%
Total Expenditures	\$ 617,894	\$ 567,896	\$ 767,256	\$ 718,627	\$ 781,464	\$ 669,702	-6.81%
Funding Sources:							
Service Charges	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Intergovernmental	111,592	102,562	140,101	137,401	149,416	128,047	-6.81%
General Revenues	506,302	465,334	627,155	581,225	632,048	541,655	-6.81%
Total Funding Sources	\$ 617,894	\$ 567,896	\$ 767,256	\$ 718,627	\$ 781,464	\$ 669,702	-6.81%

Personnel Schedule

Full Time Equivalents

	<u>2011 Budget</u>	<u>2012 Budget</u>	<u>2013 Budget</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>
Fire Chief	1.00	1.00	1.00	1.00	1.00	1.00
Deputy Chief	1.00	1.00	1.00	1.00	1.00	1.00
Battalion Chief	3.00	3.00	3.00	3.00	3.00	3.00
Fire Training Chief	-	-	-	1.00	1.00	1.00
Administrative Asst.	1.00	1.00	1.00	1.00	1.00	1.00
Total	6.00	6.00	6.00	7.00	7.00	7.00

Capital Outlay:

<u>Item:</u>	<u>Quantity</u>	<u>Replacement/ New/Maint</u>	<u>2013 Actual</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>
Library Books		New	300	300	300	300
Desk, chair and computer		New				7,300

Department Summary

Department:

Fire

Division:

Fire Operations

Activity:

Fire Administration (7210-520)

Trends and Issues:

The Hutchinson Fire Department provides fire, emergency medical, hazardous material, and technical rescue services to the City of Hutchinson and Reno County Fire District #2. HFD is committed to the preservation of life and property in the community, which includes residents, businesses and visitors to the Hutchinson community. The Fire Department strives to provide quality and efficient service to all customers. Seven strategically located fire stations, along with specialty response teams, allow the opportunity to provide cutting edge protective measure in a short time frame.

2015 Goals - (Quantifiable and Measurable)

1. Care for, train, and ensure the safety of our employees.
2. Develop our organization to lead the fire service in our region.
3. Deploy and manage our resources effectively.
4. Reach out to our community.
5. Develop and implement a wildland fire plan.
6. Develop and implement a student intern program.
7. Develop and implement an explorer program.
8. Implement work on a 5 year Fire Department Strategic Plan.
9. Implement work on a Hutchinson Fire Department Standard of Cover Plan.

2016-2010 Strategic Goals (Directional and Strategic)

1. Maintain leadership in the region regarding fire service issues.
2. Establish a healthy workforce.
3. Maintain awareness of issues that affect the city.
4. Pursue an improved ISO rating.
5. Review and control costs of our services
6. Find innovative ways to increase funding.
7. Maintain a standard of coverage assessment.
8. Maintain the Strategic Plan that addresses facilities and fleet.
9. Review design of apparatus to standardize fleet.
10. Pursue succession planning and officer development.

Department Summary

Department:	Division:	Activity:
Fire	Fire Prevention	Fire Prevention (7220-521)

The mission of the Fire Prevention Division is to provide efficient and effective education, inspection and investigation services to reduce the loss of life and property for the citizens of Hutchinson and the surrounding community.

	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Actual</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>	<u>Change in Budget</u>
Expenditures:							
Personal Services	\$ 169,027	\$ 172,308	\$ 183,207	\$ 182,228	\$ 158,949	\$ 178,536	-2.03%
Contractual Services	4,860	1,942	3,889	3,800	3,940	3,940	3.68%
Commodities	4,265	3,679	2,499	4,400	4,400	4,400	0.00%
Capital Outlay	4,279	1,820	479	4,825	4,825	6,525	35.23%
Total Expenditures	<u>\$ 182,431</u>	<u>\$ 179,749</u>	<u>\$ 190,074</u>	<u>\$ 195,253</u>	<u>\$ 172,114</u>	<u>\$ 193,401</u>	-0.95%
Funding Sources:							
Service Charges	\$ 3,150	\$ -	\$ -	\$ -	\$ -	\$ -	
Intergovernmental	33,312	32,822	34,708	35,653	\$ 32,908	\$ 36,978	3.72%
General Revenues	145,969	146,927	155,367	159,600	\$ 139,206	\$ 156,422	-1.99%
Total Funding Sources	<u>\$ 182,431</u>	<u>\$ 179,749</u>	<u>\$ 190,074</u>	<u>\$ 195,253</u>	<u>\$ 172,114</u>	<u>\$ 193,401</u>	-0.95%

Personnel Schedule

Full Time Equivalents

	<u>2011 Budget</u>	<u>2012 Budget</u>	<u>2013 Budget</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>
Prevention Inspectors/ Plans Examiners	2.00	2.00	2.00	2.00	2.00	2.00
Total	2.00	2.00	2.00	2.00	2.00	2.00

Capital Outlay:

<u>Item:</u>	<u>Quantity</u>	<u>Replacement/ New/Maint</u>	<u>2013 Actual</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>
2009 International Fire Code lic	10	New	750	375	375	
Digital Camera				1,350	1,350	
Arson Scanner				3,100	3,100	

Department Summary

Department:

Fire

Division:

Fire Prevention

Activity:

Fire Prevention (7220-521)

Trends and Issues:

The Fire Prevention Division is responsible for a wide range of activities that make the community a safer place in which to work, shop and live. Activities include commercial plan reviews, fire safety inspections, fire safety education and fire investigations.

Commercial Plan Reviews are performed on all construction projects in the City to meet requirements of the Fire Code. The Division reviews all plans prior to construction or installation for site development, new subdivisions, commercial construction/remodel, fire protection systems, and storage tanks. The goal is to identify and correct problems while they can be easily and inexpensively corrected.

Throughout the year, Division personnel and in-service fire companies conduct fire safety inspections and pre-fire planning walkthroughs. Strong efforts are made to inspect businesses on an annual basis. Inspections are performed to identify and correct hazardous conditions before they cause a fire or otherwise create a problem, ensuring properties are maintained, safety issues are addressed and exit doors are unlocked and operable.

Investigations into both criminal and accidental fire causes and conditions are conducted by Division personnel and in-service investigators.

Division members develop and coordinate a variety of public education and training programs geared not only for children and the elderly, but also commerce and industry.

2015 Goals - (Quantifiable and Measurable)

1. Proactively improve life safety, minimize losses and reduce the risks from fire through education, application of codes and investigation

2016-2010 Strategic Goals (Directional and Strategic)

1. Enhance our public education program
2. Promote the Hutchinson Fire Department.
3. Participate in special events.
4. Survey our customers.
5. Enhance the fire department website.

Department Summary

Department:	Division:	Activity:
Fire	Fire Operations	Fire Fighting (7230-522)

In response to a growing area and a diversification of responsibilities, the Hutchinson Fire Department continues to expand into an "all hazards" response agency. The Fire Fighting Division provides a wide variety of emergency and non-emergency services including: fire suppression, emergency medical services, technical rescue (confined space, trench, high-angle, vehicle extrication, water rescue and structural collapse), hazardous materials response and public education.

	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Actual</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>	<u>Change in Budget</u>
Expenditures:							
Personal Services	\$ 5,960,449	\$ 5,923,446	\$ 6,094,148	\$ 6,410,418	\$ 5,931,307	\$ 6,446,867	0.57%
Contractual Services	80,311	107,727	138,880	149,400	168,143	162,943	9.06%
Commodities	243,967	252,817	276,469	268,700	314,700	291,575	8.51%
Capital Outlay	60,100	52,005	48,402	90,700	90,700	52,025	-42.64%
Total Expenditures	<u>\$ 6,344,827</u>	<u>\$ 6,335,995</u>	<u>\$ 6,557,899</u>	<u>\$ 6,919,218</u>	<u>\$ 6,504,850</u>	<u>\$ 6,953,410</u>	0.49%
Funding Sources:							
Intergovernmental	\$ 1,158,565	\$ 1,156,953	\$ 1,197,472	\$ 1,322,954	\$ 1,243,727	\$ 1,351,662	2.17%
Reimbursement	-	-	-	-	-	-	0.00%
General Revenues	5,186,262	5,179,042	5,360,427	5,596,264	5,261,122	5,601,748	0.10%
Total Funding Sources	<u>\$ 6,344,827</u>	<u>\$ 6,335,995</u>	<u>\$ 6,557,899</u>	<u>\$ 6,919,218</u>	<u>\$ 6,504,850</u>	<u>\$ 6,953,410</u>	0.49%

Personnel Schedule

Full Time Equivalents

	<u>2011 Budget</u>	<u>2012 Budget</u>	<u>2013 Budget</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>
Fire Training Captain	2.00	2.00	2.00	1.00	1.00	1.00
Fire Captain	27.00	27.00	27.00	24.00	24.00	24.00
Fire Drivers	27.00	27.00	27.00	24.00	24.00	24.00
Fire Fighters	27.00	27.00	27.00	33.00	33.00	33.00
Total	83.00	83.00	83.00	82.00	82.00	82.00

Capital Outlay:

<u>Item:</u>	<u>Quantity</u>	<u>Replacement/ New/Maint</u>	<u>2013 Actual</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>
Fire-Fighting Equipment		Replacement	42,382	65,300	65,300	68,300
Books		New	3,570	7,075	7,075	7,100
Medical Equipment		Replacement	2,526	6,475	6,475	6,625
Office Equipment				11,850	11,850	9,600

Department Summary

Department:

Fire

Division:

Fire Operations

Activity:

Fire Fighting (7230-522)

Current Trends and Issues:

As the City of Hutchinson and surrounding areas grow, further expansion of residential areas into the Wildland-Urban interface is inevitable. The panoramic views, wildlife, fresh air, and solitude are just a few of the reasons that tempt people to locate in the wildland brush and grass areas surrounding Hutchinson. Thousands of homes in the U.S. have been lost in wildland fires. With the high frequency of recent fires in these grass land areas surrounding Hutchinson, the Hutchinson Fire Department is proposing the creation of a Comprehensive Wildland Fire Management Plan. The Plan addresses fire prevention, fuel reduction programs, evacuation & sheltering plans, as well as enhancing fire suppression capabilities and training.

2015 Goals - (Quantifiable and Measurable)

1. Develop a comprehensive training plan for all members of the Hutchinson Fire Department.
2. Maintain a training plan.
3. Provide state of the art training facilities.

2016-2010 Strategic Goals (Directional and Strategic)

1. Design and upgrade fireground operation skills.
2. Design and upgrade fire officer management curriculum.
3. Evaluate the ongoing driver training program and adjust to improve driver safety.
4. Evaluate and adjust the ongoing regional fire training program.

Department Summary

Department:	Division:	Activity:
Fire	Fire Operations	Fire Unclassified (7250-523)

The Hutchinson Fire Department Headquarters is located at the Fire Command & Training Center. The department operates from seven fire stations and warehouses from its resource center; providing emergency and non-emergency services to the citizens of our community from these facilities. The number and location of fire stations plays a significant role in determining emergency response time and directly impacts the quality of the community's fire and emergency medical services. The Command and Training Center, as well as, the resource warehouse provide vital support to the operational capabilities of the fire department. The maintenance of facilities and grounds comprises an important part of the overall management responsibility of the department. The goal being to support the delivery of high quality fire services in a cost-effective manner.

	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Actual</u>	<u>2014 Budget</u>	<u>2014 Budget</u>	<u>2015 Budget</u>	<u>Change in Budget</u>
Expenditures:							
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Contractual Services	203,800	176,377	204,896	223,089	224,089	234,229	4.99%
Commodities	12,072	14,071	12,326	19,450	19,450	19,450	0.00%
Capital Outlay	<u>18,726</u>	<u>9,834</u>	<u>2,224</u>	<u>12,300</u>	<u>12,300</u>	<u>12,075</u>	-1.83%
Total Expenditures	<u>\$ 234,598</u>	<u>\$ 200,282</u>	<u>\$ 219,446</u>	<u>\$ 254,839</u>	<u>\$ 255,839</u>	<u>\$ 265,754</u>	4.28%
Funding Sources:							
Intergovernmental	\$ 42,838	\$ 36,571		\$ 48,725	\$ 48,916	\$ 50,812	4.28%
General Revenues	<u>191,760</u>	<u>163,711</u>	<u>219,446</u>	<u>206,114</u>	<u>206,923</u>	<u>214,942</u>	4.28%
Total Funding Sources	<u>\$ 234,598</u>	<u>\$ 200,282</u>	<u>\$ 219,446</u>	<u>\$ 254,839</u>	<u>\$ 255,839</u>	<u>\$ 265,754</u>	4.28%

Capital Outlay:

<u>Item:</u>	<u>Quantity</u>	<u>Replacement/ New/Maint</u>	<u>2013 Actual</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>
Buildings		Replacement	-	1,000	1,000	1,000
Household Furn/Equip		Replacement	2,224	11,300	11,300	11,075

Trends and Issues:

The Hutchinson Fire Department and Hutchinson Community College have entered into a partnership to develop a regional fire training center to be situated on the Hutchinson Fire Department's 53-acre Fire Command and Training Center located at 3201 East 4th Street. The College will relocate their fire science program to this location and will build a new state-of-the-art classroom facility. Both agencies will enter into an agreement for joint use of the facilities and props to enhance their fire training capabilities. Training programs will be offered to regional fire departments, as well as utility and industrial companies. The goal is to produce a practical, multi-purpose facility capable of meeting the fire department's diverse training needs, as well as forming strong bonds with partners with similar requirements.

Department Summary

Department:	Division:	Activity:
Building Inspection & Code Enforcement	Inspection/Code Enforcement	Inspection/Code Enforcement (7310-480)

* The Building Inspection Department's objective is to ensure the safety of the citizens of Hutchinson by providing standards and enforcement of codes and regulations in the areas relating to new construction, remodeling, and renovation of structures (residential & commercial), mechanical, plumbing and electrical. This is done through plan reviews, issuing building permits, conducting inspections and regulating and issuance of contractor registration & licensing.

* The Code Enforcement Division's objective is to protect the community by enforcing city ordinances relating to health, safety of environmental concerns that impact the quality of properties within the city. This is done by enforcing the following ordinances: unsightly yards, trash & debris, abandoned vehicles, tall grass & weeds, graffiti and unsafe sidewalks. the city. This is done by enforcing the following ordinances: unsightly yards, trash & debris, abandoned vehicles, tall grass & weeds, graffiti and unsafe sidewalks.

* The Building Official oversees both the Building Inspection Division and Code Enforcement Division.

	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Actual</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>	<u>Change in Budget</u>
Expenditures:							
Personal Services	\$ 409,527	\$ 351,238	\$ 426,887	\$ 465,898	\$ 450,772	\$ 454,173	-2.52%
Contractual Services	67,451	89,494	58,777	68,937	69,127	72,682	5.43%
Commodities	17,941	13,401	15,846	17,602	17,602	17,602	0.00%
Capital Outlay	1,717	8,994	1,618	32,350	32,350	3,500	-89.18%
Total Expenditures	<u>\$ 496,636</u>	<u>\$ 463,127</u>	<u>\$ 503,128</u>	<u>\$ 584,787</u>	<u>\$ 569,851</u>	<u>\$ 547,957</u>	-6.30%
Funding Sources:							
Licenses and Permits	\$ 371,789	\$ 387,455	\$ 893,723	\$ 449,400	\$ 636,500	\$ 411,500	-8.43%
Service Charges	200	160	-	500	-	-	0.00%
Overhead Cost Allocation	22,750	19,711	20,711	20,157	20,157	18,735	-7.05%
General Revenues	101,897	55,801	(411,305)	114,730	(86,806)	117,722	2.61%
Total Funding Sources	<u>\$ 496,636</u>	<u>\$ 463,127</u>	<u>\$ 503,128</u>	<u>\$ 584,787</u>	<u>\$ 569,851</u>	<u>\$ 547,957</u>	-6.30%

Personnel Schedule

Full Time Equivalents

	<u>2011 Budget</u>	<u>2012 Budget</u>	<u>2013 Budget</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>
Building & Inspection Director	1.00	1.00	1.00	1.00	1.00	1.00
Building Official	-	-	-	-	-	-
Building Inspector	3.00	3.00	3.00	3.00	3.00	3.00
Administrative Assistant	-	-	-	1.00	1.00	1.00
Neighborhood Stds. Officer	1.00	1.00	1.00	1.00	1.00	1.00
Secretary	1.00	1.00	1.00	1.00	1.00	1.00
Total	<u>6.00</u>	<u>6.00</u>	<u>6.00</u>	<u>7.00</u>	<u>7.00</u>	<u>7.00</u>

Department Summary

Department:	Division:	Activity:
Building Inspection & Code Enforcement	Inspection/Code Enforcement	Inspection/Code Enforcement (7310-480)

Capital Outlay:

Item:	Quantity	Replacement/ New/Maint	2013 Actual	2014 Budget	2014 Revised	2015 Budget
Miscellaneous Office Equipment		Replacement	1,000	4,850	4,850	2,000
On-line ICC 2009 code subscription or CD's		Replacement	3,000			
Code Books				1,500	1,500	1,500
Replacement Truck				26,000	26,000	

Trends and Issues:

- If the City Council adopts the recommendation that would require general contractors to have passed a national recognized test in order to be licensed to do work within the city limits in 2014, our department will be working with the Hutchinson Builders Association and ICC to provide continuing education for general contractors.
- Pursuing the condemnation and demolition of unsafe and hazardous structures continues to be a high priority for this department in 2015.

2015 Goals - (Quantifiable and Measurable)

- Code Enforcement Division will begin to inspect the list of 500 homes in poor condition for property maintenance violations. Existing staff will be working on this project, so the timeline would be working through 2015 to be 50% complete.
- Building Inspection Division will continue to coordinate with the IT Department for mobile accessibility of blueprints and permits in the field for the inspectors. The goal for completion would be the end of 2015.

2016-2010 Strategic Goals (Directional and Strategic)

Begin transferring all hard copy permit, files & blueprints to digital form and creating a database to access the information.

Department Summary

Department:	Division:	Activity:
Non-Departmental	Non-Departmental	Growth Account (7600-610)

City Council ordinance requires that a minimum of \$700,000 of the City's sales tax collections be available in the budget for economic development infrastructure improvements and community promotion. \$350,000 is to be allocated for economic development and \$350,000 for infrastructure improvements. Of those funds, \$100,000 is transferred to the debt service fund for the aquatic center bond.

	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Actual</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>	<u>Change in Budget</u>
Expenditures:							
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Contractual Services	250,000	232,856	238,000	290,000	290,000	275,000	-5.17%
Commodities	-	-	-	-	-	-	0.00%
Capital Outlay	-	-	-	-	-	-	0.00%
Reserve Transfers	<u>350,000</u>	<u>367,000</u>	<u>312,000</u>	<u>310,000</u>	<u>310,000</u>	<u>325,000</u>	4.84%
Total Expenditures	\$ 600,000	\$ 599,856	\$ 550,000	\$ 600,000	\$ 600,000	\$ 600,000	0.00%
Transfers Out	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>	0.00%
Total Funding Uses	<u>\$ 700,000</u>	<u>\$ 699,856</u>	<u>\$ 650,000</u>	<u>\$ 700,000</u>	<u>\$ 700,000</u>	<u>\$ 700,000</u>	0.00%
Funding Sources:							
Sales Taxes	700,000	699,856	650,000	700,000	700,000	700,000	0.00%
General Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	0.00%
Total Funding Sources	<u>\$ 700,000</u>	<u>\$ 699,856</u>	<u>\$ 650,000</u>	<u>\$ 700,000</u>	<u>\$ 700,000</u>	<u>\$ 700,000</u>	0.00%

Current Trends and Issues:

In 2013, several new initiatives have been added into the Growth allocation. These include \$10,000 for the Community Development (wellness and young professional) program at the Chamber of Commerce, and \$50,000 for housing program initiatives which may include grant matching, demolitions, land banking, housing studies, or any other relevant initiative. The Community Development program addition is being offset with decreases to the Market Hutch and the Reno County Economic Development Council allocations. \$62,000 has also been included in 2013 for new entrance signage at the intersection of 30th Avenue and the reconstructed Highway 61, and \$5,000 has been added for the Third Thursday programs organized by the Downtown Hutchinson Revitalization Partnership.

Growth Allocation Detailed Summary

ITEM	2011 Actual	2012 Actual	2013 Actual	2014 Budget	2014 Revised	2015 Budget
Economic Development:						
Contractual Services:						
Arts & Humanities Council	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000
Safe Routes to School						
Market Hutch	97,000	96,856	92,000	92,000	92,000	92,000
Reno County Economic Development Council	63,000	63,000	58,000	58,000	58,000	58,000
Growth, Inc.	45,000	45,000	45,000	46,000	46,000	46,000
Downtown Hutchinson	-	-	-	-	-	-
DHRP - Third Thursday	-	-	5,000	2,500	2,500	3,000
Growth Coalition	5,000	-	-	-	-	-
Community Development at Chamber	-	-	10,000	15,000	15,000	15,000
Housing Program Initiatives	-	-	-	48,500	48,500	33,000
Welcome Channel	13,000	13,000	13,000	13,000	13,000	13,000
Hike/Bike Trails	12,000	-	-	-	-	-
Total Contractual Services	<u>250,000</u>	<u>232,856</u>	<u>238,000</u>	<u>290,000</u>	<u>290,000</u>	<u>275,000</u>
Reserve Transfers:						
Capital Projects Fund:						
George Pyle Park/Gazebo Improvements	-	99,000	-	-	-	-
South Main & C Ave Parking Lot	-	18,000	-	-	-	-
K-61 & 30th Avenue Gateway Sign	-	-	62,000	-	-	-
Housing Demolition Program	-	-	-	60,000	60,000	75,000
CIP Improvement Reserve:						
Hike & Bike Trail Extension	-	-	-	-	-	-
Total Reserve Transfers	<u>-</u>	<u>117,000</u>	<u>62,000</u>	<u>60,000</u>	<u>60,000</u>	<u>75,000</u>
Total Economic Development	<u>\$ 250,000</u>	<u>\$ 349,856</u>	<u>\$ 300,000</u>	<u>\$ 350,000</u>	<u>\$ 350,000</u>	<u>\$ 350,000</u>
Infrastructure:						
Reserve Transfers:						
Arterial/Collector Maintenance Reserve	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000
Residential Street Resurfacing Reserve	100,000	-	-	-	-	-
Interfund Transfers						
Transfer to Bond & Interest Fund-Aquatic Center**	100,000	100,000	100,000	100,000	100,000	100,000
Total Infrastructure	<u>\$ 450,000</u>	<u>\$ 350,000</u>				
Total Growth Account Expenditures	<u>\$ 700,000</u>	<u>\$ 699,856</u>	<u>\$ 650,000</u>	<u>\$ 700,000</u>	<u>\$ 700,000</u>	<u>\$ 700,000</u>

** Council committed \$100,000 from Growth funds for aquatic center debt service beginning in 2000 for 20 years.

Department Summary

Department:	Division:	Activity:
Non-Departmental	Non-Departmental	Economic Opportunity Funds (7600-617)

City Council ordinance requires that a minimum of \$700,000 of the City's sales tax collections be available in the budget for economic development infrastructure improvements and community promotion. This \$700,000 is budgeted and spent out of the Growth account. Each year since the first year of the 1/2 cent sales tax, the actual sales tax collections is compared to the prior year's sales tax collections. The increase or decrease is indexed and applied to the base \$700,000. The indexed amount above the \$700,000 figure is considered Economic Opportunity Funds. These funds are to be split evenly between economic development activities and capital improvement projects, and the balances are carried forward from year-to-year.

	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Actual</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>	<u>Change In Budget</u>
Expenditures:							
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Contractual Services	149,285	75,894	116,316	170,468	170,468	267,396	56.86%
Commodities	-	-	-	-	-	-	0.00%
Capital Outlay	-	-	-	-	-	-	0.00%
Reserve Transfers	188,000	75,000	75,000	-	-	-	#DIV/0!
Total Expenditures	<u>\$ 337,285</u>	<u>\$ 150,894</u>	<u>\$ 191,316</u>	<u>\$ 170,468</u>	<u>\$ 170,468</u>	<u>\$ 267,396</u>	56.86%
Funding Sources:							
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Sales Taxes	337,285	150,894	191,316	170,468	170,468	267,396	56.86%
General Revenues	-	-	-	-	-	-	0.00%
Total Funding Sources	<u>\$ 337,285</u>	<u>\$ 150,894</u>	<u>\$ 191,316</u>	<u>\$ 170,468</u>	<u>\$ 170,468</u>	<u>\$ 267,396</u>	56.86%

Current Trends and Issues:

The primary issue with the Economic Opportunity Funds is that they have not been separated out of the General fund. As a consequence, the "balance" is actually a designation of General fund balance. The balance in these funds is growing faster than the General fund balance which creates a potential General fund balance issue. In addition, the indexing process is difficult to understand which causes further uncertainty. Options are being reviewed to change how these funds are being accounted for and how the allocations are being calculated. Whatever change is made to these designations will have an impact on the General fund.

**Allocations to Economic Opportunity Funds
Fiscal Year 2015 Budget
City of Hutchinson's Sales Tax Receipts and Allocations - Indexing Analysis**

	Collection Year				
	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Total Sales Tax Collected (City & County)	\$ 10,638,263	\$ 10,350,823	\$ 10,865,620	\$ 11,192,916	\$ 11,755,730
1/4% Sales Tax Receipts- beginning in 1994	-1,963,400	-1,915,773	-1,998,560	-2,033,080	-2,160,016
Sales Tax used for Indexing (Total Sales Tax less 1/4 cent Sales Tax)	\$ 8,674,863	\$ 8,435,050	\$ 8,867,060	\$ 9,159,836	\$ 9,595,714
Percentage of previous year collections	95.27%	97.24%	105.12%	103.30%	104.76%

	Budget Year				
	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
Growth Allocation x Percentage Change	1,228,347	1,194,389	1,255,561	1,297,018	1,358,738
Annual Growth Account	700,000	700,000	700,000	700,000	700,000
Growth Allocation to Reserves *	\$ 528,347	\$ 494,389	\$ 555,561	\$ 597,018	\$ 658,738

* 50% of the Growth allocations are for the Economic Development reserve and \$ 277,781 \$ 298,509 \$ 329,369
50% are for the Capital Improvements reserve. \$ 298,509 \$ 329,369

* Economic Opportunity Reserves are budgeted in the Non-Departmental activities as reserve transfers.

**Economic Opportunity Funds
Economic Development**

	2011 <u>Actual</u>	2012 <u>Actual</u>	2013 <u>Actual</u>	2014 <u>Budget</u>	2014 <u>Revised</u>
Beginning Balance	\$ 245,909	\$ 297,256	\$ 470,107	\$ 643,720	\$ 631,571
Revenues:					
Sales Tax Allocations	198,131	247,195	277,781	298,509	298,509
Elliott's Farm Lease Payment	2,500	1,550	-	-	-
Transfer from EOF-CIP	-	-	-	-	-
Funds Available	\$ 446,540	\$ 546,001	\$ 747,888	\$ 942,229	\$ 930,080
Expenditures:					
Contractual Services:					
Draka USA		3,000			
Collins			6,667		
South Hutch	6,667	6,667			
Daymon	15,000				
Hutchinson Land Bank			25,000		
Hutchinson Housing Authority			15,000		
Railroad Spur Property Taxes	52,618	51,227	54,649	55,000	55,000
Southwest Kansas Coalition		15,000	15,000		
Hutch Entertainment LLC					
Kohl's Tax Rebate				77,968	77,968
Siemens	75,000			37,500	37,500
Total Expenditures	149,285	75,894	116,316	170,468	170,468
Ending Balance	\$ 297,256	\$ 470,107	\$ 631,571	\$ 771,761	\$ 759,612

Economic Opportunity Funds Capital Improvement Projects

	2011	2012	2013	2014	2014
	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Revised</u>
Beginning Balance	\$ 621,776	\$ 631,907	\$ 804,102	\$ 1,011,882	\$ 1,006,883
Revenues:					
Sales Tax Allocations	<u>198,131</u>	<u>247,195</u>	<u>277,781</u>	<u>298,509</u>	<u>298,509</u>
Funds Available	\$ 819,907	\$ 879,102	\$ 1,081,883	\$ 1,310,391	\$ 1,305,392
Expenditures:					
Contractual Services:					
Transfer to EOF - Economic Dev					
Reserve Transfers:					
Dirt street program					
K-61 beautification project					
Sherman & Kirby water line					
Engineering-Windsor Estates					
K-61 Fence	88,000	-			
ADA Sidewalks					
Trails	<u>100,000</u>	<u>75,000</u>	<u>75,000</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>188,000</u>	<u>75,000</u>	<u>75,000</u>	<u>-</u>	<u>-</u>
Ending Balance	<u>\$ 631,907</u>	<u>\$ 804,102</u>	<u>\$ 1,006,883</u>	<u>\$ 1,310,391</u>	<u>\$ 1,305,392</u>

Department Summary

Department:	Division:	Activity:
Non-Departmental	Non-Departmental	Non-Departmental (9500-620)

The non-departmental activity is used to account for expenditures and activities that are not associated with one particular department.

	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Actual</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>	<u>Change in Budget</u>
Expenditures:							
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Contractual Services	1,365,118	1,039,354	917,559	980,131	989,131	968,664	-1.17%
Commodities	-	-	-	-	-	-	0.00%
Capital Outlay	-	-	-	-	-	-	0.00%
Reserve Transfers	<u>2,146,313</u>	<u>1,896,446</u>	<u>1,971,941</u>	<u>2,333,532</u>	<u>2,333,532</u>	<u>2,439,025</u>	4.52%
Total Expenditures	\$ 3,511,431	\$ 2,935,800	\$ 2,889,499	\$ 3,313,662	\$ 3,322,662	\$ 3,407,689	2.84%
Transfers Out	<u>1,620,919</u>	<u>1,965,226</u>	<u>2,003,252</u>	<u>1,984,285</u>	<u>2,047,969</u>	<u>2,595,048</u>	30.78%
Total Funding Uses	<u>\$ 5,132,350</u>	<u>\$ 4,901,026</u>	<u>\$ 4,892,752</u>	<u>\$ 5,297,947</u>	<u>\$ 5,370,631</u>	<u>\$ 6,002,737</u>	13.30%
Funding Sources:							
Overhead Cost Allocation	\$ 302,740	\$ 214,846	\$ 216,489	\$ 242,123	\$ 242,123	\$ 234,228	11.84%
Sales Taxes	1,702,967	1,796,580	1,767,908	1,797,995	1,797,995	1,809,731	1.70%
General Revenues	<u>3,126,643</u>	<u>2,889,600</u>	<u>2,908,355</u>	<u>3,257,829</u>	<u>3,330,513</u>	<u>3,958,778</u>	14.52%
Total Funding Sources	<u>\$ 5,132,350</u>	<u>\$ 4,901,026</u>	<u>\$ 4,892,752</u>	<u>\$ 5,297,947</u>	<u>\$ 5,370,631</u>	<u>\$ 6,002,737</u>	9.77%

Current Trends and Issues:

In fiscal year 2012, several of the contractual services items were moved into individual department and activity budgets. The largest of these changes was moving the computer equipment and maintenance purchases into Information Technology budget. Others moved were the audit, telephone, CRUD program, wellness program, and ADA compliance. The United Way contributions are being phased out over a 10-year period and being reduced by 10% each year until being eliminated.

Non-Department Detailed Summary

ITEM	2011 Actual	2012 Actual	2013 Actual	2014 Budget	2014 Revised	2015 Budget
Expenditures:						
Contractual Services:						
1/4% Sales Tax - Cosmosphere	\$ 661,152	\$ 730,287	\$ 653,573	\$ 698,045	\$ 698,045	\$ 702,602
1/4% Sales Tax - Underground Salt Museum	100,175	110,650	99,026	105,764	105,764	106,455
Computer Maintenance	69,228	-	-	-	-	-
Computer Equipment	122,727	-	-	-	-	-
Telephone	21,179	-	-	-	-	-
Audit	21,210	-	-	-	-	-
CRUD Program	4,530	-	-	-	-	-
Purchasing	(2,112)	(4,334)	(5,604)	-	-	-
Training & Staff Development	2,311	4,708	3,954	5,000	5,000	-
Wellness Program	-	-	-	-	-	-
Employee Recognition Program	-	21,099	1,954	12,000	12,000	12,000
ADA Compliance	3,374	-	-	-	-	-
RCAT	-	-	-	-	-	-
SCKEDD & REAP Memberships	11,519	11,242	11,222	13,000	13,000	13,000
Growth Coordinator	15,000	-	-	-	-	-
Miscellaneous Contractual Services	3,810	603	3,284	5,000	15,000	5,000
Other Governmental Agencies	150,000	-	-	-	-	-
Cultural Activities Fund	47,250	47,250	47,250	47,250	47,250	47,250
Hutch Fest Activities	12,500	11,250	-	6,000	5,000	5,000
Arts & Humanities Council	24,600	19,600	24,600	24,600	24,600	24,600
United Way	96,666	87,000	78,300	63,471	63,471	52,758
Total Contractual Services	\$ 1,365,118	\$ 1,039,354	\$ 917,559	\$ 980,131	\$ 989,131	\$ 968,664
Reserve Transfers:						
Risk Management Fund (Premiums)	\$ 339,814	\$ -	\$ -	\$ -	\$ -	\$ -
Municipal Equipment Replacement Reserve	540,368	650,868	651,752	855,432	855,432	1,197,950
Capital Improvement Reserve	-	-	297,880	367,680	367,680	197,500
Pool Maintenance Reserve	7,000	7,000	7,000	7,000	7,000	7,000
1/4% Sales Tax - Street Improvement Reserves	941,641	955,643	1,015,309	994,186	994,186	1,000,675
Capital Improvement Projects Fund	317,491	282,935	-	109,234	109,234	35,900
Economic Opportunity Reserve (ED Res)	-	-	-	-	-	-
Economic Opportunity Reserve (CIP Res)	-	-	-	-	-	-
Total Reserve Transfers	\$ 2,146,313	\$ 1,896,446	\$ 1,971,941	\$ 2,333,532	\$ 2,333,532	\$ 2,439,025
Transfers Out:						
Special Street Fund	\$ 532,845	\$ 802,189	\$ 773,005	\$ 742,710	\$ 753,538	\$ 1,292,380
Special Park Fund	73,664	67,854	85,125	91,314	91,314	112,653
Fun Valley Fund	352,837	380,098	427,390	381,858	376,389	329,834
Animal Shelter Fund	267,622	300,944	333,658	328,426	368,842	376,792
Golf Course Fund	190,511	219,985	201,030	220,324	221,455	214,351
Airport Fund	203,440	194,155	183,043	219,653	236,430	269,037
Total Transfers Out	\$ 1,620,919	\$ 1,965,226	\$ 2,003,252	\$ 1,984,285	\$ 2,047,969	\$ 2,595,048
Total Non-Departmental Expenditures	\$ 5,132,350	\$ 4,901,026	\$ 4,892,752	\$ 5,297,947	\$ 5,370,631	\$ 6,002,737

Non-Departmental Narrative 2015 Budget

Contractual Services - \$968,664:

¼% Sales Tax – Cosmosphere: 33% of the ¼% sales tax collections are remitted to the Kansas Cosmosphere as approved by referendum. The ¼% sales tax which was set to expire on March 31, 2014 has been extended for 5 more years. FY15 budget is \$702,602.

¼% Sales Tax – Underground Salt Museum: 5% of the ¼% sales tax collections are remitted to the Underground Salt Museum as approved by referendum. The ¼% sales tax which was set to expire on March 31, 2014 has been extended for 5 more years. FY15 budget is \$106,455.

Employee Recognition Program: Beginning in fiscal year 2012, this provides funds to recognize employees for their dedication and years of service. FY15 budget is \$12,000.

SCKEDD & REAP Memberships: This is the membership fees for the South Central Kansas Economic Development District and the Regional Economic Area Partnership of South Central Kansas. FY15 budget is \$13,000.

Miscellaneous Contractual Services: This account pays for various miscellaneous expenses such as licenses, assessments, contributions, interest expenses, fees, and telephone bill review. FY15 budget is \$5,000.

Cultural Activities Fund: This accounts for contributions to various organizations and events that add to the City's quality of life as recommended by the Arts & Humanities Council. Organizations/events include Cinco de Mayo, Hutchinson Symphony, Hutchinson Theatre Guild, Reno Choral Society, Emancipation Day Committee, Family Children's Theatre, and the Hutchinson Municipal Band. FY15 budget is \$47,250.

Hutch Fest Activities: This accounts for a portion of the fireworks license revenue that is contributed to Hutch Fest by the City. As fireworks have tighter restrictions, the projection for the FY15 budget is reduced to \$5,000.

Arts & Humanities Council: This provides operational funding to the Arts & Humanities Council, which was created to support and coordinate arts, attractions, and events in the City to improve tourism and the quality of life. FY15 budget is \$24,600

United Way: In fiscal year 2010, the City consolidated its contributions to private non-profit organizations into one contribution to the United Way, which helps support those organizations. This contribution will be phased out over a 10-year period at 10% per year. FY15 budget is \$52,758.

Reserve Transfers - \$2,403,125

Municipal Equipment Replacement Reserve Fund (MERF): This amount budgeted reflects the transfer from the General fund to cover equipment purchases for the year that are greater than \$10,000. A listing of the equipment to be replaced is in the MERF section of the budget. FY15 budget is \$1,197,950.

CIP Reserve: This amount reflects transfers from the General fund to CIP reserve accounts as approved for capital improvement program. Reserve transfers include \$25,000 for park improvements, \$25,000 for public facility improvements, \$25,000 for fire station improvements, \$56,500 for traffic signal upgrades and repairs, \$50,000 for airport facility improvements, and \$16,000 for airport land acquisition. The FY15 budget is \$197,500.

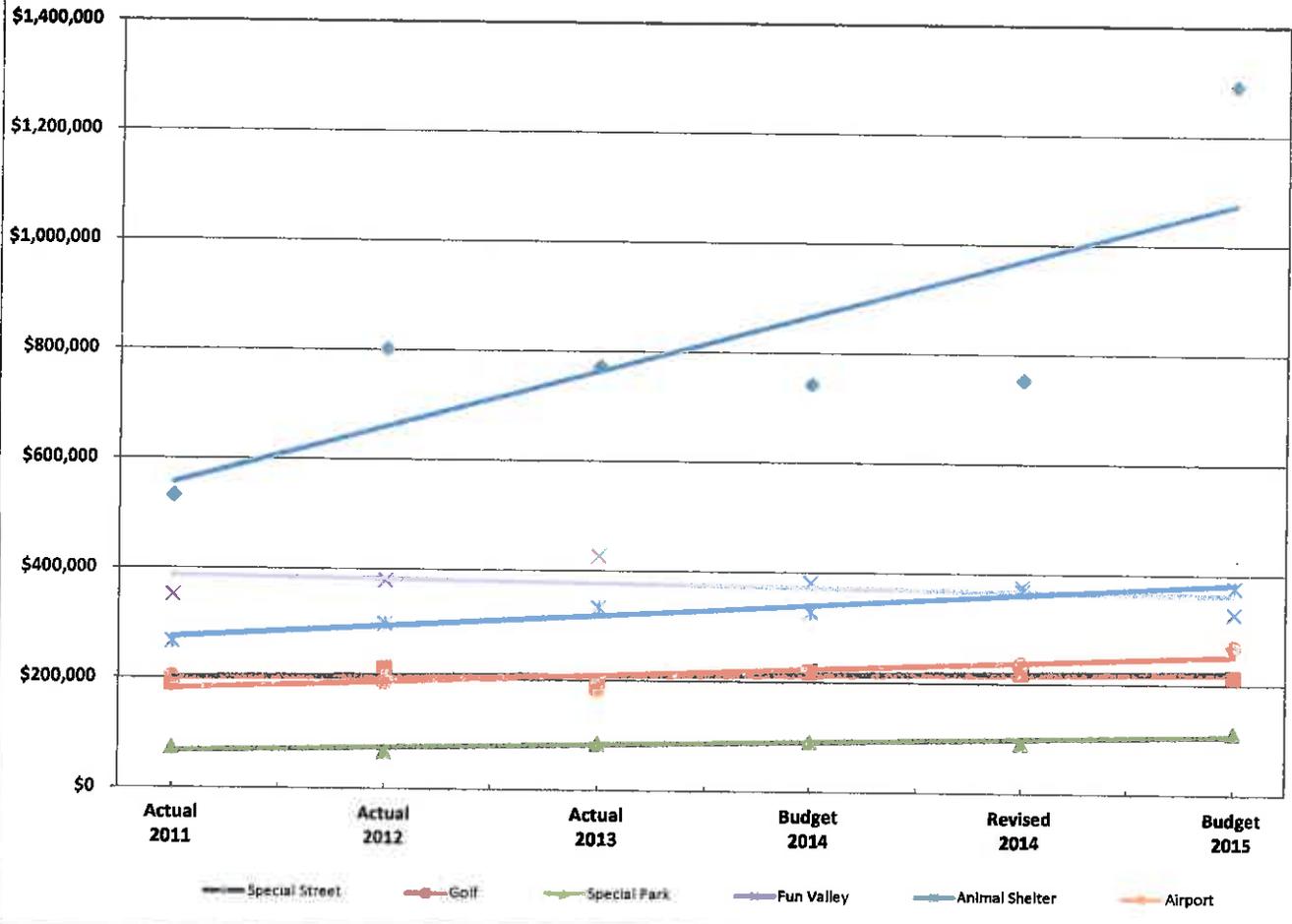
Pool Maintenance Reserve: This amount is being transferred to cover major maintenance and repairs at the City's aquatic center. This is part of the CIP Reserve. FY15 budget is \$7,000.

¼% Sales Tax to Street Improvement Reserves: 47% of the ¼% sales tax collections are being transferred into street improvement reserves for the purposes of street reconstruction, slurry seal program, and street overlays. FY15 budget is \$1,000,675.

Transfers Out - \$2,595,048

Subsidy Transfers: Transfers from the General fund to other budgeted funds are made to the Special Street fund, the Golf Course fund, the Special Park fund, the Fun Valley fund, the Animal Shelter fund, and the Airport fund. These transfers represent the amount of the subsidy provided by the General fund to these funds as their expenditures annually exceed their revenues. The budgeted amount of subsidy transfers in FY15 is \$2,595,048.

Fund Subsidies from General Fund



OVERHEAD COST ALLOCATION
Fiscal Year 2015

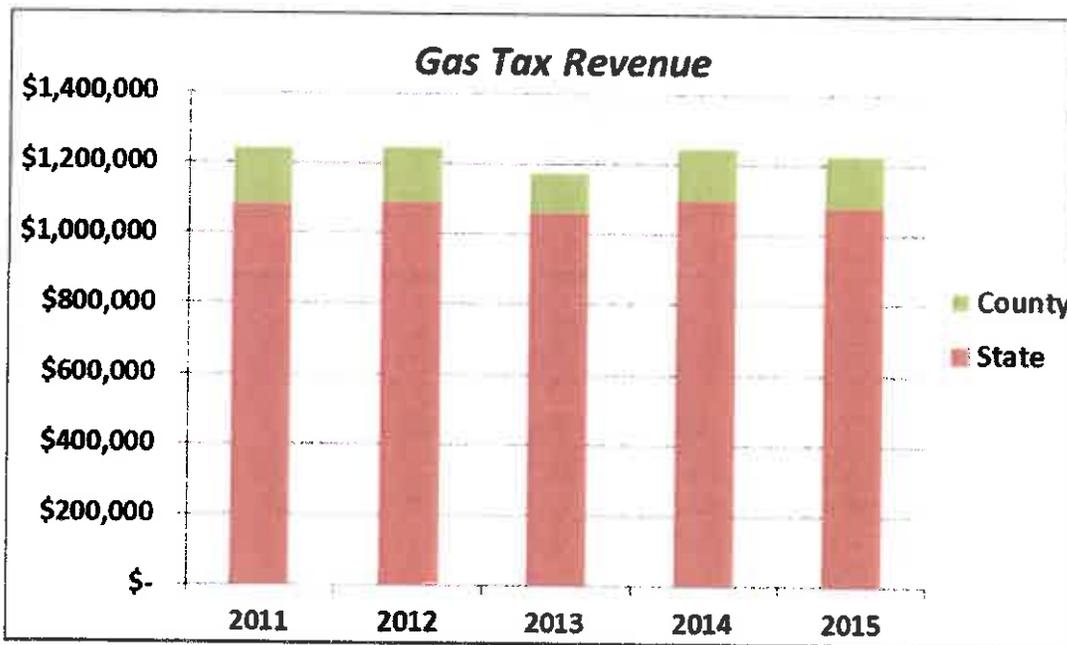
Department	2015 Budget	Category	Water	Sewer	Storm	Refuse	Water	Sewer	Storm	Refuse	Other (2)	TOTAL
City Council	25,000	Budget	12.59%	10.60%	0.99%		\$ 3,148	\$ 2,649	\$ 248			\$ 6,045
City Manager	318,175	Budget	12.59%	10.60%	0.99%		\$ 40,060	\$ 33,720	\$ 3,156			\$ 76,936
City Attorney	202,726	Budget	12.59%	10.60%	0.99%		\$ 25,525	\$ 21,485	\$ 2,011		\$ 42,000	\$ 91,020
Human Resources	409,169	Personnel	7.36%	8.11%	0.25%		\$ 30,109	\$ 33,197	\$ 1,023		\$ 70,000	\$ 134,328
Finance Admin.	376,547	Budget	12.59%	10.60%	0.99%		\$ 47,410	\$ 39,906	\$ 3,735		\$ 17,500	\$ 108,551
Purchasing	129,913	Budget	12.59%	10.60%	0.99%		\$ 16,357	\$ 13,768	\$ 1,289			\$ 31,414
Utility Billing	802,957	Services	46.50%	46.50%	0.00%	7.00%	\$ 373,375	\$ 373,375	\$ -	\$ 56,207		\$ 802,957
Information Tech	601,861	Units/Services					\$ 110,289	\$ 81,168	\$ -			\$ 191,457
Public Works Admin.	209,895	Functions	40.00%	40.00%	2.00%		\$ 83,838	\$ 83,838	\$ 4,192			\$ 171,868
Engineering	805,399	Functions	40.00%	40.00%	2.00%		\$ 322,160	\$ 322,160	\$ 16,108			\$ 660,427
GIS	246,228	Functions	40.00%	40.00%	2.00%		\$ 98,491	\$ 98,491	\$ 4,925			\$ 201,907
Traffic Signal	301,499	Functions	15.64%	9.35%	0.00%		\$ 47,154	\$ 28,190	\$ -			\$ 75,345
Central Garage	352,792	Fleet	8.56%	6.31%	0.00%		\$ 30,194	\$ 22,248	\$ -			\$ 52,442
Park Maintenance	961,751	Note 1	26.28%	10.23%	0.00%		\$ 252,707	\$ 98,397	\$ -	\$ 9,082		\$ 360,186
City Hall	112,649	Floor Space	15.00%	15.00%	2.00%		\$ 16,897	\$ 16,897	\$ 2,253			\$ 36,048
Non-Departmental	968,664	Budget-Note 3	12.59%	10.60%	0.99%		\$ 121,962	\$ 102,659	\$ 9,607			\$ 234,228
Building Insp.	18,735	Note 4	45.98%	54.04%			\$ 8,611	\$ 10,124	\$ -			\$ 18,735
TOTAL							\$ 1,628,286	\$ 1,382,273	\$ 48,545	\$ 65,289	\$ 129,500	\$ 3,253,893

(1) Based on Risk Management split of Building costs; 25% cost of maintenance worker for trash
(2) Risk Management \$21,000, Worker's Compensation \$21,000, Health/Dental \$80,000, Bond & Interest \$7,500
(3) Non-Departmental contractual services
(4) Bldg Insp. - "Personnel" - 25% of 1 Inspector + \$2,200 for Office Expense.

Special Street Fund

The Special Street fund accounts for revenue sharing from State and County gasoline taxes. The use of these funds is restricted for street maintenance, repair, and construction. This also includes street cleaning, and snow removal.

This fund is subsidized by the General fund due to the increasing costs of street maintenance. Revenue has been consistent at \$1.3 Million for the past 4 years and is expected to remain at this level into 2015. The following graph depicts State and County revenue distributions over the five year period:

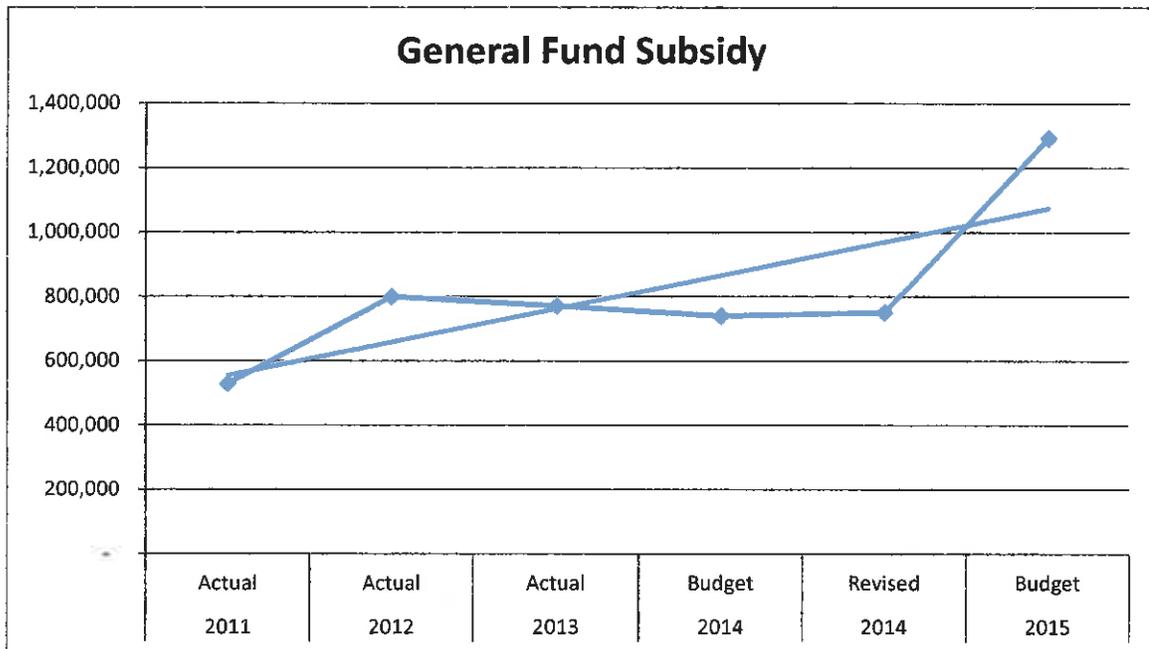


In addition to annually reviewing and monitoring revenue levels, expenditure levels are also monitored for possible adjustments. Overall expenditures in the Special Street fund have averaged \$2,096,709 over the past 5 years. The largest expenditure is for street maintenance which has averaged \$1,358,625 during these 5 years.

The subsidy from the General fund is budgeted at \$1,292,380 in fiscal year 2015. This is an increase from fiscal year 2014 by \$549,670. The overall increase in the General fund subsidy directly correlates with the plans to resurface two main thoroughfares in 2015 which have deteriorated to the point they must be addressed.

Special Street (003) Fund Summary

	2011 Actual	2012 Actual	2013 Actual	2014 Budget	2014 Revised	2015 Budget
Cash Balance, January 1	\$ -	\$ -	\$ -	\$ -	\$ (0)	\$ (0)
Revenues:						
Revenues	1,285,120	1,311,559	1,229,076	1,303,280	1,271,190	1,284,710
Transfers In - General fund	532,845	802,189	773,005	742,710	753,538	1,292,380
Funds available	\$ 1,817,965	\$ 2,113,748	\$ 2,002,081	\$ 2,045,990	\$ 2,024,728	\$ 2,577,090
Expenditures:						
Street Maintenance	1,348,663	1,414,330	1,397,488	1,459,080	1,438,696	1,495,618
Street Cleaning	264,677	220,918	256,093	250,910	250,032	253,972
Reserve Transfers-MERF	87,000	153,500	148,500	136,000	136,000	227,500
Reserve Transfers-CIP Reserve	117,625	325,000	200,000	200,000	200,000	600,000
Total Expenditures	1,817,965	2,113,748	2,002,081	2,045,990	2,024,728	2,577,090
Transfers Out	-	-	-	-	-	-
Ending Balance, December 31	\$ -	\$ 0	\$ 0	\$ (0)	\$ (0)	\$ (0)



Special Street (003) Revenue Summary

	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Actual</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>
Intergovernmental Revenues:						
State Gas Tax	\$ 1,081,389	\$ 1,090,967	\$ 1,059,537	\$ 1,097,820	\$ 1,070,350	\$ 1,079,120
County Gas Tax	161,088	155,072	111,936	146,160	143,250	147,540
Connecting Links	40,380	54,025	53,951	54,300	53,840	54,300
County Contribution	-	-	-	-	-	-
Service Charges:						
Street Cuts	2,209	5,056	3,448	5,000	3,750	3,750
Miscellaneous:						
Miscellaneous	54	418	6	-	-	-
Reimbursements	-	6,021	198	-	-	-
Total	<u>\$ 1,285,120</u>	<u>\$ 1,311,559</u>	<u>\$ 1,229,076</u>	<u>\$ 1,303,280</u>	<u>\$ 1,271,190</u>	<u>\$ 1,284,710</u>

Department Summary

Department:	Division:	Activity:
Public Works	Streets	Street Maintenance (6420-559)

Program Description:

To this account we charge the costs of the Street Maintenance Division activities and more particularly the costs of repair and maintenance of streets and alleys. There are 270 miles of paved streets and over 45 miles of alleys to maintain. Annually nearly 10 miles of asphalt streets receive slurry seal preventative maintenance treatments. Approximately 625 tons of asphalt are used each year for pothole and street repairs. The Street Superintendent oversees the administration of this budget account under the supervision of the Director of Public Works.

	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Actual</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>	<u>Change in Budget</u>
Expenditures:							
Personal Services	\$ 919,884	\$ 1,005,445	\$ 966,959	\$ 1,008,334	\$ 983,486	\$ 1,024,294	1.58%
Contractual Services	144,841	136,369	135,580	157,946	157,946	172,524	9.23%
Commodities	283,938	272,516	294,949	292,800	297,264	292,800	0.00%
Capital Outlay	-	-	-	-	-	6,000	0.00%
Total Expenditures	<u>\$ 1,348,663</u>	<u>\$ 1,414,330</u>	<u>\$ 1,397,488</u>	<u>\$ 1,459,080</u>	<u>\$ 1,438,696</u>	<u>\$ 1,495,618</u>	2.50%
Funding Sources:							
Intergovernmental	\$ 953,370	\$ 877,577	\$ 857,917	\$ 929,423	\$ 903,260	\$ 745,583	-19.78%
Reimbursement	-	-	-	-	-	-	0.00%
General Fund Subsidy	395,293	536,753	539,571	529,657	535,436	750,035	41.61%
Total Funding Sources	<u>\$ 1,348,663</u>	<u>\$ 1,414,330</u>	<u>\$ 1,397,488</u>	<u>\$ 1,459,080</u>	<u>\$ 1,438,696</u>	<u>\$ 1,495,618</u>	2.50%

Personnel Schedule

Full Time Equivalents

	<u>2011 Budget</u>	<u>2012 Budget</u>	<u>2013 Budget</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>
Street Superintendent	1.00	1.00	1.00	1.00	1.00	1.00
Asst. Street Superintendent	1.00	1.00	1.00	1.00	1.00	1.00
Street Supervisor	1.00	1.00	1.00	1.00	1.00	1.00
Heavy Equip. Operator	4.00	4.00	4.00	4.00	4.00	4.00
Equipment Operator	8.00	8.00	8.00	8.00	8.00	8.00
Maintenance Technician	1.00	1.00	1.00	1.00	1.00	1.00
Maintenance Worker	2.00	2.00	2.00	2.00	2.00	2.00
Total	18.00	18.00	18.00	18.00	18.00	18.00

Department Summary

Department:

Public Works

Division:

Streets

Activity:

Street Maintenance (6420-559)

Trends and Issues:

In recent years the cost of asphalt and slurry seal materials have increased substantially, but the budgets to perform these maintenance activities has remained essentially the same. As a result, preventative maintenance of the City streets has been falling farther behind each year, allowing the condition of the street pavements to deteriorate and thus reducing the pavement life. The result is more costly street maintenance treatments, such as overlays and reconstructs being needed sooner and more frequently but who also have budget and funding constraints. Budgets and funding for these preventative street maintenance activities and treatments needs to be increased. Crack sealing, slurry sealing, pothole and full depth repairs are the preventative maintenance activities the Street Maintenance Division are responsible for. It is these activities that extend the street pavement life.

A proposed new line item is in 2015 for a 2 month rental of crack sealing equipment to increase Street crack sealing effort to help curtail additional street degradation. If funding is provided allowing an increase in annual Street Sealing it would be anticipated there will be an increase in materials, (concrete and asphalt), to complete repairs in advance of Street Sealing.

2015 Goals - (Quantifiable and Measurable)

- 1) With adequate funding, increase number of streets receiving sealing preventative maintenance to reduce expensive future maintenance or replacement costs.
- 2) Work on advancing repairs required in advance of seal treatments with focus on work completion 1 year in advance those seal treatments.

2016-2020 Strategic Goals (Directional and Strategic)

- 1) Continue evaluation of current sealing processes.
- 2) Evaluate and compare current street maintenance BMP's to regional standard.
- 3) Advance the training of personnel to enhance the efficiency and knowledge of staff. Streets are an integral part of the City infrastructure and proper maintenance is expensive. Maintaining a trained staff is crucial to maintaining an effective Street Maintenance program.

Department Summary

Department:	Division:	Activity:
Public Works	Streets	Street Cleaning (6430-559)

Program Description:

This activity is charged with costs of sweeping, removing snow and ice, and in general, keeping the City's streets clean and free of trash and debris. The street sweeping schedule generally provides for daily sweeping of downtown streets, weekly sweeping of major arterial and residential streets, and monthly sweeping of minor arterial and residential streets. The City street sweeper is responsible for Main Street, the downtown area and the southeast portion of the City, sweeping over 3,000 curb miles per year. The remainder of the City is swept by a contractor, who is contracted to sweep over 2,500 curb miles each year. This activity also accounts for the major portion of the City's snow and ice removal program. Costs for chemicals for this effort are charged here along with repair and fuel for the two permanent salt spreaders. The Street Superintendent oversees the administration of this budget account under the administration of the Director of Public Works.

	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Actual</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>	<u>Change in Budget</u>
Expenditures:							
Personal Services	\$ 43,743	\$ 43,097	\$ 45,049	\$ 46,642	\$ 45,764	\$ 48,812	1.59%
Contractual Services	124,619	129,884	127,152	133,168	132,968	133,110	4.57%
Commodities	96,315	47,937	83,892	71,100	71,300	72,050	-15.01%
Capital Outlay	-	-	-	-	-	-	0.00%
Total Expenditures	<u>\$ 264,677</u>	<u>\$ 220,918</u>	<u>\$ 256,093</u>	<u>\$ 250,910</u>	<u>\$ 250,032</u>	<u>\$ 253,972</u>	-2.37%
Funding Sources:							
Intergovernmental	\$ 187,100	\$ 137,077	\$ 157,215	\$ 159,828	\$ 156,979	\$ 126,608	-0.15%
Reimbursement	-	-	-	-	-	-	0.00%
General Fund Subsidy	<u>77,577</u>	<u>83,841</u>	<u>98,878</u>	<u>91,082</u>	<u>93,054</u>	<u>127,364</u>	-5.89%
Total Funding Sources	<u>\$ 264,677</u>	<u>\$ 220,918</u>	<u>\$ 256,093</u>	<u>\$ 250,910</u>	<u>\$ 250,032</u>	<u>\$ 253,972</u>	-2.37%

Personnel Schedule

Full Time Equivalents

	<u>2011 Budget</u>	<u>2012 Budget</u>	<u>2013 Budget</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>
Equipment Operator	<u>1.00</u>	<u>1.00</u>	<u>1.00</u>	<u>1.00</u>	<u>1.00</u>	<u>1.00</u>
Total	<u>1.00</u>	<u>1.00</u>	<u>1.00</u>	<u>1.00</u>	<u>1.00</u>	<u>1.00</u>

Department Summary

Department:	Division:	Activity:
Public Works	Streets	Street Cleaning (6430-559)

Trends and Issues:

In fiscal year 2014, the City will continue to evaluate whether to fully contract street sweeping out or whether to perform all of the street sweeping with City labor and equipment (the current street sweeping contract runs through 2015). The City is also evaluating the level of street sweeping desired as a part of the City's storm water management program. The change to in-house sweeping only would require a new equipment operator position and an additional street sweeper piece of equipment. The contracted street sweeping cost savings would offset much of the additional City costs for labor, equipment, fuel, etc.

3-year historical trend indicates an increase in salt usage on average of 137 tons and an 8% increase in anti-icing chemicals and 163 tons over the 10-year average salt usage.

2015 Goals - (Quantifiable and Measurable)

- 1) Try to increase the number of curb miles swept by city staff.
- 2) Try to establish a consistent method for managing usage of snow and ice removal commodities.

2016-2020 Strategic Goals (Directional and Strategic)

- 1) Evaluate and compare the contract sweeping program to the city sweeping for effectiveness and level of service provided.
- 2) Evaluate the existing snow and ice removal BMP's and compare to regional standard.

Special Parks & Recreation Fund

The Special Parks & Recreation fund accounts for one-third of the liquor drink taxes distributed by the State. The other two-thirds are split between the General fund and the Special Alcohol Programs fund.

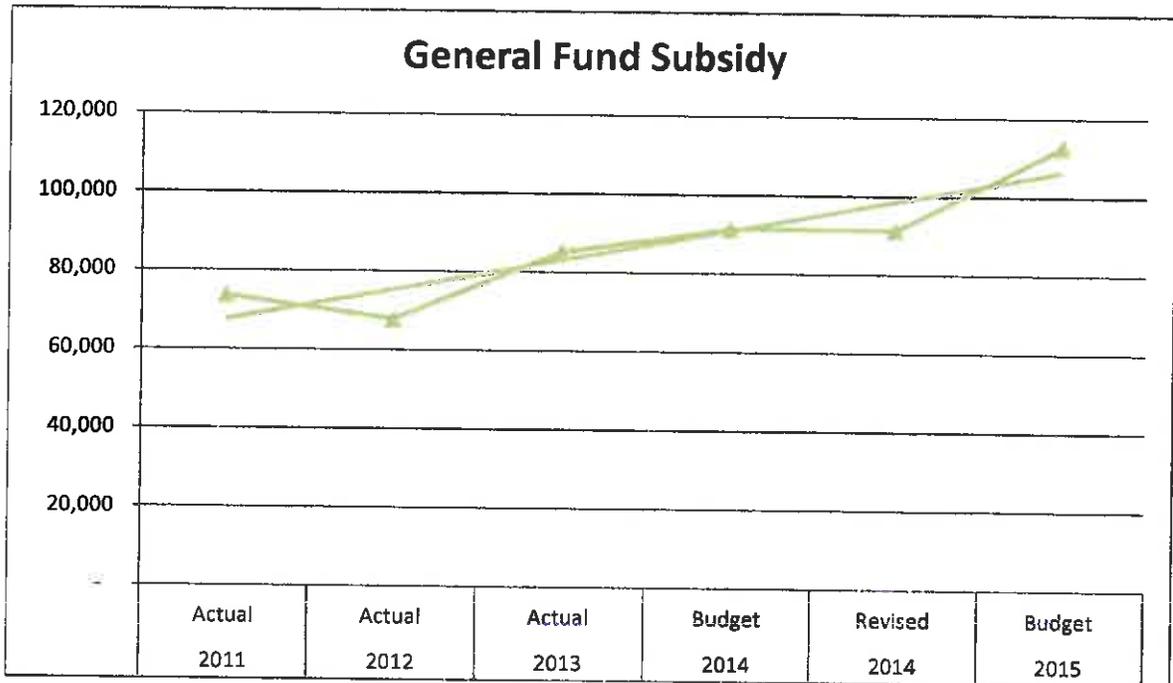
The City uses this for the swimming pool and splash park activity. One full-time employee manages the swimming facilities while the Hutchinson Recreation Commission manages the daily operations. Liquor tax receipts over the past five years are as follows:

<u>Fiscal Year</u>	<u>Liquor Tax Receipts</u>
2009	96,167
2010	94,311
2011	96,338
2012	91,978
2013	90,965
2014 budget	90,000
2015 budget	90,816

Revenue from these taxes has been declining over the past few years and swimming pool expenditures have increased due to aging equipment. This is causing the General Fund subsidy to increase to \$112,653 in 2015 compared to \$91,314 in the 2014 budget.

Special Parks & Recreation (009) Fund Summary

	2011 Actual	2012 Actual	2013 Actual	2014 Budget	2014 Budget	2015 Budget
Cash Balance, January 1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Revenues:						
Non-Property Taxes:						
Liquor Taxes	\$ 96,338	\$ 91,978	\$ 90,965	\$ 90,000	\$ 90,000	\$ 90,816
Recreation & Concessions:						
Pepsi/Cases	-	\$ -	-	-	-	-
Total Revenues	<u>\$ 96,338</u>	<u>\$ 91,978</u>	<u>\$ 90,965</u>	<u>\$ 90,000</u>	<u>\$ 90,000</u>	<u>\$ 90,816</u>
Transfers In	<u>73,664</u>	<u>\$ 67,854</u>	<u>85,125</u>	<u>91,314</u>	<u>91,314</u>	<u>112,653</u>
Funds available	\$ 170,002	\$ 159,832	\$ 176,090	\$ 181,314	\$ 181,314	\$ 203,470
Expenditures:						
Swimming Pools	\$ 170,002	\$ 159,832	\$ 176,090	\$ 181,314	\$ 181,314	\$ 203,470
Reserve Transfers	-	\$ -	-	-	-	-
Total Expenditures	<u>\$ 170,002</u>	<u>\$ 159,832</u>	<u>\$ 176,090</u>	<u>\$ 181,314</u>	<u>\$ 181,314</u>	<u>\$ 203,470</u>
Transfers Out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Ending Balance, December 31	<u>\$ -</u>					



Department Summary

Department:	Division:	Activity:
Parks & Facilities	Parks & Facilities Maintenance	Swimming Pools (6930-571)

Program Description:

This is a fund established by the 1979 Legislature. The law levies tax on the receipts directly from the sale of alcoholic liquor in private clubs. The money is to be remitted to the city wherein the clubs are situated. One third of the money is to be credited to a Special Parks & Recreation fund to be used for purposes outlined in the Statute. Money from this budget account is also used to maintain the City's swimming pools.

This division is part of the Parks and Facility Services Department and provides year-round maintenance services to the Salt City Splash, Spray Parks and City-wide irrigation systems. The division is comprised of one FTE and 600 hours of seasonal help who also work cooperatively with other City departments making repairs to irrigation systems that may be damaged or relocated as part of water, sewer or street projects. In addition to the aquatic facilities this unit also maintains irrigation systems that cover approximately 160 acres of developed turf areas such as ball fields, lawns around public buildings, and landscaped areas.

	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Actual</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>	<u>Change in Budget</u>
Expenditures:							
Personal Services	\$ 62,719	\$ 64,409	\$ 63,888	\$ 64,120	\$ 64,120	\$ 67,876	5.86%
Contractual Services	69,717	64,463	83,503	69,019	69,019	84,919	23.04%
Commodities	35,650	26,936	18,719	38,175	38,175	38,175	0.00%
Capital Outlay	<u>1,916</u>	<u>4,024</u>	<u>9,980</u>	<u>10,000</u>	<u>10,000</u>	<u>12,500</u>	25.00%
Total Expenditures	<u>\$ 170,002</u>	<u>\$ 159,832</u>	<u>\$ 176,090</u>	<u>\$ 181,314</u>	<u>\$ 181,314</u>	<u>\$ 203,470</u>	12.22%
Funding Sources:							
Intergovernmental	\$ 96,338	\$ 91,978	\$ 90,965	\$ 90,000	\$ 90,000	\$ 90,816	0.91%
Service Charges	-	-	-	-	-	-	#DIV/0!
General Fund Subsidy	<u>73,664</u>	<u>67,854</u>	<u>85,125</u>	<u>91,314</u>	<u>91,314</u>	<u>112,653</u>	23.37%
Total Funding Sources	<u>\$ 170,002</u>	<u>\$ 159,832</u>	<u>\$ 176,090</u>	<u>\$ 181,314</u>	<u>\$ 181,314</u>	<u>\$ 203,470</u>	12.22%

Personnel Schedule

Full Time Equivalents

	<u>2011 Budget</u>	<u>2012 Budget</u>	<u>2013 Budget</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>
Senior Park Specialist	<u>1.00</u>	<u>1.00</u>	<u>1.00</u>	<u>1.00</u>	<u>1.00</u>	<u>1.00</u>
Total	<u>1.00</u>	<u>1.00</u>	<u>1.00</u>	<u>1.00</u>	<u>1.00</u>	<u>1.00</u>

Department Summary

Department:

Division:

Activity:

Parks & Facilities

Parks & Facilities Maintenance

Swimming Pools (6930-571)

Capital Outlay:

Item:	Quantity	Replacement/ New/Maint	2013 Budget	2013 Revised	2014 Budget	2015 Budget
Repair floatable play toys	2	Maintenance	\$ 10,000	\$ 10,000	\$ 10,000	

Current Trends and Issues:

Aging infrastructure is increasingly limiting the amount of time that this work unit is able to dedicate to preventative maintenance issues. When this work unit was formed it was staff appropriately and charged with providing regular monthly inspections of irrigation systems and aquatic facilities to ensure these systems were operating as efficiently and effectively as possible. However, over time additional systems have been added, staffing levels have been pared back and technologies have changed creating a situation where the remaining resources are largely dedicated to emergency repairs only. It is not uncommon to find irrigation systems that have been vandalized, malfunctioning or otherwise changed in some fashion to have irrigation heads watering large sections of pavement or not working properly. Typically these issues are discovered as turf is dying or some other problem is being created.

This work unit has been gradually converting 1980 irrigation technology to present computerized technologies which will provide a computerized method of controlling and monitoring these irrigation systems. The automated system will prevent irrigation systems from running during rain events or after rain events where sufficient moisture has already fallen. The new technology will also monitor the amount of water flowing through the system and alert staff when the flow changes. This change in flow rate indicates plugged heads, missing or damaged heads, or breaks in the lines. The plan is that by upgrading to current technologies it should help alert staff to problems in their infancy and allow us to improve the overall efficiency of the systems.

2015 Goals - (Quantifiable and Measurable)

1. Budget to continue to replace items that have reached the end of their useful life - Diving board, shade coverings.
2. Budget to make routine repairs to items that periodically need those repairs - Pool painting, floating play features.
3. Budget to ensure staff stays current on training.

2016-2010 Strategic Goals (Directional and Strategic)

1. Continue to ensure the aquatic center is safe and mechanically/structurally sound.
2. Attempt to budget from a proactive position rather than a reactive one.
3. When the operating contract comes to its conclusion there is a need to ensure better cost control measures are put in place.

Special Alcohol Programs Fund

The Special Alcohol Programs Fund accounts for one-third of the liquor drink taxes distributed by the State. The other two-thirds are split between the General fund and the Special Parks & Recreation fund.

The City uses the receipts collected in this fund to contribute to programs whose purpose is alcoholism and drug abuse prevention and education, detoxification, intervention, or treatment.

The contributions to be made in fiscal year 2015 are as follows:

Agency	Amount Requested	Amount Approved
Big Brothers/Big Sisters	\$ 10,000	\$10,000
Boys & Girls Club	22,500	22,500
Communities That Care	25,000	20,000
Reno Alcohol & Drug Services	25,000	5,000
Reno County Drug Court	22,080	22,080
Substance Abuse Center of Ks	20,400	10,400
	\$124,980	\$89,980

Contributions are determined by the Special Alcohol Fund Committee. Special Alcohol funds have been used to support outside agencies since 2006.

Special Alcohol Programs (010) Fund Summary

	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Actual</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>
Cash Balance, January 1	\$ 89,215	\$ 27,933	\$ 7,911	\$ 661	\$ 7,126	\$ 6,465
Revenues:						
Non-Property Taxes:						
Liquor Taxes	\$ 96,337	\$ 91,978	\$ 90,965	\$ 90,000	\$ 90,000	\$ 90,816
Interest Income	-	-	-	-	-	-
Total Revenues	<u>\$ 96,337</u>	<u>\$ 91,978</u>	<u>\$ 90,965</u>	<u>\$ 90,000</u>	<u>\$ 90,000</u>	<u>\$ 90,816</u>
Transfers In	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Funds available	\$ 185,552	\$ 119,911	\$ 98,876	\$ 90,661	\$ 97,126	\$ 97,281
Expenditures:						
Contractual Services	\$ 75,000	\$ 95,000	\$ 81,750	\$ 66,375	\$ 66,375	\$ 89,980
Commodities	-	-	-	-	-	-
Total Expenditures	<u>\$ 75,000</u>	<u>\$ 95,000</u>	<u>\$ 81,750</u>	<u>\$ 66,375</u>	<u>\$ 66,375</u>	<u>\$ 89,980</u>
Transfers Out	<u>\$ 82,619</u>	<u>\$ 17,000</u>	<u>\$ 10,000</u>	<u>\$ 24,286</u>	<u>\$ 24,286</u>	<u>\$ 7,301</u>
Ending Balance, December 31	<u><u>\$ 27,933</u></u>	<u><u>\$ 7,911</u></u>	<u><u>\$ 7,126</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 6,465</u></u>	<u><u>\$ 0</u></u>

Convention & Tourism Promotion Fund

The Convention and Tourism Promotion fund accounts for the collection and distribution of the transient guest tax. The City levies a 7 percent tax on hotel and motel room rentals which was increased from 4 percent in October 2000. Of these collections, four percent of the seven percent tax collected is contributed to the Hutchinson Convention and Tourism Bureau. The remaining three percent of the seven percent tax is given to the Grand Prairie Hotel and Convention Center for the development and maintenance of a convention center. The Hotel and Convention Center has been in receivership and in September 2014 it has been sold. A new agreement is not yet settled and the City is retaining these proceeds for the short term.

Transient guest tax collections over the past five years are as follows:

<u>Fiscal Year</u>	<u>Taxes Collected</u>
2009	573,668
2010	525,970
2011	553,517
2012	569,635
2013	796,258
2014 budget	650,000
2015 budget	700,000

Convention & Tourism Promotion (030) Fund Summary

	2011 Actual	2012 Actual	2013 Actual	2014 Budget	2014 Revised	2015 Budget
Cash Balance, January 1	\$ -	\$ -	\$ -	\$ 0	\$ 0	\$ 0
Revenues:						
Non-Property Taxes:						
Transient Guest Tax	\$ 553,517	\$ 569,635	\$ 796,258	\$ 650,000	\$ 650,000	\$ 700,000
Miscellaneous	-	-	-	-	-	-
Total Revenues	\$ 553,517	\$ 569,635	\$ 796,258	\$ 650,000	\$ 650,000	\$ 700,000
Transfers In	-	-	-	-	-	-
Funds available	\$ 553,517	\$ 569,635	\$ 796,258	\$ 650,000	\$ 650,000	\$ 700,000
Expenditures:						
Convention & Tourism Bureau	\$ 316,295	\$ 325,506	\$ 461,347	\$ 365,086	\$ 365,086	\$ 393,657
Convention Center Subsidy	226,122	233,029	323,810	273,814	273,814	295,243
Reserve Transfer-CIP Reserve	11,100	11,100	11,100	11,100	11,100	11,100
Total Expenditures	\$ 553,517	\$ 569,635	\$ 796,258	\$ 650,000	\$ 650,000	\$ 700,000
Ending Balance, December 31	\$ -	\$ -	\$ 0	\$ 0	\$ 0	\$ 0

Fun Valley Fund

The Fun Valley fund accounts for the operations of the Fun Valley Sports Complex and Hobart Detter Field.

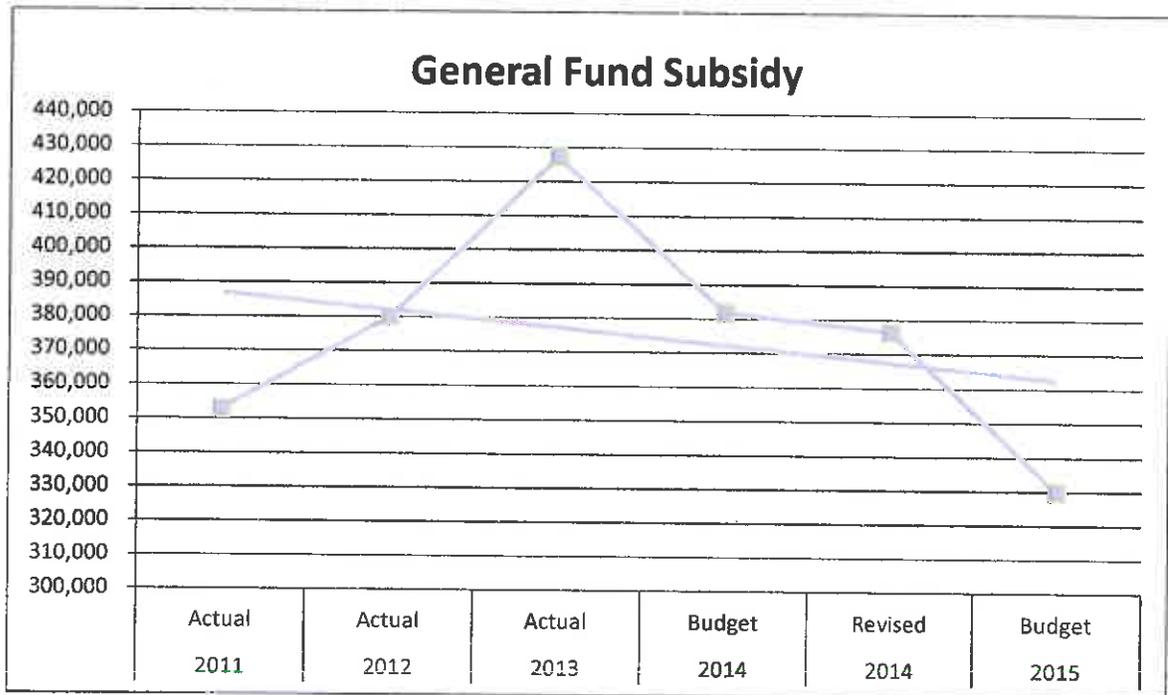
The Fun Valley Complex opened for play Memorial Day weekend of 1980. It was originally built as part of a large recreation facility by local oil man Larry Brown. In 1983 the City of Hutchinson, Kansas purchased the complex. Over the years numerous improvements have been made to keep the facility as one of America's premier complexes. A clubhouse, observation decks, sand volleyball courts, playground and offices complex were added in 1989. In 1995 two additional fields were lighted and in 1996 red shale was incorporated with lime to make the finest of playing surfaces. With seating for 5,000 the complex has five natural turf fields covering 35 acres.

Hobart Detter Field is the home field for the Hutchinson Community College Blue Dragons, the Hutchinson High School Salt Hawks, and the Walter Johnson League Hutchinson Monarchs. In 1997 Hobart Detter became the host site for newly organized USSSA Baseball Invitational and State Tournaments. Renovated in 1990, this former minor league and semi-pro park is now considered the finest natural turf field in Kansas. In 2014, the City has transitioned seasonal operations and tournament activities to the Hutchinson Recreation Commission (HRC). The City maintains responsibility for the maintenance and upkeep of the fields and facilities.

The Fun Valley fund is subsidized by the General fund. The General fund subsidy for fiscal year 2015 is \$329,834. This is a decrease from the fiscal year 2014 budget by \$52,024 or 13.6%.

Fun Valley (031) Fund Summary

	2011 Actual	2012 Actual	2013 Actual	2014 Budget	2014 Revised	2015 Budget
Cash Balance, January 1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Revenues	\$ 361,453	\$ 317,163	\$ 183,401	\$ 347,525	\$ 279,450	\$ -
Transfers In - General fund	352,837	380,098	427,390	381,858	376,389	329,834
Funds available	\$ 714,290	\$ 697,262	\$ 610,792	\$ 729,383	\$ 655,839	\$ 329,834
Expenditures:						
Fun Valley Operations	\$ 627,532	\$ 597,835	\$ 513,981	\$ 605,553	\$ 532,009	\$ 290,119
Fun Valley Concessions	86,758	84,427	96,811	112,830	112,830	-
Reserve Transfers-MERF	-	15,000	-	11,000	11,000	39,715
Total Expenditures	\$ 714,290	\$ 697,262	\$ 610,792	\$ 729,383	\$ 655,839	\$ 329,834
Ending Balance, December 31	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -



Fun Valley (031) Revenue Summary

	2011 Actual	2012 Actual	2013 Actual	2014 Budget	2014 Revised	2015 Budget
Recreation & Concession Service Charges:						
Tournament Fees	\$ 109,053	\$ 98,817	\$ 48,605	\$ 100,000	\$ 80,000	\$ -
USSSA Registration Fees	120	240	\$ 600	200	200	-
Gate Admissions	43,981	37,223	\$ -	45,000	30,000	-
Ball Park Rental	34,072	35,023	\$ 37,633	34,000	34,000	-
Advertising	10,175	3,250	\$ -	9,000	2,175	-
Souvenirs	-	-	\$ -	-	-	-
Retail Sales	8,817	7,784	\$ 121	6,000	3,000	-
Convention & Visitor Bureau Subsidy	42,833	38,751	\$ 43,225	43,225	43,225	-
Concessions	107,399	94,881	\$ 51,420	105,500	84,950	-
Miscellaneous:						
Miscellaneous	-	-	1,645	-	1,000	-
Reimbursement	5,025	1,195	56	4,600	1,000	-
Overages (Shortages)	(22)	-	96	-	(100)	-
Total	\$ 361,453	\$317,163	\$183,401	\$ 347,525	\$ 279,450	\$ -

Department Summary

Department:	Division:	Activity:
Parks & Facilities	Fun Valley	Fun Valley (6991-567)

Program Description:

The City assumed the operation and maintenance of the Fun Valley program in 2006 after an IRS review of the City's outsourcing arrangement with a third party management company. The division, which is part of the Department of Parks & Facilities, has had oversight of turf management, facility maintenance and programs for the Fun Valley Athletic Complex and the Hobart-Detter Stadium where in City staff scheduled, coordinated, and prepared for up to 60 high school and collegiate baseball games at the stadium. However, beginning mid-year of 2014, the operations of Fun Valley, Hobart-Detter and all City ball fields was handed over to the Hutchinson Recreation Commission (HRC) through a contractual arrangement that is expected to be renewed for 2015. Therefore, Fund 31 for 2015 reflects the General Fund transfer to cover costs associated with the City continuing to maintain Fun Valley and Hobart-Detter under the new arrangement, as well as provide a transfer to the MERF for needed maintenance equipment. The Fun Valley Athletic Complex encompasses 50 acres and 25 structures. Fun Valley hosts approximately 360 teams and 17 weekends of baseball, fastpitch and slow pitch softball tournaments annually with special events including the USSSA 14 & 15 and under Fast Pitch World Series and the USSSA 12 and under baseball World Series in 2006.

	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Actual</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>	<u>Change in Budget</u>
Expenditures:							
Personal Services	\$ 384,782	\$ 383,313	\$ 341,823	\$ 370,413	\$ 231,884	\$ 123,298	-66.71%
Contractual Services	191,414	174,031	138,892	195,470	180,201	102,021	-47.81%
Commodities	124,427	113,697	114,635	121,900	114,325	60,300	-50.53%
Capital Outlay	13,667	11,220	15,442	30,600	5,600	4,500	-85.29%
Total Expenditures	<u>\$ 714,290</u>	<u>\$ 682,261</u>	<u>\$ 610,792</u>	<u>\$ 718,383</u>	<u>\$ 532,009</u>	<u>\$ 290,119</u>	-59.61%
Funding Sources:							
Private Contributions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Service Charges	361,453	317,164	183,401	347,525	279,450	-	-100.00%
General Fund Subsidy	352,837	365,097	427,390	370,858	252,559	290,119	-21.77%
Total Funding Sources	<u>\$ 714,290</u>	<u>\$ 682,261</u>	<u>\$ 610,792</u>	<u>\$ 718,383</u>	<u>\$ 532,009</u>	<u>\$ 290,119</u>	-59.61%

Personnel Schedule

Full Time Equivalents

	<u>2011 Budget</u>	<u>2012 Budget</u>	<u>2013 Budget</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>
Facility Director	1.00	1.00	-	-	-	-
Sports Complex Manager	-	-	1.00	1.00	1.00	-
Assistant Director	1.00	1.00	-	-	-	-
Sports Program Coord	-	-	1.00	1.00	1.00	-
Office Manager	1.00	1.00	1.00	1.00	-	-
Turf Maint. Specialist	1.00	1.00	1.00	1.00	1.00	1.00
Total	4.00	4.00	4.00	4.00	3.00	1.00

Department Summary

Department:	Division:	Activity:
Parks & Facilities	Fun Valley	Fun Valley (6991-567)

Capital Outlay:

Item:	Quantity	Replacement/ New/Maint	2013 Actual	2014 Budget	2014 Revised	2015 Budget
Outfield Fence & Wind Screer	1	Replacement	8,500			
Aerator - used	1	Replacement	6,800			
Replace HVAC unit in front off	1	Replacement	3,000			
Concession Equipment	1	Replacement	1,500	1,600		
Concession Renovations				12,000	12,000	
Reservation Software				9,000	9,000	
New Entrance at HD				8,000	8,000	

Current Trends and Issues:

The national trends show that slow pitch softball continues to decline in popularity while youth baseball continues to grow. The Fun Valley staff has been keeping in line with those trends and the overall participation numbers at the facility have remained relatively flat over the past five years. It also bears remembering that this facility was at one time one of the premier facilities in the country. While the facility continues to generate the highest participation numbers outside of the Kansas City market of USSSA, it continues to age and suffer from not being the "newest facility on the block". New facilities continue to come on line across the state and this region and as these facilities come on line they continually advertise the amenities they have as they attempt to get a toe hold in the market.

2015 Goals - (Quantifiable and Measurable)

1. Monitor the new operational arrangement with HRC to ensure that operational efficiencies at Fun Valley and Hobart-Detter are achieved.
2. Obtain professional guidance to study and make recommendations on the future use of Fun Valley and to assist in developing a phased approach for implementing a sustainable programming plan for the facility.

2016-2010 Strategic Goals (Directional and Strategic)

1. Continue to move towards ensuring the equipment replacement program is maintained with the needs of the facility and not habitually deferred as in the past.
2. Continue to review the staffing levels to ensure they align with the actual needs of the facility.
3. Continue to identify and evaluate improvements needed for the physical plant and secure funding for the same.

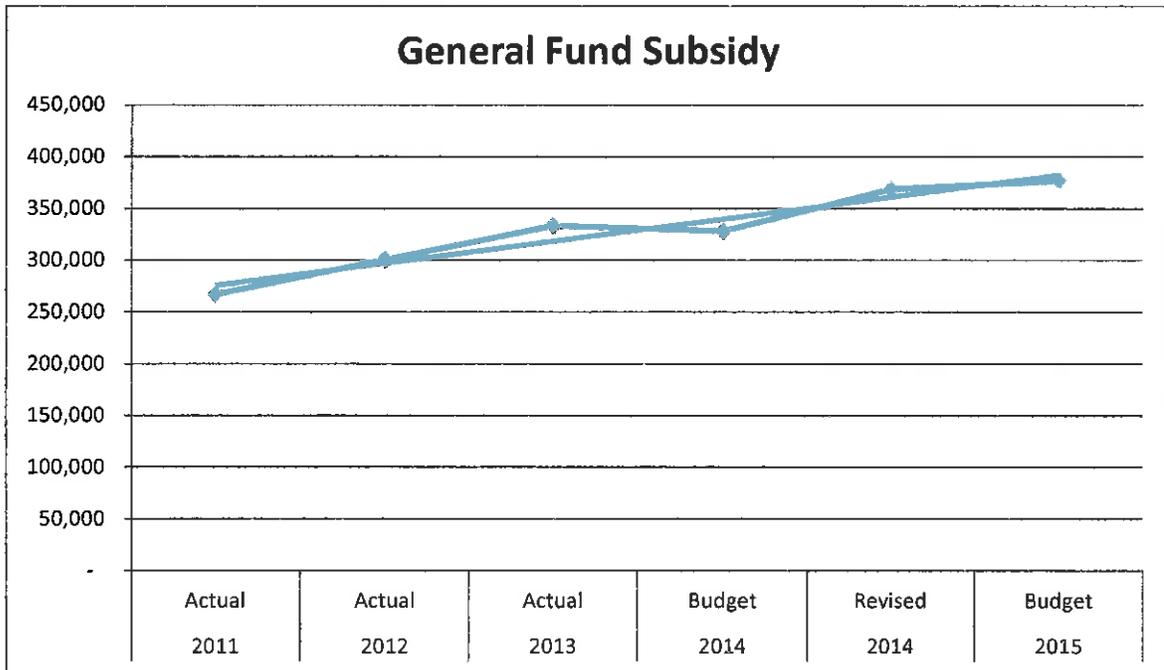
Animal Shelter Fund

The Animal Shelter fund accounts for the activities of the Hutchinson animal shelter. The shelter opened in 2005 and was later expanded in 2009 due to a donation from the Gladys Gossage Trust. A dog park is adjacent to the animal shelter that is open to the general public. The animal shelter is funded through adoption and pet fees, dog licenses, and a General fund subsidy. The parking lot was renovated in 2012 and new cat houses have been installed in 2013.

The General fund subsidy budgeted for fiscal year 2015 is \$384,877 which is \$56,451 or 17.2% higher than the 2014 budget subsidy. This increase due to lower revenues, increased personal services and higher feed costs.

Animal Shelter Fund Summary

	2011 Actual	2012 Actual	2013 Actual	2014 Budget	2014 Budget	2015 Budget
Cash Balance, January 1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Revenues	\$ 111,248	\$ 95,406	\$ 81,913	\$ 109,000	\$ 79,633	\$ 80,000
Transfers In - General fund	267,622	300,944	333,658	328,426	368,842	376,792
Funds available	\$ 378,870	\$ 396,350	\$ 415,571	\$ 437,426	\$ 448,476	\$ 456,792
Expenditures:						
Animal Shelter Operations	\$ 378,870	\$ 396,350	\$ 415,571	\$ 427,426	\$ 438,476	\$ 454,877
Reserve Transfers-MERF	-	-	-	10,000	10,000	1,915
Total Expenditures	\$ 378,870	\$ 396,350	\$ 415,571	\$ 437,426	\$ 448,476	\$ 456,792
Ending Balance, December 31	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -



Animal Shelter (044) Revenue Summary

	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Actual</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>
Licenses & Permits:						
Dog Licenses	\$ 32,834	\$ 26,910	\$ 24,962	\$ 30,000	\$ 24,708	\$ 25,000
Service Charges:						
Shelter Fees & Charges	7,116	8,259	5,917	10,000	6,408	8,000
Adoption Fees	47,527	36,788	29,996	47,000	31,634	30,000
Reclaimed Pet Fees	11,824	12,962	11,310	12,000	8,768	9,000
Relinquishment Fees	6,610	7,540	6,606	6,000	4,824	5,000
Concessions	-	-	-	-	-	-
Miscellaneous:						
Private Donations	-	-	-	-	-	-
Gift Certificates	650	-	3	-	-	-
Reimbursements	4,687	2,947	3,119	4,000	3,290	3,000
Other	-	-	-	-	-	-
Total	<u>\$ 111,248</u>	<u>\$ 95,406</u>	<u>\$ 81,913</u>	<u>\$ 109,000</u>	<u>\$ 79,633</u>	<u>\$ 80,000</u>

Department Summary

Department:	Division:	Activity:
Police	Animal Services	Animal Shelter (7420-700)

Program Description:

This activity is charged with the adoptions, sheltering of animals in violation of ordinances, abandoned or unwanted companion animals, and promoting humane treatment and responsible pet ownership.

	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Actual</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>	<u>Change in Budget</u>
Expenditures:							
Personal Services	\$ 223,391	\$ 247,988	\$ 254,018	\$ 259,190	\$ 257,990	\$ 270,714	4.45%
Contractual Services	92,830	88,211	94,352	95,386	104,136	110,913	16.28%
Commodities	62,649	60,151	64,996	66,850	70,350	70,750	5.83%
Capital Outlay	-	-	2,206	6,000	6,000	2,500	-58.33%
Total Expenditures	<u>\$ 378,870</u>	<u>\$ 396,350</u>	<u>\$ 415,571</u>	<u>\$ 427,426</u>	<u>\$ 438,476</u>	<u>\$ 454,877</u>	6.42%
Funding Sources:							
Private Contributions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Service Charges	111,248	95,406	81,913	109,000	79,633	80,000	-26.61%
General Fund Subsidy	267,622	300,944	333,658	318,426	358,842	374,877	17.73%
Total Funding Sources	<u>\$ 378,870</u>	<u>\$ 396,350</u>	<u>\$ 415,571</u>	<u>\$ 427,426</u>	<u>\$ 438,476</u>	<u>\$ 454,877</u>	6.42%

Personnel Schedule

Full Time Equivalents

	<u>2011 Budget</u>	<u>2012 Budget</u>	<u>2013 Budget</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2105 Budget</u>
Shelter Director	1.00	1.00	1.00	1.00	1.00	1.00
Kennel Technician	4.00	4.00	4.00	4.00	4.00	4.00
Total	5.00	5.00	5.00	5.00	5.00	5.00

Capital Outlay:

<u>Item:</u>	<u>Quantity</u>	<u>Replacement/ New/Maint</u>	<u>2013 Actual</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>
Type 4 magazine/controlled s	2	New	2,000	-	-	-
Video Monitoring				6,000	6,000	
Tools and High Speed Buffer						2,500

Department Summary

Department:	Division:	Activity:
Police	Animal Services	Animal Shelter (7420-700)

Current Trends and Issues:

The cost of feed for the shelter animals increased 100% in April of 2013. This is still less expensive than if we were to purchase the feed from local stores. No other feed vendor will sell in bulk at a reduced cost as Hill's Science Diet does. Another issue that we wish to work on is the building security at the Shelter. With the fact that we utilize inmate labor at the shelter and the future plans to build a jail across the street from the shelter, brings about the need to upgrade our building security. We wish to upgrade our current video security system by installing additional cameras and increasing the size of our DVR to accommodate more recordings for a longer duration. It has been considered to propose the addition of an on-staff veterinarian position that could possibly be shared with the Zoo. There is a potential for cost savings with this plan.

2015 Goals - (Quantifiable and Measurable)

- 1) Continue to keep Euthanasia of animals for space needs at a minimum
- 2) Increase education through outreach

2016-2010 Strategic Goals (Directional and Strategic)

- 1) Continue to provide quality adoptions to the public
- 2) Continue to look for new innovative outreach methods
- 3) Re-evaluate staffing levels at the Shelter

Tax Increment Financing Fund

The Tax Increment Financing (TIF) fund accounts for the incremental tax collections from the contaminated ground water district. Through the combined efforts of the City, the County, South Hutchinson, the private industries involved in the contamination, and other, a remediation project was established to collect contaminated ground water from the area and pump it to a newly constructed reverse osmosis water treatment plant. Once the contaminated water is treated, it is combined with other treated water supplies and distributed for consumption. The City collects certain tax levies from other taxing jurisdictions within this district to pay for the ground water remediation.

The district was created in 1996 for a 20-year term with the program expiring at the end of 2015.

Tax Increment Financing (055) Fund Summary

	2011 Actual	2012 Actual	2013 Actual	2014 Budget	2014 Revised	2015 Budget
Cash Balance, January 1	\$ 1,789,349	\$ 1,535,097	\$ 968,482	\$ 737,382	\$ 789,451	\$ 792,351
Revenues:						
Tax Incremental Revenue	\$ 167,193	\$ 160,936	\$ 155,774	\$ 155,000	\$ 155,000	\$ 52,667
State TIF Replacement	53,626	274,979	203,441	270,000	270,000	90,000
State & Federal Grants	-	-	-	-	-	-
Private Contributions	-	-	50,000	50,000	50,000	50,000
Reserve Transfers-CIP	-	-	-	-	-	-
Interest Income	1,457	3,013	1,892	1,000	1,000	1,000
Total Revenues	<u>\$ 222,276</u>	<u>\$ 438,927</u>	<u>\$ 411,107</u>	<u>\$ 476,000</u>	<u>\$ 476,000</u>	<u>\$ 193,667</u>
Transfers In	-	-	-	-	-	-
Funds available	\$ 2,011,625	\$ 1,974,024	\$ 1,379,589	\$ 1,213,382	\$ 1,265,451	\$ 986,018
Expenditures:						
Contractual Services	\$ 470,228	\$ 338,247	\$ 224,249	\$ 345,600	\$ 441,600	\$ 441,600
Commodities	6,300	28,863	15,889	31,500	31,500	31,500
Capital Outlay	-	38,432	-	-	-	-
Reserve Transfers-CIP	-	-	350,000	-	-	-
Total Expenditures	<u>\$ 476,528</u>	<u>\$ 405,542</u>	<u>\$ 590,138</u>	<u>\$ 377,100</u>	<u>\$ 473,100</u>	<u>\$ 473,100</u>
Transfers Out	-	600,000	-	-	-	-
Ending Balance, December 31	<u>\$ 1,535,097</u>	<u>\$ 968,482</u>	<u>\$ 789,451</u>	<u>\$ 836,282</u>	<u>\$ 792,351</u>	<u>\$ 512,918</u>

E-911 Surcharge Fund

The City operates an emergency dispatch center at the Hutchinson-Reno County law enforcement center in cooperation with Reno County and South Hutchinson also known as Hutchinson-Reno County Emergency Communications (HRCEC). E-911 surcharge funds can only be used to support the activities of the emergency dispatch center.

Prior to 2012, E-911 surcharges charged on telephone land-lines had been received and disbursed by Reno County for the benefit and improvement of the City emergency dispatch center. Beginning in 2012, due to new State legislation, E-911 surcharges for telephone land lines and wireless telephone lines will be collected by the State and remitted to the local jurisdictions. The City will be the local administrator for the State distribution of the E-911 funds. As a result of the new law, Reno County has also transferred its balance of funds from E-911 surcharges to the City in 2012.

In the 2015 Budget, new radio equipment is budgeted to replace old equipment and a new voice logger is also budgeted.

E-911 Surcharge (346) Fund Summary

	2011 Actual	2012 Actual	2013 Actual	2014 Budget	2014 Revised	2015 Budget
Cash Balance, January 1	\$ -	\$ 838,048	\$ 548,716	\$ 598,716	\$ 547,325	\$ 272,325
Revenues:						
E-911 Surcharges	\$ 838,000	\$ 541,192	\$ 341,976	\$ 334,000	\$ 334,000	\$ 336,000
Interest Income	48	854	921	-	-	-
Reimbursements	-	2,454	-	-	-	-
Total Revenues	<u>\$ 838,048</u>	<u>\$ 544,499</u>	<u>\$ 342,897</u>	<u>\$ 334,000</u>	<u>\$ 334,000</u>	<u>\$ 336,000</u>
Transfers In	-	-	-	-	-	-
Funds available	<u>\$ 838,048</u>	<u>\$ 1,382,547</u>	<u>\$ 891,612</u>	<u>\$ 932,716</u>	<u>\$ 881,325</u>	<u>\$ 608,325</u>
Expenditures:						
Contractual Services	\$ -	\$ 164,513	\$ 264,912	\$ 284,000	\$ 224,000	\$ 224,000
Commodities	-	224	6	-	-	-
Capital Outlay	-	669,095	79,370	325,000	385,000	384,325
Total Expenditures	<u>\$ -</u>	<u>\$ 833,832</u>	<u>\$ 344,288</u>	<u>\$ 609,000</u>	<u>\$ 609,000</u>	<u>\$ 608,325</u>
Transfers Out	-	-	-	-	-	-
Ending Balance, December 31	<u><u>\$ 838,048</u></u>	<u><u>\$ 548,716</u></u>	<u><u>\$ 547,325</u></u>	<u><u>\$ 323,716</u></u>	<u><u>\$ 272,325</u></u>	<u><u>\$ (0)</u></u>

Community Improvement District Fund

A Community Improvement District (CID) allows property owners to petition cities or counties to create districts in which certain special taxes are imposed. The resulting revenue is used to fund public and private improvements and the payment of certain ongoing operating costs within the districts. CID projects may be funded by either special assessment taxes on real property within the CID or by a special retail sales tax of up to two percent (2%) on all retail sales within the district, or both. Under the CID Act, cities and counties may use the CID tax revenues to repay bonds, either full faith and credit (general obligation) bonds or special obligation (revenue) bonds, issued to finance eligible improvements; or the CID revenue may be passed through to developers to reimburse the cost of the improvements, or qualified operating costs, on a pay-as-you-go basis. The maximum term of a CID is 22 years.

During 2012, the City approved the creation of three CIDs, and one was created during 2011. There were no new CIDs requested in 2014 or in the 2015 Budget.

The CID created in 2011 was for the Fairfield Inn project which added a 2% sales tax on sales generated at that facility. The revenues are distributed to the developer on a pay-as-you-go basis for a period of time not to exceed 13 years with the City retaining 5% of the revenues to cover the cost of administration. These funds will be used for staff training, marketing, reservation equipment, franchise fees, and more.

The three CIDs created in 2012 were created near the Hutchinson Mall for the owner of the Orschelns Farm & Home and Hobby Lobby buildings, for the area across from them at the site of the former Red Lobster restaurant (now Pizza Ranch) and for a new Holiday Inn Express. The Orschelns and Hobby Lobby plus the Pizza Ranch CIDs added a 1% sales tax at existing and future retailers for a period of 22 years or until the improvements have been fully reimbursed. The improvements to the Orschelns and Hobby Lobby property are limited to \$2,074,723 and include parking lot, infrastructure, and façade improvements. The improvements to the Pizza Ranch site are limited to \$2,203,028 and include site preparation, building and parking lot construction, and infrastructure improvements. The construction for the Holiday Inn Express site is limited to \$1,500,000 and includes site preparation, building and parking lot construction.

The City retains 5% of the revenues to cover the cost of administration and the remaining funds will be disbursed to the developer on a pay-as-you-go basis. Collections began in 2012 for the Orschelns and Hobby Lobby began in 2013. Collections for the Holiday Inn Express are estimated to begin in 2015.

Community Improvement District (345) Fund Summary

	2011 Actual	2012 Actual	2013 Actual	2014 Budget	2014 Revised	2015 Budget
Cash Balance, January 1	\$ -	\$ -	\$ 24,103	\$ 24,103	\$ 12,192	\$ 12,192
Revenues:						
Non-Property Taxes:						
CID Sales Tax	\$ -	\$ 25,253	\$ 181,602	\$ 162,000	\$ 162,000	\$ 162,000
Miscellaneous	-	6,111	-	-	-	-
Total Revenues	\$ -	\$ 31,364	\$ 181,602	\$ 162,000	\$ 162,000	\$ 162,000
Funds available	\$ -	\$ 31,364	\$ 205,706	\$ 186,103	\$ 174,192	\$ 174,192
Expenditures:						
Contractual Services	\$ -	\$ 7,261	\$ 193,514	\$ 162,000	\$ 162,000	\$ 162,000
Capital Outlay	-	-	-	-	-	-
Total Expenditures	\$ -	\$ 7,261	\$ 193,514	\$ 162,000	\$ 162,000	\$ 162,000
Ending Balance, December 31	\$ -	\$ 24,103	\$ 12,192	\$ 24,103	\$ 12,192	\$ 12,192

**Recreation Commission (038)
Fund Summary**

	2011 Actual	2012 Actual	2013 Actual	2014 Budget	2014 Revised	2015 Budget
Cash Balance, January 1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Revenues:	-	-	-	1,031,298	1,031,298	1,116,911
Total Revenues	\$ -	\$ -	\$ -	\$ 1,031,298	\$ 1,031,298	\$ 1,116,911
Transfers In	-	-	-	-	-	-
Funds available	\$ -	\$ -	\$ -	\$ 1,031,298	\$ 1,031,298	\$ 1,116,911
Expenditures:	-	-	-	1,031,298	1,031,298	1,116,911
Total Expenditures	\$ -	\$ -	\$ -	\$ 1,031,298	\$ 1,031,298	\$ 1,116,911
Ending Balance, December 31	\$ -	\$ -				

Bond & Interest Fund

The Bond & interest Fund is a legally required fund. The fund administers the payments for all of the City's general obligation debt. Revenue bonds, other than those from tax increment revenues, are administered in the enterprise fund that is securing the debt.

The debt service property tax levy finances the bond and interest payments that are not being secured from other revenue sources. The levy rate for debt service will be \$9.976 in fiscal year 2015. The City's general obligation debt is also funded by revenues other than the debt service levy including water, sewer, and sales taxes. Transfers from other funds total \$1,072,631 in fiscal year 2015. Special assessments collected from development districts represent a substantial funding source for the current outstanding bonds. \$944,600 is budgeted in 2015 for current and delinquent special assessment collections.

The total general obligation debt service requirements are as follows:

FISCAL YEAR	TOTAL BONDS	TOTAL INTEREST	TOTAL
2015	\$ 4,105,000	\$ 1,015,010	\$ 5,120,010
2016	3,940,000	844,714	4,784,714
2017	3,830,000	741,679	4,571,679
2018	3,570,000	643,056	4,213,056
2019	3,305,000	546,919	3,851,919
2020	3,030,000	459,701	3,489,701
2021	2,675,000	383,212	3,058,212
2022	2,340,000	317,826	2,657,826
2023	1,940,000	261,297	2,201,297
2024	1,480,000	216,375	1,696,375
2025	1,030,000	179,794	1,209,794
2026	1,005,000	150,940	1,155,940
2027	965,000	122,369	1,087,369
2028	610,000	93,935	703,935
2029-2034	2,055,000	248,885	2,303,885
	<u>\$ 35,880,000</u>	<u>\$ 6,225,712</u>	<u>\$ 42,105,712</u>

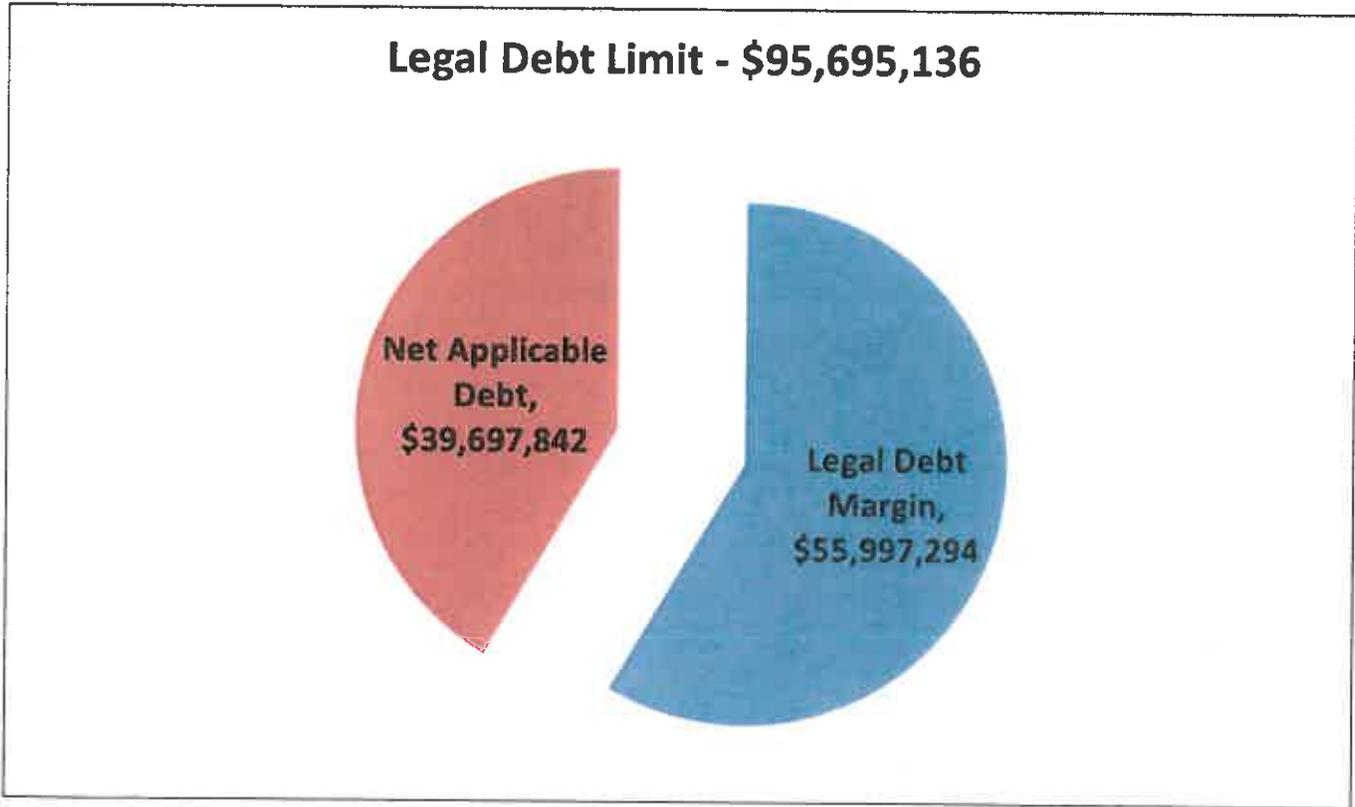
The City's current bond rating from Moody's Investor Service for general obligation bonds is Aa3. The City's bond rating by Standard and Poor's Investor Service is A+.

Bond & Interest (200) Fund Summary

	2011 Actual	2012 Actual	2013 Actual	2014 Budget	2014 Revised	2015 Budget
Cash Balance, January 1	\$ 642,314	\$ 503,199	\$ 390,696	\$ 771,219	\$ 200,996	\$ 182,158
Revenues:						
Property Taxes:						
General Property Tax	\$ 2,490,567	\$ 2,521,624	2,580,845	\$ 2,768,962	\$ 2,768,835	\$ 2,898,029
Uncollected Tax Delinquency	-	-	-	(55,379)	-	-
Payments in Lieu of Tax	-	-	1,309	-	-	-
Motor Vehicle Tax	350,296	341,906	354,817	328,151	328,151	332,701
Other Vehicle Taxes	7,251	3,933	3,976	4,785	4,785	5,114
Delinquent Property Tax	100,261	76,131	55,166	100,000	50,000	50,000
Machinery & Equipment Rebate	-	-	-	-	-	-
Intergovernmental:						
County Reimbursements	51,059	101,059	101,059	101,059	101,059	101,059
Fire District #2	-	15,891	16,803	16,347	16,347	14,069
South Hutch Levee Share	-	-	-	-	-	-
Special Assessments:						
Special Assessments	901,989	904,387	933,042	900,000	915,550	929,600
Delinquent Special Assessments	34,336	51,282	38,409	15,000	15,000	15,000
Bond Proceeds	-	-	111,400	-	-	-
Premiums Received	-	-	74,942	-	-	-
Interest Income	1,833	3,186	2,679	1,000	1,000	1,000
Reserve Transfers-CIP Fund	503,099	141,820	-	-	-	-
Reserve Transfers-Gossage Trust	55,954	16,663	56,840	57,411	57,411	57,851
Miscellaneous	-	-	111,953	-	5,918	-
Total Revenues	\$ 4,496,645	\$ 4,177,882	\$ 4,443,241	\$ 4,237,336	\$ 4,264,056	\$ 4,404,423
Transfers In	114,372	121,128	418,392	763,607	763,607	1,072,631
Funds available	\$ 5,253,331	\$ 4,802,209	\$ 5,252,329	\$ 5,772,162	\$ 5,228,659	\$ 5,659,212
Expenditures						
Overhead Cost Allocation	\$ 5,500	\$ 7,500	\$ 7,500	\$ 7,500	\$ 7,500	\$ 7,500
Debt Service	4,744,632	4,404,013	5,043,833	5,039,001	5,039,001	5,120,010
Total Expenditures	\$ 4,750,132	\$ 4,411,513	\$ 5,051,333	\$ 5,046,501	\$ 5,046,501	\$ 5,127,510
Ending Balance, December 31	\$ 503,199	\$ 390,696	\$ 200,996	\$ 725,661	\$ 182,158	\$ 531,702

**City of Hutchinson
Legal Debt Limit/Legal Debt Margin
Fiscal Year 2014**

Equalized Assessed Valuation		\$	318,983,785
Percent of Value Allowed			<u>X 30%</u>
Legal Debt Limit		\$	95,695,136
Total Projected General Obligation Debt	\$		49,832,474
Total Net Debt Applicable to Limit:			
General Obligation Bonds	\$		36,785,000
General Obligation Temporary Notes			3,095,000
Less: Bond & Interest Fund		(182,158)	\$ 39,697,842
Legal Debt Margin		<u>\$</u>	<u>55,997,294</u>
Total Net Applicable Debt to Limit to Legal Debt Limit as a Percentage			41.48%



CITY OF HUTCHINSON
SCHEDULE OF GENERAL OBLIGATION BOND INDEBTEDNESS
 January 1, 2014

	GENERAL OBLIGATION ISSUED 4/1/04 - \$2,265,000			GENERAL OBLIGATION ISSUED 11/15/04 - \$1,395,000			GENERAL OBLIGATION ISSUED 6/1/05 - \$625,000			GENERAL OBLIGATION - REFUNDING ISSUED 6/15/05 - \$4,005,000		
	BOND AMOUNT	INTEREST AMOUNT	INTEREST RATES	BOND AMOUNT	INTEREST AMOUNT	INTEREST RATES	BOND AMOUNT	INTEREST AMOUNT	INTEREST RATES	BOND AMOUNT	INTEREST AMOUNT	INTEREST RATES
2014	245,000	21,355	3.650%	130,000	4,680	3.600%	70,000	2,520	3.600%	320,000	63,300	4.250%
2015	25,000	12,413	4.100%							330,000	49,700	4.250%
2016										345,000	35,675	4.250%
2017										165,000	21,013	4.250%
2018										125,000	14,000	4.000%
2019										125,000	9,000	4.000%
2020										100,000	4,000	4.000%
2021												
2022												
2023												
2024												
	<u>270,000</u>	<u>33,768</u>		<u>130,000</u>	<u>4,680</u>		<u>70,000</u>	<u>2,520</u>		<u>1,510,000</u>	<u>196,688</u>	
	GENERAL OBLIGATION - REFUNDING ISSUED 10/31/05 - \$2,285,000			GENERAL OBLIGATION ISSUED 5/15/06 - \$1,965,000			GENERAL OBLIGATION ISSUED 10/15/06 - \$600,000			GENERAL OBLIGATION ISSUED 6/1/07 - \$630,000		
	BOND AMOUNT	INTEREST AMOUNT	INTEREST RATES	BOND AMOUNT	INTEREST AMOUNT	INTEREST RATES	BOND AMOUNT	INTEREST AMOUNT	INTEREST RATES	BOND AMOUNT	INTEREST AMOUNT	INTEREST RATES
2014	215,000	15,953	3.600%	170,000	20,873	3.850%	45,000	3,515	3.700%	65,000	10,620	3.700%
2015	225,000	8,213	3.650%	180,000	14,328	3.900%	50,000	1,850	3.700%			
2016				185,000	7,308	3.950%						
2017												
2018												
2019												
2020												
2021												
2022												
2023												
2024												
	<u>440,000</u>	<u>24,165</u>		<u>535,000</u>	<u>42,508</u>		<u>95,000</u>	<u>5,365</u>		<u>65,000</u>	<u>10,620</u>	
	GENERAL OBLIGATION ISSUED 06/01/07 - \$4,805,000			GENERAL OBLIGATION ISSUED 11/15/07 - \$3,005,000			GENERAL OBLIGATION ISSUED 8/15/08 - \$2,590,000			GENERAL OBLIGATION - REFUNDING ISSUED 4/1/09 - \$2,860,000		
	BOND AMOUNT	INTEREST AMOUNT	INTEREST RATES	BOND AMOUNT	INTEREST AMOUNT	INTEREST RATES	BOND AMOUNT	INTEREST AMOUNT	INTEREST RATES	BOND AMOUNT	INTEREST AMOUNT	INTEREST RATES
2014	320,000	34,053	5.250%	180,000	78,866	3.550%	235,000	57,765	3.300%	185,000	69,040	2.400%
2015	335,000	17,253	5.150%	190,000	72,476	3.600%	245,000	50,010	3.400%	185,000	64,600	2.700%
2016				200,000	65,636	3.650%	250,000	41,680	3.500%	190,000	59,605	3.000%
2017				205,000	58,336	3.700%	265,000	32,930	3.600%	400,000	53,905	3.250%
2018				105,000	50,751	3.700%	275,000	23,390	3.700%	415,000	40,905	3.400%
2019				110,000	46,866	3.750%	25,000	13,215	4.150%	310,000	26,795	3.550%
2020				115,000	42,741	3.800%	25,000	12,178	4.150%	135,000	15,790	3.750%
2021				120,000	38,371	3.850%	25,000	11,140	4.150%	135,000	10,728	3.850%
2022				125,000	33,751	3.950%	30,000	10,103	4.150%	140,000	5,530	3.950%
2023				130,000	28,814	4.000%	30,000	8,858	4.150%			
2024				135,000	23,614	4.000%	30,000	7,613	4.350%			
2025				140,000	18,214	4.050%	35,000	6,308	4.350%			
2026				150,000	12,544	4.100%	35,000	4,785	4.350%			
2027				155,000	6,394	4.125%	35,000	3,263	4.350%			
2028							40,000	1,740	4.350%			
2029												
2030												
	<u>655,000</u>	<u>51,305</u>		<u>2,060,000</u>	<u>577,375</u>		<u>1,580,000</u>	<u>284,975</u>		<u>2,095,000</u>	<u>346,898</u>	
	GENERAL OBLIGATION ISSUED 6/1/09 - \$1,320,000			GENERAL OBLIGATION ISSUED 6/1/10 - \$3,782,476			GENERAL OBLIGATION ISSUED 6/1/11 - \$1,420,000					
	BOND AMOUNT	INTEREST AMOUNT	INTEREST RATES	BOND AMOUNT	INTEREST AMOUNT	INTEREST RATES	BOND AMOUNT	INTEREST AMOUNT	INTEREST RATES			
2014	120,000	25,785	2.250%	295,000	89,938	2.000%	125,000	31,453	1.100%			
2015	125,000	23,085	2.450%	305,000	84,038	2.500%	130,000	30,078	2.000%			
2016	130,000	20,023	2.700%	325,000	76,413	3.000%	130,000	27,478	2.100%			
2017	130,000	16,513	3.000%	335,000	66,663	3.000%	140,000	24,748	2.400%			
2018	135,000	12,613	3.150%	350,000	56,613	3.000%	145,000	21,388	2.500%			
2019	140,000	8,360	3.300%	365,000	46,113	3.000%	150,000	17,763	2.500%			
2020	5,000	3,740	4.400%	375,000	35,163	3.000%	155,000	14,013	2.750%			
2021	5,000	3,520	4.400%	55,000	23,913	3.250%	160,000	9,750	3.000%			
2022	5,000	3,300	4.400%	55,000	22,125	3.250%	165,000	4,950	3.000%			
2023	10,000	3,080	4.400%	60,000	20,338	3.500%						
2024	10,000	2,640	4.400%	60,000	18,238	3.500%						
2025	10,000	2,200	4.400%	65,000	16,138	3.625%						
2026	10,000	1,760	4.400%	65,000	13,781	3.625%						
2027	10,000	1,320	4.400%	70,000	11,425	3.875%						
2028	10,000	880	4.400%	70,000	8,713	3.875%						
2029	10,000	440	4.400%	75,000	6,000	4.000%						
2030				75,000	3,000	4.000%						
	<u>865,000</u>	<u>129,258</u>		<u>3,000,000</u>	<u>596,606</u>		<u>1,300,000</u>	<u>181,618</u>				

	GENERAL OBLIGATION ISSUED 11/15/11 - \$1,170,000			GENERAL OBLIGATION ISSUED 6/16/12 - \$1,890,000			GENERAL OBLIGATION-REFUNDING ISSUED 10/23/12 - \$6,270,000			GENERAL OBLIGATION ISSUED 5/31/13 - \$4,585,000		
	BOND AMOUNT	INTEREST AMOUNT	INTEREST RATES	BOND AMOUNT	INTEREST AMOUNT	INTEREST RATES	BOND AMOUNT	INTEREST AMOUNT	INTEREST RATES	BOND AMOUNT	INTEREST AMOUNT	INTEREST RATES
2014	115,000	14,975	0.800%	160,000	39,250	2.000%	380,000	108,425	2.000%	100,000	127,817	2.000%
2015	115,000	14,055	1.000%	160,000	36,050	2.000%	385,000	100,825	2.000%	290,000	93,465	2.000%
2016	110,000	12,905	1.250%	165,000	32,850	2.000%	395,000	93,125	2.000%	290,000	87,665	2.000%
2017	115,000	11,530	1.500%	165,000	29,550	2.000%	400,000	85,225	2.000%	300,000	81,865	2.000%
2018	120,000	9,805	1.700%	170,000	26,250	2.000%	410,000	77,225	2.000%	310,000	75,865	2.000%
2019	120,000	7,765	1.900%	175,000	22,850	2.000%	420,000	69,025	2.000%	310,000	69,685	2.000%
2020	125,000	5,485	2.100%	175,000	19,350	2.000%	430,000	60,825	1.500%	315,000	63,465	2.000%
2021	130,000	2,860	2.200%	180,000	15,850	2.000%	435,000	54,175	1.500%	320,000	57,165	2.000%
2022				180,000	12,250	2.000%	440,000	47,650	1.650%	325,000	50,765	1.550%
2023				185,000	8,650	2.000%	445,000	40,380	1.700%	335,000	45,728	1.700%
2024				15,000	4,950	3.000%	410,000	32,825	1.750%	345,000	40,033	1.850%
2025				15,000	4,500	3.000%	380,000	25,650	1.800%	130,000	33,650	2.050%
2026				15,000	4,050	3.000%	390,000	18,810	1.900%	135,000	30,985	2.150%
2027				20,000	3,600	3.000%	395,000	11,400	2.000%	145,000	29,083	2.250%
2028				20,000	3,000	3.000%	175,000	3,500	2.000%	150,000	24,820	2.400%
2029				20,000	2,400	3.000%				150,000	21,220	2.500%
2030				20,000	1,800	3.000%				155,000	17,470	2.600%
2031				20,000	1,200	3.000%				160,000	13,440	2.700%
2032				20,000	600	3.000%				160,000	9,120	2.800%
2033										160,000	4,640	2.900%
	950,000	79,380		1,880,000	269,000		5,890,000	628,875		4,585,000	976,928	

	GENERAL OBLIGATION-REFUNDING ISSUED 9/24/13 - \$2,955,000			TAXABLE G O - REFUNDING ISSUED 9/24/13 - \$2,530,000			GENERAL OBLIGATION-REFUNDING ISSUED 4/01/14 - \$3,875,000		
	BOND AMOUNT	INTEREST AMOUNT	INTEREST RATES	BOND AMOUNT	INTEREST AMOUNT	INTEREST RATES	BOND AMOUNT	INTEREST AMOUNT	INTEREST RATES
2014	330,000	66,584	2.000%	35,000	67,738	2.000%	180,000	33,151	2.000%
2015	360,000	59,800	2.000%	40,000	66,850	2.000%	365,000	75,835	2.000%
2016	320,000	52,600	2.000%	380,000	66,050	2.000%	425,000	68,135	2.000%
2017	285,000	46,200	2.000%	400,000	58,250	2.000%	430,000	59,635	2.000%
2018	200,000	40,500	2.000%	360,000	50,250	3.000%	355,000	51,035	2.000%
2019	215,000	36,500	2.000%	375,000	39,450	3.000%	365,000	43,935	2.000%
2020	215,000	32,200	2.250%	380,000	28,200	3.000%	375,000	36,635	2.000%
2021	225,000	27,363	2.250%	400,000	16,800	3.000%	380,000	29,135	2.000%
2022	225,000	22,300	2.450%	150,000	4,800	3.200%	390,000	21,535	2.000%
2023	230,000	16,788	2.650%				400,000	13,735	2.200%
2024	145,000	10,693	2.850%				210,000	4,935	2.350%
2025	130,000	6,560	3.200%						
2026	75,000	2,400	3.200%						
2027									
2028									
2029									
2030									
2031									
2032									
2033									
	2,955,000	420,488		2,530,000	398,388		3,875,000	437,701	

TAXABLE General Obligation ISSUED 4/01/14 - \$2,545,000			
BOND AMOUNT	INTEREST AMOUNT	INTEREST RATES	
2015	45,000	140,089	2.500%
2016	90,000	97,568	2.500%
2017	95,000	95,318	
2018	95,000	92,468	3.000%
2019	100,000	89,618	
2020	105,000	86,118	3.500%
2021	105,000	82,443	
2022	110,000	78,768	3.500%
2023	115,000	74,918	
2024	120,000	70,835	3.550%
2025	125,000	66,575	
2026	130,000	61,825	3.800%
2027	135,000	56,885	
2028	145,000	51,283	
2029	150,000	45,265	
2030	160,000	39,040	4.150%
2031	165,000	32,400	
2032	175,000	24,975	
2033	185,000	17,100	
2034	195,000	8,775	4.500%
	2,545,000	1,312,261	

TOTAL GENERAL OBLIGATION DEBT SERVICE REQUIREMENTS			
TOTAL BONDS	TOTAL INTEREST	TOTAL REQUIREMENTS	
2014	4,000,000	987,653	4,987,653
2015	4,105,000	1,015,010	5,120,010
2016	3,940,000	844,714	4,784,714
2017	3,830,000	741,679	4,571,679
2018	3,570,000	643,056	4,213,056
2019	3,305,000	546,919	3,851,919
2020	3,030,000	459,701	3,489,701
2021	2,675,000	383,212	3,058,212
2022	2,340,000	317,826	2,657,826
2023	1,940,000	261,297	2,201,297
2024	1,480,000	216,375	1,696,375
2025	1,030,000	179,794	1,209,794
2026	1,005,000	150,940	1,155,940
2027	965,000	122,369	1,087,369
2028	610,000	93,935	703,935
2029	405,000	75,326	480,326
2030	410,000	61,310	471,310
2031	345,000	47,040	392,040
2032	355,000	34,695	389,695
2033	345,000	21,740	366,740
2034	195,000	8,775	203,775
	39,880,000	7,213,365	47,093,365

**General Obligation Bonds
2004A Series
Dated: April 1, 2004
Original value: \$2,265,000**

Fiscal Period	Principal	Interest	Total	Rates
2014	245,000.00	21,355.00	266,355.00	3.650%
2015	25,000.00	12,412.50	37,412.50	4.100%
2016			-	4.100%
2017			-	4.100%
2018			-	4.100%
2019			-	4.375%
2020			-	4.375%
2021			-	4.375%
2022			-	4.375%
2023			-	4.375%
2024			-	4.375%
	<u>270,000.00</u>	<u>33,767.50</u>	<u>303,767.50</u>	

Interest due April 1 and October 1. Principal due October 1

Exelon Energy Audit Contract	\$1,599,996
Animal Shelter	200,000
36th Street - Maple to Elm	215,628
36th Street - Elm to Plum	200,000
36th Street Water Main - Elm to Plum	49,377
	<u>\$2,265,000</u>
Issuance costs, capitalized interest, contingency	0
	<u>\$2,265,000</u>

**General Obligation Bonds
2004B Series
Dated: November 15, 2004
Original value: \$1,395,000**

Fiscal Period	Principal	Interest	Total	Rates
2014	130,000.00	10,210.00	140,210.00	3.60%
2015			-	4.00%
2016			-	4.00%
2017			-	4.00%
2018			-	4.00%
2019			-	4.10%
2020			-	4.10%
2021			-	4.10%
2022			-	4.20%
2023			-	4.20%
2024			-	4.20%
	130,000.00	10,210.00	140,210.00	

Interest due April 1 and October 1. Principal due October 1

Avenue G Bridge	\$51,755
Hendricks Street Bridge	152,613
Fire Training Facility	333,824
Downtown Development - Wiley Building	509,175
Animal Shelter	111,042
Parkview 2003B Temp Notes	236,592
	\$1,395,000
Issuance costs, capitalized interest, contingency	0
	\$1,395,000

**General Obligation Bonds
2005A Series
Dated: June 1, 2005
Original Value: \$625,000**

Fiscal Period	Principal	Interest	Total	Rates
2014	70,000.00	2,520.00	72,520.00	3.600%

70,000.00	2,520.00	72,520.00
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Interest due April 1 and October 1. Principal due October 1

STP Signalization - B Avenue & Main Street	\$25,500
Airport Engineering Fees - 2005 KAIP	51,125
Wells Aircraft 3" Overlay	33,000
Terminal Aircraft Parking Apron 3" Overlay	86,188
Streetscape Balance Phases 1,2,3	408,750
Premer Replat Water & Sewer	20,438
	<u>625,000</u>
Issuance costs, capitalized interest, contingency	0
	<u>\$625,000</u>

General Obligation Refunding Bonds
2005B Series
Dated: June 15, 2005
Original Value: \$4,005,000

Fiscal Period	Principal	Interest	Total	Rates
2014	320,000.00	63,300.00	383,300.00	4.250%
2015	330,000.00	49,700.00	379,700.00	4.250%
2016	345,000.00	35,675.00	380,675.00	4.250%
2017	165,000.00	21,012.50	186,012.50	4.250%
2018	125,000.00	14,000.00	139,000.00	4.000%
2019	125,000.00	9,000.00	134,000.00	4.000%
2020	100,000.00	4,000.00	104,000.00	4.000%
	<u>1,510,000.00</u>	<u>196,687.50</u>	<u>1,706,687.50</u>	

Interest due April 1 and October 1. Principal due October 1

1998A	\$440,150
1999A	1,169,861
1999C	215,069
2000A	689,661
2000B	225,081
2001A	<u>1,265,180</u>
	4,005,000
Issuance costs, capitalized interest, contingency	<u>0</u>
	<u>\$4,005,000</u>

General Obligation Refunding Bonds
2005C Series
Dated: October 31, 2005
Original Value: \$2,285,000

Fiscal Period	Principal	Interest	Total	Rates
2014	215,000.00	37,625.00	252,625.00	3.600%
2015	225,000.00	29,885.00	254,885.00	3.650%
2016			-	3.950%
2017			-	3.950%
2018			-	3.950%
2019			-	3.950%
2020			-	3.950%
2021			-	4.200%
2022			-	4.200%
2023			-	4.200%
2024			-	4.200%
2025			-	4.200%
	440,000.00	67,510.00	507,510.00	

Interest due April 1 and October 1. Principal due October 1

Memorial Hall Improvements	\$76,091
Fire Training Facility Improvements	332,011
Municipal Airport Improvements	294,080
Downtown Streetscape Improvements	506,585
Downtown Coordinated Traffic Signals	202,680
Hillcrest Water Improvements	16,224
Cleveland Street Improvements	53,698
Monarch Meadows II Street Improvements	263,461
Monarch Meadows II Water & Sewer Improvements	109,452
26th Avenue - Waldron to Halstead	430,723
	\$2,285,000
Issuance costs, capitalized interest, contingency	0
	\$2,285,000

**General Obligation Bonds
2006A Series
Dated: May 15, 2006
Original Value: \$1,965,000**

Fiscal Period	Principal	Interest	Total	Rates
2014	170,000.00	39,502.50	209,502.50	3.850%
2015	180,000.00	32,957.50	212,957.50	3.900%
2016	185,000.00	25,937.50	210,937.50	3.950%
2017		-	-	4.150%
2018		-	-	4.150%
2019		-	-	4.150%
2020		-	-	4.150%
2021		-	-	4.300%
2022		-	-	4.300%
2023		-	-	4.300%
2024		-	-	4.400%
2025		-	-	4.400%
2026		-	-	4.400%
	535,000.00	98,397.50	633,397.50	

Interest due April 1 and October 1. Principal due October 1

Halstead Street: 4th - 11th	\$458,828
Municipal Airport Runway 3-22 Seal Coat	134,210
Downtown Streetscape Phase IV: 1st & Main to Ave. A	444,876
Airport Terminal Parking Lot Overlay	218,508
Mill Creek Phase II Street	148,751
Mill Creek Phase II Water	15,720
Mill Creek Phase II Sewer	51,287
Kisiwa Village 2nd Addition Street	393,590
Kisiwa Village 2nd Addition Water	38,514
Kisiwa Village 2nd Addition Sewer	60,719
	\$1,965,000
Issuance costs, capitalized interest, contingency	0
	\$1,965,000

General Obligation Bonds
2006B Series
Dated: October 15, 2006
Original Value: \$600,000

Fiscal Period	Principal	Interest	Total	Rates
2014	45,000.00	13,312.50	58,312.50	3.700%
2015	50,000.00	11,647.50	61,647.50	3.700%
2016			-	3.900%
2017			-	3.900%
2018			-	3.900%
2019			-	3.900%
2020			-	3.900%
2021			-	4.250%
2022			-	4.250%
2023			-	4.250%
2024			-	4.250%
2025			-	4.250%
2026			-	4.250%
	95,000.00	24,960.00	119,960.00	

Interest due April 1 and October 1. Principal due October 1

Ashton Estates Street	\$463,440
Ashton Estates Water & Sewer	112,260
Kingston Sewer	24,300
	\$600,000

**General Obligation Bonds
2007A Series
Dated: June 1, 2007
Original Value: \$630,000**

Fiscal Period	Principal	Interest	Total	Rates
2014	65,000.00	10,620.00	75,620.00	3.700%
2015			-	3.700%
2016			-	3.750%
2017			-	3.750%
	65,000.00	10,620.00	75,620.00	

Interest due April 1 and October 1. Principal due October 1

Monroe Street Reconstruction	\$524,538
Park Improvements	79,254
17th Avenue Corridor Study	26,208
	630,000
Issuance costs, capitalized interest, contingency	0
	\$630,000

Taxable General Obligation Bonds
2007B Series
Dated: June 1, 2007
Original Value: \$4,805,000

Fiscal Period	Principal	Interest	Total	Rates
2014	320,000.00	160,875.00	480,875.00	5.250%
2015	335,000.00	144,075.00	479,075.00	5.150%
2016			-	5.200%
2017			-	5.200%
2018			-	5.300%
2019			-	5.350%
2020			-	5.400%
2021			-	5.400%
2022			-	5.400%
	655,000.00	304,950.00	959,950.00	

Interest due April 1 and October 1. Principal due October 1

Memorial Hall	\$156,643
Airport Terminal	192,200
KP&F Liability	4,456,157
	4,805,000
Issuance costs, capitalized interest, contingency	0
	\$4,805,000

General Obligation Bonds
2007C Series
Dated: November 15, 2007
Original Value: \$3,005,000

Fiscal Period	Principal	Interest	Total	Rates
2014	180,000.00	78,866.26	258,866.26	3.550%
2015	190,000.00	72,476.26	262,476.26	3.600%
2016	200,000.00	65,636.26	265,636.26	3.650%
2017	205,000.00	58,336.26	263,336.26	3.700%
2018	105,000.00	50,751.26	155,751.26	3.700%
2019	110,000.00	46,866.26	156,866.26	3.750%
2020	115,000.00	42,741.26	157,741.26	3.800%
2021	120,000.00	38,371.26	158,371.26	3.850%
2022	125,000.00	33,751.26	158,751.26	3.950%
2023	130,000.00	28,813.76	158,813.76	4.000%
2024	135,000.00	23,613.76	158,613.76	4.000%
2025	140,000.00	18,213.76	158,213.76	4.050%
2026	150,000.00	12,543.76	162,543.76	4.100%
2027	155,000.00	6,393.76	161,393.76	4.125%
	<u>2,060,000.00</u>	<u>577,375.14</u>	<u>2,637,375.14</u>	

Interest due April 1 and October 1. Principal due October 1

George Pyle Park Improvements	\$173,088
Carey Park Golf Course Imprv.	177,896
Halstead: 4th to 11th Reconstruction	387,345
Salt Storage Facility	159,566
Sand Hills Water Line	59,800
Sand Hills Street & Drainage	538,797
Sand Hills Sewer Line	321,836
Westborough 3rd Water Line	9,015
Westborough 3rd Street & Drainage	99,766
Westborough 3rd Sewer Line	78,731
Ashton Estates Water Line	38,164
Ashton Estates Street & Drainage	775,891
Ashton Estates Sewer Line	135,526
Kingston Addition Sewer Line	49,583
	<u>3,005,000</u>
Issuance costs, capitalized interest, contingency	0
	<u>\$3,005,000</u>

General Obligation Bonds
2008A Series
Dated: August 15, 2008
Original Value: \$2,590,000

Fiscal Period	Principal	Interest	Total	Rates
2014	235,000.00	57,765.00	292,765.00	3.300%
2015	245,000.00	50,010.00	295,010.00	3.400%
2016	250,000.00	41,680.00	291,680.00	3.500%
2017	265,000.00	32,930.00	297,930.00	3.600%
2018	275,000.00	23,390.00	298,390.00	3.700%
2019	25,000.00	13,215.00	38,215.00	4.150%
2020	25,000.00	12,177.50	37,177.50	4.150%
2021	25,000.00	11,140.00	36,140.00	4.150%
2022	30,000.00	10,102.50	40,102.50	4.150%
2023	30,000.00	8,857.50	38,857.50	4.150%
2024	30,000.00	7,612.50	37,612.50	4.350%
2025	35,000.00	6,307.50	41,307.50	4.350%
2026	35,000.00	4,785.00	39,785.00	4.350%
2027	35,000.00	3,262.50	38,262.50	4.350%
2028	40,000.00	1,740.00	41,740.00	4.350%
	1,580,000.00	284,975.00	1,864,975.00	

Interest due April 1 and October 1. Principal due October 1

4th Ave. (Hoadland to Halstead)	\$508,054
Public Facility Reserve	152,396
Fire Station #7 Addition	599,456
Fire Training Facility	254,001
Park Improvements	76,224
Airport Maintenance	64,258
Hike & Bike Trail Extension	101,658
Fun Valley ADA Improvements	96,503
Zoo Perimeter Fence	89,407
Severence Street Bridge	140,145
Animal Shelter	507,899
	2,590,000
Issuance costs, capitalized interest, contingency	0
	\$2,590,000

General Obligation Refunding Bonds
2009A Series
Dated: April 1, 2009
Original Value: \$2,860,000

Fiscal Period	Principal	Interest	Total	Rates
2014	185,000.00	69,040.00	254,040.00	2.400%
2015	185,000.00	64,600.00	249,600.00	2.700%
2016	190,000.00	59,605.00	249,605.00	3.000%
2017	400,000.00	53,905.00	453,905.00	3.250%
2018	415,000.00	40,905.00	455,905.00	3.400%
2019	310,000.00	26,795.00	336,795.00	3.550%
2020	135,000.00	15,790.00	150,790.00	3.750%
2021	135,000.00	10,727.50	145,727.50	3.850%
2022	140,000.00	5,530.00	145,530.00	3.950%
	<u>2,095,000.00</u>	<u>346,897.50</u>	<u>2,441,897.50</u>	

Interest due April 1 and October 1. Principal due October 1

1998B	\$641,784
1999A	605,748
2002C	<u>1,612,468</u>
	2,860,000
Issuance costs, capitalized interest, contingency	<u>0</u>
	<u>\$2,860,000</u>

General Obligation Bonds
2009B Series
Dated: June 1, 2009
Original Value: \$1,320,000

Fiscal Period	Principal	Interest	Total	Rates
2014	120,000.00	25,785.00	145,785.00	2.250%
2015	125,000.00	23,085.00	148,085.00	2.450%
2016	130,000.00	20,022.50	150,022.50	2.700%
2017	130,000.00	16,512.50	146,512.50	3.000%
2018	135,000.00	12,612.50	147,612.50	3.150%
2019	140,000.00	8,360.00	148,360.00	3.300%
2020	5,000.00	3,740.00	8,740.00	4.400%
2021	5,000.00	3,520.00	8,520.00	4.400%
2022	5,000.00	3,300.00	8,300.00	4.400%
2023	10,000.00	3,080.00	13,080.00	4.400%
2024	10,000.00	2,640.00	12,640.00	4.400%
2025	10,000.00	2,200.00	12,200.00	4.400%
2026	10,000.00	1,760.00	11,760.00	4.400%
2027	10,000.00	1,320.00	11,320.00	4.400%
2028	10,000.00	880.00	10,880.00	4.400%
2029	10,000.00	440.00	10,440.00	4.400%
	<u>865,000.00</u>	<u>129,257.50</u>	<u>994,257.50</u>	

Interest due April 1 and October 1. Principal due October 1

Prairie Heights Subdivision Improvements	\$134,904
Zoo Fence	54,648
Elmdale Roof	67,056
Fun Valley Maintenance Building	15,444
Airport 4th Avenue Relocation	77,352
Airport Runway Overlay 13-31	311,784
Airport Runway Overlay 17-35	13,464
Aiport Taxiway A Overlay	87,912
Hyde Park Streets - Design	287,364
Fun Valley Ballfield Lights	164,868
Zoo Animal Care Building	105,204
	<u>\$1,320,000</u>
Issuance costs, capitalized interest, contingency	0
	<u>\$1,320,000</u>

**General Obligation Bonds
2010A Series
Dated: June 1, 2010
Original Value: \$3,782,476**

Fiscal Period	Principal	Interest	Total	Rates
2014	295,000.00	89,937.50	384,937.50	2.000%
2015	305,000.00	84,037.50	389,037.50	2.500%
2016	325,000.00	76,412.50	401,412.50	3.000%
2017	335,000.00	66,662.50	401,662.50	3.000%
2018	350,000.00	56,612.50	406,612.50	3.000%
2019	365,000.00	46,112.50	411,112.50	3.000%
2020	375,000.00	35,162.50	410,162.50	3.000%
2021	55,000.00	23,912.50	78,912.50	3.250%
2022	55,000.00	22,125.00	77,125.00	3.250%
2023	60,000.00	20,337.50	80,337.50	3.500%
2024	60,000.00	18,237.50	78,237.50	3.500%
2025	65,000.00	16,137.50	81,137.50	3.625%
2026	65,000.00	13,781.26	78,781.26	3.625%
2027	70,000.00	11,425.00	81,425.00	3.875%
2028	70,000.00	8,712.50	78,712.50	3.875%
2029	75,000.00	6,000.00	81,000.00	4.000%
2030	75,000.00	3,000.00	78,000.00	4.000%
	3,000,000.00	598,606.26	3,598,606.26	

Interest due April 1 and October 1. Principal due October 1

Airport 4th Avenue Relocation	\$331,723
Airport Beacon	7,565
Airport Taxiway C Overlay	55,602
11th & Porter Traffic Signals	50,685
Hyde Park Streets	1,534,172
4th Ave Bridge Over Monroe	116,122
Whiteside Reconstruction - 1st to 4th	506,474
Zoo Climbing Net	12,104
Public Works Facility Improvements	101,370
Pine Hills Streets	133,456
Pine Hills Water	9,435
Timbers Streets	510,555
Timbers Water & Sewer	177,172
Fruitlands Sewer Extension	273,382
	\$3,819,818
Issuance costs, capitalized interest, contingency	0
	\$3,819,818

**General Obligation Bonds
2011A Series
Dated: June 1, 2011
Original Value: \$1,420,000**

Fiscal Period	Principal	Interest	Total	Rates
2014	125,000.00	31,452.50	156,452.50	1.100%
2015	130,000.00	30,077.50	160,077.50	2.000%
2016	130,000.00	27,477.50	157,477.50	2.100%
2017	140,000.00	24,747.50	164,747.50	2.400%
2018	145,000.00	21,387.50	166,387.50	2.500%
2019	150,000.00	17,762.50	167,762.50	2.500%
2020	155,000.00	14,012.50	169,012.50	2.750%
2021	160,000.00	9,750.00	169,750.00	3.000%
2022	165,000.00	4,950.00	169,950.00	3.000%
	1,300,000.00	181,617.50	1,481,617.50	

Interest due April 1 and October 1. Principal due October 1

Cary Park Bridge Replacement	\$110,000
Animal Shelter Parking Lot Replacement	60,000
4th Avenue Bridge over Cow Creek	253,000
Reconstruct 23rd: Rambler to Lorraine	500,000
Traffic Safety Projects	50,000
K-61/30th Ave Fence & Lighting: 17th to 30th	317,812
Zoo Storm Water Remediation	92,000
	\$1,382,812
Issuance costs, capitalized interest, contingency	37,188
	\$1,420,000

**General Obligation Bonds
2011B Series
Dated: November 15, 2011
Original Value: \$1,170,000**

Fiscal Period	Principal	Interest	Total	Rates
2014	115,000.00	14,975.00	129,975.00	0.800%
2015	115,000.00	14,055.00	129,055.00	1.000%
2016	110,000.00	12,905.00	122,905.00	1.250%
2017	115,000.00	11,530.00	126,530.00	1.500%
2018	120,000.00	9,805.00	129,805.00	1.700%
2019	120,000.00	7,765.00	127,765.00	1.900%
2020	125,000.00	5,485.00	130,485.00	2.100%
2021	130,000.00	2,860.00	132,860.00	2.200%
	<u>950,000.00</u>	<u>79,380.00</u>	<u>1,029,380.00</u>	

Interest due April 1 and October 1. Principal due October 1

Refund 2001 Water & Sewer Revenue Bonds	\$1,170,000
	\$1,170,000
Issuance costs, capitalized interest, contingency	0
	\$1,170,000

**General Obligation Bonds
2012A Series
Dated: May 15, 2012
Original Value: \$1,890,000**

Fiscal Period	Principal	Interest	Total	Rates
2014	160,000.00	39,250.00	199,250.00	2.000%
2015	160,000.00	36,050.00	196,050.00	2.000%
2016	165,000.00	32,850.00	197,850.00	2.000%
2017	165,000.00	29,550.00	194,550.00	2.000%
2018	170,000.00	26,250.00	196,250.00	2.000%
2019	175,000.00	22,850.00	197,850.00	2.000%
2020	175,000.00	19,350.00	194,350.00	2.000%
2021	180,000.00	15,850.00	195,850.00	2.000%
2022	180,000.00	12,250.00	192,250.00	2.000%
2023	185,000.00	8,650.00	193,650.00	2.000%
2024	15,000.00	4,950.00	19,950.00	3.000%
2025	15,000.00	4,500.00	19,500.00	3.000%
2026	15,000.00	4,050.00	19,050.00	3.000%
2027	20,000.00	3,600.00	23,600.00	3.000%
2028	20,000.00	3,000.00	23,000.00	3.000%
2029	20,000.00	2,400.00	22,400.00	3.000%
2030	20,000.00	1,800.00	21,800.00	3.000%
2031	20,000.00	1,200.00	21,200.00	3.000%
2032	20,000.00	600.00	20,600.00	3.000%
	1,880,000.00	269,000.00	2,149,000.00	

Interest due April 1 and October 1. Principal due October 1

Back-up fire department generators	\$63,114
Fire training center heating & cooling replacement	150,000
City Hall/Public Works renovations	400,000
Plum Street reconstruction, 4th - 11th; A Ave - B Ave	600,000
Zoo groundwater improvements	275,000
Hobart Detter field and fence replacement/renovation	92,000
Westminster Place special assessment project	330,000
	\$1,910,114
Issuance costs, capitalized interest, bond premium	(20,114)
	\$1,890,000

**General Obligation Bonds
2012B Series
Dated: October 23, 2012
Original Value: \$6,270,000**

Fiscal Period	Principal	Interest	Total	Rates
2014	380,000.00	108,425.00	488,425.00	2.000%
2015	385,000.00	100,825.00	485,825.00	2.000%
2016	395,000.00	93,125.00	488,125.00	2.000%
2017	400,000.00	85,225.00	485,225.00	2.000%
2018	410,000.00	77,225.00	487,225.00	2.000%
2019	420,000.00	69,025.00	489,025.00	2.000%
2020	430,000.00	60,625.00	490,625.00	1.500%
2021	435,000.00	54,175.00	489,175.00	1.500%
2022	440,000.00	47,650.00	487,650.00	1.650%
2023	445,000.00	40,390.00	485,390.00	1.700%
2024	410,000.00	32,825.00	442,825.00	1.750%
2025	380,000.00	25,650.00	405,650.00	1.800%
2026	390,000.00	18,810.00	408,810.00	1.900%
2027	395,000.00	11,400.00	406,400.00	2.000%
2028	175,000.00	3,500.00	178,500.00	2.000%
	5,890,000.00	828,875.00	6,718,875.00	

Interest due April 1 and October 1. Principal due October 1

Refund 2002 & 2006 Water Capital Loan Notes	\$6,270,000
	\$6,270,000
Issuance costs, capitalized interest, contingency	0
	\$6,270,000

General Obligation Bonds
2013A Series
Dated: May 31, 2013
Original Value: \$4,585,000

Fiscal Period	Principal	Interest	Total	Rates
2014	100,000.00	95,465.00	195,465.00	2.000%
2015	290,000.00	93,465.00	383,465.00	2.000%
2016	290,000.00	87,665.00	377,665.00	2.000%
2017	300,000.00	81,865.00	381,865.00	2.000%
2018	310,000.00	75,865.00	385,865.00	2.000%
2019	310,000.00	69,665.00	379,665.00	2.000%
2020	315,000.00	63,465.00	378,465.00	2.000%
2021	320,000.00	57,165.00	377,165.00	2.000%
2022	325,000.00	50,765.00	375,765.00	1.550%
2023	335,000.00	45,728.00	380,728.00	1.700%
2024	345,000.00	40,033.00	385,033.00	1.850%
2025	130,000.00	33,650.00	163,650.00	2.050%
2026	135,000.00	30,985.00	165,985.00	2.150%
2027	145,000.00	28,083.00	173,083.00	2.250%
2028	150,000.00	24,820.00	174,820.00	2.400%
2029	150,000.00	21,220.00	171,220.00	2.500%
2030	155,000.00	17,470.00	172,470.00	2.600%
2031	160,000.00	13,440.00	173,440.00	2.700%
2032	160,000.00	9,120.00	169,120.00	2.800%
2033	160,000.00	4,640.00	164,640.00	2.900%
	4,585,000.00	944,574.00	5,529,574.00	

Interest due April 1 and October 1. Principal due October 1

Runway 17-35 Extension	\$44,463
FTC Roof Replacement	81,520
Waldron Street Reconstruct 30th to 33rd	350,000
Reconstruct & Widen Waldron 17th to 23rd	725,000
43rd Avenue Park Phase I	300,000
Parking Lot at C & Main (Eagle Park)	185,000
Expand Park Office	180,000
Levee Improvements	520,000
Salt City Business Park III	1,632,756
Plaza East 2nd San Sewer	32,207
Plaza East 2nd Street / Drainage	179,263
Plaza East 2nd Water	20,736
Sherwood Hills Sanitary Sewer	167,511
17th Avenue Turn Lane	88,164
Main Steet RR Crossing	61,314
	\$4,567,934
Issuance costs, capitalized interest, bond premium	17,066
	\$4,585,000

General Obligation Bonds
2013B Series
Dated: September 24, 2013
Original Value: \$2,955,000

Fiscal Period	Principal	Interest	Total	Rates
2014	330,000.00	66,584.00	396,584.00	2.000%
2015	360,000.00	59,800.00	419,800.00	2.000%
2016	320,000.00	52,600.00	372,600.00	2.000%
2017	285,000.00	46,200.00	331,200.00	2.000%
2018	200,000.00	40,500.00	240,500.00	2.000%
2019	215,000.00	36,500.00	251,500.00	2.000%
2020	215,000.00	32,200.00	247,200.00	2.250%
2021	225,000.00	27,363.00	252,363.00	2.250%
2022	225,000.00	22,300.00	247,300.00	2.450%
2023	230,000.00	16,788.00	246,788.00	2.650%
2024	145,000.00	10,693.00	155,693.00	2.850%
2025	130,000.00	6,560.00	136,560.00	3.200%
2026	75,000.00	2,400.00	77,400.00	3.200%
	<u>2,955,000.00</u>	<u>420,488.00</u>	<u>3,375,488.00</u>	

Interest due April 1 and October 1. Principal due October 1

Taxable General Obligation Bonds
2013C Series
Dated: September 24, 2013
Original Value: \$2,530,000

Fiscal Period	Principal	Interest	Total	Rates
2014	35,000.00	67,737.63	102,737.63	2.000%
2015	40,000.00	66,850.00	106,850.00	2.000%
2016	390,000.00	66,050.00	456,050.00	2.000%
2017	400,000.00	58,250.00	458,250.00	2.000%
2018	360,000.00	50,250.00	410,250.00	3.000%
2019	375,000.00	39,450.00	414,450.00	3.000%
2020	380,000.00	28,200.00	408,200.00	3.000%
2021	400,000.00	16,800.00	416,800.00	3.000%
2022	150,000.00	4,800.00	154,800.00	3.200%
	<u>2,530,000.00</u>	<u>398,387.63</u>	<u>2,928,387.63</u>	

Interest due April 1 and October 1. Principal due October 1

General Obligation Refunding Bonds
2014A Series
Dated: April 30, 2014
Original Value: \$3,875,000

Fiscal Period	Principal	Interest	Total	Rates
2014	160,000.00	33,150.79	193,150.79	2.000%
2015	385,000.00	75,835.00	460,835.00	2.000%
2016	425,000.00	68,135.00	493,135.00	2.000%
2017	430,000.00	59,635.00	489,635.00	2.000%
2018	355,000.00	51,035.00	406,035.00	2.000%
2019	365,000.00	43,935.00	408,935.00	2.000%
2020	375,000.00	36,635.00	411,635.00	2.000%
2021	380,000.00	29,135.00	409,135.00	2.000%
2022	390,000.00	21,535.00	411,535.00	2.000%
2023	400,000.00	13,735.00	413,735.00	2.000%
2024	210,000.00	4,935.00	214,935.00	2.350%
	<u>3,875,000.00</u>	<u>437,700.79</u>	<u>4,312,700.79</u>	

Interest due April 1 and October 1. Principal due October 1

Refunding Series 2004-A	280,000
Refunding Series 2007-A	220,000
Refunding Series 2002 KDHE Sewer Loan	3,375,000

	<u>\$3,875,000</u>
Issuance costs, capitalized interest, bond premium	81,489
	<u>\$3,956,489</u>

Taxable General Obligation Bonds
2014B Series
Dated: April 30, 2014
Original Value: \$2,545,000

Fiscal Period	Principal	Interest	Total	Rates
2015	45,000.00	140,090	185,089.53	2.500%
2016	90,000.00	97,568	187,567.50	2.500%
2017	95,000.00	95,318	190,317.50	2.500%
2018	95,000.00	92,468	187,467.50	3.000%
2019	100,000.00	89,618	189,617.50	3.000%
2020	105,000.00	86,118	191,117.50	3.500%
2021	105,000.00	82,443	187,442.50	3.500%
2022	110,000.00	78,768	188,767.50	3.500%
2023	115,000.00	74,918	189,917.50	3.500%
2024	120,000.00	70,835	190,835.00	3.550%
2025	125,000.00	66,575	191,575.00	3.550%
2026	130,000.00	61,825	191,825.00	3.800%
2027	135,000.00	56,885	191,885.00	3.800%
2028	145,000.00	51,283	196,282.50	3.800%
2029	150,000.00	45,265	195,265.00	3.800%
2030	160,000.00	39,040	199,040.00	4.150%
2031	165,000.00	32,400	197,400.00	4.150%
2032	175,000.00	24,975	199,975.00	4.150%
2033	185,000.00	17,100	202,100.00	4.150%
2034	195,000.00	8,775	203,775.00	4.500%
	2,545,000	1,312,262	3,857,262	

Interest due April 1 and October 1. Principal due October 1

Wiley Building Parking Garage	2,545,000
	\$2,545,000
Issuance costs, capitalized interest, bond premium	0
	\$2,545,000

Refuse Collection Fund

The Refuse Collection fund is an enterprise fund that accounts for the solid waste activities provided to the citizens of Hutchinson. The refuse collection and recycling services are provided by contract with a private collection service company, Stutzman Refuse Disposal, Inc. The City provides this contract service to residential and commercial customers utilizing 95 gallon capacity carts. Service is provided weekly.

The contract with Stutzman Refuse Disposal, Inc. was renewed during fiscal year 2012 and is adjusted annually based upon the CPI-W. Refuse rate increases for 2013, 2014, and 2015 are set at \$0.30 per cart for each year as per the agreement between the City and Stutzman Refuse Disposal Inc. Based on the proposed increase the average monthly residential refuse billing will be around \$10.35 per month, which includes a refuse cart collected weekly, a single-stream recycling cart collected once every two weeks, and the opportunity to sign up for recycling rewards through the Recycle-Bank program.

Refuse Collection (005) Fund Summary

	2011 Actual	2012 Actual	2013 Actual	2014 Budget	2014 Revised	2015 Budget
Cash Balance, January 1	\$ 17,427	\$ 64,551	\$ 102,868	\$ 129,358	\$ 141,203	\$ 170,467
Revenues:						
Service Charges:						
Refuse Collection Fees	\$ 1,889,397	1,933,487	\$ 1,983,514	\$ 2,052,993	\$ 2,031,000	\$ 2,082,000
Residential Composting	-	-	\$ -	-	174,000	177,000
Franchise Fees	164,890	155,370	\$ 180,241	161,500	28,000	28,000
Late Fees	27,977	27,528	\$ 28,750	28,000	500	500
Interest Income	4,664	1,545	\$ 465	500	-	-
Miscellaneous:						
Other	1,637	-	\$ -	-	-	-
Audit Adjustment	-	-	\$ -	-	-	-
Total Revenues	\$ 2,088,565	\$ 2,117,930	\$ 2,192,969	\$ 2,242,993	\$ 2,233,500	\$ 2,287,500
Transfers In	-	-	-	-	-	-
Funds available	\$ 2,105,992	\$ 2,182,481	\$ 2,295,837	\$ 2,372,351	\$ 2,374,703	\$ 2,457,967
Expenditures:						
Refuse Collection	\$ 2,041,441	\$ 2,023,793	\$ 2,091,840	\$ 2,164,250	\$ 2,141,100	\$ 2,199,100
Overhead Cost Allocation	-	55,820	62,794	63,136	63,136	65,289
Reserve Transfers	-	-	-	-	-	-
Total Expenditures	\$ 2,041,441	\$ 2,079,613	\$ 2,154,634	\$ 2,227,386	\$ 2,204,236	\$ 2,264,389
Transfers Out	-	-	-	-	-	-
Ending Balance, December 31	\$ 64,551	\$ 102,868	\$ 141,203	\$ 144,965	\$ 170,467	\$ 193,578

Department Summary

Department:

Public Works

Division:

Refuse Collection

Activity:

Refuse Collection (6710-490)

Program Description:

This is a summary of refuse collection. Beginning in February of 2003, the City refuse collection service has been provided by contract with a private collection service company, Stutzman Refuse Disposal, Inc. The City provides this contract service to residential and commercial customers utilizing 95 gallon capacity carts. Service is provided weekly. In addition, a city-wide curbside recycling collection service is provided every two weeks. Residential customers also have the opportunity to sign up for recycling rewards through the Recycle-Bank program. There is no additional charge for the recycling services and programs.

	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>	<u>Change in Budget</u>
Expenditures:							
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
Contractual Services	2,038,664	2,023,707	2,091,840	2,164,250	2,141,100	2,199,100	1.6%
Commodities	2,777	86	-	-	-	-	0.0%
Capital Outlay	-	-	-	-	-	-	0.0%
Total Expenditures	<u>\$ 2,041,441</u>	<u>\$ 2,023,793</u>	<u>\$ 2,091,840</u>	<u>\$ 2,164,250</u>	<u>\$ 2,141,100</u>	<u>\$ 2,199,100</u>	1.6%
Funding Sources:							
Service Charges	\$ 2,041,441	\$ 2,023,793	\$ 2,091,840	\$ 2,164,250	\$ 2,141,100	\$ 2,199,100	1.6%
Other	-	-	-	-	-	-	0.0%
Total Funding Sources	<u>\$ 2,041,441</u>	<u>\$ 2,023,793</u>	<u>\$ 2,091,840</u>	<u>\$ 2,164,250</u>	<u>\$ 2,141,100</u>	<u>\$ 2,199,100</u>	1.6%

Trends and Issues:

A new 10-year agreement with Stutzman Refuse Disposal (SRD)/Waste Connections was approved 10/4/2011 for a term of 1/1/2013 through 12/31/2022. The contract adjustment for 2015 is \$0.30 per month per cart, which is 2.8%. The basic residential customer monthly charge will increase from \$10.65 per month in 2014 to \$10.95 per month for 2015. For years after 2015, adjustments are as stipulated in the agreement (set rate or CPI-W adjustment). Rate increases for 2013, 2014 and 2015 were set at \$0.30 per cart for each year. For years after 2015 the rate adjustment will be based on the CPI-W.

2015 Goals - (Quantifiable and Measurable)

1. Increase recycling amounts collected by 2%.
2. Reduce solid waste amounts by 2%.
3. Work with the private service provider through the utility billing customer service to reduce customer complaints.

2016-2020 Strategic Goals (Directional and Strategic)

1. Monitor and evaluate the private company (SRD) services and cost to provide this best service at the best price to the City of Hutchinson, refuse customers.

Golf Course Fund

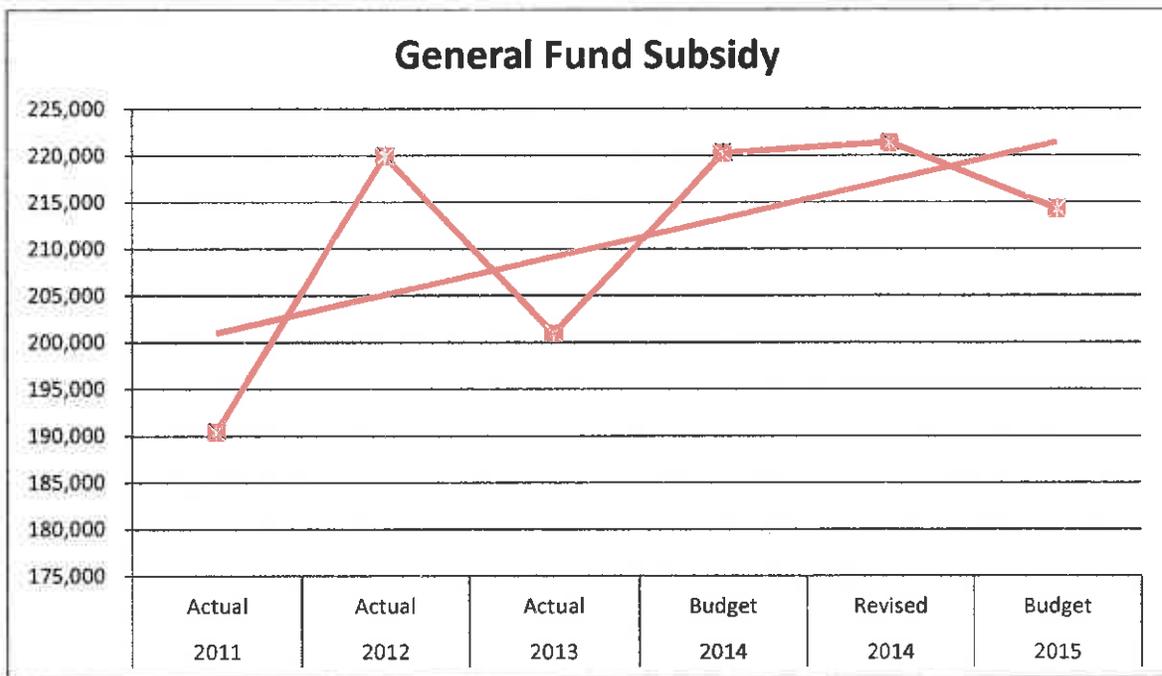
The Golf Course fund accounts for the activities of the municipally owned 18-hole golf course on the southern edge of the City. The course name is Carey Park Golf Course and was built by the City in 1932. It consists of an 18-hole golf course, a clubhouse including full golf professional services, a practice facility, and is surrounded by a public park. The golf course is a 6410 yard, par 71 course set on 120 acres. The facility has 11 structures, a driving range, and 32 sand bunkers. The Staff schedules approximately 40 tournaments annually with total rounds played each year averaging 25,000 which is down about 10-15% from a few years ago. Issues facing the Golf Course are fewer rounds being played across the country and rising maintenance costs. Fairways are being renovated and new professional staffing are emphasizing junior golf to boost play.

External revenues for both course fees and concessions projections are based on trends and cover approximately 75% of expenditures. The balances of expenditures are covered by a general fund transfer.

Although the Carey Park golf course is an enterprise fund, its revenues do not exceed its expenditures. The General fund subsidy for the golf course is budgeted to be \$214,351 in fiscal year 2015 which is a \$5,973 or 2.7% decrease from the 2014 fiscal year budget.

Golf Course (008) Fund Summary

	2011 Actual	2012 Actual	2013 Actual	2014 Budget	2014 Revised	2015 Budget
Cash Balance, January 1	\$ -	\$ -	\$ -	\$ -	\$ 0	\$ 0
Revenues	583,247	604,866	\$ 568,392	621,532	620,401	651,649
Transfers In - General fund	190,511	219,985	\$ 201,030	220,324	221,455	214,351
Funds available	\$ 773,758	\$ 824,851	\$ 769,423	\$ 841,856	\$ 841,856	\$ 866,000
Expenditures:						
Golf Course	\$ 773,758	\$ 766,851	\$ 735,422	\$ 656,424	\$ 656,424	\$ 826,000
Golf Course Concessions	-	-	-	131,931	131,931	-
Reserve Transfers-MERF	-	58,000	\$ 34,000	53,500	53,500	40,000
Total Expenditures	\$ 773,758	\$ 824,851	\$ 769,422	\$ 841,856	\$ 841,856	\$ 866,000
Transfers Out	-	-	-	-	-	-
Ending Balance, December 31	\$ -	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0



Golf Course Fund (008) Revenue Summary

	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Actual</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>
Recreation & Concessions:						
Greens Fees	\$ 211,737	\$ 218,877	\$ 202,139	\$ 220,036	\$ 211,026	\$ 218,816
Improvement Fund Fees	-	-	\$ -	-	-	-
Tournament Revenue	-	-	\$ -	2,000	-	-
Season Passes	86,002	88,670	\$ 90,497	90,833	90,000	94,191
School Fees	-	-	\$ -	5,844	6,060	6,760
Private Cart Fees	-	12,572	\$ 14,100	15,486	14,846	15,315
City Cart Rental	128,915	112,890	\$ 105,411	106,016	106,016	110,315
Locker Rental	2,170	2,060	\$ 2,120	2,685	2,120	2,150
Cart Shed Rental	-	9,898	\$ 12,485	13,082	12,693	12,835
Advertising	-	50	\$ -	9,000	9,000	9,000
Golf Concessions	52,918	65,630	\$ 61,419	60,000	69,765	76,667
Golf Pro Shop	62,207	52,612	\$ 41,644	60,000	56,250	66,800
Pepsi Commissions	-	-	\$ 1,532	-	275	-
Driving Range	25,269	26,877	\$ 24,297	26,500	25,000	27,500
Miscellaneous:						
Reimbursement	-	873	-	300	350	300
Miscellaneous	14,006	13,838	\$ 12,739	9,750	17,000	11,000
Overages (Shortages)	23	19	\$ 10	-	-	-
Total	<u>\$ 583,247</u>	<u>\$ 604,866</u>	<u>\$ 568,392</u>	<u>\$ 621,532</u>	<u>\$ 620,401</u>	<u>\$ 651,649</u>

Department Summary

Department:	Division:	Activity:
Parks and Facilities	Golf Course	Golf Course (6920-570)

Program Description:

This division is comprised of two work units Clubhouse Operations and Golf Maintenance. These two work units oversee the turf management and clubhouse operations/program management/development for the Carey Park Golf Course. The golf course consists of 11 structures situated on approximately 120 acres. Clubhouse staff schedules, coordinates, and prepares for up to 53 high school, collegiate and amateur tournaments at the course. The staff hosts approximately 28,000 rounds of golf and 50 tournaments annually including the largest one day high school tournament in the nation and the Kansas Golf Association's Publinx Championship in 2006. The Golf Maintenance Division oversees the turf management, equipment maintenance and preventive building maintenance at Carey Park Golf Course. The 6.8 FTE employee staff manages 6 different grasses at mowing heights from 1/8" on greens up to 2 1/2" in the rough. The frequency of mowing ranges from daily on greens to 3 times per week on tees, approaches and fairways. There are also native areas that are not mowed throughout the season. There are approximately 3 acres each of greens, tees and approaches and about 25 acres of fairways. There are currently 32 sand bunkers on the golf course that are raked at least 3 times per week and edged 4 times per season.

	2011 Actual	2012 Actual	2013 Actual	2014 Budget	2014 Revised	2015 Budget	Change in Budget
Expenditures:							
Personal Services	\$ 465,971	\$ 484,602	\$ 469,371	\$ 486,084	\$ 482,122	\$ 499,490	2.8%
Contractual Services	100,074	103,546	103,998	118,231	118,231	124,270	5.1%
Commodities	160,193	176,306	162,054	177,040	177,040	193,240	9.2%
Capital Outlay	47,520	2,397	-	7,000	7,000	9,000	28.6%
Total Expenditures	\$ 773,758	\$ 766,851	\$ 735,422	\$ 788,355	\$ 784,393	\$ 826,000	4.8%
Funding Sources:							
Service Charges	\$ 583,247	\$ 604,866	\$ 555,643	\$ 621,532	\$ 620,401	\$ 651,649	4.8%
General Fund Subsidy	190,511	161,985	179,779	166,823	163,992	174,351	4.5%
Total Funding Sources	\$ 773,758	\$ 766,851	\$ 735,422	\$ 788,355	\$ 784,393	\$ 826,000	4.8%

Personnel Schedule

Full Time Equivalents

	2011 Budget	2012 Budget	2013 Budget	2014 Budget	2014 Revised	2015 Budget
Golf Course Superintendent	1.00	1.00	1.00	1.00	1.00	1.00
Golf Club House Manager	1.00	1.00	1.00	1.00	1.00	1.00
Maintenance Worker	1.00	1.00	1.00	1.00	1.00	1.00
Turf Maint. Specialist	1.00	1.00	1.00	1.00	1.00	1.00
Mechanic Maint. Tech.	1.00	1.00	1.00	1.00	1.00	1.00
Golf Shop Assistant	1.00	1.00	1.00	1.00	1.00	1.00
Total	6.00	6.00	6.00	6.00	6.00	6.00

Department Summary

Department:

Division:

Activity:

Parks and Facilities

Golf Course

Golf Course (6920-570)

Capital Outlay:

Item:	Quantity	Replacement/ New/Maint	2013 Actual	2014 Budget	2014 Revised	2015 Budget
Trees & Shrubs				3,000	3,000	3,000
Cage for golf ball picker	1	New	2,000	2,000		2,000
Beer can cooler	1	Replacement	2,000	2,000		
Concession & Computer Equipment					4,000	4,000

Trends and Issues:

A recent National Golf Foundation study found that both public and private golf courses have experienced a decrease of 20 percent in demand since 1990 or, as a national average, that is roughly 8,000 rounds per 18-hole course. This same study found that "Municipal golf operations that had been victimized by shiny new competitors in their area are now increasingly finding that players who seek value, convenience, and those special touches that keep them coming back are returning to these facilities." In nearly every study ever done on golf satisfaction, the results show that there's a simple equation to attract and retain players: (Quality of the putting surfaces) + (Good customer service experience) + (Speed of play) = Perceive value [divided by] cost. Our goal is to provide a combination of good/responsible maintenance, friendly service, and lack of frustration that leaves the player thinking, "Hey, that was worth the money."

Greens represent 8-10 percent of the maintained acreage of a typical golf course, but as much as 40 percent of all turf maintenance dollars. Both good and bad players usually take half their strokes on the greens. To us this means your greens are your reputation.... and we invest in them appropriately.

Phase 2 of the Golf Master Plan was completed in 2012 and future phases of the plan continues to await funding. The next phase of the master plan will include renovation work to holes 1, 9 and nursery areas. This will include a new green on hole 1, new tees on both holes and a replacement irrigation system in these areas. The current irrigation mainline needs to be replaced/upgraded because of its age and newer technologies aimed at water conservation.

2015 Goals - (Quantifiable and Measurable)

1. Budgeting to expand clubhouse into more profitable areas including programs, banquet and concessions services.
2. Budgeting maintenance operations at the golf course to be flatlined.
3. Incorporate fall and spring overseeding with rye to ensure any visible signs of bermuda grass winter kill is limited.

2016-2010 Strategic Goals (Directional and Strategic)

1. Continue to evaluate current golf services and look to expand more into more profitable areas.
2. Continue to evaluate the concession operations and incorporate efficiencies wherever possible.
3. Develop a merchandising policy/procedure to ensure limited inventory and best revenues are achieved.
4. Focus on improved customer service to attract new and/or younger individuals or groups to the course.

Airport Fund

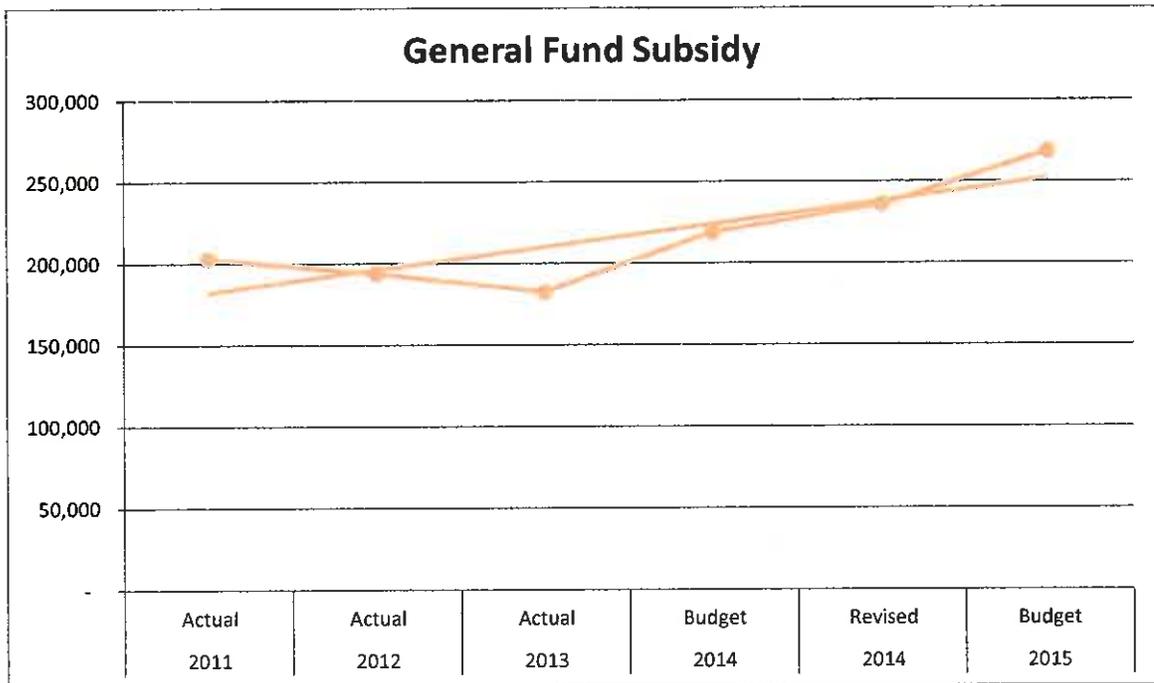
The Airport fund accounts for the operations of the Hutchinson Municipal Airport. This includes the main terminal, three runways, all taxiways, aprons, and related surrounds. The Airport handles approximately 40,000 flight operations annually and encompasses 1597 acres. The Airport has 15 tenants including the Airport Steakhouse and the nationally renowned Meade Aircraft. The Airport is home to fixed base operators under contract with the City to handle airplane engine, airframe issues, pumping fuel, and airplane storage. This fund is supported by rents, fees, and a subsidy from the General Fund. The General fund subsidy for fiscal year 2015 is budgeted to be \$269,037. This is \$49,384 or 22.5% higher than the 2014 budget.

The Airport is designated as a reliever airport for Mid-Continent Airport in Wichita and as such requires a FAA Part 139 Certificate. With this certification the Airport must maintain certain level of competence, capabilities, and maintenance which in turn elevates the Airport on the priority list in terms of where the FAA allocates dollars for projects and maintenance. Currently the FAA funds 95% of all costs related to approved projects.

The Airport undergoes an annual recertification inspection which normally happens during the month of November. The FAA inspector reviews the Airport Certification Manual (the Airport's Operations Plan), the physical plant (lights, signs, markings, pavement, etc.), ARFF equipment (Rescue and firefighting equipment housed at Station 4), and fuelling equipment (Fuel farm and fuel delivery equipment maintained by FBO's). All of these items have requirements that are spelled out in individual AC's (Airport Circulars or Federal Regulations) that mandate maintenance, training, readiness and inspection processes for each. While some of these systems are not directly owned by the City, under federal regulations the City is ultimately responsible for all of these systems as the owner of the Airport.

Airport (050) Fund Summary

	2011 Actual	2012 Actual	2013 Actual	2014 Budget	2014 Revised	2015 Budget
Cash Balance, January 1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Revenues:						
Use of Money & Property:						
Restaurant Rent	\$ 47,214	\$ 47,214	\$ 47,214	\$ 47,214	\$ 47,214	\$ 47,214
Hangar Rent	72,975	94,424	74,657	61,697	61,697	76,952
T-Hangar rent	-	14,640	15,416	14,000	14,000	14,640
Other Rents & Fees	250	-	90	1,500	1,500	1,500
Office Rent	36,977	51,434	56,932	45,852	45,852	58,940
Farm Rent	1,532	2,533	1,431	1,432	1,432	5,964
Miscellaneous:						
Fuel Sales	8,239	13,237	19,775	8,000	8,000	8,000
Reimbursed Expenses	2,418	2,198	788	2,638	2,638	1,000
Total Revenues	\$ 169,605	\$ 225,680	\$ 216,303	\$ 182,333	\$ 182,333	\$ 214,210
Transfers In - General fund	203,440	194,155	183,043	219,653	236,430	269,037
Funds available	\$ 373,045	\$ 419,835	\$ 399,347	\$ 401,986	\$ 418,763	\$ 483,247
Expenditures:						
Airport Operations	\$ 373,045	\$ 364,835	\$ 364,847	\$ 386,486	\$ 403,263	\$ 467,747
Debt Service	-	-	15,500	-	15,500	15,500
Reserve Transfers-MERF	-	55,000	19,000	-	-	-
Total Expenditures	\$ 373,045	\$ 419,835	\$ 399,347	\$ 386,486	\$ 418,763	\$ 483,247
Transfers Out	-	-	-	15,500	-	-
Ending Balance, December 31	\$ -					



Department Summary

Department:	Division:	Activity:
Parks & Facilities	Airport	Airport (6971-573)

Program Description:

This division is part of the Parks and Facility Services Department and is responsible for the maintenance of the physical plant that makes up the Hutchinson Municipal Airport. This includes the main terminal, three runways, all taxiways, aprons, and related surrounds. The Airport handles approximately 60,000 flight operations annually and encompasses 1597 acres. The Airport has 11 tenants including the Airport Steakhouse which is regionally recognized as one of the best steak houses in the area and the nationally renowned Meade Aircraft. The Airport is home to fixed base operators under contract with the City to handle airplane engine and airframe issues, pumping fuel, airplane storage. This fund is supported by rents, fees and transfers from the General Fund.

The Airport is designated as a reliever airport for Mid-Continent Airport in Wichita and as such requires a FAA Part 139 Certificate. With this certification the Airport must maintain certain level of competence, capabilities, and maintenance which in turn elevates the Airport on the priority list in terms of where the FAA allocates dollars for projects and maintenance. Currently the FAA funds 95% of all costs related to approved projects.

The Airport undergoes an annual recertification inspection which normally happens during the month of November. The FAA inspector reviews the Airport Certification Manual (the Airport's Operations Plan), the physical plant (lights, signs, markings, pavement, etc.), ARFF equipment (Rescue and firefighting equipment housed at Station 4), and fuelling equipment (Fuel farm and fuel delivery equipment maintained by FBO's). All of these items have requirements that are spelled out in individual AC's (Airport Circulars or Federal Regulations) that mandate maintenance, training, readiness and inspection processes for each. While some of these systems are not directly owned by the City, under federal regulations the City is ultimately responsible for all of these systems as the owner of the Airport.

	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Actual</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>	<u>Change in Budget</u>
Expenditures:							
Personal Services	\$ 167,204	\$ 163,585	\$ 155,484	\$ 176,314	\$ 168,248	\$ 179,479	1.8%
Contractual Services	122,213	115,549	132,552	119,072	143,890	199,968	67.9%
Commodities	63,318	78,076	58,547	81,800	81,825	78,500	-4.0%
Capital Outlay	<u>20,310</u>	<u>7,625</u>	<u>18,264</u>	<u>9,300</u>	<u>9,300</u>	<u>9,800</u>	5.4%
Total Expenditures	<u>\$ 373,045</u>	<u>\$ 364,835</u>	<u>\$ 364,847</u>	<u>\$ 386,486</u>	<u>\$ 403,263</u>	<u>\$ 467,747</u>	21.0%
Funding Sources:							
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
Service Charges	169,605	225,680	216,303	182,333	182,333	214,210	17.5%
General Fund Subsidy	<u>203,440</u>	<u>139,155</u>	<u>148,543</u>	<u>204,153</u>	<u>220,930</u>	<u>253,537</u>	24.2%
Total Funding Sources	<u>\$ 373,045</u>	<u>\$ 364,835</u>	<u>\$ 364,847</u>	<u>\$ 386,486</u>	<u>\$ 403,263</u>	<u>\$ 467,747</u>	21.0%

Department Summary

Department:	Division:	Activity:
Parks & Facilities	Airport	Airport (6971-573)

Personnel Schedule

Full Time Equivalents

	2011 Budget	2012 Budget	2013 Budget	2014 Budget	2014 Revised	2015 Budget
Airport Manager	1.00	1.00	1.00	1.00	1.00	1.00
Senior Maint. Tech.	-	-	-	-	-	-
Maintenance Technician	2.00	2.00	2.00	2.00	2.00	2.00
Total	3.00	3.00	3.00	3.00	3.00	3.00

Capital Outlay:

Item:	Quantity	Replacement/ New/Maint	2013 Actual	2014 Budget	2014 Revised	2015 Budget
Pavement Improvements		Maintenance	800	800	800	800
Airport Improvements		Maintenance	5,000	5,000	5,000	5,000
Security Cameras (year 1 of 2)		New	3,500	3,500	3,500	4,000

Current Trends and Issues:

There has been discussion in the past about whether or not the City should maintain their Part 139 certification but it is important to understand the financial implications of not doing so. Currently, Hutchinson is one of approximately eight airports in Kansas designated as such and the airports with this designation are at the top of the priority list for receiving FAA funding. Over the past ten years, this has accounted for approximately \$8-10M in construction and maintenance projects. Again, the City's share of those project is 5%, so this is a great way to leverage local dollars to complete needed work and these dollars are pumped directly into the local or regional economy.

One such project that is currently under design is the 4th Avenue Relocation Project. This project requires that 4th Avenue be relocated to the South in order to bring the Runway Safety Zones to be in compliance with current FAA Regulations. The environmental work related to this project has been completed, the design work is ongoing and the construction phase is slated for 2012.

In recent years the City has struggled to find qualified contractors capable of providing quality custodial services for sustained periods of time. Since this facility is a seven day a week operation it has been particularly cumbersome to work through some of these issues. In 2011, the custodial services were brought in-house using seasonal staff. Budgets for 2013 and 2014, were adjusted to reflect lost rent/revenue related to closing the air traffic control tower. In the past, rent generated from leasing the tower cab and a manager's office amounted to approximately \$10,000 annually.

2015 Goals - (Quantifiable and Measurable)

1. Budget Resources to begin the land acquisition process for north end of Rnwy 1331.
2. Budget funds to begin the tree removal process on the east side of the airport.
3. Budget funds to improve perimeter security at the facility.

2016-2010 Strategic Goals (Directional and Strategic)

1. Continue to budget resources to improve the building structures at the airport.
2. Continue to evaluate the value of the Part 139 Certificate.
3. Continue to evaluate the staffing levels versus the expectations of the service levels required to maintain the facility.
4. Budget funds to improve the overall condition of the airport equipment fleet.

Water Utility Fund

The Water Utility fund is an enterprise fund that accounts for the administration, operation, debt management, maintenance, and payment processing of the City's water utility.

The Water utility handles the operation and maintenance of the City's Reverse Osmosis Water Treatment Center, nineteen (19) water wells, two (2) booster pump stations, four (4) water storage towers, two (2) Class I disposal wells and the ground water remediation facilities. This includes the costs to maintain and operate the well and booster pumps, buildings, grounds, telemetry equipment, chlorine systems and related equipment. The water production and treatment division pumps and treats an average of 2.0 billion gallons of groundwater annually, which is provided to the City's water customers. Divisional staff also takes over 600 water samples per year from the distribution system and wells to keep the city in compliance with potable water system operational regulation. Divisional staff responds 24/7/365 to water production related emergencies, mostly related to the operation of the water wells, groundwater remediation equipment, and water booster stations.

The Water utility also manages the repair and maintenance of the distribution mains, valves, fire hydrants, service lines (from main to meter) and meter pits. Water maintenance staff maintains over 300 miles of water mains, over 5,000 valves, over 2,700 fire hydrants and over 75 miles of service lines. On the average, each year, water maintenance staff replaces or repairs approximately 300 water service lines, repairs over 70-90 water main breaks, installs approximately 12,000 feet of new water mains, makes over 80 service line taps and completes over 5,300 utility locates.

The Water Utility fund is projecting an ending fund balance in 2015 of \$4,351,175. Of this amount, \$593,000 or 13.6% is considered restricted as customer deposits or as closure costs for deep disposal wells as required by the Kansas Department of Health & Environment. Unrestricted ending fund balance in 2014 is projected to be \$3,758,175.

Water Utility (051) Fund Summary

	2011 Actual	2012 Actual	2013 Actual	2014 Budget	2014 Revised	2015 Budget
Cash Balance, January 1	\$ 4,306,891	\$ 5,001,227	\$ 6,068,819	\$ 5,593,586	\$ 6,214,819	\$ 5,676,378
Revenues	7,635,020	7,512,987	7,010,323	7,269,368	7,132,672	7,108,972
Bond Proceeds	-	6,370,569	-	-	-	-
Transfers In	-	600,000	-	15,500	-	-
Prior Year Encumbrances Canceled	614,167	-	-	-	-	-
Funds available	<u>\$ 12,556,078</u>	<u>\$ 19,484,783</u>	<u>\$ 13,079,142</u>	<u>\$ 12,878,454</u>	<u>\$ 13,347,491</u>	<u>\$ 12,785,350</u>
Expenditures:						
Water Production	\$ 1,765,941	\$ 1,809,439	\$ 1,926,730	\$ 1,926,730	\$ 1,837,502	\$ 1,945,393
Water Distribution	1,324,897	1,187,172	1,269,058	1,269,058	1,272,286	1,281,554
Water Administration	1,324,412	563,342	519,581	561,412	539,788	544,613
Reserve Transfers-MERF	58,000	59,500	34,000	59,000	59,000	176,298
Reserve Transfers-CIP Reserve	775,000	775,000	825,000	1,175,000	1,175,000	1,725,000
Reserve Transfers-CIP Fund	184,690	-	-	63,833	63,833	-
Debt Service	1,196,298	7,560,466	647,206	647,206	647,206	647,206
Overhead Cost Allocation	918,427	1,447,280	1,535,334	1,581,228	1,581,228	1,628,286
Audit Adjustments	-	-	-	-	-	-
Accrued Interest Adjustment	-	-	-	-	-	-
Total Expenditures	<u>\$ 7,547,665</u>	<u>\$ 13,402,199</u>	<u>\$ 6,756,910</u>	<u>\$ 7,283,468</u>	<u>\$ 7,175,844</u>	<u>\$ 7,948,350</u>
Transfers Out	7,186	13,765	107,413	495,269	495,269	485,825
Ending Balance, December 31	<u>\$ 5,001,227</u>	<u>\$ 6,068,819</u>	<u>\$ 6,214,819</u>	<u>\$ 5,099,717</u>	<u>\$ 5,676,378</u>	<u>\$ 4,351,175</u>
Fund Balance Restrictions:						
Meter deposit	\$ 328,171	\$ 336,256	\$ 342,220	\$ 375,000	\$ 375,000	\$ 375,000
Well closure	194,000	199,500	205,500	211,700	211,700	218,000
Bond accounts	-	-	-	-	-	-
Depreciation & emergency reserve	-	-	-	-	-	-
Unrestricted	4,479,056	5,533,063	5,667,099	4,513,017	5,089,678	3,758,175
Total Fund Balance	<u>\$ 5,001,227</u>	<u>\$ 6,068,819</u>	<u>\$ 6,214,819</u>	<u>\$ 5,099,717</u>	<u>\$ 5,676,378</u>	<u>\$ 4,351,175</u>

Water Utility Fund (051) Revenue Summary

	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Actual</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>
Service Charges:						
Water Sales	\$7,061,955	\$ 6,915,748	\$ 6,463,290	\$6,734,482	\$6,554,000	\$6,554,000
Service Connection Fee	37,460	39,337	39,430	38,000	38,000	38,000
Tapping Charges	24,965	34,222	38,440	28,000	28,000	28,000
Connect/Disconnect Fees	53,770	49,323	46,477	48,000	100,000	75,000
Late Fees	79,912	73,594	68,781	71,168	70,000	70,000
Water District Surcharge	3,072	3,072	3,072	3,072	3,072	3,072
Franchise Fees	353,222	347,697	318,335	336,746	327,700	327,700
Interest Income	14,434	16,026	11,541	6,900	6,900	8,200
Miscellaneous	6,230	33,968	20,957	3,000	5,000	5,000
Bond Proceeds		6,370,569				
Audit Adjustments	-	-	-	-	-	-
Total	<u>\$7,635,020</u>	<u>\$13,883,556</u>	<u>\$ 7,010,323</u>	<u>\$7,269,368</u>	<u>\$7,132,672</u>	<u>\$7,108,972</u>

Department Summary

Department:	Division:	Activity:
Public Works	Water Treatment & Production	Water Production (6621-491)

Program Description:

To this activity are charged the costs of repair and maintenance of the City's 19 public water supply wells, three elevated water towers, one water storage structure, two pressure booster pumping stations, five groundwater remediation wells, two non-hazardous deep disposal wells, four groundwater contamination source area treatment systems and the reverse osmosis water treatment center. The water production and treatment division pumps and treats an average of 2.25 billion gallons of groundwater annually, which is provided to the City's water customers. Division staff collects over 2,000 water samples each year to ensure that drinking water quality regulations are met. The Water Treatment Systems Superintendent, also a licensed Professional Geologist, oversees the administration of this budget account under the oversight of the Director of Public Works.

	2011 Actual	2012 Actual	2013 Actual	2014 Budget	2014 Revised	2015 Budget	Change in Budget
Expenditures:							
Personal Services	\$ 461,699	\$ 419,292	\$ 448,530	\$ 448,530	\$ 447,866	\$ 457,743	2.05%
Contractual Services	715,369	786,016	888,850	888,850	890,500	890,500	0.19%
Commodities	374,881	451,170	496,600	496,600	406,386	504,400	1.57%
Capital Outlay	213,992	152,961	92,750	92,750	92,750	92,750	0.00%
Total Expenditures	\$ 1,765,941	\$ 1,809,439	\$ 1,926,730	\$ 1,926,730	\$ 1,837,502	\$ 1,945,393	0.97%
Funding Sources:							
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Service Charges	1,765,941	1,809,439	1,926,730	1,926,730	1,837,502	1,945,393	0.97%
Other	-	-	-	-	-	-	0.00%
Total Funding Sources	\$ 1,765,941	\$ 1,809,439	\$ 1,926,730	\$ 1,926,730	\$ 1,837,502	\$ 1,945,393	0.97%

Personnel Schedule

Full Time Equivalents

	2011 Revised	2012 Actual	2013 Actual	2014 Budget	2014 Revised	2015 Budget
Water Treatment Superint.	1.00	1.00	1.00	1.00	1.00	1.00
Water Treatment Supervisor	-	1.00	1.00	1.00	1.00	1.00
Engineering Associate	0.50	-	-	-	-	-
Lead Water Treatment Oper.	1.00	-	1.00	1.00	1.00	2.00
Senior Water Treatment Oper.	-	-	2.00	2.00	2.00	2.00
Water Treatment Operator	5.00	5.00	2.00	2.00	2.00	1.00
Water Quality Coord.	1.00	-	-	-	-	-
Total	8.50	7.00	7.00	7.00	7.00	7.00

Department Summary

Department:	Division:	Activity:
Public Works	Water Treatment & Production	Water Production (6621-491)

Capital Outlay:

Item:	Schedule Type	Replacement/ New/Maint	2013 Actual	2014 Budget	2014 Revised	2015 Budget
Office Equipment		Replacement	8,000	8,000	8,000	
Prod. & Const. Equipment		Maintenance	90,000	65,000	65,000	
Other Equipment		Replacement	84,750	19,750	19,750	

Current Trends and Issues:

The City is still undergoing some re-organization and staffing changes since the addition of the Reverse Osmosis Water Treatment Facility. Now that the facility has been in operation for approximately 5 years, the City is getting a better understanding of how to manage the facility from operational costs to staffing needs. To ensure that adequate funds are available to keep the plant equipment operational and updated, two capital project reserves have been established. \$300,000 is being transferred in fiscal year 2015 for the unspecified water treatment and production projects reserve (WTRUNS) and \$100,000 is being transferred in fiscal year 2015 for the water treatment and production equipment replacement reserve (WPEQUP). These are programmed as annual allocations to these capital project reserves.

2015 Goals - (Quantifiable and Measurable)

- 1) Decrease operation and maintenance costs on RO process equipment by implementing an alternative groundwater remediation process at well RW-4. This action will also reduce treatment chemical costs, and defer replacement cost for RO membranes.
- 2) Promotion of Senior Operator to Lead Operator position to increase production staff efficiency. See Form C.
- 3) Continue operation of municipal wellfield to maintain highest operational power consumption efficiency, while reducing aquifer drawdown conditions affecting regional water levels during drought periods.

2016-2020 Strategic Goals (Directional and Strategic)

- 1) Develop and implement system modifications that will promote electrical power consumption efficiency.
- 2) Implement technological advances that will improve water production and treatment system efficiency.
- 3) Continue to evaluate staff work time to maintain and/or improve efficiency where determined.
- 4) Assess newly developed water treatment antiscalant chemicals to improve RO membrane treatment efficiency and reduce operational, maintenance and replacement costs.

Department Summary

Department:	Division:	Activity:
Public Works	Water & Sewer Maintenance	Water Distribution (6624-492)

Program Description:

To this activity are charged the costs of repair and maintenance of the distribution mains, valves, fire hydrants, service lines (from main to meter) and meter pits. Water maintenance staff maintain over 300 miles of water mains, over 5000 valves, over 2,700 fire hydrants and over 75 miles of service lines. On the average each year, water maintenance staff replaces or repairs approximately 260 water service lines, repairs 90 water main breaks, makes 75 service line taps and completes over 4,950 utility locates. The Superintendent of Water and Sewer Maintenance oversees the administration of this budget account under the leadership of the Director of Public Works.

	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Actual</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>	<u>Change in Budget</u>
Expenditures:							
Personal Services	\$ 880,694	\$ 753,229	\$ 738,458	\$ 738,458	\$ 741,058	\$ 740,454	0.27%
Contractual Services	80,369	64,532	134,700	134,700	134,728	137,550	2.12%
Commodities	330,186	340,690	362,900	362,900	362,750	365,550	0.73%
Capital Outlay	33,648	28,721	33,000	33,000	33,750	38,000	15.15%
Total Expenditures	<u>\$ 1,324,897</u>	<u>\$ 1,187,172</u>	<u>\$ 1,269,058</u>	<u>\$ 1,269,058</u>	<u>\$ 1,272,286</u>	<u>\$ 1,281,554</u>	0.98%
Funding Sources:							
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Service Charges	1,324,897	1,187,172	1,269,058	1,269,058	1,272,286	1,281,554	0.98%
Other	-	-	-	-	-	-	0.00%
Total Funding Sources	<u>\$ 1,324,897</u>	<u>\$ 1,187,172</u>	<u>\$ 1,269,058</u>	<u>\$ 1,269,058</u>	<u>\$ 1,272,286</u>	<u>\$ 1,281,554</u>	0.98%

Personnel Schedule

Full Time Equivalents

	<u>2011 Budget</u>	<u>2012 Budget</u>	<u>2013 Budget</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>
Water/Sewer Superintendent	0.50	0.50	0.50	0.50	0.50	0.50
Engineering Associate	0.25	-	-	-	-	-
Water Maint. Supervisor	1.00	1.00	1.00	1.00	1.00	1.00
Administrative Staff Aide	0.50	-	-	-	-	-
Lead Water Worker	3.00	3.00	3.00	3.00	3.00	3.00
Senior Water Maint. Worker	1.00	1.00	1.00	1.00	1.00	1.00
Water Maint. Worker	6.00	6.00	6.00	6.00	6.00	6.00
Utility Location Technician	0.50	0.50	0.50	0.50	0.50	0.50
Secretary	1.00	1.00	1.00	1.00	1.00	1.00
Total	13.75	13.00	13.00	13.00	13.00	13.00

Department Summary

Department:	Division:	Activity:
Public Works	Water & Sewer Maintenance	Water Distribution (6624-492)

Capital Outlay:

Item:	Quantity	Replacement/ New/Maint	2013 Actual	2014 Budget	2014 Revised	2015 Budget
Land, Right-of-Way, etc.		New	2,000	2,000	2,000	2,000
New Water Meters		New	25,000	25,000	25,000	25,000
Pipe Locator & 3" Hydraulic Pump		New		6,000	6,000	2,000
Paving Breaker for skid-steer						9,000

Current Trends and Issues:

In the 2015 Capital Improvement Program (CIP), \$550,000 is being transferred from the Water Fund into the CIP water line replacement, repair and extension reserves. As the buried water line infrastructure continues to age with many of the lines starting to approach their useful life, the annual allocation into the repair and replacement reserve will likely need to be increased in future years.

2015 Goals - (Quantifiable and Measurable)

Operate (exercise) 1,000 water main valves (11 year average is 484)
 Improve efficiency in at least 7 of the 11 categories that are tracked in the efficiency report.

2016-2020 Strategic Goals (Directional and Strategic)

The City's water mains continue to be a concern due to their age. The City needs to initiate a program to start replacing the existing water mains. Funds are being put in the CIP and these funds need to be used so that a certain amount of mains are replaced annually. Almost all of the water main breaks we have are on 6" cast iron pipes but there are some 4" pipes that need to upsized.

Department Summary

Department:	Division:	Activity:
Public Works	Water Treatment & Production	Water Administration (6625-493)

Program Description:

This budget accounts for the insurance expenses, franchise fees and other miscellaneous administrative expenses for the Water Utility. Prior to fiscal year 2012, this budget also accounted for the City's utility billing operations; those operations are now accounted for in the Utility Billing budget in the General Fund. This budget basically functions as a pass through budget for these expenses associated with the Water fund.

	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Actual</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>	<u>Change in Budget</u>
Expenditures:							
Personal Services	\$ 413,063	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Contractual Services	668,586	557,991	519,581	561,412	539,788	544,613	-2.99%
Commodities	31,763	-	-	-	-	-	0.00%
Capital Outlay	211,000	5,351	-	-	-	-	0.00%
Total Expenditures	<u>\$ 1,324,412</u>	<u>\$ 563,342</u>	<u>\$ 519,581</u>	<u>\$ 561,412</u>	<u>\$ 539,788</u>	<u>\$ 544,613</u>	-2.99%
Funding Sources:							
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Service Charges	1,324,412	563,342	519,581	561,412	539,788	544,613	-2.99%
Other	-	-	-	-	-	-	0.00%
Total Funding Sources	<u>\$ 1,324,412</u>	<u>\$ 563,342</u>	<u>\$ 519,581</u>	<u>\$ 561,412</u>	<u>\$ 539,788</u>	<u>\$ 544,613</u>	-2.99%

Personnel Schedule

Full Time Equivalents

	<u>2011 Budget</u>	<u>2012 Budget</u>	<u>2013 Budget</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>
Utility Office Manager	1.00	-	-	-	-	-
Water Service Tech.	4.00	-	-	-	-	-
Utility Clerk	3.00	-	-	-	-	-
Asst. Officer Manager	-	-	-	-	-	-
Total	8.00	-	-	-	-	-

Department Summary

Department:	Division:	Activity:
Public Works	Water Treatment & Production	Water Administration (6625-493)

Capital Outlay:

Item:	Quantity	Replacement/ New/Maint	2013 Budget	2013 Revised	2014 Budget	2015 Budget
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Trends and Issues:

In fiscal year 2012, the bulk of the utility billing expenses were transferred to the General fund in order to consolidate the utility billing department into one activity. Subsequently, the activities of the utility billing department that pertain to the Water fund are charged back through the overhead cost allocation between the funds.

CITY OF HUTCHINSON
SCHEDULE OF WATER BOND INDEBTEDNESS
June 1, 2014

KANSAS WATER POLLUTION CONTROL LOAN ISSUED 10/27/05 - \$10,000,000					
	BOND AMOUNT	INTEREST AMOUNT	FEES AMOUNT	TOTAL	INTEREST RATES
2014	444,763	183,345	19,098	647,206	2.650%
2015	456,627	172,600	17,979	647,206	2.650%
2016	468,808	161,568	16,830	647,206	2.650%
2017	481,314	150,242	15,650	647,206	2.650%
2018	494,153	138,614	14,439	647,206	2.650%
2019	507,335	126,676	13,195	647,206	2.650%
2020	520,868	114,419	11,919	647,206	2.650%
2021	534,763	101,836	10,608	647,206	2.650%
2022	549,028	88,916	9,262	647,206	2.650%
2023	563,674	75,652	7,880	647,206	2.650%
2024	578,710	62,034	6,462	647,206	2.650%
2025	594,147	48,053	5,006	647,206	2.650%
2026	609,997	33,699	3,510	647,206	2.650%
2027	626,269	18,962	1,975	647,206	2.650%
2028	319,371	3,832	399	323,603	2.650%
	7,749,827	1,480,450	154,214	9,384,491	

**Kansas Water Pollution Control Loan
Water Fund
#1666**

**Dated: October 27, 2005
Original Value: \$10,000,000**

Fiscal Period	Principal	Interest	Fees	Total	Rates
2014	444,763.02	183,344.84	19,098.42	647,206.28	2.650%
2015	456,627.33	172,599.81	17,979.14	647,206.28	2.650%
2016	468,808.12	161,568.15	16,830.01	647,206.28	2.650%
2017	481,313.84	150,242.21	15,650.23	647,206.28	2.650%
2018	494,153.16	138,614.15	14,438.97	647,206.28	2.650%
2019	507,334.98	126,675.90	13,195.40	647,206.28	2.650%
2020	520,868.42	114,419.20	11,918.66	647,206.28	2.650%
2021	534,762.87	101,835.54	10,607.87	647,206.28	2.650%
2022	549,027.98	88,916.20	9,262.10	647,206.28	2.650%
2023	563,673.60	75,652.24	7,880.44	647,206.28	2.650%
2024	578,709.92	62,034.45	6,461.91	647,206.28	2.650%
2025	594,147.34	48,053.39	5,005.55	647,206.28	2.650%
2026	609,996.55	33,699.39	3,510.34	647,206.28	2.650%
2027	626,268.54	18,962.48	1,975.26	647,206.28	2.650%
2028	319,371.47	3,832.46	399.21	323,603.14	2.650%
	<u>7,749,827.14</u>	<u>1,480,450.41</u>	<u>154,213.51</u>	<u>9,384,491.06</u>	

Principal and Interest due March 1 and September 1

Project:
To construct reverse osmosis water treatment plant and related water system pipelines.

Sewer Utility Fund

The Sewer Utility fund is an enterprise fund that accounts for the activities of the wastewater treatment plant, the sewage pumping stations, and the sanitary sewer lines.

The Hutchinson Wastewater Treatment Facility (WWTF) is a state of the art secondary treatment facility treating approximately five million gallons a day of domestic and industrial wastewater to EPA and Kansas Department of Health and Environment specifications. The treatment allows the recycled wastewater to be returned to the Arkansas River without harm to aquatic life or the environment.

Originally built in 1959, the WWTF has undergone two major upgrades since that time. In 1984 the plant was upgraded to add the activated sludge process to the existing trickling filters. This was done in response to stricter State and Federal requirements for the quality of the treated wastewater. In 2004, a second upgrade was completed in which two additional aeration tanks and an additional final clarifier was added, along with processes for removal of nitrates from the treated wastewater. A design for a possible future phosphorus removal process was done at the same time, although it has not yet been built. In 2010, the City received a \$5.7 million Kansas Water Pollution Control Revolving Loan to improve the WWTF's biosolids handling. Part of the principal of the loan is to be forgiven through an ARRA stimulus grant. The biosolids project is a green project that reduces the volume of biosolids produced by the plant and should lower future disposal costs.

In 2011, the 2001 Series water and sewer revenue bonds were refunded with general obligation bonds. Due to restrictive bond covenants that existed on those revenue bonds, the Sewer Utility fund was required to maintain restricted cash reserves for bond payments and emergency reserves. Following refunding of the revenue bonds, the restrictive covenants were released. Currently the Sewer Utility fund has no restricted fund balance.

The Sewer Utility fund transfers funds annually to the Capital Improvement Reserve fund. In the 2015 budget, the sewer allocation to the capital reserves remains at \$800,000. MERF Reserves for WWTF projects are reduced in 2015 to \$136,915 from \$444,000 in the 2014 budget as a \$380,000 for a sewer cleaner truck was acquired in 2014.

Sewer Utility (052) Fund Summary

	2011 Actual	2012 Actual	2013 Actual	2014 Budget	2014 Revised	2015 Budget
Cash Balance, January 1	\$ 2,350,640	\$ 3,366,900	\$ 4,312,642	\$ 4,017,316	\$ 4,475,230	\$ 3,778,075
Revenues	7,326,199	6,208,255	5,948,259	6,032,025	5,984,718	5,983,818
Prior Year Encumbrances Canceled	143,475	-	-	-	-	-
Funds available	\$ 9,820,314	\$ 9,575,155	\$ 10,260,901	\$ 10,049,341	\$ 10,459,948	\$ 9,761,893
Expenditures:						
Wastewater Treatment Plant	\$ 2,330,622	\$ 2,056,399	\$ 2,150,444	\$ 2,422,229	\$ 2,256,643	\$ 2,589,944
Sanitary Sewer Maintenance	921,544	861,397	921,422	1,074,400	1,024,930	1,120,783
Reserve Transfers-MERF	34,000	63,000	150,000	444,000	444,000	136,915
Reserve Transfers-CIP Reserve	300,000	-	500,000	800,000	800,000	800,000
Reserve Transfers-CIP Fund	139,200	300,000	-	63,833	63,833	-
Debt Service	2,021,934	721,095	596,888	596,888	596,888	200,209
Overhead Cost Allocation	698,928	1,253,259	1,334,438	1,358,759	1,358,759	1,382,273
Audit Adjustments	-	-	-	-	-	-
Accrued Interest Adjustment	-	-	-	-	-	-
Total Expenditures	\$ 6,446,228	\$ 5,255,150	\$ 5,653,192	\$ 6,760,110	\$ 6,545,053	\$ 6,230,124
Transfers Out	7,186	7,363	132,479	136,819	136,819	460,835
Ending Balance, December 31	\$ 3,366,900	\$ 4,312,642	\$ 4,475,230	\$ 3,152,412	\$ 3,778,075	\$ 3,070,934
Fund Balance Restrictions:						
Bond sinking	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Depreciation & emergency reserve	-	-	-	-	-	-
Unrestricted	3,366,900	4,312,642	4,475,230	3,152,412	3,778,075	3,070,934
Total Fund Balance	\$ 3,366,900	\$ 4,312,642	\$ 4,475,230	\$ 3,152,412	\$ 3,778,075	\$ 3,070,934

Sewer Utility Fund (052) Revenue Summary

	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Actual</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>
Licenses & Permits:						
Sewer Permits	\$ 1,250	\$ 4,050	\$ 5,226	\$ 1,400	\$ 1,400	\$ 500
Service Charges:						
Sewer Use Charges	5,717,396	5,832,091	5,593,276	5,686,959	5,640,100	5,640,100
Late Fees	50,093	49,215	52,683	48,218	48,218	48,218
Franchise Fees	285,715	291,357	278,489	284,348	282,000	282,000
Tapping Fees	21,440	25		-	-	-
Loan/Bond Proceeds	1,161,050	-		-	-	-
Miscellaneous:						
Salvaged Material	262	147	196	-	-	-
Reimbursements	62,415	7,171	4,041	500	500	500
Use of Money & Property:						
Rental of Property	8,000	16,000	8,000	8,000	8,000	8,000
Interest Income	18,578	8,199	6,348	2,600	4,500	4,500
Total	<u>\$ 7,326,199</u>	<u>\$ 6,208,255</u>	<u>\$ 5,948,259</u>	<u>\$ 6,032,025</u>	<u>\$ 5,984,718</u>	<u>\$ 5,983,818</u>

Department Summary

Department:	Division:	Activity:
Public Works	Wastewater Treatment	Wastewater Treatment Plant (6510-494)

Program Description:

To this activity are charged the costs of operation and maintenance of the wastewater treatment plant (WWTF), southeast of the City on the Arkansas River, the Fun Valley wastewater lagoon facility and 33 sanitary sewer system lift pump stations. WWTF operates 24/7 and on the average, each year treats approximately 1.7 billion gallons (4.6 million gallons per day) of mixed sanitary and industrial wastewater and disposes of 6,800 cubic yards or 1000 dry tons of municipal sewage sludge - biosolids for agricultural reuse on 460 acres. The WWTF has a state certified laboratory and plant staff administer the City's EPA approved industrial pretreatment program, over ten local industries. In addition, capital improvement projects and the debt service cost of retiring the sewer utility revenue bonds are charged here. The Wastewater Treatment Superintendent oversees the administration of this budget account under the oversight of the Director of Public Works.

	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Actual</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>	<u>Change in Budget</u>
Expenditures:							
Personal Services	\$ 808,143	\$ 733,698	\$ 772,950	\$ 842,129	\$ 694,105	\$ 929,880	10.4%
Contractual Services	1,095,905	947,931	949,343	1,105,675	1,090,740	1,130,439	2.2%
Commodities	368,238	334,777	357,245	450,525	439,675	439,625	-2.4%
Capital Outlay	58,336	39,993	70,906	23,900	32,123	90,000	276.6%
Total Expenditures	<u>\$ 2,330,622</u>	<u>\$ 2,056,399</u>	<u>\$ 2,150,444</u>	<u>\$ 2,422,229</u>	<u>\$ 2,256,643</u>	<u>\$ 2,589,944</u>	6.9%
Funding Sources:							
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
Service Charges	2,330,622	2,056,399	2,150,444	2,422,229	2,256,643	2,589,944	6.9%
Other	-	-	-	-	-	-	0.0%
Total Funding Sources	<u>\$ 2,330,622</u>	<u>\$ 2,056,399</u>	<u>\$ 2,150,444</u>	<u>\$ 2,422,229</u>	<u>\$ 2,256,643</u>	<u>\$ 2,589,944</u>	6.9%

Personnel Schedule
Full Time Equivalents

	<u>2011 Budget</u>	<u>2012 Budget</u>	<u>2013 Budget</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>
WW Treatment Supt.	1.00	1.00	1.00	1.00	1.00	1.00
WW Treatment Asst. Supt.	1.00	-	-	-	-	-
WWTP Treat. Systems Supv.	-	-	-	-	-	1.00
WW Treatment Maint Supv	-	1.00	1.00	1.00	1.00	-
Administrative Staff Aide	0.50	-	-	-	-	-
Chemist	1.00	-	-	-	-	-
Water Quality Coord.	-	1.00	1.00	1.00	1.00	1.00
Lead Lab Technician	-	1.00	1.00	1.00	1.00	1.00
Lab Technicians	2.00	2.00	2.00	2.00	2.00	2.00
Senior Operators	1.00	1.00	1.00	1.00	1.00	2.00
Plant Operators	5.00	5.00	5.00	4.00	3.00	2.00
Senior Maint. Worker	2.00	1.00	1.00	1.00	1.00	1.00
Maintenance Worker	4.00	5.00	5.00	5.00	5.00	5.00
Utility Clerk	2.00	-	-	-	-	-
Secretary	0.50	0.50	0.50	0.50	0.50	-
Total	20.00	18.50	18.50	17.50	16.50	16.00

Department Summary

Department:	Division:	Activity:
Public Works	Wastewater Treatment	Wastewater Treatment Plant (6510-494)

Capital Outlay:

Item:	Quantity	Replacement/ New/Maint	2013 Actual	2014 Budget	2014 Revised	2015 Budget
WIMS software & PDA	1	New	4,460			
Cabinets for laboratory	1	Replacement	9,590			
Office Equipment		Replacement	10,000		10,000	10,000
Dissolved Oxygen Measurement	4	New	50,000			
Moisture Analyzer				4,900	4,900	
Lab Cabinets				9,000	7,223	
SCADA systems updates				10,000	10,000	80,000

Trends and Issues:

EPA Clean Water Act environmental regulations will continue to focus on nutrients (nitrogen and phosphorus) discharged in the treated effluent to the Arkansas River and the Total Maximum Discharge Limits (TMDL's) allowed, potentially resulting in improvements to the WWTF for phosphorus removal in the next 5 to 10 years. In the 2015 capital improvement program, \$100,000 is being transferred from the Sewer Fund to the WWTF Upgrade - Phosphorous Removal project CIP. These funds are being transferred annually and are being accumulated to pay for this project when required by regulations.

The UV disinfection system (built in 1990) and the secondary screw pump station (built in 1985) will need major replacements, repairs and improvements in the next 5 to 10 years. In the 2015 capital improvement program, \$300,000 is being transferred from the Sewer Fund to the WWTF Project Reserve CIP for unspecified project needs as they arise. It is anticipated that the annual transfer allocations to this reserve will need to be increased in future years for these improvements.

2015 Goals - (Quantifiable and Measurable)

1. Meet nutrient removal goals of NPDES permit (8.0 mg/L Total-Nitrogen and 1.5 mg/L Total-Phosphorus).
2. Reduce or maintain current level of energy use at treatment facility in relation to treated volume (kWh/MG).
3. Have no exceedances of NPDES permit during calendar year.

2016-2020 Strategic Goals (Directional and Strategic)

1. Increase energy efficiency of treatment facility
2. Develop plan for upgrade/replacement of UV facility
3. Develop plan for upgrade/replacement of screw pumps
4. Increase amount of automation in activated sludge process
5. Increase efficiency of staffing through scheduling changes

Department Summary

Department:	Division:	Activity:
Public Works	Water & Sewer Maintenance	Sanitary Sewer Maintenance (6520-495)

Program Description:

To this activity are charged costs of repair and maintenance of the City's sanitary sewer collection system. Sewer maintenance staff maintain over 240 miles of sanitary sewer lines and 5,390 manholes. Each year on the average (2011 - 2013), staff cleans 60 miles of sanitary sewer lines, inspects by camera 28 miles of sanitary sewer lines, and complete 60 sanitary sewer line repairs. The Superintendent of Water and Sewer Maintenance oversees the administration of this budget account under the supervision of the Director of Public Works.

	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Actual</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>	<u>Change in Budget</u>
Expenditures:							
Personal Services	\$ 595,913	\$ 577,882	\$ 612,904	\$ 689,107	\$ 640,237	\$ 711,638	\$ 0
Contractual Services	117,278	100,234	102,379	200,468	196,718	217,195	0
Commodities	175,853	142,635	146,139	171,325	174,475	186,950	0
Capital Outlay	32,500	40,646	60,000	13,500	13,500	5,000	(1)
Total Expenditures	<u>\$ 921,544</u>	<u>\$ 861,397</u>	<u>\$ 921,422</u>	<u>\$ 1,074,400</u>	<u>\$ 1,024,930</u>	<u>\$ 1,120,783</u>	<u>\$ 0</u>
Funding Sources:							
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Service Charges	921,544	861,397	921,422	1,074,400	1,024,930	1,120,783	0
Other	-	-	-	-	-	-	0.00%
Total Funding Sources	<u>\$ 921,544</u>	<u>\$ 861,397</u>	<u>\$ 921,422</u>	<u>\$ 1,074,400</u>	<u>\$ 1,024,930</u>	<u>\$ 1,120,783</u>	<u>\$ 0</u>

Personnel Schedule

Full Time Equivalents

	<u>2011 Budget</u>	<u>2012 Budget</u>	<u>2013 Budget</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>
Water/Sewer Superintendent	0.50	0.50	0.50	0.50	0.50	0.50
Engineering Associate	0.25	-	-	-	-	-
Sewer Maint. Supervisor	1.00	1.00	1.00	1.00	1.00	1.00
Senior Maint. Worker	-	2.00	2.00	2.00	2.00	2.00
Lead Maint. Worker	2.00	2.00	2.00	2.00	2.00	2.00
Maintenance Worker	9.00	7.00	7.00	7.00	7.00	7.00
Utility Locate Technician	0.50	0.50	0.50	0.50	0.50	0.50
Total	13.25	13.00	13.00	13.00	13.00	13.00

Department Summary

Department:	Division:	Activity:
Public Works	Water & Sewer Maintenance	Sanitary Sewer Maintenance (6520-495)

Capital Outlay:

Item:	Quantity	Replacement/ New/Maint	2013 Actual	2014 Budget	2014 Revised	2015 Budget
Software/computer system upgrades		Replacement	\$ 5,000	\$ 5,000	\$ 5,000	
Generator & Mixer		New		8,500	8,500	

Trends and Issues:

In the 2015 capital improvement program (CIP), \$300,000 is being transferred from the Sewer Fund into the sanitary sewer line project reserves. These reserves are to be used for currently unspecified sewer line replacement, repair and expansion projects. As the buried sewer line infrastructure continues to age with many of the lines starting to approach their useful service life, it is anticipated that the annual allocation into this reserve will need to be increased in future years. Maintenance of the sewer system is very important to the life, service and capacity of the system. The costs associated with effective maintenance are ever increasing. \$100,000 annually is also being transferred from the Sewer Fund to the Severance Street Interceptor Sewer replacement project. These funds have been accumulating to repair, replace or refurbish the 48" interceptor sewer line in future years, possibly as early as 2015.

2015 Goals - (Quantifiable and Measurable)

Clean at least 20% (229,000') of the sanitary sewer system (sizes 6" - 21")
 Complete 10 more spot repairs than the 11 year average.
 Complete a portion of the rehab work on the sanitary sewer system that has been identified through the SSES and turned in to Engineering for developing a project.

2016-2020 Strategic Goals (Directional and Strategic)

Continue to improve maintenance activities in an effort to reduce line plugging and sanitary sewer overflows.
 Continue an aggressive approach to rehabbing sanitary sewer mains and manholes that are identified.
 Continue to explore options and hopefully find solutions to controlling root intrusion in the sanitary sewer system.

CITY OF HUTCHINSON
SCHEDULE OF SEWER BOND INDEBTEDNESS
June 1, 2014

KANSAS WATER POLLUTION CONTROL LOAN				
ISSUED 10/21/09 - \$3,068,553				
	BOND	INTEREST	FEES	INTEREST
	AMOUNT	AMOUNT	AMOUNT	RATES
2014	125,630	67,724	6,855	2.470%
2015	129,071	64,599	6,538	2.470%
2016	132,605	61,390	6,214	2.470%
2017	136,237	58,092	5,880	2.470%
2018	139,968	54,704	5,537	2.470%
2019	143,801	51,223	5,185	2.470%
2020	147,739	47,647	4,823	2.470%
2021	151,785	43,973	4,451	2.470%
2022	155,941	40,199	4,069	2.470%
2023	160,212	36,321	3,676	2.470%
2024	164,599	32,337	3,273	2.470%
2025	169,106	28,244	2,859	2.470%
2026	173,737	24,038	2,433	2.470%
2027	178,495	19,718	1,996	2.470%
2028	183,383	15,279	1,546	2.470%
2029	188,405	10,719	1,085	2.470%
2030	193,565	6,033	611	2.470%
2031	98,761	1,220	124	2.470%
	<u>2,773,041</u>	<u>663,459</u>	<u>67,152</u>	

**Kansas Water Pollution Control Loan
Sewer Fund**

#1780

Dated: October 21, 2009

Original Value: \$3,068,553 *

Fiscal Period	Principal	Interest	Fees	Total	Rates
2014	125,630.48	67,723.57	6,854.61	200,208.66	2.470%
2015	129,070.87	64,599.39	6,538.40	200,208.66	2.470%
2016	132,605.46	61,389.67	6,213.53	200,208.66	2.470%
2017	136,236.86	58,092.04	5,879.76	200,208.66	2.470%
2018	139,967.70	54,704.11	5,536.85	200,208.66	2.470%
2019	143,800.71	51,223.40	5,184.55	200,208.66	2.470%
2020	147,738.68	47,647.37	4,822.61	200,208.66	2.470%
2021	151,784.51	43,973.40	4,450.75	200,208.66	2.470%
2022	155,941.12	40,198.83	4,068.71	200,208.66	2.470%
2023	160,211.56	36,320.90	3,676.20	200,208.66	2.470%
2024	164,598.93	32,336.77	3,272.96	200,208.66	2.470%
2025	169,106.48	28,243.52	2,858.66	200,208.66	2.470%
2026	173,737.46	24,038.19	2,433.01	200,208.66	2.470%
2027	178,495.24	19,717.70	1,995.72	200,208.66	2.470%
2028	183,383.34	15,278.88	1,546.44	200,208.66	2.470%
2029	188,405.28	10,718.51	1,084.87	200,208.66	2.470%
2030	193,564.75	6,033.25	610.66	200,208.66	2.470%
2031	98,761.10	1,219.70	123.53	100,104.33	2.470%
	<u>2,773,040.53</u>	<u>663,459.20</u>	<u>67,151.82</u>	<u>3,503,651.55</u>	

Principal and Interest due March 1 and September 1

Project:

Biosolids handling improvements at the Waste Water Treatment Facility

* Issued \$5,700,000; forgiven \$2,631,447

Storm Water Utility Fund

A Storm Water Utility fund is an enterprise fund that accounts for the collection and expenditure of the City's storm water utility fee. The storm water utility fee was approved in 2005 and went into effect January 1, 2006. The utility fee for single family residential properties is \$2.00 per month. Multi-family, commercial, industrial, and government properties are charged a fee based upon the size of the property with fees ranging from \$2.00 to \$64.00 per month.

The storm water utility fee exists to fund the City's operation, construction, maintenance, and repair of storm water drainage facilities and to reduce potential hazards to property resulting from storm water runoff. It also monitors and improves water quality of its receiving waters and to meet EPA storm water regulations.

A five-year plan for storm sewer improvements was established at the time the fee went into effect. Unfortunately, at the same time, the City was notified that its levee system would be required to be certified. The primary focus of the utility has been diverted to the certification and potential maintenance and repair costs of the levee. As of fiscal year 2014, the levee certification continues. The levee design improvements are scheduled for review and approval in 2015.

The storm water fee rate plan included in the 2014 budget is unchanged from the 2014 budget.

Storm Water Utility (057) Fund Summary

	2011 Actual	2012 Actual	2013 Actual	2014 Budget	2014 Revised	2015 Budget
Cash Balance, January 1	\$ 360,551	\$ 477,897	\$ 691,862	\$ 231,919	\$ 594,452	\$ 482,600
Revenues:						
Service Charges	\$ 283,851	\$ 284,446	\$ 555,533	\$ 530,000	\$ 571,538	\$ 560,000
Interest Income	406	1,017	969	-	-	-
Reimbursements	-	-	132,463	-	-	-
Total Revenues	<u>\$ 284,257</u>	<u>\$ 285,463</u>	<u>\$ 688,965</u>	<u>\$ 530,000</u>	<u>\$ 571,538</u>	<u>\$ 560,000</u>
Transfers In	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Funds available	\$ 644,808	\$ 763,360	\$ 1,380,827	\$ 761,919	\$ 1,165,989	\$ 1,042,600
Expenditures:						
Storm Water Administration	\$ 66,911	\$ 71,499	\$ 3,015	\$ 69,836	\$ 53,735	\$ 69,289
Storm Sewer Maintenance	-	-	2,725	10,600	10,600	13,850
Reserve Transfers-CIP Fund	-	-	-	430,548	430,548	-
Reserve Transfers-CIP Reserve	100,000	-	670,000	110,000	110,000	-
Overhead Cost Allocation	-	-	32,135	46,987	46,987	48,545
Total Expenditures	<u>\$ 166,911</u>	<u>\$ 71,499</u>	<u>\$ 707,875</u>	<u>\$ 667,971</u>	<u>\$ 651,870</u>	<u>\$ 131,684</u>
Transfers Out	<u>-</u>	<u>-</u>	<u>78,500</u>	<u>31,519</u>	<u>31,519</u>	<u>25,971</u>
Ending Balance, December 31	<u><u>\$ 477,897</u></u>	<u><u>\$ 691,861</u></u>	<u><u>\$ 594,452</u></u>	<u><u>\$ 62,429</u></u>	<u><u>\$ 482,600</u></u>	<u><u>\$ 884,945</u></u>

Department Summary

Department:	Division:	Activity:
Engineering	Engineering	Storm Water Administration (7700-496)

Program Description:

The Storm Water Utility budget was initiated to assist the City in operation, construction, maintenance and repair of storm water drainage facilities and to reduce the potential hazards to property resulting from storm water runoff. An additional function of the Storm Water Utility budget is to improve the water quality of our receiving waters.

	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Actual</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>	<u>Change in Budget</u>
Expenditures:							
Personal Services	\$ 59,911	\$ 68,862	\$ 1,005	\$ 64,106	\$ 48,005	\$ 56,949	-11.16%
Contractual Services	-	1,837	2,010	2,730	2,730	9,890	262.27%
Commodities	-	800	-	3,000	3,000	2,450	-18.33%
Capital Outlay	7,000	-	-	-	-	-	
Total Expenditures	<u>\$ 66,911</u>	<u>\$ 71,499</u>	<u>\$ 3,015</u>	<u>\$ 69,836</u>	<u>\$ 53,735</u>	<u>\$ 69,289</u>	-0.78%
Funding Sources:							
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Service Charges	66,911	71,499	3,015	69,836	53,735	69,289	-0.78%
Other	-	-	-	-	-	-	0.00%
Total Funding Sources	<u>\$ 66,911</u>	<u>\$ 71,499</u>	<u>\$ 3,015</u>	<u>\$ 69,836</u>	<u>\$ 53,735</u>	<u>\$ 69,289</u>	-0.78%

Personnel Schedule

Full Time Equivalents

	<u>2011 Budget</u>	<u>2012 Budget</u>	<u>2013 Budget</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>
Storm Water Coordinator	1.00	1.00	1.00	1.00	1.00	1.00
Total	1.00	1.00	1.00	1.00	1.00	1.00

Trends and Issues:

The Storm Water Utility will face a number of issues for the 2015 fiscal year. Compliance with the City's stormwater permit which was issued in 2014 will be a priority. The permit includes water testing during stormwater events, implementation of new Best Management Practices (BMP's) among others. Defining the City's contribution to stormwater pollution will be difficult and challenging. Continued compliance and improvement are goals of stormwater utility. In addition the development of a program to maintain, replace and improve the aging storm water system will be a priority as the Stormwater Utility Study is completed.

Department Summary

Department:

Engineering

Division:

Engineering

Activity:

Storm Water Administration (7700-496)

2015 Goals - (Quantifiable and Measurable)

Complete Stormwater Utility Study
Initiate a plan to address aging infrastructure and flooding issues
Continue Public Outreach and Education to City's Residents
Inspect 20% of Storm water system
Update Stormwater Management Plan

2016-2010 Strategic Goals (Directional and Strategic)

Maintain and track program activities on Lucity.
Develop a CIP program that includes maintainance and improvements once Utility Study is Completed
Enhance and improve activities required by the City's MS4 Stormwater Permit

Department Summary

Department:	Division:	Activity:
Public Works	Water & Sewer Maintenance	Storm Sewer (6530-558)

This activity is charged with the repair and maintenance of approximately 70 miles of the City's underground storm sewer system. This budget account does not include any personnel costs as they are included in the Sanitary Sewer Maintenance budget. Work activities include cleaning storm sewer pipes, storm sewer inlets, (catch basins), repairing storm sewer pipes and repairing and rebuilding storm sewer inlets and manholes. The Superintendent of Water and Sewer Maintenance oversees the administration of this budget account under the management of the Director of Public Works.

	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Actual</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>	<u>Change in Budget</u>
Expenditures:							
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Contractual Services	-	-	325	325	325	325	0.00%
Commodities	-	-	2,400	10,275	10,275	13,525	31.63%
Capital Outlay	-	-	-	-	-	-	0.00%
Total Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,725</u>	<u>\$ 10,600</u>	<u>\$ 10,600</u>	<u>\$ 13,850</u>	30.66%
Funding Sources:							
Intergovernmental	\$ -	\$ -	-	\$ -	\$ -	\$ -	0.00%
Service Charges	-	-	-	-	-	13,850	0.00%
General Revenues	-	-	2,725	10,600	10,600	-	0.00%
Total Funding Sources	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,725</u>	<u>\$ 10,600</u>	<u>\$ 10,600</u>	<u>\$ 13,850</u>	30.66%

Current Trends and Issues:

Storm water maintenance has been financed as part of the General Fund in previous years' budgets prior to 2013. With the increase in storm water fees that became effective January 1, 2013, the cost of the storm water maintenance program was shifted from the General fund to the Storm Water Utility fund beginning with the 2013 budget. The budget does not reflect the entire cost of maintaining the storm water system, but includes some of the miscellaneous costs associated with the system's maintenance. The changes in the fee structure will determine the amount of the actual costs of the storm water system that may be eventually charged to the Storm Water Utility fund.

2015 Goals - (Quantifiable and Measurable)

Jet Clean a minimum of 50,000' of storm sewer pipe (11 year average is 31,649')
 Inspect a minimum of 10,000' of storm sewer pipes (11 year average is 4,512')
 Clean a minimum of 150 storm inlet basins (cleaned 121 in '13)

2016-2020 Strategic Goals (Directional and Strategic)

The storm sewer system needs to be inspected and evaluated for condition and future needs. This Division needs to concentrate on inspecting the existing system for condition similar to what was done with the sanitary sewer system over the last 10 - 12 years. Once the condition is determined, a condition report needs to be developed and priorities set to rehab or replace existing infrastructure. To date, a couple of areas have been identified needing repairs but no rehab work completed. Areas with flooding issues also need to be identified, evaluated and plans developed to either resolve or reduce flooding issues. Maintenance staff also needs to give the storm system more attention with emphasis on cleaning storm lines and basins.

Donations Fund

The Donations fund is a fiduciary fund that accounts for donations to the City for various purposes. Funds have been donated to and are being held for parks improvements, zoo improvements, animal shelter improvements, airport operations, and more.

Programs and 12/31/2013 balances accounted for in the Donations fund include:

- Hutch Card program for park and/or zoo improvements - \$30,548.
- Brush-up Hutch for painting aging homes - \$7,582
- Animal Shelter Donations - \$295,112
- Fire Department - \$1,550

Donations (048) Fund Summary

	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Actual</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>
Cash Balance, January 1	\$ 100,101	\$ 186,334	\$ 224,813	\$ 224,812	\$ 479,712	\$ 426,475
Revenues:						
Miscellaneous	\$ 216,669	\$ 177,043	\$ 168,439	\$ -	\$ 133,132	\$ -
Donations	72,897	101,226	334,524	-	124,997	-
Reserve Transfers-General Fund	6,030	-	-	-	-	-
Reserve Transfers-CIP Fund	46,367	-	-	-	-	-
Total Revenues	<u>\$ 341,963</u>	<u>\$ 278,269</u>	<u>\$ 502,963</u>	<u>\$ -</u>	<u>\$ 258,128</u>	<u>\$ -</u>
Funds available	\$ 442,064	\$ 464,603	\$ 727,776	\$ 224,812	\$ 737,840	\$ 426,475
Expenditures:						
Contractual Services	\$ 209,976	\$ 217,423	\$ 248,064	\$ -	\$ 311,366	\$ -
Capital Outlay	-	-	-	-	-	-
Reserve Transfers-CIP Fund	45,754	22,368	-	-	-	-
Total Expenditures	<u>\$ 255,730</u>	<u>\$ 239,791</u>	<u>\$ 248,064</u>	<u>\$ -</u>	<u>\$ 311,366</u>	<u>\$ -</u>
Ending Balance, December 31	<u>\$ 186,334</u>	<u>\$ 224,812</u>	<u>\$ 479,712</u>	<u>\$ 224,812</u>	<u>\$ 426,475</u>	<u>\$ 426,475</u>

Hutchinson Community Foundation

The Hutchinson Community Foundation is a separate entity that collects donations and funds to be used for future City purposes and/or projects. These funds are being held separate from and are not commingled with City funds. The foundation determines the disposition and allocation of the funds to the City. Funds are being held by the foundation for various purposes including the cemetery, the 911 memorial, trees, junior golf programs, and more.

Hutchinson Community Foundation (053) Fund Summary

	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Actual</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>
Cash Balance, January 1	\$ 38,800	\$ 27,919	\$ 53,069	\$ 53,219	\$ 108,653	\$ 108,653
Revenues:						
Interest Income	\$ 46	\$ 89	\$ 237	\$ -	\$ -	
Donations	5,730	65,386	82,202	-	-	
Total Revenues	<u>\$ 5,776</u>	<u>\$ 65,475</u>	<u>\$ 82,439</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Transfers in	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	
Funds available	\$ 44,576	\$ 93,394	\$ 135,508	\$ 53,219	\$ 108,653	\$ 108,653
Expenditures:						
Contractual Services	\$ 16,657	\$ 40,325	\$ 26,854	\$ -	\$ -	
Capital Outlay	-	-	-	-	-	
Total Expenditures	<u>\$ 16,657</u>	<u>\$ 40,325</u>	<u>\$ 26,854</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Ending Balance, December 31	<u><u>\$ 27,919</u></u>	<u><u>\$ 53,069</u></u>	<u><u>\$ 108,653</u></u>	<u><u>\$ 53,219</u></u>	<u><u>\$ 108,653</u></u>	<u><u>\$ 108,653</u></u>

Federal & State Grant Funds

The Federal & State Grant funds are used to account for the receipt and disbursement of grants that are not to be used for general operations, but for specific projects and equipment. Current grants being accounted for include police department grants, airport improvement projects, housing and neighborhood improvement grants, homeless prevention, and more.

State & Federal Grant Funds (002/083/084/085/086)
Fund Summary

	2011 Actual	2012 Actual	2013 Actual	2014 Budget	2014 Revised	2015 Budget
Cash Balance, January 1	\$ 114,331	\$ 480,608	\$ 196,691	\$ 196,692	\$ 170,840	\$ 196,692
Revenues:						
Intergovernmental	\$ 1,673,298	\$ 846,424	\$ 657,371	\$ -	\$ -	\$ 784,460
Interest Income	97	380	\$ 29	-	-	-
Miscellaneous	202,437	207,366	\$ 326,171	-	-	-
Reserve Transfers In-General	29,935	-	-	-	-	-
Total Revenues	<u>\$ 1,905,767</u>	<u>\$ 1,054,170</u>	<u>\$ 983,571</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 784,460</u>
Funds available	\$ 2,020,098	\$ 1,534,778	\$ 1,180,262	\$ 196,692	\$ 170,840	\$ 981,152
Expenditures:						
Contractual Services	\$ 477,183	\$ 693,897	\$ 921,802	\$ -	\$ -	\$ 784,460
Commodities	26,514	62,156	\$ 43,811	-	-	-
Capital Outlay	74,201	353,909	\$ 43,808	-	-	-
Reserve Transfers-CIP Fund	961,592	228,125	\$ -	-	-	-
Total Expenditures	<u>\$ 1,539,490</u>	<u>\$ 1,338,086</u>	<u>\$ 1,009,421</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 784,460</u>
Transfers Out	-	-	\$ -	-	-	-
Ending Balance, December 31	<u>\$ 480,608</u>	<u>\$ 196,692</u>	<u>\$ 170,840</u>	<u>\$ 196,692</u>	<u>\$ 170,840</u>	<u>\$ 196,692</u>

Gossage Animal Shelter Trust

This Gossage Animal Shelter Trust fund accounts for distributions to the City from the Gladys Gossage Trust. Distributions from the Trust are currently being used to repay bonds issued in 2008 for the expansion of the animal shelter. The funds are transferred to the Bond & Interest fund to cover the debt service payments. The future debt service of these bonds is as follows:

Fiscal	Principle	Interest	Total
Period			
2014	\$ 46,084	\$ 11,328	\$ 57,412
2015	48,045	9,807	57,852
2016	49,025	8,173	57,198
2017	51,967	6,458	58,425
2018	53,928	4,587	58,515
2019	4,903	2,591	7,494
2020	4,903	2,388	7,291
2021	4,903	2,185	7,088
2022	5,883	1,981	7,864
2023	5,883	1,737	7,620
2024	5,883	1,493	7,376
2025	6,864	1,237	8,101
2026	6,864	938	7,802
2027	6,864	640	7,504
2028	7,844	341	8,185
Total	\$ 309,843	\$55,884	\$ 365,727

Gossage Animal Shelter Trust (007) Fund Summary

	2011 Actual	2012 Actual	2013 Actual	2014 Budget	2014 Revised	2015 Budget
Cash Balance, January 1	\$ 41,120	\$ 1,006	\$ 2	\$ -	\$ (0)	
Revenues:						
Interest Income	\$ 6	\$ 41	\$ 15	\$ -	\$ -	
Donations	15,834	55,362	56,824	57,411	57,411	57,851
Total Revenues	<u>\$ 15,840</u>	<u>\$ 55,403</u>	<u>\$ 56,839</u>	<u>\$ 57,411</u>	<u>\$ 57,411</u>	<u>\$ 57,851</u>
Transfers in	-	-	-	-	-	-
Funds available	\$ 56,960	\$ 56,409	\$ 56,841	\$ 57,411	\$ 57,411	\$ 57,851
Expenditures:						
Reserve Transfer-Bond & Interest	\$ 55,954	\$ 56,407	\$ 56,841	\$ 57,411	\$ 57,411	\$ 57,851
Reserve Transfer-CIP Fund	-	-	-	-	-	-
Total Expenditures	<u>\$ 55,954</u>	<u>\$ 56,407</u>	<u>\$ 56,841</u>	<u>\$ 57,411</u>	<u>\$ 57,411</u>	<u>\$ 57,851</u>
Ending Balance, December 31	<u>\$ 1,006</u>	<u>\$ 2</u>	<u>\$ (0)</u>	<u>\$ -</u>	<u>\$ (0)</u>	<u>\$ -</u>

Municipal Equipment Replacement Fund

The Municipal Equipment Replacement Fund (MERF) accounts for the purchase of new and replacement equipment for the City. Funds are transferred to the MERF from other funds and accumulated to finance the City's equipment replacement program.

Each year the City prepares and updates a five-year equipment replacement program for equipment with an estimated cost greater than \$10,000. The first year of the replacement program is included as part of the adopted budget. The MERF accounts for the financial activity of this program.

The City's total equipment replacement program for 2015 is \$1,821,250. Listed below are totals for MERF requirements by category.

MERF Program Totals	
General Fund MERF	\$906,270
Non-General Fund MERF	594,300
Computer/WAN MERF	293,680
Copier MERF	<u>27,000</u>
Total	\$1,821,250

Municipal Equipment Replacement (036) Fund Summary

	2011 Actual	2012 Actual	2013 Actual	2014 Budget	2014 Revised	2015 Budget
Cash Balance, January 1	\$ 1,104,149	\$ 1,208,881	\$ 1,339,407	\$ 1,255,819	\$ 1,255,819	\$ 1,311,544
Revenues:						
Municipal Court Fees	\$ 5,308	\$ 3,590	\$ 3,229	\$ -	\$ 4,089	\$ 4,000
Interest Income	991	2,098	1,978	-	1,636	1,500
Scrap and Salvage Sales	72,042	101,372	148,085	-	50,000	50,000
Fire District #2	-	14,097	-	-	-	-
Street Sweeper Lease Proceeds	-	173,924	-	-	-	-
Miscellaneous	-	28,263	9,415	-	-	-
Reimbursements	-	-	-	-	-	-
Reserve Transfers - Budgeted Funds	1,234,975	1,054,868	1,244,947	1,718,932	1,718,932	1,821,250
Reserve Transfers - CIP Reserves	-	-	-	-	-	-
Total Revenues	\$ 1,313,316	\$ 1,378,212	\$ 1,407,653	\$ 1,718,932	\$ 1,774,657	\$ 1,876,750
Transfers In	-	-	-	-	-	-
Funds available	\$ 2,417,465	\$ 2,587,093	\$ 2,747,060	\$ 2,974,751	\$ 3,030,476	\$ 3,188,294
Expenditures:						
Reserve Transfers	\$ 374,288	\$ -	\$ 207,695	\$ -	\$ -	\$ -
Capital Outlay	834,296	1,247,685	1,283,546	1,718,932	1,718,932	1,821,250
Total Expenditures	\$ 1,208,584	\$ 1,247,685	\$ 1,491,241	\$ 1,718,932	\$ 1,718,932	\$ 1,821,250
Transfers Out	-	-	-	-	-	-
Ending Balance, December 31	\$ 1,208,881	\$ 1,339,408	\$ 1,255,819	\$ 1,255,819	\$ 1,311,544	\$ 1,367,044

General Fund MERF	2015	2016	2017	2018	2019
ANIMAL CONTROL					
Vehicle, Animal Control - #219		35,000			
Vehicle, Animal Control - #220			35,000		
Animal Shelter Totals	0	35,000	35,000	0	0
CENTRAL GARAGE					
Replace Mini Van #216 with a 4 Door Hybrid		35,000			
Replace WWTF Forklift #137 (50% of total cost)			12,500		
Central Garage Totals	0	35,000	12,500	0	0
EASTSIDE CEMETERY					
1 Ton 4X4 Truck w/Flatbed, Hoist & Snowplow - #163				42,000	
Eastside Cemetery Totals	0	0	0	42,000	0
ENGINEERING					
Truck, Traffic Signal Boom - Replace #142	95,000				
Inspector's 1/2 Ton Pickup #147			27,000		
Bucket Truck - Replace #149		95,000			
Engineering Totals	95,000	95,000	27,000	0	0
FIRE					
Fire Pumper - Engine #2	85,000	85,000	85,000	85,000	85,000
Fire Pumper - Engine #5	97,000	97,000	97,000	97,000	97,000
Fire Pumper - Engine #7		111,000	111,000	111,000	111,000
Fire Pumper - Engine #4			111,000	111,000	111,000
Fire Pumper - Engine #6				116,500	116,500
Pumper - Replace Engine 6	81,767	81,767			
Radio, Mobile/Portable Upgrade	21,000	21,000	21,000	21,000	21,000
800 Mhz Radio System upgrade	6,695	6,695	6,695	6,695	6,695
SCBA, Replace 10 Scott 4.5 Air-Pack 75	52,500	52,500	52,500	52,500	52,500
SCBA Air Compressor/Cascade Fill Station				100,000	
3/4 Ton Pickup, 4WD w/Lid - #C4		36,750			
1 Ton Pickup, 4WD w/Lid - #C9			47,250		
1 Ton Pickup, 4WD w/Lid - #C2			47,250		
3/4 Ton Pickup, 4WD w/Lid - #C5				38,590	
Jaws-of-Life Rescue Unit			32,025		
Fire Totals	343,962	491,712	610,720	739,285	600,695
HORTICULTURE & FORESTRY					
1 Ton 4 X 4 Truck w/ Flatbed, Hoist & Snow Plow - #117	42,000				
3/4 Ton Pickup - #190		23,000			
Vermeer 170 HP Chipper Unit - #84		45,000			
John Deere TX Turf Gator - #313		10,000			
Commercial 12' Wide Area Mower - #302			52,000		
2 1/2 Ton Chassis w/ 65" Tree Spade - #88			95,000		
John Deere 12' Front Mount Range Wing Mower - #327				52,000	
1 Ton Pickup w/ Flatbed & Hoist - #59				32,000	
3/4 Ton Pickup - #122				23,000	
John Deere 2653B Trim Mower - #298				37,800	
John Deere 290R Z-Trak Mower w/60" Deck #296					10,500
John Deere 290R Z-Trak Mower w/60" Deck #297					10,500
John Deere HPX (4X4) Turf Gator #121					12,000
John Deere Turf Vacuum #92					15,000
John Deere 2020A ProGator #189					21,500
Bobcat A-770 Skid Loader (AWS) #119					65,000
John Deere Z720A Z-Trak Mower w/60" Deck					10,500
Horticulture & Forestry Totals	42,000	78,000	147,000	144,800	145,000

General Fund MERF	2015	2016	2017	2018	2019
INSPECTION					
Automobile, Mid-size 4-door Sedan - Replace #179			26,000		
Pickup, ½ Ton Extended Cab w/6 ft. bed - Replace #175		25,000			
Pickup, ½ Ton Extended Cab w/6 ft. bed - Replace #173			26,000		
Inspection Totals	0	25,000	52,000	0	0
PARK MAINTENANCE					
1 Ton Truck w/Crew Cab, Utility Bed & Power Inverter-#1	40,000				
¾ Ton Truck - #172		23,000			
2½ Ton Truck w/Flatbed, Hoist, Snow Plow, Hookall - #87			85,000		
Used Ton Truck w/Utility Bed & 45' Boom - #124				95,000	
¾ Ton Truck - #152				23,000	
Bobcat T-770 Skidloader - #303				65,000	
1 Ton Pickup w/ Utility Bed - #159				37,000	
John Deere TX Turf Gator - #314					10,000
Sullair Air Compressor					23,000
John Deere HPX 4X4 Turf Gator					12,000
Park Maintenance Totals	40,000	23,000	85,000	220,000	45,000
POLICE					
Body Armor - Replace	32,000				32,000
Data Terminals, Mobile - Replace	22,000	22,000	22,000	22,000	22,000
Radios, Mobile & Handheld - Replace		15,000	15,000	15,000	15,000
Vehicles, Patrol - Replace 13 **	130,000	160,000	130,000	130,000	160,000
Vehicle Equipment, Patrol		40,000			
Vehicles, Unmarked - Replace two	20,000	40,000	40,000	40,000	40,000
Computer Server Replacement	25,000	25,000	25,000	25,000	25,000
Light Bars for Patrol Vehicles - Replace		15,000	15,000		
800 Mhz Radio System upgrade	10,808	10,808	10,808	10,808	10,808
Rifle Replacement (4/yr for 4 years)	10,000	10,000	10,000	10,000	10,000
Video Systems, In-Car	20,000	20,000	20,000	20,000	20,000
Var., Property & Evidence - Replace		30,000			
Police Totals	269,808	387,808	287,808	272,808	334,808
PUBLIC WORKS MAINTENANCE					
Truck, Pickup - ¾-ton 4x4 - #57		28,000			
Tractor, Farm - 2 Wheel Drive w/ Cab - #55	45,000				
Tractor, Farm - 85 HP, 2 Wheel Drive w/ Cab - #61			45,000		
Tracked Bulldozer - #52			175,000		
Used Tracked Excavator - New	55,000				
Mower, 15 ft. Winged PTO driven - #647	15,500				
Mower, 10 ft. winged - #66			14,000		
Truck, Pickup - ¾-ton 4x4 w/ Flatbed #58		26,500			
Mower, 6 ft. Front Mounted - #304			25,000		
Truck, Pickup - ¾-ton 4x4 w/ Utility Bed, Crane, Air - #545				50,000	
Tractor, Farm - 2 Wheel Drive w/Slope Mower - #62		150,000			
Truck, Dump - Single Axle w/ 10 ft. Bed - #542				120,000	
Tractor, Farm - 2 Wheel Drive w/Cab - #56					48,000
Truck, Dump - Single Axle w/10 ft bed - #51					125,000
PW Maintenance Totals	115,500	204,500	259,000	170,000	173,000
STREET SIGNS & MARKINGS					
Truck, Pick-up ¾ Ton w/Hydraulics & Power Inverter #4			28,000		
Truck, Pick-up 1 1/2 ton chassis #21 (Paint truck from county)		50,000			
Street Administration Totals	0	50,000	28,000	0	0
ZOO					
John Deere Utility Vehicle 4X4 Gator - #604		13,000			
Used - ¾ Ton Cargo Van - #74			18,000		
Zoo Totals	0	13,000	18,000	0	0
Total General Fund	906,270	1,438,020	1,562,028	1,588,893	1,298,503

Non-General Fund MERF	2015	2016	2017	2018	2019
AIRPORT - 50					
Graco LineLazer IV 5900 Paint Sprayer - #72D		22,000			
Schulte 25' Flex Wing Mower - #648		25,000			
1 Ton 4X4 Truck w/Flatbed, Hoist & Snowplow - #208		42,000			
Used New Holland Bi-Directional Tractor			90,000		
John Deere Utility Vehicle 6X4 Gator - #77			12,000		
Used - John Deere 644K Wheel Loader #92					85,000
1 Ton 4X4 Truck w/Crew Cab, Flatbed Hoist, & SNC #70					45,000
Airport Totals	0	89,000	102,000	0	130,000
FUN VALLEY - 31					
John Deere 2653B Trim Mower - #672	37,800				
John Deere TX Turf Gator - #315		10,000			
John Deere 60" Z950R Mower #651			12,750		
John Deere 1200A Bunker Rake/Groomer - #660				12,500	
John Deere Utility Vehicle 6X4 Gator				11,000	
John Deere 2653B Trim Mower - #671					37,800
Fun Valley Totals	37,800	10,000	12,750	23,500	37,800
GOLF COURSE - 08					
John Deere 2500B Triplex Greens Mower - #413	27,500				
John Deere 1200A Bunker Rake/Groomer - #445	12,500				
John Deere 2500B Triplex Greens Mower - #436		27,500			
John Deere 2653B Trim Mower - #414		37,800			
John Deere 1600 Turbo Wide Area Mower - #456			52,000		
John Deere 8700 Fairway Mower - #459				52,000	
John Deere 8700 Fairway Mower - #447					52,000
John Deere Turf Gator #446					10,000
John Deere Turf Gator #401					10,000
Golf Course Totals	40,000	65,300	52,000	52,000	72,000
SPECIAL STREET - 03					
Backhoe Reserve - 4 Backhoes	12,000	12,000	12,000	12,000	12,000
New Asphalt Zipper (Cold Planer) Loader, Wheeled	26,500		13,250	13,250	13,250
Truck, Flatbed - 1-ton w/ Hoist Bed #40	36,500		18,250	18,250	18,250
Street Sweeper, Mechanical - #188	20,000	36,000			
Regular Cab Truck, Pickup -1/2 replace - #43	36,000				
Truck, Dump - Single Axle w/ Slurry App. Bed (complete unit) #180	20,000			360,000	
Truck, Dump Tandem Axle w/15 ft Bed, Plow, Spreader #2					185,000
Loader, Wheeled - #17	42,000	42,000	42,000	42,000	42,000
Small Drum Roller - #19		55,000			
Tar Melting Pot Trailer - #23			45,000		
Truck, Dump - Tandem Axle w/ 15 ft. Bed - #0			175,000		
Truck, Flatbed - 1 1/2 ton w/ Hoist Bed #46		42,000			
Truck, Dump - Tandem Axle w/ 15 ft. Bed - #98		170,000			
Truck, Dump - Tandem Axle w/ 13 ft. Bed - #42	34,500	34,500	34,500	34,500	270,500
Special Street Totals	227,500	391,500	340,000	480,000	541,000
Total General Fund Related	305,300	555,800	506,750	555,500	780,800
WATER DISTRIBUTION - 51					
WATER PRODUCTION					
Truck, Pickup - 3/4 ton 4X4 w/Tommie Lift #569	38,000				
Truck, Pickup - 3/4 ton 4X4 w/Super Cab and Utility Bed #287			40,000		
Truck, Pickup - 3/4 ton 4X4 w/Super Cab and Utility Bed #274			40,000		
Truck, Pickup - 1/2 ton 4X4 w/Quad Cab #265				25,000	
WATER DISTRIBUTION					
Backhoe Reserve - 4 Backhoes	24,000	24,000	24,000	24,000	24,000
1 Ton Crew Cab Truck with Utility Bed - #571		52,000			
1 Ton Crew Cab Truck with Utility Bed - #575	52,000				
1 Ton Crew Cab Truck with Utility Bed - #572		52,000			
Truck, Pickup - 3/4-ton Flatbed - #577				30,000	
Loader, Skid-Steer w/ Trailer and Forks - #581			48,000		

Non-General Fund MERF	2015	2016	2017	2018	2019
Truck, Dump - Single Axle w/ 10 ft. Bed - #576					115,000
Truck, Pickup - Small 1/2-ton w/ Extended cab - #584					23,000
Truck, Dump - Tandem Axle w/ 15 ft. Bed - #570				135,000	
Water Distribution Totals	114,000	128,000	152,000	217,000	162,000
UTILITY BILLING - 51					
Sungard replacement solution		150,000			
1/2 Ton Extended Cab Truck - Replace # 192				25,000	
1/2 Ton Extended Cab Truck - Replace # 193	25,000				
1/2 Ton Extended Cab Truck - Replace #191	25,000				
Utility Billing Totals	50,000	150,000	0	25,000	0
WASTEWATER TREATMENT PLANT - 52					
Diesel Trash Pump, 6 inch w/Float Controls - #38A		33,000			
Truck, Dump - Tandem Axle w/ 15 ft. Bed - #36			126,000		
Truck, Pickup - 1/2-ton - #32	30,000				
Car, 4-door Sedan - #34	26,000				
Loader, Wheeled - #24		200,000			
Diesel-powered, trailer-mounted, 10 kW generator #332	18,000				
Diesel-powered, trailer-mounted, 10 kW generator #331				18,000	
Forklift Replace #137 (50% of cost)			12,500		
John Deere gator 4X4		15,000			
Mower, Self-Propelled - #337		45,000			
Wastewater Treatment Totals	74,000	293,000	140,500	18,000	0
SANITARY SEWER MAINTENANCE - 52					
Backhoe Reserve - 4 Backhoes	12,000	12,000	12,000	12,000	12,000
Truck, Flatbed - 1-ton w/ Flush Tank - #543			44,000		
Truck, Flatbed - 1-ton w/ Flush Tank - #544	39,000				
Television Inspection Van w/CUES electronics - #541				150,000	
Truck, Pickup - 1/2 Ton - #547			25,000		
Truck, Combination Sewer Cleaner - #535			350,000		
Sewer Maintenance Totals	51,000	12,000	431,000	162,000	12,000
STORM SEWER MAINTENANCE - 57					
Truck, Pickup - 1/2-ton w/ Utility Bed and Crane - #537		39,000			
Storm Sewer Totals	0	39,000	0	0	0
Total Enterprise Funds	289,000	622,000	723,500	422,000	174,000
Total Non-General Fund	594,300	1,177,800	1,230,250	977,500	954,800
Total MERF	1,500,570	2,615,820	2,792,278	2,566,393	2,253,303

Copier MERF	2015	2016	2017	2018	2019
GENERAL FUND					
Public Works	4,596	5,106	5,106	5,106	5,106
Park Maintenance	1,150	1,278	1,278	1,278	1,278
Police	1,915	2,128	2,128	2,128	2,128
City Hall	2,871	3,191	3,191	3,191	3,191
Municipal Court	1,532	1,702	1,702	1,702	1,702
Eastside Cemetery	766	851	851	851	851
Fire Department	2,872	3,191	3,191	3,191	3,191
Zoo	1,532	1,702	1,702	1,702	1,702
Airport	766	851	851	851	851
General Fund Totals	18,000	20,000	20,000	20,000	20,000
FUN VALLEY - 31					
Fun Valley	1,915	2,127	2,127	2,127	2,127
Fun Valley Totals	1,915	2,127	2,127	2,127	2,127
ANIMAL SHELTER - 44					
Animal Shelter	1,915	2,128	2,128	2,128	2,128
Animal Shelter Totals	1,915	2,128	2,128	2,128	2,128
General Fund Related Totals	3,830	4,255	4,255	4,255	4,255
WASTEWATER TREATMENT - 52					
WWTP	1,915	1,915	1,915	1,915	1,915
Wastewater Treatment Totals	1,915	1,915	1,915	1,915	1,915
WATER PRODUCTION - 51					
Water Production	2,298	2,553	2,553	2,553	2,553
Water Production Totals	2,298	2,553	2,553	2,553	2,553
WATER DISTRIBUTION - 51					
Water Distribution - 51	957	1,064	1,064	1,064	1,064
Water Distribution Totals	957	1,064	1,064	1,064	1,064
Enterprise Fund Totals	5,170	5,532	5,532	5,532	5,532
Copier Totals	27,000	29,787	29,787	29,787	29,787

Computer/WAN MERF	2015	2016	2017	2018	2019
INFORMATION TECHNOLOGY					
Device replacement-computers, printers, telephones, scanners, switches, UPS, etc.	123,680	123,680	123,680	123,680	123,680
ERP - Planning & Finance	150,000	150,000			
WATER DISTRIBUTION (051)					
	10,000	10,000	10,000	10,000	10,000
WASTEWATER TREATMENT PLANT (052)					
	10,000	10,000	10,000	10,000	10,000
Information Technology Totals	293,680	293,680	143,680	143,680	143,680

Health & Dental Insurance Fund

The Health & Dental Insurance fund is partially self-funded through premium contributions made by the city's active employees, retired employees and COBRA participants. The Health and Dental Fund was established to fund the plan's expenses including: health and dental, individual and aggregate stop-loss insurance and related administrative and legal expenses.

At the close of each plan year, any excess premiums remain in the Health and Dental fund as unencumbered reserves. These reserves are used to provide stability to the fund for unforeseen events as well as other employees benefit programs including the city's wellness initiative, EAP program, and flexible spending account program.

Health & Dental Insurance (032) Fund Summary

	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Actual</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>
Cash Balance, January 1	\$ 2,789,261	\$ 3,321,760	\$ 3,824,903	\$ 3,130,327	\$ 3,999,735	\$ 3,554,851
Revenues:						
Employee Contributions	\$ 893,692	\$ 913,258	\$ 953,490	\$ 1,078,373	\$ 926,706	\$ 1,000,583
Retiree Premiums Collected	108,225	113,073	\$ 109,885	115,500	120,259	120,000
Cobra Premiums Collected	31,417	941		25,000	-	
Department Premiums Charged	2,713,295	2,772,276	2,902,072	3,252,513	2,845,903	3,385,203
Interest Income	9,805	11,109	5,790	6,000	3,469	3,000
Reimbursements	-	-	-	-	-	-
Total Revenues	<u>\$ 3,756,434</u>	<u>\$ 3,810,657</u>	<u>\$ 3,971,237</u>	<u>\$ 4,477,386</u>	<u>\$ 3,896,336</u>	<u>\$ 4,508,786</u>
Funds available	\$ 6,545,695	\$ 7,132,417	\$ 7,796,141	\$ 7,607,713	\$ 7,896,072	\$ 8,063,637
Expenditures:						
Claims	\$ 2,602,348	\$ 2,673,811	\$ 2,768,087	\$ 3,400,000	\$ 3,214,686	\$ 3,300,000
Plan Administration Fees	600,806	612,658	701,198	900,000	949,535	968,525
Professional Consulting Fees	-	-	2,943	50,000	50,000	50,000
Insurance Premiums	-	-	-	-	-	-
Employee Wellness Program	2,781	3,046	22,750	75,000	92,000	110,000
Reserve Transfer-General Fund	-	-	266,427	-	-	-
Overhead Cost Allocation	18,000	18,000	35,000	35,000	35,000	80,000
Total Expenditures	<u>\$ 3,223,935</u>	<u>\$ 3,307,515</u>	<u>\$ 3,796,405</u>	<u>\$ 4,460,000</u>	<u>\$ 4,341,221</u>	<u>\$ 4,508,525</u>
Ending Balance, December 31	<u>\$ 3,321,760</u>	<u>\$ 3,824,902</u>	<u>\$ 3,999,735</u>	<u>\$ 3,147,713</u>	<u>\$ 3,554,851</u>	<u>\$ 3,555,112</u>

Risk Management Fund

The Risk Management fund accounts for the City's risk management and insurance activities. This does not include employee insurance benefits that are accounted for in the Health & Dental Insurance fund and the Workers Compensation fund. The City's risk management activities include automotive and property liability coverage, unemployment insurance, police and fire medical liability coverage, employee blanket bond coverage, and other miscellaneous forms of insurance coverage. The City is considered self-insured but has stop-loss insurance for individual claims and for aggregate claims. The City uses the Risk Management fund to allocate the cost of these activities to other departments and funds. Insurance costs are allocated using the estimated value of property within each activity.

Risk Management (035) Fund Summary

	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Actual</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>
Cash Balance, January 1	\$ 1,085,140	\$ 1,128,534	\$ 1,306,405	\$ 1,272,824	\$ 1,664,636	\$ 1,692,964
Revenues:						
Department Premiums Charged	\$ 726,326	\$ 726,326	723,443	\$ 682,921	\$ 682,921	\$ 795,230
Interest Income	486	1,362	1,783	1,500	1,631	1,500
Miscellaneous	-	-	-	-	-	-
Reimbursements	58,850	82,236	363,727	37,500	38,521	40,000
Total Revenues	<u>\$ 785,662</u>	<u>\$ 809,924</u>	<u>\$ 1,088,952</u>	<u>\$ 721,921</u>	<u>\$ 723,073</u>	<u>\$ 836,730</u>
Transfers In	-	-	-	-	-	-
Funds available	<u>\$ 1,870,802</u>	<u>\$ 1,938,458</u>	<u>\$ 2,395,357</u>	<u>\$ 1,994,745</u>	<u>\$ 2,387,709</u>	<u>\$ 2,529,694</u>
Expenditures:						
Contractual Services	\$ 721,311	\$ 614,053	\$ 709,721	\$ 673,745	\$ 673,745	\$ 707,330
Commodities	-	-	-	-	-	-
Capital Outlay	2,957	-	-	-	-	-
Capital Improvements	-	-	-	-	-	-
Reserve Transfer-General Fund	-	-	-	-	-	-
Overhead Cost Allocation	18,000	18,000	21,000	21,000	21,000	21,000
Total Expenditures	<u>\$ 742,268</u>	<u>\$ 632,053</u>	<u>\$ 730,721</u>	<u>\$ 694,745</u>	<u>\$ 694,745</u>	<u>\$ 728,330</u>
Ending Balance, December 31	<u>\$ 1,128,534</u>	<u>\$ 1,306,405</u>	<u>\$ 1,664,636</u>	<u>\$ 1,300,000</u>	<u>\$ 1,692,964</u>	<u>\$ 1,801,364</u>

Workers Compensation Fund

The Workers Compensation fund accounts for the risk management activities of the employees' workers compensation coverage. The City is considered self-insured but has stop-loss insurance for individual claims and for aggregate claims. The City contracts with a third-party administrator, IMA of Kansas, Inc. to manage individual workers compensation claims.

The Workers Compensation fund allocates the cost of these activities to other funds and departments. Workers compensation costs are allocated based upon worker's wages and job classifications.

Workers Compensation (037) Fund Summary

	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Actual</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>
Cash Balance, January 1	\$ 2,077,564	\$ 2,161,984	\$ 2,136,856	\$ 2,122,436	\$ 2,135,522	\$ 1,899,907
Revenues:						
Department Premiums Charged	\$ 634,516	\$ 373,098	428,631	\$ 199,985	\$ 199,985	\$ 406,905
Interest Income	2,849	\$ 5,505	9,419	2,500	2,500	2,500
Reimbursements	-	-	49	-	-	-
Total Revenues	<u>\$ 637,365</u>	<u>\$ 378,603</u>	<u>\$ 438,099</u>	<u>\$ 202,485</u>	<u>\$ 202,485</u>	<u>\$ 409,405</u>
Transfers In	-	\$ -	-	-	-	-
Funds available	<u>\$ 2,714,928</u>	<u>\$ 2,540,586</u>	<u>\$ 2,574,955</u>	<u>\$ 2,324,921</u>	<u>\$ 2,338,007</u>	<u>\$ 2,309,312</u>
Expenditures:						
Contractual Services:	\$ 334,945	\$ 385,731	\$ 418,433	\$ 417,100	\$ 417,100	\$ 419,100
Commodities	-	-	-	-	-	-
Capital Improvements	-	-	-	-	-	-
Reserve Transfer-General Fund	\$ 200,000	-	-	-	-	-
Overhead Cost Allocation	\$ 18,000	\$ 18,000	21,000	21,000	21,000	21,000
Total Expenditures	<u>\$ 552,945</u>	<u>\$ 403,731</u>	<u>\$ 439,433</u>	<u>\$ 438,100</u>	<u>\$ 438,100</u>	<u>\$ 440,100</u>
Ending Balance, December 31	<u><u>\$ 2,161,983.68</u></u>	<u><u>\$ 2,136,856</u></u>	<u><u>\$ 2,135,522</u></u>	<u><u>\$ 1,886,821</u></u>	<u><u>\$ 1,899,907</u></u>	<u><u>\$ 1,869,212</u></u>

Central Purchasing Fund

The Central Purchasing fund previously accounted for the activities of the central purchasing warehouse. Many supplies were purchased by the warehouse in bulk and through bidding. These supplies were then charged to various departments as they are requisitioned from the warehouse.

As inventory is now purchased and issued directly from an inventory account, this fund only measures inventory shrinkage or gains. No shrinkage or gain is budgeted in 2014 or the 2015 budget.

Central Purchasing (046) Fund Summary

	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Actual</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>
Cash Balance, January 1	\$ 46,107	\$ 16,995	\$ 53,066	\$ 53,067	\$ 49,468	\$ 49,468
Revenues:						
Departmental Inventory Charges	\$ 109,917	\$ 373,529	\$ 342,362	\$ -	\$ -	\$ -
Interest Income	\$ -	\$ -	-	-	-	-
Total Revenues	<u>\$ 109,917</u>	<u>\$ 373,529</u>	<u>\$ 342,362</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Transfers In	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Funds available	\$ 156,024	\$ 390,523	\$ 395,428	\$ 53,067	\$ 49,468	\$ 49,468
Expenditures:						
Inventory Purchased	\$ 139,029	\$ 337,457	\$ 345,960	\$ -	\$ -	\$ -
Contractual Services	\$ -	\$ -	-	-	-	-
Total Expenditures	<u>\$ 139,029</u>	<u>\$ 337,457</u>	<u>\$ 345,960</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Transfers Out	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Ending Balance, December 31	<u>\$ 16,995</u>	<u>\$ 53,066</u>	<u>\$ 49,468</u>	<u>\$ 53,067</u>	<u>\$ 49,468</u>	<u>\$ 49,468</u>

Special Assessments Fund

The Special Assessments fund accounts for construction projects to be funded, either partially or in total, by special assessments. Special assessment projects can be petitioned by private development or can be initiated by the City. Typically, special assessment projects are funded through the issuance of temporary notes and later refunded with general obligation bonds when the projects are complete and the property assessments are determined. The collections of the special assessments are accounted for in the Debt Service fund.

In 2011, the City issued temporary notes for three different special assessment projects. These assessments included \$456,000 for Westminster Place improvements, \$619,000 for Sherwood Hills' sewer improvements, and \$300,000 for Plaza East Second improvements. Westminster Place assessments were completed in 2012, and the temporary notes for these improvements were refunded with long term general obligation bonds. The Sherwood Hills and Plaza East Second projects are expected to be completed later this year, and their corresponding temporary notes to be refunded in 2013.

In 2012, temporary notes of \$125,000 were issued for the 17th Avenue turning lane improvements. These notes were refunded with general obligation bonds in 2013. There were no known temporary note requirements for the 2014 or 2015 budget.

Special Assessments (100) Fund Summary

	2011 Actual	2012 Actual	2013 Actual	2014 Budget	2014 Revised	2015 Budget
Cash Balance, January 1	\$ (217)	\$ 946,833	\$ 365,582	\$ 50,562	\$ 50,562	\$ 50,562
Revenues:						
Temporary Notes	\$ 1,375,000	\$ 125,001	\$ 250,000	\$ -	\$ -	\$ -
Bond Proceeds	-	\$ 329,249	489,704	-	-	-
Miscellaneous	-	\$ -	427,912	-	-	-
Reserve Transfers - CIP Reserves	-	\$ 22,429	-	-	-	-
Total Revenues	<u>\$ 1,375,000</u>	<u>\$ 476,678</u>	<u>\$ 1,167,615</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Transfers In	<u>-</u>	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Funds available	\$ 1,374,783	\$ 1,423,511	\$ 1,533,198	\$ 50,562	\$ 50,562	\$ 50,562
Expenditures:						
Capital Improvements	427,950	\$ 597,566	426,571	-	-	-
Reserve Transfers-Bond & Interest	-	\$ -	-	-	-	-
Repayment of Temp Notes	-	\$ 460,363	1,056,065	-	-	-
Interest on Temp Notes	-	\$ -	-	-	-	-
Total Expenditures	<u>\$ 427,950</u>	<u>\$ 1,057,929</u>	<u>\$ 1,482,636</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Ending Balance, December 31	<u><u>\$ 946,833</u></u>	<u><u>\$ 365,582</u></u>	<u><u>\$ 50,562</u></u>	<u><u>\$ 50,562</u></u>	<u><u>\$ 50,562</u></u>	<u><u>\$ 50,562</u></u>

Capital Improvement Projects Fund

The Capital Improvement Projects fund accounts for the collection and disbursement of funds related to the City's capital improvement program. The City prepares a five-year capital improvement program of which the first year is incorporated into the operating budget. The capital improvement program for fiscal year 2015 includes capital projects totaling \$6,555,128. The funding sources for these projects are generally not from operating funds but are instead from bond proceeds, grants, donations, or other one-time sources of income. The City anticipates issuing \$5,361,449 in general obligation bonds in 2015 for capital projects. Some of the significant projects to be undertaken in fiscal year 2015 are as follows:

Main Street Mill and Overlay 23rd – 30th St – This project consists of a total mill and overlay including curb and gutter upgrades. This street was last overlaid in 2002 and is now in poor condition. The project is a high priority for 2015 and is budgeted to cost \$1,850,000.

Airport Bridge Repair – The latest engineering inspection of this bridge shows needed and urgent repairs to the bridge to avoid further deterioration and much more costly repairs. This project is estimated to cost \$1,012,500 in the 2015 budget.

Replace Fire Station #5 – Initially the Fire Department requested to replace the south wall as it had broken loose from the foundation and is in poor condition. Also the roof is collapsing and potentially dangerous if left in its current condition. The City Council and City Staff visited this facility and concluded the cost of repair was significant and the age of the property did not warrant that much repair. The best alternative is to replace this station. The budget for 2015 is \$800,000 and a strategic plan is being worked to determine the optimum location of this and future fire stations.

Orchard Park Phase III – Phase III of this project would include the construction of the balance of the inner loop road from the upper parking lot down to the fishing pond area within the park. All infrastructure including lighting and drainage associated with this phase is included. The 2015 budget for this phase is \$662,970.

Downtown Streetscape Phase 2 & 3 – This is a two year project totaling \$1,238,867. The 2015 budget phase is a continuation of the streetscape project from south of 5th & Main to the intersection of 7th & Main. The improvements include rebuilding 5th & Main intersection, new traffic signals, sidewalk, curb and guttering, lighting, and street furniture with landscaping. This phase is dependent on a KDOT grant and the design and some construction is budgeted in 2015 to cost \$762,820.

**Capital Improvement Projects (088)
Fund Summary**

	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Actual</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>
Cash Balance, January 1	\$ 13,363,193	\$ 6,351,936	\$ 1,526,932	\$ 1,558,232	\$ 3,534,461	\$ 4,975,180
Revenues:						
Intergovernmental	\$ 548,860	\$ -		\$ 2,181,891		
Interest Income	41,930	24,895	27,981	2,500	10,000	
Bond/Loan Proceeds	3,255,685	1,610,179	4,310,296	1,885,022	2,545,000	5,361,449
Federal and State Grants	-	2,048,677	2,933,088		317,110	704,460
Donations	30,300	34,200	38,000	155,000	317,876	
Reimbursed Expenses	301,918	68,021	583,816	-	253,911	103,319
Miscellaneous	18,103	384,494	1,930,845	200,000		
Reserve Transfers - Budgeted Funds	2,045,528	776,530	1,409,000	667,448	300,853	35,900
Reserve Transfers - Capital Improvement Reserve	-	-		948,563		350,000
Total Revenues	<u>\$ 6,242,324</u>	<u>\$ 4,946,996</u>	<u>\$ 11,233,026</u>	<u>\$ 6,040,424</u>	<u>\$ 3,744,750</u>	<u>\$ 6,555,128</u>
Transfers In	-	-	-	-	-	-
Funds available	<u>\$ 19,605,517</u>	<u>\$ 11,298,932</u>	<u>\$ 12,759,958</u>	<u>\$ 7,598,656</u>	<u>\$ 7,279,211</u>	<u>\$ 11,530,308</u>
Expenditures:						
Capital Improvements	\$ 5,241,355	\$ 8,351,681	\$ 7,529,003	\$ 6,084,923	\$ 2,304,031	\$ 6,555,128
Repayment of Temp Notes	-	-	1,689,999	-		
Interest on Temp Notes	-	-	6,495	-		
Reserve Transfers - Bond & Interest Fund	503,099	85,413		-		
Reserve Transfers - All Other Funds	7,509,127	1,334,906		-		
Total Expenditures	<u>\$ 13,253,581</u>	<u>\$ 9,772,000</u>	<u>\$ 9,225,497</u>	<u>\$ 6,084,923</u>	<u>\$ 2,304,031</u>	<u>\$ 6,555,128</u>
Ending Balance, December 31	<u>\$ 6,351,936</u>	<u>\$ 1,526,932</u>	<u>\$ 3,534,461</u>	<u>\$ 1,513,733</u>	<u>\$ 4,975,180</u>	<u>\$ 4,975,180</u>

Capital Improvement Reserve

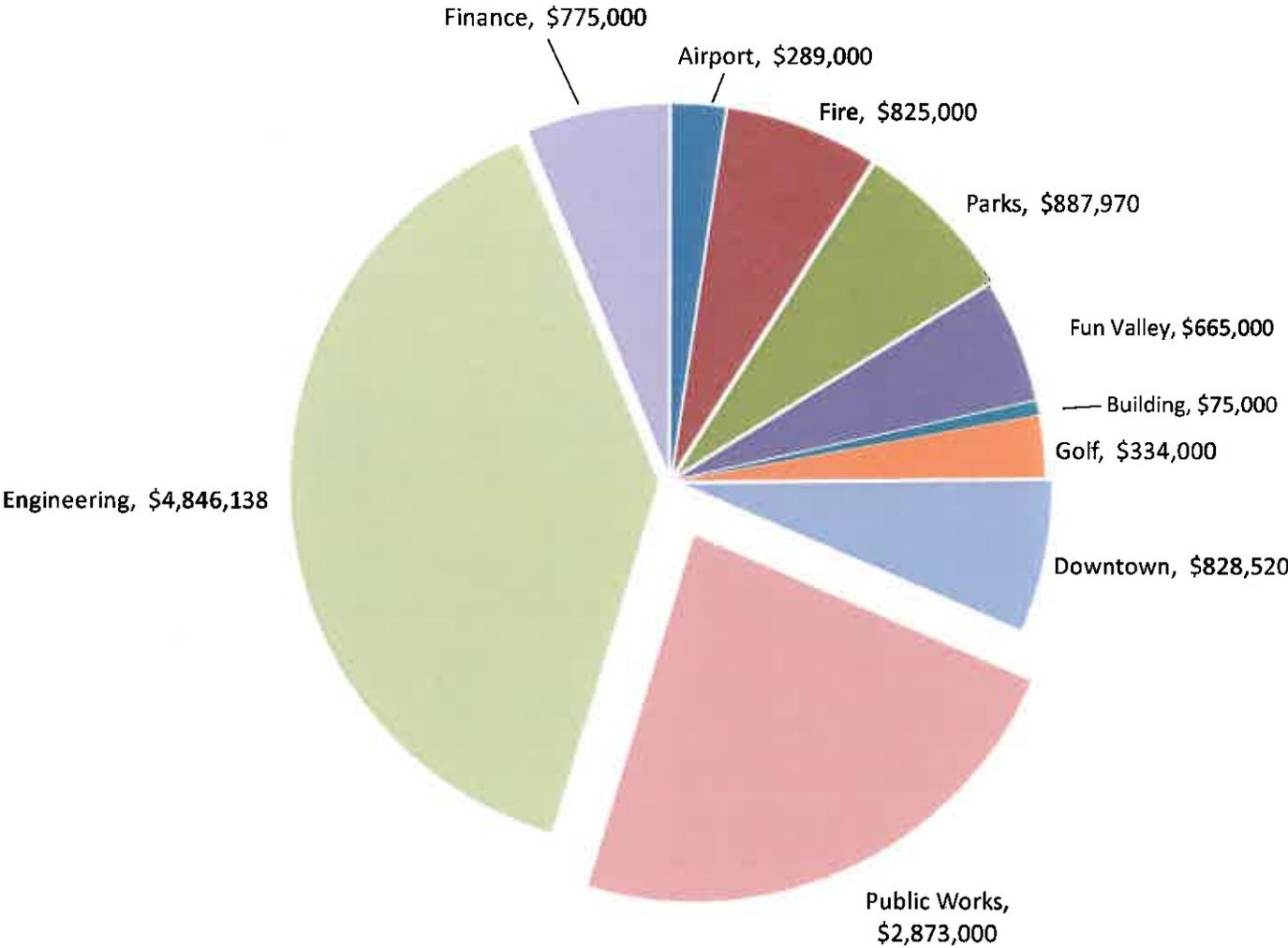
The Capital Improvement Reserve accounts for appropriated reserve transfers from the City's operating funds for the purpose of facility and infrastructure maintenance, repairs, and improvements. Reserve transfers include transfers from the General fund, the Special Street fund, the Water and Sewer funds, and the Storm Water fund. The projects funded by the Reserve are smaller in nature and scope, and the funds are perpetual in nature. The larger items in this reserve include street resurfacing and repairs (\$2,628,000) and Water and Sewer projects (\$1,650,000).

Reserve transfers to the Capital Improvement Reserve in fiscal year 2015 are budgeted to be \$6,003,500.

Capital Improvement Reserves (089) Fund Summary

	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Actual</u>	<u>2014 Budget</u>	<u>2014 Revised</u>	<u>2015 Budget</u>
Cash Balance, January 1	\$ 735,445	\$ 7,962,772	\$ 9,600,034	\$ 7,711,691	\$ 9,126,305	\$ 8,188,842
Revenues:						
Intergovernmental	\$ -	\$ -	\$ 4,620	\$ 4,620	\$ 4,620	\$ 219,000
League and Facility Revenues	6,486	-	900	-	-	-
Bond Proceeds	-	-	-	-	-	334,000
Miscellaneous	-	-	74,581	-	-	721,179
Reserve Transfers - Budgeted Funds	1,452,942	1,570,578	1,646,362	3,663,780	3,663,780	4,622,500
Reserve Transfers - CIP Fund	8,799,999	2,799,078	2,546,792	-	-	106,821
Total Revenues	<u>\$ 10,259,427</u>	<u>\$ 4,369,656</u>	<u>\$ 4,273,255</u>	<u>\$ 3,668,400</u>	<u>\$ 3,668,400</u>	<u>\$ 6,003,500</u>
Transfers In	-	-	-	-	-	-
Funds available	\$ 10,994,872	\$ 12,332,428	\$ 13,873,289	\$ 11,380,091	\$ 12,794,705	\$ 14,192,342
Expenditures:						
Capital Improvements	\$ 2,671,789	\$ 2,485,971	\$ 4,524,984	\$ 3,657,300	\$ 3,657,300	\$ 5,653,500
Reserve Transfers - Budgeted Funds	-	-	-	-	-	-
Reserve Transfer - Special Assessments	-	-	-	-	-	-
Reserve Transfers - CIP Fund	360,311	246,423	222,000	948,563	948,563	350,000
Total Expenditures	<u>\$ 3,032,100</u>	<u>\$ 2,732,394</u>	<u>\$ 4,746,984</u>	<u>\$ 4,605,863</u>	<u>\$ 4,605,863</u>	<u>\$ 6,003,500</u>
Ending Balance, December 31	<u>\$ 7,962,772</u>	<u>\$ 9,600,034</u>	<u>\$ 9,126,305</u>	<u>\$ 6,774,228</u>	<u>\$ 8,188,842</u>	<u>\$ 8,188,842</u>

FY15 Capital Improvements by Department



2015 Capital Improvements by Funding Source

Project	Department	Score	Requested	Approved	General Obligation Bonds			Grant	Reserves	Sales Tax	General Fund	Growth	Special Street	Water	Sewer	Other	Total
					Main Traffic Way	Public Bldg	Charter Ord #46										
Capital Improvement Projects:																	
FBO Apron Repair - KDOT Grant Match	Airport		79,000	79,000				71,100			7,900						79,000
City Hall Exterior Renovations	City Hall		160,000	160,000		160,000											160,000
Downtown Streetscape - Phase 2 & 3	Downtown		762,820	762,820	339,460			423,360									762,820
2nd & Walnut Parking Lot	Downtown		65,700	65,700			65,700										65,700
Main Street Mill & Overlay	Engineering		1,850,000	1,850,000	1,500,000				350,000								1,850,000
Airport Bridge Repair - Design	Engineering		1,012,500	1,012,500	1,012,500												1,012,500
Safe Routes to School	Engineering		238,000	238,000			210,000				28,000						238,000
Emergency Warning Siren Upgrade	Engineering		220,000	-													-
BNSF RR Crossings at Walnut Street	Engineering		206,638	206,638	103,319											103,319	206,638
Transportation Master Plan	Engineering		180,000	-													-
Rehab Ave A Pedestrian Bridge	Engineering		52,500	52,500			52,500										52,500
Storage Building at Fire Training Center	Fire		500,000	-													-
Fire Station #3 Roof Replacement	Fire		170,000	-													-
Fire Station #5 Roof Replacement	Fire		170,000	-													-
Build new Fire Station	Fire		800,000	800,000		800,000											800,000
Extend Driveway and parking lot at Fire Training Center	Fire		75,000	-													-
Fire Station #5 Replace East Wall	Fire		51,500	-													-
Hobart Detter Locker Room & Storage Shed	Fun Valley		265,000	265,000		265,000											265,000
Fun Valley Improvements	Fun Valley		400,000	400,000		400,000											400,000
Orchard Park	Parks		662,970	662,970			662,970										662,970
Rice Park Spray Park	Parks		350,000	-													-
TOTALS			8,271,628	6,555,128	2,955,279	1,625,000	781,170	704,460	350,000	-	35,900	-	-	-	-	103,319	6,555,128
Capital Improvement Reserve Transfers:																	
Airport Land Acquisition	Airport		160,000	160,000			144,000				16,000						160,000
Airport Facility Improvements	Airport		65,000	50,000							50,000						50,000
Building Demolition Reserve	Building		75,000	75,000							75,000						75,000
Annual Arterial/Collector Resurfacing	Engineering		1,430,000	1,430,000					675,000		250,000					505,000	1,430,000
Traffic Signal Upgrades/Repairs	Engineering		56,500	56,500							56,500						56,500
Automatic Water Meter "Radio Read" System	Finance		775,000	775,000										775,000			775,000
Fire Station Maintenance & Repair Projects	Fire		120,000	25,000							25,000						25,000
Golf Master Plan Renovations	Golf		334,000	334,000		334,000											334,000
Park Improvements	Parks		155,000	25,000							25,000						25,000
Public Facility Improvements	Parks		151,000	25,000							25,000						25,000
Hike & Bike Trail Extension	Parks		150,000	150,000			75,000									75,000	150,000
ADA Sidewalk Replacement	Parks		25,000	25,000						25,000							25,000
Slurry Seal Program	Public Works		848,000	848,000					106,821				600,000			141,179	848,000
Water Line Projects - Unspecified	Public Works		450,000	450,000										450,000			450,000
Sanitary Sewer Line Projects - Unspecified	Public Works		300,000	300,000											300,000		300,000
WWTF Facility Project Reserve	Public Works		300,000	300,000											300,000		300,000
Water Production Projects - Unspecified	Public Works		300,000	300,000									300,000				300,000
Annual Residential Street Resurfacing	Public Works		250,000	250,000					250,000								250,000
Water Production Equipment Replacement	Public Works		100,000	100,000									100,000				100,000
WWTF Upgrade - Biological Phosphorus Nutrient Remo	Public Works		100,000	100,000											100,000		100,000
Severance Interceptor Project (US50 to WWTF)	Public Works		100,000	100,000											100,000		100,000
Water Assessment Reserve for New Development	Public Works		100,000	100,000									100,000				100,000
ADA Sidewalk Ramps	Public Works		25,000	25,000					25,000								25,000
TOTALS			6,369,500	6,003,500	-	-	334,000	219,000	106,821	975,000	197,500	325,000	600,000	1,725,000	800,000	721,179	6,003,500
			\$14,641,128	\$12,558,628	\$2,955,279	\$1,625,000	\$1,115,170	\$923,460	\$456,821	\$975,000	\$233,400	\$325,000	\$600,000	\$1,725,000	\$800,000	\$824,498	\$12,558,628

2015 - 2019 Capital Improvement Program							
Project Descriptions	Department	2015	2016	2017	2018	2019	Total
Main Street Mill & Overlay	Engineering	1,850,000	1,900,000	2,000,000	2,300,000		8,050,000
Airport Road Bridge Repair	Engineering	1,012,500					1,012,500
Downtown Streetscape - Phase 2 & 3	Downtown	762,820	1,165,010				1,927,830
43rd Avenue Park	Parks	662,970	497,481	237,248	646,144		2,043,843
City Hall Exterior Renovations	City Hall	160,000					160,000
Storage Building at Fire Training Center	Fire	0					0
Rice Park Spray Pad	Parks	0					0
Safe Routes to School	Engineering	238,000					238,000
Hobart Detter Locker Room & Storage Shed	Parks/FV	265,000					265,000
Fun Valley Improvements	Parks/FV	400,000					400,000
Emergency Warning Siren Upgrade	Engineering	0					0
BNSF RR Crossings at Walnut Street	Engineering	206,638					206,638
Transportation Master Plan	Engineering	0					0
Fire Station #3 Roof Replacement - 100 East Ave E	Fire	0					0
Fire Station #5 Roof Replacement - 1024 N. Hendricks	Fire	0					0
Build new Fire Station	Fire	800,000					800,000
FBO Apron Repair - KDOT Grant Match	Airport	79,000					79,000
Extend Driveway and parking lot at Fire Training Center	Fire	0	75,000	75,000	75,000	75,000	300,000
2nd & Walnut Parking Lot	Downtown	65,700					65,700
Rehab Ave A Park Pedestrian Bridge	Engineering	52,500					52,500
Fire Station #5 Replace East Wall - 1024 N. Hendricks	Fire	0					0
BNSF RR Crossings at Poplar	Engineering		191,000				191,000
Runway 17-35 Extension	Airport		2,035,000				2,035,000
Runway 17-35 Mill & Overlay - Phase II (Construction)	Airport		1,650,000				1,650,000
Obee Dump Site Remediation & Tree Clearing	Airport		1,200,000				1,200,000
Mill & Overlay K-61 from Lorraine to 11th	Engineering		570,000				570,000
River Otter Exhibit	Zoo		375,000				375,000
Water Well No. 9 Pipeline Project	Public Works		296,225				296,225
Replace Parking Lot - Fun Valley	Fun Valley		273,969				273,969
Asphalt Repair/Replacement at Hangers	Airport		150,000				150,000
City Hall Parking Lot Improvements	City Hall		98,470				98,470
Eastside Cemetery Restroom, Office, and Maintenance	Parks		94,000				94,000
Pavement Management Condition Survey	Engineering		75,000				75,000
Geometric Improvement - 4th and K-61	Engineering		47,500				47,500
Master Plan Salt City Splash	Parks		45,000				45,000
Repaint Runway 17-35	Airport		30,000				30,000
Fire Station #6 Wall Repair	Fire		25,750				25,750
Airport Runway 4-22 Rehabilitation	Airport			2,323,519			2,323,519
KLINK: K-61 Maintenance Project	Engineering			400,000	400,000	400,000	1,200,000
Replacement of Lights at Hobart Detter	Fun Valley			312,440			312,440
Female Restroom Facilities - Station #2, #3 & #5	Fire			118,965			118,965
Resurface Tennis Courts at Fairgrounds Parks	Parks			48,440			48,440
Repaint/Reseal Roofs on Hanger 3 & 4	Airport			45,000			45,000
Reconstruct 11th Ave from Jackson to Main	Engineering				2,300,000		2,300,000
Fire Station Back-up Power Generators (2)	Fire				122,000		122,000
Female Restroom Facilities - Station #1 & #4	Fire				116,600		116,600
Additional Offices in Fire Training Center	Fire				62,000		62,000
Total CIP Projects		6,555,128	10,794,405	5,560,612	6,021,744	475,000	29,406,889

2015 - 2019 Capital Improvement Program							
Project Descriptions	Department	2015	2016	2017	2018	2019	Total
Annual Arterial/Collector Resurfacing	Engineering	1,430,000	1,500,000	1,560,000	1,630,000	1,710,000	7,830,000
Slurry & Crack Seal Program	Public Works	848,000	883,000	925,000	967,000	1,010,000	4,633,000
Water Line Projects - Unspecified	Public Works	450,000	450,000	450,000	450,000	450,000	2,250,000
Golf Master Plan Renovations	Golf	334,000	227,500	235,000	590,000	665,000	2,051,500
Sanitary Sewer Line Projects - Unspecified	Public Works	300,000	300,000	300,000	300,000	300,000	1,500,000
WWTF Facility Project Reserve	Public Works	300,000	200,000	200,000	200,000	200,000	1,100,000
Water Production Projects - Unspecified	Public Works	300,000	200,000	200,000	200,000	200,000	1,100,000
Annual Residential Street Resurfacing	Public Works	250,000	250,000	250,000	250,000	250,000	1,250,000
Automatic Water Meter "Radio Read" System	Finance	775,000					775,000
Airport Land Acquisition	Airport	180,000			160,000		320,000
Park Improvements	Parks	25,000	156,000	159,000	150,000	150,000	640,000
Public Facility Improvements	Parks	25,000	155,000	152,000	150,000	150,000	632,000
Hike & Bike Trail Extension	Parks	150,000	150,000	150,000	150,000	150,000	750,000
Fire Station Maintenance & Repair Projects	Fire	25,000	70,000	70,000	70,000	70,000	305,000
Water Production Equipment Replacement	Public Works	100,000	150,000	150,000	150,000	150,000	700,000
WWTF Upgrade - Biological Phosphorus Nutrient Removal	Public Works	100,000	100,000	100,000	100,000	100,000	500,000
Severance Interceptor Project (US50 to WWTF)	Public Works	100,000	100,000	100,000	100,000	100,000	500,000
Water Assessment Reserve for New Development	Public Works	100,000	100,000	100,000	100,000	100,000	500,000
Building Demolition Reserve	Building	75,000	65,000	50,000	50,000	50,000	290,000
Airport Facility Improvements	Airport	50,000		65,000	65,000	65,000	245,000
Traffic Signal Upgrades/Repairs	Engineering	56,500	48,000	48,500	49,000	49,500	251,500
ADA Sidewalk Ramps	Public Works	25,000	25,000	25,000	25,000	25,000	125,000
ADA Sidewalk Replacement	Parks	25,000		30,000			55,000
Spray Park Improvements	Parks	0	8,000	8,000	8,000	8,000	32,000
Install Utilities for Taxiway A Commercial Lots	Airport				132,000		132,000
Parking Lot Replacement at Stremmel	Parks				98,000		98,000
Carey Park Street Lighting	Parks				88,000		88,000
Trailhead At Plum	Parks				85,000		85,000
Replace Bleachers at Fun Valley	Fun Valley				47,831		47,831
Airport Operations and Development Plan	Airport				45,000		45,000
Parks Lagoon Erosion Remediation & Water Quality Plan	Parks				45,000		45,000
Paint Structure at Fun Valley	Fun Valley				40,250		40,250
Replace Lights at Fun Valley Diamonds 5-6-7	Fun Valley					333,000	333,000
Dredge Lagoons at Carey Park	Parks					280,000	280,000
Carey Park Boathouse Restoration	Parks					176,000	176,000
Construct Additional T-Hanger Space	Airport					175,000	175,000
Overlay Asphalt Road at Fishing Pond	Parks					117,500	117,500
Replace Dugouts at Fun Valley Diamonds 5-6-7	Fun Valley					56,000	56,000
Total CIP Reserve Projects		6,003,500	5,137,500	5,327,500	6,495,081	7,090,000	30,053,581
Total CIP & Reserve Projects		12,558,628	15,931,905	10,888,112	12,516,825	7,565,000	59,460,470

THE CITY

The City is a community of approximately 41,962 persons, with an area of 20.94 square miles, located in the south central part of the state of Kansas. The City is located approximately 45 miles northwest of Wichita, Kansas, and is the county seat of Reno County, Kansas (the "County").

Reno County is a rich agricultural area and generally ranks as one of the top wheat producing counties in Kansas. The County also ranks high in the production of sorghum, barley, alfalfa, hay, alfalfa seed, milk and eggs. The City is one of the largest prime wheat markets in the world with storage capacity of nearly 42 million bushels. The City has long been one of the primary salt producing areas in the country. In addition, the area surrounding the City has a diversified economic base with more than 200 industries including: paper products, hydraulic valves, signs, farm machinery, agricultural research, food distribution and processing, millwork, baked goods, ice cream, school buses, ambulances, rebuilt engines, grain handling equipment and mobile homes.

Government and Organization of the City

The City of Hutchinson, Kansas is a city of the first class, incorporated in 1872. The City operated under the Commission-Manager form of government from April, 1947 until April, 1995. The City Commission consisted of five Commissioners elected in at-large, nonpartisan elections for staggered terms of four years and two years and each received compensation of \$100 per year except the Mayor who received compensation of \$250 per year.

On November 8, 1994, the electors of the City voted that effective April 11, 1995, the City would abandon its Commission/City Manager form of government, and adopt a Mayor/Council/City Manager plan, wherein one council member would be elected from the city-at-large, and four council members would be elected by district of approximately equal population; and, that once elected, the City Council shall select the Mayor from its own members by a majority vote. The council members receive no annual compensation.

The Mayor is elected by the Council from among its membership for a one-year term and has no regular administrative duties. The City Council is the legislative body of the City.

The City Council appoints the City Manager, who is the chief executive and administrative officer of the City and is responsible to the Council for the proper administration of the City's affairs. The following table lists the principal elected officials of the City:

<u>Name</u>	<u>Title</u>	<u>Term Expires</u>
Cindy Proett	Mayor	April 2015
Jade Piros de Carvalho	Vice Mayor	April 2015
Jon Daveline	Council Member	April 2017
Nancy Soldner	Council Member	April 2017
Bob Bush	Council Member	April 2015

Risk Management

The City is exposed to various risks of loss related to torts, loss and damage to property, errors and omissions and injuries to employees. The City obtains employee health and dental insurance through Blue Cross & Blue Shield of Kansas. The City self-insures worker's compensation and other related expenses up to certain limits and reinsures additional excess amounts up to certain limits.

Educational Facilities

Unified School District No. 308 operates eight elementary schools, two middle schools and one senior high school in the City, which have a total enrollment of 5,144 students. Unified School District No. 309, Unified School District No. 312 and Unified School District No. 313 also serve a portion of the City. In addition, there are three private elementary schools and two private high schools in the City. The City is home to Hutchinson Community College and Area Vocational School which offer numerous academic, technical skills and continuing education programs to approximately 5,600 students each year.

Transportation and Communication Facilities

The City is served by U.S. Highway 50 and State Highways 14, 61 and 96 (Highway 96 is a four-lane highway between Hutchinson and Wichita) which connect to U.S. Highways 54, 56 and I-35. The City is approximately 30 miles from Interstate Highway 35. Amtrak, the Burlington Northern and Santa Fe Railroad, Kansas and Oklahoma Railroad, Union Pacific and Southern Pacific Railway and Hutchinson and Northern Railway (a local intercity rail line) railroads provide rail service. The City owns and operates an airport with three paved and lighted runways, the longest of which is 7,200 feet.

Medical and Health Facilities

The City has over 80 physicians and 28 dentists. Hutchinson Regional Medical Center, which was constructed in 1975 on an 83 acre site, has over 200 acute care beds and 30 skilled nursing units. Since its original construction, a \$2.3 million Linear Accelerator Cancer Treatment Facility has been added to the Hospital's facilities as well as a \$5 million retirement center including intermediate care, a 60-bed nursing center and a 30-suite assisted living facility, same-day surgery facility and an open heart surgery facility. The Hutchinson Clinic which includes ambulatory surgery and dialysis treatment centers, brings together 65 physicians and nearly 700 health care professionals to provide advanced health care services.

Public Utilities

The City provides a full range of services including police and fire protection, construction and maintenance of infrastructure, community development and planning, and recreational and cultural activities. The City also provides water and wastewater treatment utilities. Revenues necessary for the operation of the City's water and wastewater treatment utilities are generated exclusively by user fees. All other utility services in the City are provided by private companies. SBC provides phone service in the City. AT&T, Sprint, MCI and other long distance carriers are available, as is cellular telephone service. Natural gas service is provided by KGS, Black Hills Energy and Aquila. Westar Energy provides electricity, and Cox Communications provides cable TV service.

Attractions, Recreation and Cultural Arts

The City offers a rich diversity of facilities, attractions, events and cultural arts amenities to residents and the approximately 1.5 million annual visitors to the community. A modern, full-service Convention Center, provides 45,000 square feet of banquet and meeting space. Reno County is the site of the Kansas State Fair Grounds which draw thousands of visitors year round, but especially each September for the Kansas State Fair. The Kansas Cosmosphere and Space Museum houses the largest collection of space artifacts outside the Smithsonian Institution and the largest collection of Soviet space hardware in the Western world. The museum, along with its education programs and IMAX Theater, is a major tourist destination, drawing visitors from all over the world. The Kansas Underground Salt Museum is the community's newest tourist attraction. This cavernous, subterranean museum, located in a working salt mine, offers a fascinating historical, cultural and geological account of salt mining. The Reno County Museum features rotating exhibit galleries that recount the County's history and heritage from its earliest beginnings to present day. One highlight of community life is the annual National Junior College Athletic Association Men's Division I Basketball Tournament held each year at the Hutchinson Sports Arena.

ECONOMIC INFORMATION

Major Employers

Listed below are the major employers located in or near the City and the number employed by each:

<u>Major Employers</u>	<u>Product/Service</u>	<u>Number of Full- & Part-time Employees</u>
Hutchinson Regional Medical Center	Medical Services	1,251
Hutchinson Unified School District No. 308	Education	850
Dillon Companies	Groceries	800
Hutchinson Clinic	Medical Services	785
Hutchinson Community College	Education	668
Tyson Prepared Foods	Precooked Meats	520
Hutchinson Correctional Facility	State Prison	512
Wal-Mart Super Center	Discount Retailer	362
Buhler Unified School District No. 313	Education	356
Siemens Wind Power	Wind Turbine Components Mfr.	300
Kroger Accounting Services	Back Office & Support	287
Wesley Towers	Health Care/Retirement Services	254
Mennonite Manor	Health Care/Retirement Services	248
Kuhn Krause, Inc.	Agricultural Manufacturer	246
Collins Bus Corporation	Type A Bus Manufacturer	218
Nickerson Unified School District No. 309	Education	216
Lowen Corporation	Industrial Marking/Sign Mfr.	201
Portfolio Recovery Associates	Debt Collection	196
Data Center, Inc.	Financial Technology / Banking	176
Horizons Mental Health Center	Health Care	174
First National Bank of Hutchinson	Financial Services	170
Morton Salt, Inc.	Salt	150
Eaton Corporation	Hydraulic Components Mfr.	147
Kwik Shop, Inc.	Retail Store	145
Good Samaritan Society Hutchinson Village	Retirement, Assisted Living	140
TECH, Inc.	Education & Training for Special Needs	140
Hutchinson News, The	Newspapers	122
Jackson Dairy	Food - Bakers, Processors & Wholesalers	121
TSW Products	Manufacturer - Hydraulic parts	114
Cargill Salt	Salt	107
Conklin Cars Hutchinson	Automobile - Dealers	105
APAC – Kansas Inc. – Shears Division	Commercial Contractors	103

Source: Hutchinson Chamber of Commerce

Labor Force

The following table sets forth labor force figures for Reno County and the State of Kansas:

RENO COUNTY

<u>Year</u>	<u>Total Labor Force</u>	<u>Employed</u>	<u>Unemployed</u>	<u>Unemployed Rate</u>
2003	33,111	31,381	1,730	5.2%
2004	32,830	31,089	1,741	5.3%
2005	32,107	30,450	1,657	5.2%
2006	33,140	31,668	1,472	4.4%
2007	32,525	31,214	1,311	4.0%
2008	32,709	31,358	1,351	4.1%
2009	34,873	32,778	2,095	6.0%
2010	34,751	32,640	2,111	6.1%
2011	35,066	32,983	2,083	5.9%
2012	34,000	32,219	1,781	5.2%

STATE OF KANSAS

<u>Year</u>	<u>Total Labor Force</u>	<u>Employed</u>	<u>Unemployed</u>	<u>Unemployed Rate</u>
2003	1,447,500	1,366,100	81,400	5.6%
2004	1,463,943	1,383,654	80,289	5.5%
2005	1,475,800	1,400,800	75,000	5.1%
2006	1,474,044	1,410,048	63,996	4.3%
2007	1,484,237	1,425,049	60,188	4.1%
2008	1,496,943	1,431,340	65,603	4.4%
2009	1,518,924	1,416,942	101,982	6.6%
2010	1,502,324	1,396,560	105,764	6.6%
2011	1,505,046	1,404,340	100,706	6.6%
2012	1,489,320	1,403,866	85,454	5.7%

Source: Kansas Department of Labor

Retail Sales Tax Collections

The following table lists the State of Kansas sales tax collections for the years indicated for sales occurring in Reno County, Kansas:

<u>Year</u>	<u>Sales Tax Collections</u>	<u>Per Capita Sales Tax</u>
2003	\$39,624,891	\$624.44
2004	39,741,387	623.98
2005	41,118,652	634.56
2006	42,230,971	657.20
2007	43,906,351	674.63
2008	46,006,640	706.36
2009	43,258,539	710.98
2010	48,233,124	681.84
2011	52,320,588	813.23
2012	N/A	834.64

Source: Kansas Statistical Abstract

Financial and Banking Institutions

There are currently 10 banks and 27 banking offices located in Reno County, Kansas. For the years listed, bank deposits of the County's banks are as follows:

<u>Year</u>	<u>Total Bank Deposits</u>
2003	\$828,757,000
2004	861,089,000
2005	832,000,000
2006	849,000,000
2007	853,000,000
2008	859,000,000
2009	952,000,000
2010	1,028,000,000
2011	1,034,000,000
2012	1,071,000,000

Source: Kansas Statistical Abstract

Population

The following table shows the approximate population of the City and County in the years indicated:

<u>Year</u>	<u>City Population</u>	<u>Reno County Population</u>
1960	37,574	59,055
1970	36,885	60,765
1980	40,284	64,983
1990	39,308	62,389
2000	40,787	64,790
2001	41,603	64,467
2002	41,251	63,961
2003	41,053	63,667
2004	40,828	63,363
2005	40,741	63,256
2006	40,746	63,215
2007	40,548	63,015
2008	40,714	63,227
2009	40,795	63,357
2010	42,080	63,854
2011	42,142	64,607
2012	41,962	64,438

The median age of persons in Reno County and the State of Kansas is 38.3 and 36.0, respectively, per the 2010 Census.

Source: Kansas Statistical Abstract

Personal Income

Reno County personal and per capita income and the State of Kansas per capita income are listed for the years indicated, in the following table:

<u>Year</u>	<u>Reno County Personal Income</u>	<u>Reno County Per Capita Income</u>	<u>State of Kansas Per Capita Income</u>
2002	\$1,638,053,000	\$25,610	\$29,752
2003	1,682,980,000	26,434	30,824
2004	1,686,542,000	26,617	31,924
2005	1,714,894,000	27,110	33,145
2006	1,839,642,000	29,101	35,772
2007	1,941,464,000	30,810	37,775
2008	2,055,613,000	32,512	40,022
2009	2,064,007,000	32,577	39,173
2010	2,075,196,000	32,136	38,977
2011	2,173,480,000	33,642	40,883

Source: Kansas Statistical Abstract

Accounting, Budgeting and Auditing Procedures

The statutes of Kansas and the regulations of the Kansas Board of Accountancy provide for municipal accounting in conformance with generally accepted accounting principles unless the municipality opts to adhere to the statutory basis of accounting, state law, the State Division of Accounts and Reports, the State Department of Administration, bond covenants, commitments for grants, ordinances passed and resolutions adopted by the City Council.

In compliance with K.S.A. 75-1120a(c), the City has approved a resolution allowing the municipality to use the statutory basis of accounting. Accounting policies of the City conform to the Kansas statutory basis of accounting and "cash-basis" law. Under the statutory basis of accounting, an increase to a fund balance is recognized when cash is received. Expenditures or decreases to a fund balance include disbursements, accounts payable and encumbrances. Encumbrances are commitments related to unperformed (executor) contracts for goods and services and are usually evidenced by a purchase order or written contract.

An annual budget of estimated receipts and disbursements for the coming calendar year is required by statute to be prepared for all funds (unless specifically exempted). The budget is prepared utilizing the Kansas cash basis which is further modified by the encumbrance method of accounting. For example, commitments such as purchase orders and contracts, in addition to disbursements and accounts payable, are recorded as expenditures. The budget lists estimated receipts by funds and sources and estimated disbursements by funds and purposes. The proposed budget is presented to the governing body of the City prior to August 1, with a public hearing required to be held prior to August 15, with the final budget to be adopted prior to August 25 of each year. Budgets may be amended upon action of the governing body after notice and public hearing, provided that no additional tax revenues may be raised after the original budget is adopted.

Kansas law prohibits governmental units from creating indebtedness unless there are funds on hand in the proper accounts and unencumbered by previous action with which to pay such indebtedness. An exception to this cash-basis operation is made where provision has been made for payment of obligations by bonds or other specific debt obligations authorized by law.

The financial records of the City are audited annually by a firm of independent certified public accountants in accordance with generally accepted auditing standards. The annual audit was performed by Lindburg Vogel Pierce Faris, Chartered, Hutchinson, Kansas. Copies of the audit reports for the past five (5) years are on file in the City Clerk's office and are available for review.

The City received the Distinguished Budget Presentation Award from the Government Finance Officers Association (GFOA) in 2012 and 2013.

Sources of Revenue

The City finances its general operations through the local property tax levy, sales tax, various other taxes, a variety of license and permit fees, and other miscellaneous sources as indicated below for the 2011 Fiscal Year (General Fund only):

<u>Source</u>	<u>Percent</u>
Taxes	67.8%
Franchise Fees	16.0%
License and Permits	1.4%
Fines, Forfeitures and Penalties	2.3%
Public Safety Revenues	6.6%
Other	5.9%
TOTAL	<u>100%</u>

Property Valuation

The determination of assessed valuation and the collection of property taxes for all political subdivisions in the state of Kansas is the responsibility of the various counties under the direction of state statutes. The County Appraiser's office determines the assessed valuation that is to be used as a basis for the mill levy on property located in the City.

All property in the state of Kansas has been reevaluated as a result of a bill passed by the 1985 session of the Kansas Legislature requiring county appraisers to reassess property for tax purposes, with an effective date of January 1, 1989.

In conjunction with the November 1986 general election, Kansas voters approved a proposition to modify the state constitution with respect to classification of property for ad valorem taxation. For taxable years 1989 through 1992, real and personal property was divided into classes and assessed at different percentages of fair market value. Land devoted to agricultural use was valued on the basis of its agricultural income or productivity and assessed at 30% of the value so obtained; commercial and industrial machinery and equipment was assessed at 20% of its fair market value; residential property and vacant lots were assessed at 12% of fair market value; and all other property was assessed at 30% of fair market value. Farm machinery and equipment, merchants' and manufacturers' inventories, and livestock were exempt from property taxation.

In conjunction with the November, 1992 general election, Kansas voters approved a proposition to further modify the state constitution with respect to classification of property for ad valorem taxation. The modified classification provisions shall be effective for assessment and taxation of property on and after January 1, 1993 and each year thereafter. Property is divided into two classes, real property and personal property. Real property is divided into seven subclasses; there are six subclasses of personal property. The real property (Class 1) subclasses are: (i) real property used for residential purposes including multi-family mobile or manufactured homes and the real property on which such homes are located, assessed at 11.5%, (ii) agricultural land, valued on the basis of agricultural income or productivity, assessed at 30%, (iii) vacant lots, assessed at 12%, (iv) real property, owned and operated by a not-for-profit organization not subject to federal income taxation, pursuant to Section 501 of the Internal Revenue Code, assessed at 12%, (v) public utility real property, except railroad real property, assessed at the average rate that all other commercial and industrial property is assessed, assessed at 33%, (vi) real property used for commercial and industrial purposes and buildings and other improvements located on land devoted to agricultural use, assessed at 25%, and (vii) all other urban and real property not otherwise specifically classified, assessed at 30%. Tangible personal property (Class 2) subclasses are: (i) mobile homes used for residential purposes, assessed at 11.5%, (ii) mineral leasehold interests, except oil leasehold interests, the average daily production from which is 5 barrels or less, and natural gas leasehold interests, the average daily production from which is 100 mcf or less, which shall be assessed at 25%, assessed at 30%, (iii) public utility tangible personal property, including inventories thereof, except railroad personal property, including inventories thereof, which shall be assessed at the average rate all other commercial and industrial property is assessed, assessed at 33%, (iv) all categories of motor vehicles not defined and specifically valued and taxed pursuant to law enacted prior to January 1, 1985, assessed at 20%* (but see "Property Tax Levies and Collections below), (v) commercial and industrial machinery and equipment which if its economic life is 7 years or more, shall be valued at its retail cost, when new, less seven-year straight-line depreciation, or which, if its economic life is less than 7 years, shall be valued at its retail cost when new, less straight-line

depreciation over its economic life, except that, the value so obtained for such property, notwithstanding its economic life and as long as such property is being used, shall not be less than 20% of the retail cost when new of such property, assessed at 25%, and (vi) all other tangible personal property not otherwise specifically classified, assessed at 30%. All property used exclusively for state, county, municipal, literary, educational, scientific, religious, benevolent and charitable purposes, farm machinery and equipment, merchants' and manufacturers' inventories, other than public utility inventories included in subclass (3) of class 2, livestock, and all household goods and personal effects not used for the production of income, shall be exempted from property taxation.

Machinery and Equipment Tax Exemption

The 2006 Kansas Legislature exempted from all property or ad valorem property taxes levied under the laws of the State all commercial, industrial, telecommunications and railroad machinery and equipment acquired by qualified purchase or lease after June 30, 2006 or transported into the State after June 30, 2006 for the purpose of expanding an existing business or creation of a new business.

Assessed Valuation

The following table shows the assessed valuation of the taxable tangible property within the City for the years set forth below:

<u>Year</u>	<u>Real Property</u>	<u>Personal Property</u>	<u>State Assessed Utility</u>	<u>Motor Vehicle</u>	<u>Total</u>
2004	\$191,340,754	\$23,086,519	\$13,935,378	\$36,843,824	\$265,206,475
2005	194,069,052	23,712,848	14,628,517	37,331,765	269,742,182
2006	201,444,709	24,639,726	13,972,385	38,020,689	278,077,509
2007	213,039,580	20,350,647	14,294,501	38,216,284	285,901,012
2008	217,387,042	16,041,061	13,318,839	28,234,741	274,981,683
2009	217,907,705	13,234,713	12,416,994	37,632,522	281,191,934
2010	230,480,731	17,658,283	14,777,913	36,900,139	299,817,066
2011	234,682,832	16,647,439	15,080,520	36,658,833	303,069,624
2012	239,933,654	15,542,800	16,084,888	37,077,227	308,638,569
2013	248,994,945	14,779,130	16,838,687	38,371,023	318,983,785

Source: County Clerk

Estimated Actual Valuation

The following table shows the estimated actual valuation for the taxable property within the City assuming an average assessment ratio of 17.3%:

<u>Year</u>	<u>Total</u>
2004	1,532,985,405
2005	1,559,203,364
2006	1,607,384,445
2007	1,652,607,006
2008	1,589,489,497
2009	1,625,386,902
2010	1,733,046,624
2011	1,751,847,538
2012	1,784,037,971
2013	1,843,836,908

Source: County Clerk

Property Tax Levies and Collections

The following table sets forth the property taxes levied and collected in the years indicated:

<u>Year</u>	<u>Taxes Levied</u>	<u>Current Tax Collections</u>	<u>Percent of Current Taxes Collected</u>
2003	\$9,991,824	\$9,284,863	92.92%
2004	10,446,679	9,807,854	93.88%
2005	10,493,987	9,898,352	94.32%
2006	10,642,816	10,015,076	94.10%
2007	10,863,512	10,378,063	95.53%
2008	11,357,712	10,933,488	96.26%
2009	10,911,256	10,506,832	96.29%
2010	11,892,275	11,391,270	95.79%
2011	11,982,884	11,540,478	96.31%
2012	12,286,686	11,713,817	95.33%
2013 ⁽¹⁾	12,669,162	6,979,351	55.09%

(1) In Process

Source: County Treasurer's Office

Tax Collections

Tax statements are mailed November 1 each year and may be paid in full or one-half on or before December 20 with the remaining one-half due on or before May 10 of the following year. Taxes that are unpaid on the due dates are considered delinquent and accrue interest at the rate of 12% per annum until paid or until the property is sold for taxes. Real estate bearing unpaid taxes is advertised for sale on or before August 1 of each year and is sold by the County for taxes and all legal charges on the first Tuesday in September. Properties that are sold and not redeemed within two years after the tax sale are subject to foreclosure sale, except homestead properties which are subject to foreclosure sale after three years.

Personal taxes are due and may be paid in the same manner as real estate taxes, with the same interest applying to delinquencies. If personal taxes are not paid when due, and after written notice, warrants are issued and placed in the hands of the Sheriff for collection. If not paid on or before October 1, legal judgment is entered and the delinquent tax becomes a lien on the property. Unless renewed, a non-enforced lien expires five years after it is entered.

Motor vehicle taxes are collected periodically throughout the year concurrently with the renewal of motor vehicle tags based upon the value of such vehicles. Such tax receipts are distributed to all taxing subdivisions, including the State of Kansas, in proportion to the number of mills levied within each taxpayer's tax levy unit.

Tax Rates

The City previously was required to levy taxes in accordance with the requirements of its adopted budget and within the restrictions of a state aggregate tax lid, which tax lid was repealed on July 1, 1999. The funds of the City that were previously restricted by the tax lid included the general fund, capital improvement funds and special improvement funds. Levies not previously affected by the tax lid include debt service payments on bonds, notes and no fund warrants; payments made to a public building commission; expenses related to tort claim liability, employer contributions for employee retirement, health care and benefit programs, expenses incurred for rebates to owners of property in connection with neighborhood revitalization programs and for expenses incurred by cities in administering juvenile delinquency and crime programs. Property tax levies are based on the adopted budget of the City and the assessed valuations provided by the county appraiser.

Special Assessments and Collections

In the past the City has pursued a policy of utilizing special benefit districts to assign the cost of certain internal improvement projects to the property which was directly benefited from the construction thereof. Kansas statutes allow for the creation of special benefit districts to pay for the cost of a variety of improvements including street construction, storm water drains, sanitary sewer system improvements, street lighting, water system improvements, recreational facilities, flood control projects, bridges and parking facilities. The City has typically utilized special benefit districts to pay for the costs associated with constructing streets, sidewalks, water lines, sewers, curbs, gutters and lighting in new residential developments within the City.

The creation of special benefit districts, the determination of property benefited and the method of allocating the cost of the improvements is at the discretion of the City. Property owners have the ability to suggest improvement to be made through a petition process and to comment on the final amount of their assessment. The City may or may not be included as part of the special benefit district. All property owners have the option to pay their portion of the improvement cost with a one-time payment during an assessment prepayment period or pay in annual installments with interest over a certain number of years.

Upon completion of the special benefit district improvement projects and a prepayment period, the City issues general obligation bonds to provide for permanent project financing. The payment of the principal of and interest on such bonds is paid from the special assessments levied annually on the benefited property owners. Special assessments are paid at the same time and in the same manner as ad valorem property taxes. If at any time the special assessments received from the property owners are insufficient to provide for the payment of the principal of and interest on the bonds, the City is obligated to provide for the balance of such payments through its ability to levy unlimited ad valorem property taxes.

Major Taxpayers

The following table sets forth the largest taxpayers in the City for the year 2013:

<u>Firm</u>	<u>Assessed Valuation</u>	<u>Taxes Paid</u>
Westar Energy	\$8,907,427	\$1,545,751
Main Line, Inc. (Hospital)	5,177,023	891,035
Kansas Gas Service	3,028,845	525,361
Wal-Mart Stores	2,365,798	411,855
Rubloff Hutchinson Portfolio.LLC	2,325,000	404,752
Sands of Hutchinson, LLC	2,194,541	377,354
Eaton Corporation	2,137,108	372,043
Dillon Real Estate Co, Inc.	1,937,502	337,294
Southwestern Bell Telephone	1,851,241	321,779
Lowe's Home Center, Inc.	1,739,315	299,077

Source: County Clerk

Sales Tax Collections

Sales tax collections are the responsibility of the Kansas Department of Revenue. The Department of Revenue distributes the local option countywide and citywide sales taxes on a monthly basis. Countywide sales taxes are distributed between the levying county and the cities within the county based on population and relative tax levies. Citywide local option sales taxes are distributed solely to the levying city.

The total sales tax for goods and services in the City is 8.4%, which consists of 6.15% imposed by the State of Kansas, 1.00% imposed by Reno County, a 0.75% citywide local option sales tax and a 0.50% sales tax to fund construction of a new jail. The City has a ¼-cent (0.25%) sales tax which was scheduled to expire in March 1, 2014. The City conducted an election in November, 2012 in which the voters approved the renewal of the 0.25% sales tax which was scheduled to expire in 2014. The City uses sales tax receipts from the ¼-cent local option citywide sales tax to fund infrastructure improvements, job growth and provide property tax relief. In addition, the City has a ½-cent sales tax for general purposes which was approved by voters in January, 1986.

The voters in Reno County approved a 1.00% countywide general sales tax. This sales tax will be shared by the County with cities in Reno County. The City expects to receive approximately 48% of the sales tax collections received by the County pursuant to this sales tax

The City, County and State have allocated the State sales tax, the City ½-cent sales tax and the City’s share of the County 1% sales tax collected in a specific redevelopment district for the retirement of bonds issued for the Underground Salt Museum. The balance of the bonds payable from this sales tax is \$625,769.

The following table lists the total local option sales tax receipts of the City in the years indicated:

CITY SALES TAX COLLECTIONS

	<u>¼-Cent Citywide Sales Tax Receipts</u>	<u>½- Cent Citywide Sales Tax Receipts</u>	<u>Total</u>
2003	\$1,728,378	\$3,456,756	\$5,185,134
2004	1,840,300	3,680,599	5,520,899
2005	1,856,291	3,712,582	5,568,873
2006	1,866,314	3,732,627	5,598,941
2007	1,926,152	3,852,304	5,778,456
2008	2,046,679	4,093,357	6,140,036
2009	1,944,580	3,889,159	5,833,739
2010	1,905,752	3,811,505	5,717,257
2011	1,998,560	3,997,119	5,995,679
2012	2,012,950	4,086,900	6,099,850
2013	2,160,231	4,320,464	6,480,695

The City receives a portion of the county-wide 1% sales tax based upon a formula. The City’s share of the 1% county-wide sales tax is approximately 48%. The following table sets forth the City’s portion of the county-wide sales tax:

CITY PORTION OF COUNTY SALES TAX COLLECTIONS

<u>Year</u>	<u>City Portion of County 1% Sales Tax Collections</u>
2003	\$4,187,386
2004	4,488,570
2005	4,579,843
2006	4,597,733
2007	4,719,658
2008	5,032,862
2009	4,804,523
2010	4,634,008
2011	4,869,940
2012	5,093,067
2013	5,413,893

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Glossary of Terms

- **Account Code** – The fourteen-digit number assigned to a budget line item account identifying the fund, department, activity and object from which the expenditure is made and recorded. For example: The account code 001.3000.451.2210 identifies the fund 001 (general fund), the department 3000 (finance department), the activity 451 (financial operations) and the object 2210 (contractual services – postage).
- **Activity Code** – Represented by the second set of numbers (three digits) of the account code that identifies the activity (e.g. Engineering is 551).
- **Ad valorem taxes** – Taxes that are levied based on the estimated value of the property being taxed e.g. real estate and automobiles.
- **FOP** – The Fraternal Order of Police is the union that represents the City's police department personnel.
- **Appropriation** – An authorized amount to make expenditures or enter into obligations for specific purposes.
- **Balanced Budget** – defined in City Council Policy #3, paragraph 2 - the City's annual budget is considered balanced if the City's current operating revenues (not including one-time transfers, restricted reserves, or unreserved fund balance) exceeds its current operating expenditures (not including capital equipment, capital improvements, emergencies, or unexpected events).
- **Basis of Accounting** – the accounting rules used to measure revenues and expenditures. The City utilizes the following basis of accounting:
 - **Accrual Basis** – is an accounting basis that measures revenues according to when they are earned and expenses according to when they are incurred. This measurement basis differs from cash basis accounting because the measurement of revenues and expenses is not related to the flow of cash. The City does not use the accrual basis of accounting in its budget preparation.
 - **Budget Basis** – the accounting basis that the City prepares its budget, files it with the State of Kansas, and monitors its progress. The City's budget basis is the Kansas cash basis of accounting.
 - **Kansas Cash Basis** – is an accounting basis that measures revenues and expenditures by the flow of cash. Revenues are recorded when cash is received and expenditures are recorded when the expenditure has been incurred or committed to even though it may not yet be paid. Kansas cash basis is the basis that the City prepares and files its budget and the comprehensive annual financial report (CAFR).
- **Bond Refunding** – when new bonds are issued to buy back outstanding bonds in order to save money due to a decrease in interest rates. *Current* refunding is for bonds that are callable or may be bought back by the City. *Advanced* refunding is issuing debt and investing that money into escrow in order to buy back bonds when they do become callable to realize debt savings due to lower interest rates.
- **Budget Amendment** – is a revision of current budget by resolution following public hearing to insure that appropriations exceed actual expenditures in each budgeted fund. An amendment resolution can be approved at anytime during the fiscal year up to December 31, the last day of the fiscal year.
- **Budget Cycle** – Four phases of the budget cycle are preparation (staff), approval (city council review and adoption), implementation (administering, accounting and reporting), and evaluation (accountability and auditing).
- **Capital Improvement Program (CIP)** – A five-year program the City prepares every year for *capital expenditures*; the first year of the program is integrated into the annual operating budget

- **CAFR** – Comprehensive Annual Financial Report is the report summarizing the City's financial operations as of the fiscal year end. The report is issued in accordance with the Kansas statutory basis of reporting.
- **Capital Expenditure** – The improvement of land or buildings that is greater than \$25,000, is not ordinary repair or maintenance, and has a useful life of three years or more, or 10 years or more if funded through general obligation bonds.
- **Community Improvement District (CID)** – An economic development area created by petition that levies an additional sales tax or assessment for the purposes of financing infrastructure or other improvements within the defined district.
- **Consolidated Mill (Tax) Rate** – is the total levy rate in dollars the property owner must pay for every \$1,000 of taxable valuation that includes levies from the community school district, city, county, state and special districts.
- **Debt Limitation** – by state constitution, requires that no city may become indebted in an amount exceeding 30% of the actual value of taxable property within its jurisdiction. This applies to certain general obligation indebtedness, which is backed by the full taxing power of the city.
- **Debt Margin** - is the difference between the debt limit and the applicable outstanding debt.
- **Economic Opportunity Funds (EOF)** – a reserved portion of the General fund balance derived from sales tax receipts for economic development purposes; consists of two parts – one for development incentive payments and one for development capital improvements
- **Encumbrance** – a commitment by the City to purchase goods or services in the future
- **Fiduciary Funds** – are the following:
 - **Trust and Agency Funds** – are utilized to account for monies and properties received and held by the City in an agent or trust capacity for individuals, private organizations, or other governmental units. Agency funds are custodial in nature and represent funds that are temporarily being held by the City for a 3rd party.
- **Fiscal Year** – January 1 to December 31 (calendar year).
- **Full Time Equivalent (FTE)** – is the unit of measure for personal services with the standard 40-hour work week over one year equal to 1.0 FTE. For instance, an employee working 20 hours per week for an entire year would be .50 FTE and an employee working 40 hours per week for an entire year would be 1.0 FTE. This unit of measurement is applied to authorized permanent positions and not to actual worked hours.
- **Fund** - An independent fiscal and accounting entity with a self-balancing set of accounts recording cash and/or other resources, (together with all related liabilities, obligations, reserves and equities) which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.
- **Fund Accounting** – The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity.
- **Fund Balance** – Fund balance, as budgeted, represents the cash balance or cash-on-hand for the particular fund less accounts payable and purchase obligations or encumbrances.
- **GAAP** – General Accepted Accounting Priniples are the rules for governmental accounting as established by the Governmental Accounting Standards Board (GASB). The City opts out of GAAP rules each year and instead adheres to the Kansas statutory basis financial statements.
- **GASB** – Governmental Accounting Standards Board is the authoritative body that establishes the accounting principles and rules for governmental entities.

- **General Obligation Bonds (GO Bonds)** – Debt instruments sold by the City to obtain funds to be used for long-term capital improvement projects. The City uses Moody's Investors Service and Standard & Poor's Ratings Service to rate the bonds for sale through public bidding. These bonds are generally guaranteed by the City's full faith and credit and are typically repaid with property taxes but can be repaid with other sources of revenue.
- **Governmental Fund Types** – are the following:
 - **General Fund** – is the chief operating fund and is used to account for all tax receipts and other receipts that do not have to be reported by law or contractual agreement in some other fund. From the fund are paid the entire general operating disbursements, the fixed charges and capital improvement costs that are not paid through other funds.
 - **Special Revenue Funds** – are funds utilized to account for receipts derived from specific sources that are usually required by law or regulation to be accounted for in separate funds, such as the road use fund, tax increment financing fund and the drug seizure/forfeiture fund.
 - **Debt Service Fund** – is used to report accumulations of resources to meet current and future long-term debt service requirements such as capital lease obligations, bond principal, interest and related costs.
 - **Capital Projects Funds** – are utilized to record resources for the acquisition and construction of major capital facilities.
- **IAFF** – International Association of Fire Fighters is the union that represents the City's fire fighting personnel.
- **HRCEC** – The 911 emergency communications center operated by the City of Hutchinson and Reno County.
- **KPERS** – Kansas Public Employees Retirement System is the pension system that covers all full-time, part-time, and most temporary employees except for full-time firefighters and police officers.
- **KP&F** – The special division of the Kansas Public Employees Retirement System retirement system that covers full-time firefighters and police officers.
- **Line Item Account** – A separate financial reporting unit within the budget that has a specific appropriation from which purchases are made and recorded.
- **MERF** – The Municipal Equipment Replacement Fund. This is an unbudgeted special revenue fund that is dedicated to the acquisition and replacement of capital equipment with a cost greater than \$10,000.
- **Mill (Tax) Rate** – is the levy rate in dollars the property owner must pay for every \$1,000 of taxable valuation. For example in FY 2013 the City tax rate is \$41.412 per \$1,000.
- **Moody's Investors Service** – A national investor services that independently rates the creditworthiness of issuers bonds. Their rating is an opinion of the ability and willingness of an issuer of debt to make full and timely payments of principal and interest on the debt security over the course of its maturity schedule. The rating influences the interest rates bid for the bonds, thus having an economic impact on a project's ultimate cost. The City's current bond rating is **Aa3**.
- **Object Code** – The last four digits of the account code that identifies specific line item objects of expenditure.
- **Object Code Types and Sources** – They are groups of line item accounts of a similar nature within the budget such as Personal Services, Contractual Services, Commodities, Capital Outlay, and Debt Service *types* for expenditures and Property Taxes, Non-property Taxes, Tax Increment Revenues, Special Assessments, Licenses and Permits, Uses of Money and Property, Intergovernmental Revenues, Service Charges, Bond Proceeds, Transfers In for revenues.

- **Proprietary Fund Types** – are the following:
 - **Enterprise Funds** – are utilized to finance and account for all resources used in the acquisition, operation and maintenance of governmental facilities and services that are supported by user charges, such as the golf course, water utility and wastewater utility.
 - **Internal Service Funds** – are used to account for the financing of goods and services provided by one department or agency to other departments or agencies within the government, on a cost reimbursement basis; for example, the central garage, the health insurance fund, and the equipment reserve fund.
- **Reserve Transfers** – a budget term to describe financial flows between a budgeted fund and an unbudgeted fund. Reserve transfers are shown as revenues and expenditures in the budgeted funds.
- **Revenue Bonds** – bond issues require Council approval by resolution following public hearing, but does not require public vote. Issued to finance municipal enterprises such as parking facilities, utility operations, and solid waste facilities; that is, revenue generating operations with incomes sufficient to retire indebtedness.
- **SEIU** – Service Employees International Union is the union that represents the City's public works, public utilities, parks maintenance, and service employees.
- **Special Assessments** – Costs for specific public improvements assessed against benefited properties, including streets, sidewalks, sewers, etc. and to be repaid with the collection of those assessments.
- **State Budget Forms** – are state mandated budget forms that must be prepared, certified and submitted to the Department of Management and Reno County Clerk's Office by August 25th.
- **Tax Increment Financing (TIF)** – is the amount of taxable value in excess of the base or beginning value of the property located within a defined district. The consolidated tax rate applied to the excess is remitted to the City for urban renewal or economic development purposes with the exception of the debt service and property, plant, and equipment levies of all of the jurisdictions with taxing authority in the district.
- **Tax (Mill) Rate** – is the levy rate in dollars the property owner must pay for every \$1,000 of taxable valuation. For example, in fiscal year 2013 the City tax rate is \$41.412 per \$1,000.
- **Taxable Valuation** – is the property valuation cities may collect ad valorem taxes on. The City's tax (mill) rate is applied to this valuation to determine its property tax revenue. Property values are determined by the Reno County Assessor and the State of Kansas.
- **Temporary Loan Notes** – are usually issued to finance special assessment projects. When the project is completed, the notes are refunded with General Obligation bonds. In addition, the properties receiving the improvements are assessed for the cost of the projects and the cost of the debt financing.
- **Transfers In (Out)** – An accounting term for financial flows between two budgeted funds that do not provide an economic change to the City's financial position.
- **Unbudgeted Funds** – these are funds that the State of Kansas does not require budgets to be certified as a part of the City's annual budget. Unbudgeted funds include internal service funds, fiduciary funds, grant and donated funds, and capital project funds.
- **WWTF** – An acronym for the city's waste water treatment facility.