

Adopted Budget

Fiscal Year

2014



City of

Hutchinson

kansas

**City of Hutchinson, Kansas
ADOPTED BUDGET
Fiscal Year 2014**

CITY COUNCIL

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Cindy Proett, Vice-Mayor
Jade Piros de Carvalho
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HUTCHINSON CITY HALL

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GOVERNMENT FINANCE OFFICERS ASSOCIATION

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Budget Presentation
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**City of Hutchinson
Kansas**

For the Fiscal Year Beginning

January 1, 2013

Christopher P. Morill

President

Jeffrey R. Egan

Executive Director

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To: City Council
From: John Deardoff, City Manager
Date: 8-20-2013
Re: 2014 Approved Budget-- Executive Summary

Presented with this message, I am submitting the 2014 operating and capital budget for City Council consideration. The 2014 budget continues to focus on our need to maintain an equal balance between revenues and expense and limit the use of one-time revenues. While the proposed budget as presented is balanced, it does not fully address our continuing path of deferring equipment replacements and infrastructure investment.

The challenge with the 2014 budget is much like last year where we continue to experience increases in general operating costs (utilities, fuel, wages and benefits) coupled with relatively small or no growth in revenues. The 2014 Budget as presented maintains the mill levy at 2013 levels. While we are not proposing to raise the mill levy we are going to see additional property tax revenues due to the increase in the assessed valuation.

The 2014 budget expenditures are \$59,726,381 which represents all operating funds including utilities. The budget proposal requires a mill levy of 41.416 which represents no increase in the mill levy from 2012.

	2013 Actual	2014 Budget
General	31.564	31.565
Bond & Interest	<u>9.852</u>	<u>9.851</u>
Total Levy	41.416	41.416

As indicated above the 2014 budget is based on the following assumptions:

1. Assessed Valuation increase of 3.5%
2. No mill levy change
3. Merit step-wage increases for all eligible employees
4. Health Insurance increase of 4%
5. Funding work compensation premiums at 50% of actual
6. Funding for housing initiatives.
7. No new employees
8. No increases in the water and sewer and storm water user rates.

General Fund Summary

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 two budget years we have not made any real progress towards the goal of a \$6,200,000 General Fund cash balance. Lack of revenue growth coupled with the increasing cost of doing business will make this goal difficult to obtain in the short term. However, we will continue to focus our efforts on ways to improve the General Fund cash position.

For the past five years we have strived to create a budget where we spend no more than the revenues generated in that budget year. Put another way we worked to eliminate one-time revenues frequently used to balance the budget. The proposed 2014 budget while balanced does not completely meet that objective as we are budgeted to spend \$328,795 more in the General Fund than projected revenue.

General Fund Revenues

Property Taxes and Assessed Valuation

The 2013 assessed valuation used for the 2014 budget is \$281,084,315 which represents a preliminary unofficial figure provided by the County. The new figure represents an increase of 3.5% from last year's figure of \$271,586,966. The increase in valuation using the same mill levy provides an additional \$299,784 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 37% of our general fund revenues. The change in our economy over the past 5 years has negatively impacted our general fund revenues specifically sales tax revenue. Receipts through June of this year show some small growth over last year. The 2014 budget proposal projects a 2% increase in sales tax revenue over 2013 revised budget figures.

2010	2011	2012	2013	2014
Actual	Actual	Actual	Revised	Budget
\$10,351,265	\$10,865,619	\$11,192,917	\$11,419,670	\$11,648,064

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 16% of general fund revenues. We are projecting a 2% growth in franchise fees from Westar for 2014. Other franchise fees are projected to remain at or near 2013 levels.

Expenditures

Budgeted 2014 General Fund expenses total \$32,307,002 compared to a 2013 budget of \$31,439,615 which represents a 2.8% budgeted expenses increase.

Personnel and Wages

The 2014 budget includes funding for merit step increases for all eligible employees. Employees at the top of their respective pay grades will see no wage increase. The budget impact of the merit step increases for 2014 totals approximately \$270,000. In 2012 employees received no wage increases while this year (2013) employees received a 2% cost of living increase.

The budget contains no funding for new positions. There were a total of 4 new positions submitted for consideration in the 2014 budget:

- Human Resource Specialist
- Neighborhood Assistant (Housing)
- Emergency Communications Assistant
- Housing Code Inspector (Housing Commission)

Strategic Planning/Comprehensive Plan Update. The 2013 and 2014 budgets contain funding for the updating of the City’s Comprehensive Plan which is a strategic look at the future growth and development of the community. The current plan was developed for the period 2005 to 2010 and is in need of updating. Several projects in the Planning Department over the past 3 years have delayed our efforts to update the comprehensive plan.

Comprehensive planning is important to ensure orderly growth in our community and allow us to strategically focus our resources to areas of the comprehensive plan.

Outside Agencies

The 2014 budget contains \$63,471 for outside agency 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.

Other Outside Agency funding:

Arts and Humanities Council	\$ 24,600
Cultural Activities Fund	47,250

Representatives from the Arts Council made a request late this week for funding for both programs are restored to 2009 levels. In 2009 we reduced funding by 10%. The group will be providing a formal letter of request to the Council.

Growth Fund. The 2013 budget has annually included \$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 or City Council. Below is the proposed funding for the 2014 Growth Account:

Economic Development	Approved
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	108,500
Third Thursday	<u>2,500</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 Improvement Program

In April of this year, Brian Clennan, Director of Engineering provided the Council with a detailed overview of our street program. The City of Hutchinson has 269 miles of street to maintain. The average rating of all of our streets is borderline good to very good. Each year our street maintenance program is reviewed and approved by the City Council. The maintenance program generally consists of the following:

- Slurry Seal Program
- Residential Street Overlays
- Arterial/Collector Overlays

Slurry Seal Program

The Slurry Seal Program is work performed by the Street maintenance employees. It involves a spraying a mixture of asphalt, aggregate and binders onto the paving surface. This is a preventive maintenance program that helps extend the life of the asphalt street surface. The 2014 budget for the slurry seal program is \$200,000 which is from the Special Street Fund. The department request was \$350,000. The 2014 amount of \$200,000 is less than the 2013 budget amount of \$250,000. Our goal is to slurry seal 12.5 % of our residential streets every year. At that rate we would be able to slurry seal every residential street once every 8 years. Material costs have increased 86% since 2006. So, with the same budget amount each year we are sealing only 7% of our residential streets which puts us on an every 14 year cycle.

Residential Street Overlays.

Residential overlays are performed through a private contractor. This program is used for streets that are in too poor condition for the slurry seal program. The 2014 budget for residential street overlays is \$250,000 which comes from the 1/4% sales tax program. Typically we are overlaying about 1% of our residential streets. At this rate, the City will mill and overlay all of our residential streets once every 100 years. This is a real concern and one that we will need to address.

Arterial/Collector Street Overlays.

The 2014 budget from arterial/collector resurfacing is \$725,000 with \$475,000 coming from the ¼% sales tax, \$250,000 from the Growth Fund. The 2014 Arterial/Collector re-construct program is Waldron Street from 23rd to 30th. It will be funded from the Street Reconstruct CIP Project Reserves and MTO (Main Traffic way Ordinance) Bonds.

Since 2006, the cost of mill and overlays projects has doubled while funding has stayed the same. Therefore, we are able to mill and overlay half of the area we did 7 years ago. This issue has led us to introducing a new Ultra-thin bonded overlay process for a portion of our Arterial Overlay Program. Costs for the Ultra-thin bond process are estimated at \$6.30/SY as compared to \$12.54/SY for the traditional 2" mill and overlay program. Based on current funding levels we are doing at 4.7% of all arterial /collector streets in the City which would have us addressing these streets once every 21 years.

The theme is not good as we continue to fall behind in our street maintenance program. It is simply a case where funding levels are not keeping pace with the cost of street maintenance.

Bond & Interest

The proposed levy rate in 2014 for the Bond & Interest will remain at 9.852. The increase in assessed valuation provides an additional \$93,568 in property tax revenue with no change in the mill levy rate. The total principle and interest payments for 2014 will be \$5,039,001. Included in the budget document is a bond and interest schedule which reflects all of our general obligation debt.

Utilities

Water (no rate increase 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 and 2013. Based on the actual 2012 water fund expenditures and revenues and the proposed 2013 revised and 2014 water fund budgets and projected revenues, no water rate increase is proposed for 2014. Proposed 2014 expenditures of \$7,778,737 and projected revenues of \$7,269,368 are within \$509,369 of a balanced fund budget. The projected 2014 ending balance of \$5,099,717 is healthy and exceeds the desired minimum fund balance of \$2,156,700. The proposed 2014 budget expenditures include an increase of \$350,000 in the CIP Reserve Transfers from \$825,000 in 2013 to \$1,175,000 in 2014. With no increase in water rates proposed for 2014, 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.

Sewer (no rate increase 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 and 2013. Based on the actual 2012 sewer fund expenditures and revenues and the proposed 2013 revised and 2014 sewer fund budgets and projected revenues, no sewer user rate increase is proposed for 2014. Proposed 2014 expenditures of \$6,896,929 and projected revenues of \$6,032,025 are within \$864,904 of a balanced fund budget, while the projected 2014 ending balance of \$3,116,414 exceeds the desired minimum fund balance of \$1,340,000 (\$1,340,000 per City Council Unreserved Fund Balance Policy plus no restricted fund balances). The proposed 2014 budget expenditures include an increase of \$300,000 in the CIP Reserve Transfers from \$500,000 in 2013 to \$800,000 in 2014 and an increase of \$294,000 in the MERF Reserve Transfers from \$150,000 in 2013 to \$444,000 in 2014. With no increase in sewer user rates proposed for 2013, 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.

Refuse (approximately 2.9% increase is proposed based on \$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 \$10.65 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. Charter Ordinance No. 42, establishing the Storm Water Utility and utility fee structure, was approved by the City Council on March 29, 2005. The current storm water utility fee went into effect on January 1, 2006 with a December 31, 2012 sunset clause. In October of 2012, the Council adopted an amending Charter Ordinance that extended the utility fee. The new legislation also eliminates the sunset provision that was included in the original Charter Ordinance which created the fee. The original utility fee for single family residential properties was \$1.00 per month (\$12.00 per year). Multi-family, commercial, industrial, institutional, and government properties are charged a fee based upon the size of the property with fees ranging from \$2.00 per month to \$64.00 per month (\$24.00 to \$768.00 per year).

The new Charter Ordinance passed in 2012 doubled the fee structure increasing the residential fee to \$2 per month. Commercial fees would increase to a low of \$4 to \$128. Total revenue would increase from \$282,000 to \$564,000.

The utility fee 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. It was also charged to improve water quality of its receiving waters. Due to EPA Storm water regulations and an EPA Storm Water program audit in September of 2009, a Storm Water Management Coordinator was hired in May of 2010. This City position is charged to coordinate the Storm Water Quality Program and move it to compliance with the City's Storm water permit. Storm water utility income is used to fund the salary and benefits of the Storm Water Management Coordinator at an annual cost of approximately \$68,000 per year.

A 5 year plan that included proposed storm sewer improvement projects was established for the storm water utility, however, in January of 2006 after the Storm water utility was initiated, the City was notified that the City's levee system would be required to be inspected and certified. The primary focus of storm water utility was shifted to levee certification, as well as potential maintenance and repair costs that will be required in order to certify the Levee System. The City's financial obligation for the levee certification is being funding from the Storm Water utility Fund.

Capital Improvement and Equipment Replacement Program.

Included in the 2014 Budget is the 5-year Capital Improvement Program (CIP) along with the recommended funding levels. The 2014 Capital Budget represents capital improvements for 2014 in all Funds. The total capital project list for 2014 is \$9,695,223. 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 city-wide tour of proposed projects in June.

The equipment replacement fund totals \$1,718,932 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 5 years 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 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 Housing Commission met with the City Council on June 13, 2013 to report on its work this past year and present recommendations to continue addressing our housing needs. Some of the recommendations do have budget consequences. The following represent those requests that require funding considerations.

- a. Housing Inspector position which would total about \$75,000 which would include wages, benefits and vehicle. This position is not included in the 2014 budget proposal.
- b. Increase housing demolition budget to \$100,000 for 2014. I have proposed \$100,000 in the 2014 Growth Fund. Originally had \$45,000 in the CIP Reserves for this effort, but have removed that figure from the budget.
- c. There are no funds budgeted to assist with potential grant matches in 2014 from programs such as HOME, CDBG, NeighborWorks, NSP, etc. If grants are available and we are successful in obtaining one, a grant match will need to be committed from non-budgeted dollars.

2). Trail Development.

- a. 2013. Finish design and construct the connection from K61/30th Ave Pedestrian Bridge to the old K61.
- b. 2014. Design and construct stretch from ditch to 43rd using TE Funds. Safe Routes to School depending upon funding. Begin design for stretch from Plum to Monroe (or something shorter) depending upon funding.

3). Economic Opportunity Fund. The EOF fund is an internal accounting of funding contained in the General Fund. What this means is that the amount of dollars we have earmarked in the General Fund are really just a part of the General Fund cash balances. The EOF is not a separate cash fund. In the 2014 budget we have budgeted \$170,000 to be spent from the General/EOF Fund. The potential 2014 obligations are the Kohl's, Siemens, and Draka projects.

4). Hutchinson Recreation Commission (HRC). The 2014 budget will be the first 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.

2013 Levy (308 Levy)

2014 Levy (City Levy)

4.969 (\$1,070,000)

3.669 (\$1,031,298)

Final Comments:

The 2014 budget is balanced and requires no increase in the current mill levy rate. Unfortunately, the budget does not totally address our needed investments in streets and capital equipment replacement. In addition to the deferring maintenance needs the budget shows us spending more dollars than projected revenues which will reduce the projected 2014 year-end General Fund balance.

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 achieving a truly balanced budget. The 2013 budget utilized one-time revenue of \$262,000 from the Health and Dental Fund to balance the budget and requiring no mill levy increase. The 2014 Budget shows annual proposed spending to exceed expected revenues by \$298,351.

I extremely pleased with the work of our Department Directors in preparing realistic budgets and understanding the financial condition of our organization and the reality that no new significant revenue sources are available. Staff is working everyday on identifying ways to stretch our limited resources.

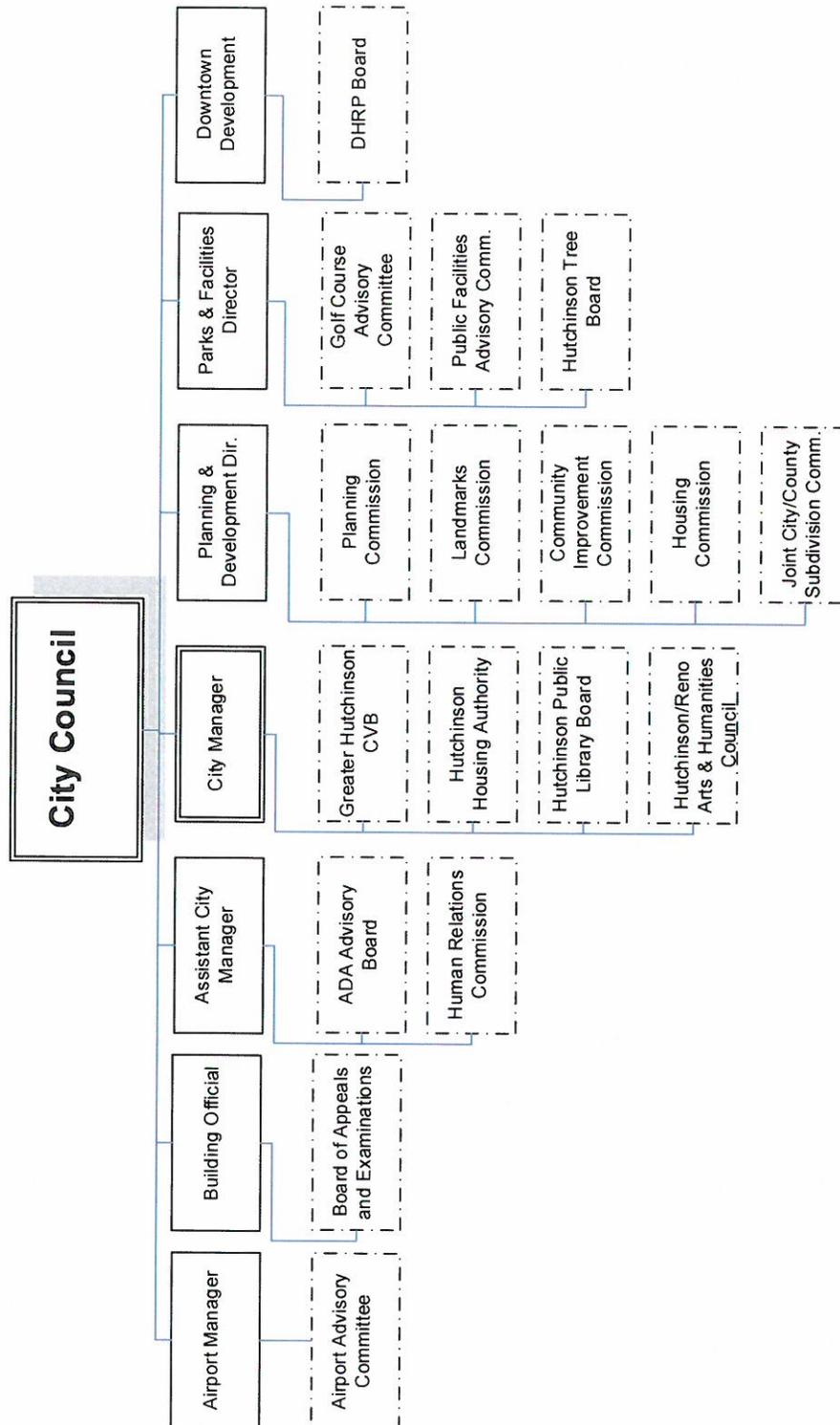
I want to give special thanks to Frank Edwards, Director of Finance and his staff (Marcela Berney-Brown and Karen Weltmer) for their diligent work on this year's budget. Frank came to the organization right at the beginning of the budget process and wasted no time in providing leadership and input into our budget process.



Mission Statement

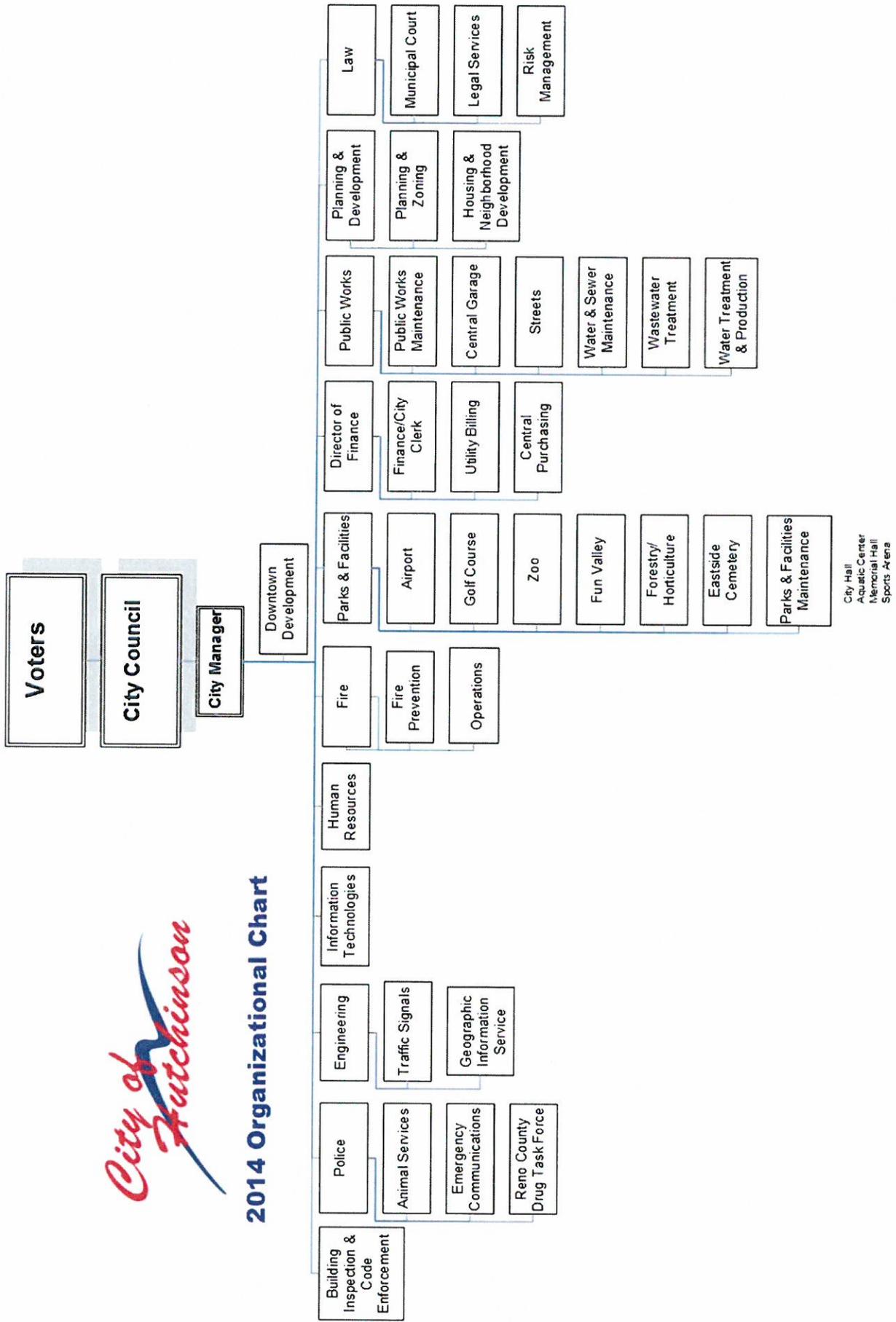
“Hutchinson City employees are dedicated to making the City a quality place to live, work, and play by pursuing excellence in serving and protecting the community.”

City of Hutchinson Boards & Committees January 2013





2014 Organizational Chart



**CITY OF HUTCHINSON
DEPARTMENT/DIVISION BY FUND
FISCAL YEAR 2014**

001 GENERAL FUND

CITY COUNCIL
 1100 410 CITY COUNCIL
 CITY MANAGER
 2100 420 CITY MANAGER
 2200 431 HUMAN RELATIONS
 4110 461 DOWNTOWN DEVELOPMENT
 6810 453 STREET LIGHTING
 HUMAN RESOURCES
 2300 430 HUMAN RESOURCES
 FINANCE
 3000 451 FINANCE/CITY CLERK
 3050 455 UTILITY BILLING
 3060 456 CENTRAL PURCHASING
 INFORMATION TECHNOLOGY
 3100 452 INFORMATION TECHNOLOGY
 PLANNING & DEVELOPMENT
 4100 460 PLANNING AND ZONING
 4120 462 HOUSING DEVELOPMENT
 LAW
 5000 471 CITY ATTORNEY
 5400 473 MUNICIPAL COURT
 PUBLIC WORKS
 6100 550 ADMINISTRATION
 6150 574 PUBLIC WORKS MAINTENANCE
 6310 554 CENTRAL GARAGE REVOLVING
 6320 555 CENTRAL GARAGE SHOP
 6410 556 STREET ADMINISTRATION
 6470 557 STREET SIGNS & MARKINGS
 6530 558 STORM SEWER
 ENGINEERING
 6210 551 ENGINEERING
 6215 552 TRAFFIC SIGNALS
 6220 553 GIS
 PARKS & FACILITIES
 6910 560 PARK ADMINISTRATION
 6940 561 PARK MAINTENANCE
 6945 562 ZOO
 6950 563 FORESTRY & HORTICULTURE
 6960 569 CENTRAL CUSTODIAL REVOLVING
 6970 564 MEMORIAL HALL
 6972 568 MEMORIAL HALL CONCESSIONS
 6980 565 SPORTS ARENA
 6990 566 CITY HALL BUILDING
 6995 693 EASTSIDE CEMETERY
 7520 483 INSECT/RODENT CONTROL
 POLICE
 7110 500 POLICE ADMINISTRATION
 7120 501 DETENTION OF PRISONERS
 7130 502 PATROL & INVESTIGATION
 7150 504 POLICE RECORDS
 7153 505 NARCOTICS CONTROL
 7160 507 UNCLASSIFIED
 7180 508 COMMUNICATIONS
 7190 509 DISPATCH (HRCEC)
 7191 511 RADIO MAINTENANCE
 7410 481 ANIMAL CONTROL

001 GENERAL FUND

FIRE
 7210 520 ADMINISTRATION
 7220 521 PREVENTION
 7230 522 FIRE FIGHTING
 7250 523 UNCLASSIFIED
 BUILDING INSPECTION & CODE ENFORCEMENT
 7310 480 INSPECTION/CODE ENFORCEMENT
 NON-DEPARTMENTAL
 7600 610 GROWTH
 9500 620 NON-DEPARTMENTAL

003 SPECIAL STREET FUND

PUBLIC WORKS
 6420 559 STREET MAINTENANCE
 6430 559 STREET CLEANING

005 REFUSE COLLECTION FUND

PUBLIC WORKS
 6710 490 REFUSE COLLECTION

008 GOLF COURSE FUND

PARKS & BUILDINGS
 6920 570 GOLF COURSE
 6925 570 GOLF COURSE CONCESSIONS
 6925 575 GOLF COURSE PRO SHOP

009 SPECIAL PARKS & RECREATION FUND

PARKS & BUILDINGS
 6930 571 SWIMMING POOLS

031 FUN VALLEY FUND

PARKS & BUILDINGS
 6991 567 FUN VALLEY
 6996 567 FUN VALLEY CONCESSIONS

044 ANIMAL SHELTER FUND

POLICE DEPARTMENT
 7420 700 ANIMAL SHELTER

050 AIRPORT FUND

PARKS & BUILDINGS
 6971 573 AIRPORT

051 WATER FUND

PUBLIC WORKS
 6621 491 WATER PRODUCTION
 6624 492 WATER DISTRIBUTION
 6625 493 WATER ADMINISTRATION

052 WASTEWATER TREATMENT FUND

PUBLIC WORKS
 6510 494 WASTEWATER TREATMENT PLANT
 6520 495 SANITARY SEWER MAINTENANCE

057 STORM WATER UTILITY FUND

ENGINEERING
 7700 496 STORM WATER ADMINISTRATION
 PUBLIC WORKS
 6530 558 STORM SEWER

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 with the five Council Members elected on a non-partisan basis. 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. Any budget amendment it is filed with the State prior to December 31 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 this 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 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 accounts 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 2014

March 6, 2013

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 7 – April 12, 2013

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 12, 2013

Department directors deliver Excel budget forms to the Director of Finance and City Manager's office.

April 15 – May 3, 2013

City Manager's office reviews 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 6 – 17, 2013

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

May 21, 2013

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

May 21 – June 18, 2013

City Manager and Finance Department finalize department budget requests and integrate Capital Improvement and Major Equipment Replacement (MERF) programs.

June 18, 2013

City Manager and City Council discuss budget process overview, budget environment, and preliminary budget issues.

July 2, 2013

Preliminary City budget distributed to City Council.

July 3 – August 20, 2013

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

August 6, 2013

City Council approves notice of public hearing on the proposed fiscal year 2014 budget.

August 9, 2012

Publication of *notice of public hearing* on the proposed fiscal year 2014 budget. Line item budget made available for public inspection at city hall and library.

August 20, 2013

Following public hearing, proposed fiscal year 2014 Budget adopted.

August 23, 2012

Adopted budget certified with Reno County Clerk and sent to the State of Kansas.

October 2, 2013

Amended and adopted budgets distributed to department directors.

January 1, 2014

New fiscal year begins.

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 $\frac{3}{4}$ 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:

<i>FUND</i>	<i>UNRESTRICTED FUND BALANCE</i>
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.

All Funds Summary of Funds

Fund	Code	Unencumbered Cash Balance January 1, 2014	Revenues	Transfers In	Expenditures	Transfers Out	Unencumbered Cash Balance December 31, 2014
General	001	\$ 4,991,353	\$ 31,953,920	\$ 24,286	\$ 30,222,717	\$ 2,084,285	\$ 4,662,557
Special Revenue:							
Special Street	003	-	1,303,280	742,710	2,045,990	-	(0)
Special Parks & Recreation	009	-	90,000	91,314	181,314	-	-
Special Alcohol Programs	010	661	90,000	-	66,375	24,286	0
Convention & Tourism Promotion	030	-	650,000	-	650,000	-	-
Fun Valley	031	-	347,525	381,858	729,383	-	-
Recreation Commission	038	-	1,031,298	-	1,031,298	-	-
Animal Shelter	044	-	109,000	328,426	437,426	-	-
Tax Increment Financing	055	737,382	476,000	-	377,100	-	836,282
Central Garage	302	-	-	-	-	-	-
Community Improvement Districts	345	24,103	162,000	-	162,000	-	24,103
E-911 Surcharge	346	598,716	334,000	-	609,000	-	323,716
Bond and Interest	020	771,219	4,237,336	763,607	5,046,501	-	725,661
Enterprise:							
Refuse Collection	005	129,358	2,242,993	-	2,227,386	-	144,965
Golf Course	008	-	621,532	220,324	841,856	-	-
Airport	050	-	182,333	219,653	386,486	15,500	-
Water Utility	051	5,593,586	7,269,368	15,500	7,283,468	495,269	5,099,717
Sewer Utility	052	3,981,318	6,032,025	-	6,760,110	136,819	3,116,414
Storm Water Utility	057	231,919	530,000	-	667,971	31,519	62,429
Total Budgeted		\$ 17,059,614	\$ 57,662,610	\$ 2,787,678	\$ 59,726,381	\$ 2,787,678	\$ 14,995,843
Fiduciary:							
Donations	048	\$ 224,812	\$ -	\$ -	\$ -	\$ -	\$ 224,812
Hutchinson Community Foundation	053	53,219	-	-	-	-	53,219
Special Revenue:							
Federal & State Grant Funds	002	196,692	-	-	-	-	196,692
Gossage Animal Shelter Trust	007	-	57,411	-	57,411	-	-
Municipal Equipment Replacement	036	930,806	1,718,932	-	1,718,932	-	930,806
Disaster	045	-	-	-	-	-	-
Internal Service:							
Health & Dental Insurance	032	3,130,327	4,477,386	-	4,460,000	-	3,147,713
Risk Management	035	1,272,824	721,921	-	694,745	-	1,300,000
Worker's Compensation	037	2,122,436	202,485	-	438,100	-	1,886,821
Central Purchasing	046	53,067	-	-	-	-	53,067
Capital Project:							
Special Assessments	100	0	-	-	-	-	0
Capital Improvement Projects	088	1,558,232	6,040,424	-	6,084,923	-	1,513,733
Capital Improvement Reserve	089	7,711,691	3,668,400	-	4,605,863	-	6,774,228
Total Unbudgeted		\$ 17,254,105	\$ 16,886,959	\$ -	\$ 18,059,974	\$ -	\$ 16,081,090
Total (1)		\$ 34,313,719	\$ 74,549,569	\$ 2,787,678	\$ 77,786,355	\$ 2,787,678	\$ 31,076,933

(1) Includes interfund transactions.

City of Hutchinson Fund Balance Summary

Fund	Code	2010 Actual	2011 Actual	2012 Actual	2013 Budget	2013 Revised	2014 Budget
General	100	\$ 4,052,767	\$ 4,252,189	\$ 4,453,513	\$ 3,670,206	\$ 4,991,353	\$ 4,662,557
Special Revenue:							
Special Street	003	-	-	0	-	-	(0)
Special Parks & Recreation	009	-	-	0	-	-	-
Special Alcohol Programs	010	89,215	27,933	7,911	5,642	661	0
Convention & Tourism Promotion	030	-	-	-	-	-	-
Fun Valley	031	-	-	-	-	-	-
Recreation Commission	038	-	-	-	-	-	-
Animal Shelter	044	-	-	-	-	-	-
Tax Increment Financing	055	1,789,349	1,535,097	968,482	705,126	737,382	836,282
Central Garage	302	-	-	-	-	-	-
Community Improvement Districts	345	-	-	24,103	-	24,103	24,103
E-911 Surcharge	346	-	838,048	548,716	78,891	598,716	323,716
Debt Service	300	642,314	503,199	390,696	312,034	771,219	725,661
Enterprise:							
Refuse Collection	005	17,427	64,551	102,868	82,958	129,358	144,965
Golf Course	008	-	-	-	-	-	-
Airport	050	-	-	-	-	-	-
Water Utility	051	4,306,891	5,176,227	6,243,819	5,558,316	5,593,586	5,099,717
Sewer Utility	052	2,350,640	3,395,900	4,341,642	3,091,951	3,981,318	3,116,414
Storm Water Utility	057	360,551	477,897	691,861	179,485	231,919	62,429
Total Budgeted Funds		\$ 13,609,154	\$ 16,271,041	\$ 17,773,612	\$ 13,684,610	\$ 17,059,614	\$ 14,995,843
Fiduciary:							
Donations	048	\$ 100,101	\$ 186,334	\$ 224,812	\$ 186,334	\$ 224,812	\$ 224,812
Hutchinson Community Foundation	053	38,800	27,919	53,069	27,919	53,219	53,219
Special Revenue:							
Federal & State Grant Funds	002	114,331	480,608	196,692	480,608	196,692	196,692
Gossage Animal Shelter Trust	007	41,120	1,006	2	259	-	-
Municipal Equipment Replacement	036	1,104,149	1,208,881	1,339,408	807,836	930,806	930,806
Disaster	045	-	-	-	-	-	-
Internal Service:							
Health & Dental Insurance	032	2,789,261	3,321,760	3,824,902	3,352,185	3,130,327	3,147,713
Risk Management	035	1,085,140	1,128,534	1,306,405	1,093,402	1,272,824	1,300,000
Worker's Compensation	037	2,077,563	2,161,983	2,136,855	1,481,182	2,122,436	1,886,821
Central Purchasing	046	46,108	16,996	53,067	16,996	53,067	53,067
Capital Project:							
Special Assessments	100	(217)	946,833	365,584	-	0	0
Capital Improvement Projects	088	13,363,193	6,351,936	1,526,932	6,333,395	1,558,232	1,513,733
Capital Improvement Reserve	089	735,445	7,962,773	9,600,035	5,934,429	7,711,691	6,774,228
Total Unbudgeted Funds		\$ 21,494,994	\$ 23,795,563	\$ 20,627,762	\$ 19,714,545	\$ 17,254,105	\$ 16,081,090
Total All Funds		\$ 35,104,148	\$ 40,066,604	\$ 38,401,374	\$ 33,399,155	\$ 34,313,719	\$ 31,076,933

Changes in Fund Balance Explanation and Analysis Fiscal year 2014

General:

Decrease \$328,796 6.6%

The general fund has a \$340K increase in revenues due to higher property tax valuations and a projected 2% increase in sales tax revenue. Expenses for the 2014 budget are higher due to inclusion of an employee step pay increase of \$270K and two key strategic initiatives. One initiative is an increase on the demolition of unsafe and abandoned housing for \$154K. The second initiative is for funding street improvements including slurry seal repairs and street overlay where repairs are insufficient to correct deteriorating conditions totaling \$450K.

Special Alcohol Programs:

Decrease \$661 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:

Increase \$98,900 13.4%

This fund balance is projected to increase \$350K as a transfer to the Capital Improvement Projects fund is not projected in the 2014 Budget. The change in fund balance is not a concern as adequate cash is available to serve the fund's expenses of groundwater oversight for the 4th and Carey remediation and the RO Water Treatment Project.

E-911 Surcharge:

Decrease \$275,000 45.9%

The fund balance decrease is due primarily to a one time projected capital outlay for voice logger software and radio maintenance. The projected 2014 fund balance of \$324K is adequate to service the operating needs of this function.

Debt Service:

Decrease \$45,558 5.9%

The Debt Service fund has a declining fund balance from 2013 projections. Debt Service obligations are funded primarily from tax revenues and special assessments. Other sources of Debt Service come from fund transfer including the Sewer, Water and General Funds.

Refuse Collection:

Increase \$15,607 12.1%

The increase in fund balance is not significant.

Water Utility:

Decrease \$493,869 8.8%

The decrease in fund balance is due to an increase in the CIP reserve to cover water line production projects and refinanced water bond obligations. While the fund balance decreased, there is adequate cash balance to service all operating requirements.

Sewer Utility:

Decrease \$864,904 21.7%

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. Future rate increases may be necessary to continue repairs and upgrades to aging equipment and sewer lines.

Storm Water Utility:

Decrease \$169,490 73.0%

The change in fund balance is primarily due to transfers of \$541K to the Capital Improvement Projects fund and the Capital Improvements Reserves.

Municipal Equipment Replacement:

Unchanged \$0 N/M

The fund anticipates spending the 2014 budget provisions of \$1,719K in fiscal 2014. This will leave a fund balance estimated to be \$931K at year-end.

Health & Dental Insurance:

Increase \$17,386 0.6%

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 \$27,176 2.1%

The Risk Management fund has a projected balance of \$1,300K which is within the city council policy of 3x the highest claims expenditures in the last 3 years.

Workers Compensation:

Decrease \$235,615 11.1%

The decrease in fund balance is due to a lower claims experience. The fund has a projected balance of \$1,887K which is within the city council policy for unreserved fund balances. The city now has a stop loss insurance policy which limits exposure on claims.

Special Assessments:

Unchanged \$0 N/M

The special assessment fund projects will be closed at the end of 2013 and their balances brought to \$0. No open projects are expected at the end of 2013.

Capital Improvement Projects:

Decrease \$44,499 2.9%

The change in fund balance is not significant while the balance is projected to be \$1,514K at year-end.

Capital Improvement Reserves:

Decrease \$937,463 12.2%

The decrease in the fund balance is primarily due to the Waldron Street repair project for \$675K and the hike & Bike trail work in 2014.

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	2010 Actual	2011 Actual	2012 Actual	2013 Budget	2013 Revised	2014 Budget
General	001	\$ 28,979,483	\$ 30,472,434	\$ 30,512,738	\$ 31,428,359	\$ 31,613,749	\$ 31,953,920
Special Revenue:							
Special Street	003	1,346,128	1,285,120	1,311,559	1,315,050	1,260,670	1,303,280
Special Parks & Recreation	009	94,566	96,338	91,978	94,070	90,000	90,000
Special Alcohol Programs	010	94,611	96,337	91,978	94,070	90,000	90,000
Convention & Tourism Promotion	030	525,970	553,517	569,635	650,000	650,000	650,000
Fun Valley	031	316,231	361,453	317,163	357,025	357,025	347,525
Recreation Commission	038	-	-	-	-	-	1,031,298
Animal Shelter	044	120,320	111,248	95,406	110,000	110,000	109,000
Tax Increment Financing	055	1,149,002	222,276	438,927	426,000	476,000	476,000
Central Garage	302	-	-	-	-	-	-
Community Improvement Districts	345	-	-	31,364	90,000	90,000	162,000
E-911 Surcharge	346	-	838,048	544,499	360,000	360,000	334,000
Debt Service	200	4,131,821	4,496,645	4,177,882	4,206,002	4,206,002	4,237,336
Enterprise:							
Refuse Collection	005	2,076,436	2,088,565	2,117,930	2,191,097	2,182,534	2,242,993
Golf Course	008	555,786	583,247	604,866	647,482	647,482	621,532
Airport	050	217,196	169,605	225,680	200,333	200,333	182,333
Water Utility	051	7,092,592	7,635,020	13,883,556	7,234,482	7,234,482	7,269,368
Sewer Utility	052	11,391,215	7,326,199	6,208,255	6,005,942	5,996,027	6,032,025
Storm Water Utility	057	281,294	284,257	285,463	564,500	523,319	530,000
Total Budgeted Revenues		\$ 58,372,651	\$ 56,620,309	\$ 61,508,880	\$ 55,974,412	\$ 56,087,623	\$ 57,662,610
Fiduciary:							
Donations	048	\$ 58,584	\$ 341,963	\$ 278,269	\$ -	\$ -	\$ -
Hutchinson Community Foundation	053	35,848	5,776	65,475	-	150	-
Special Revenue:							
Federal & State Grant Funds	002	2,361,408	1,905,767	1,054,170	-	-	-
Gossage Animal Shelter Trust	007	38,192	15,840	55,403	56,500	56,581	57,411
Municipal Equipment Replacement	036	817,015	1,313,316	1,378,212	1,037,252	1,037,252	1,718,932
Disaster	045	93	-	-	-	-	-
Internal Service:							
Health & Dental Insurance	032	2,683,673	3,756,434	3,810,657	4,478,612	4,478,612	4,477,386
Risk Management	035	895,588	785,662	809,924	765,443	762,943	721,921
Worker's Compensation	037	424,999	637,365	378,603	431,131	431,131	202,485
Central Purchasing	046	150,997	109,917	373,529	-	-	-
Capital Project:							
Special Assessments	100	1,571,351	1,375,000	476,678	574,826	883,821	-
Capital Improvement Projects	088	18,770,763	6,242,324	4,946,996	8,963,069	8,955,569	6,040,424
Capital Improvement Reserve	089	511,959	10,259,427	4,369,656	3,359,600	3,359,600	3,668,400
Total Unbudgeted Revenues		\$ 28,320,470	\$ 26,748,791	\$ 17,997,572	\$ 19,666,433	\$ 19,965,659	\$ 16,886,959
Total All Revenues (1)		\$ 86,693,121	\$ 83,369,100	\$ 79,506,452	\$ 75,640,845	\$ 76,053,282	\$ 74,549,569

(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.

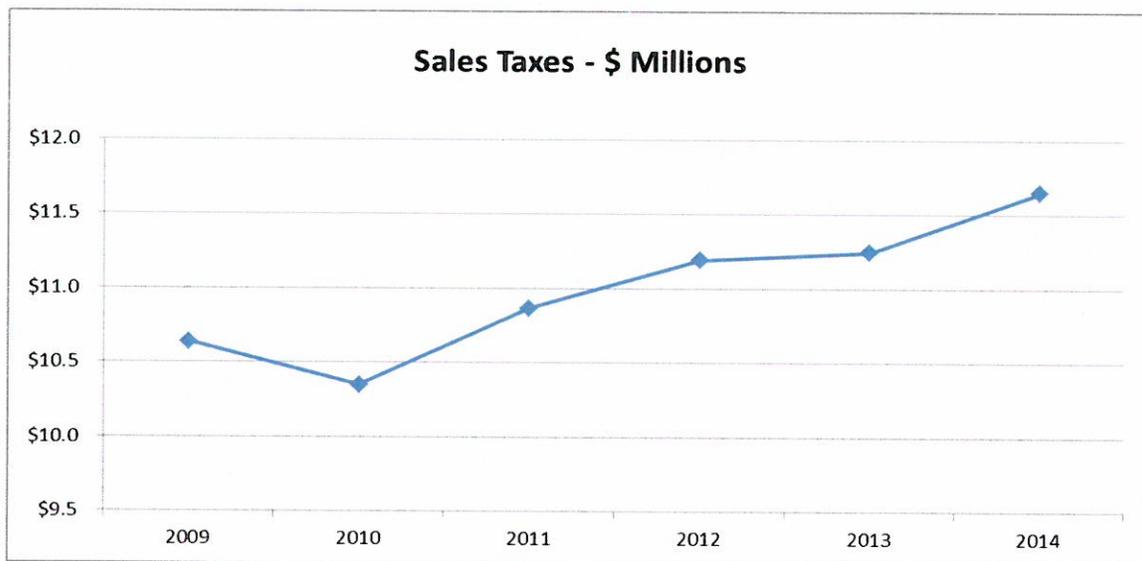
The following is a general summary of each revenue source, some of the individual revenues that make up that source, the trends that have been associated with these revenues, and what is anticipated for the next fiscal year.

Property Taxes – Property taxes are a major source for the City's general governmental operations and account for 22.8% of the City's total budgeted revenues and 31.3% of General fund revenues. Total property taxes levied are estimated to increase by 3.5% in fiscal year 2014, 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 46.

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 0.3% of the City's total revenues. Revenues from the City's one tax increment financing district are expected to remain at 2013

levels in the 2014 budget. 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.

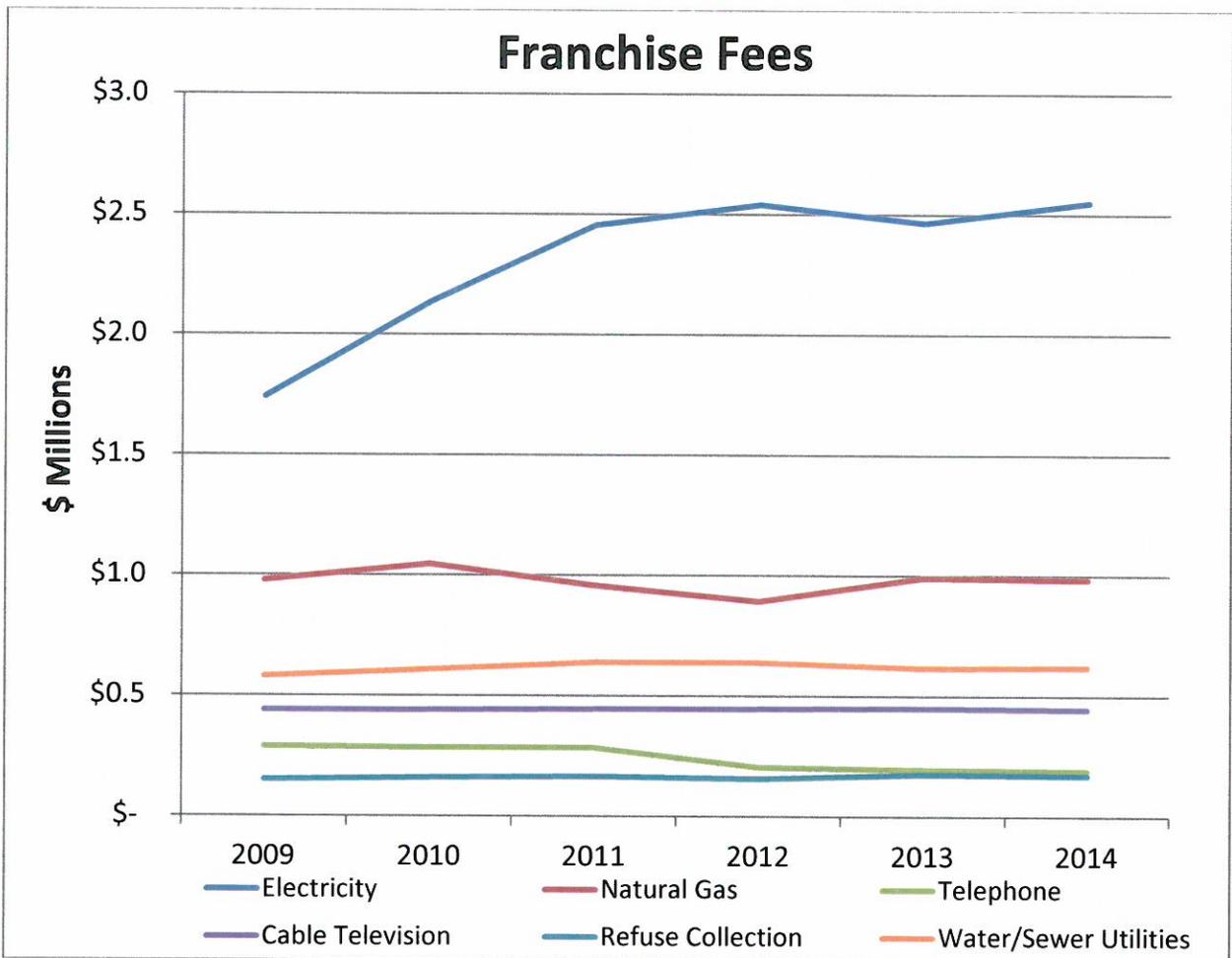
Non-property Taxes – Non-property taxes are City taxes on services, transactions, or goods other than property. These include transient guest taxes, liquor taxes, and sales taxes. These taxes account for 22.1% of the City's total revenue budget. Over the past four years non-property taxes dipped downward in 2009 and 2010 as the economy receded. These taxes tend to fluctuate with the economy. It appears that economic trend started reversing in 2011 and is expected to continue this trend into 2014. Revenue from non-property taxes is estimated to grow 3.8% in fiscal year 2014. 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 2014, special assessment revenue is budgeted lower than the actual revenues from the last few years based on trends. Special assessments are

accounted for in the Bond & Interest fund and amount to 1.6% of the City's total revenue.

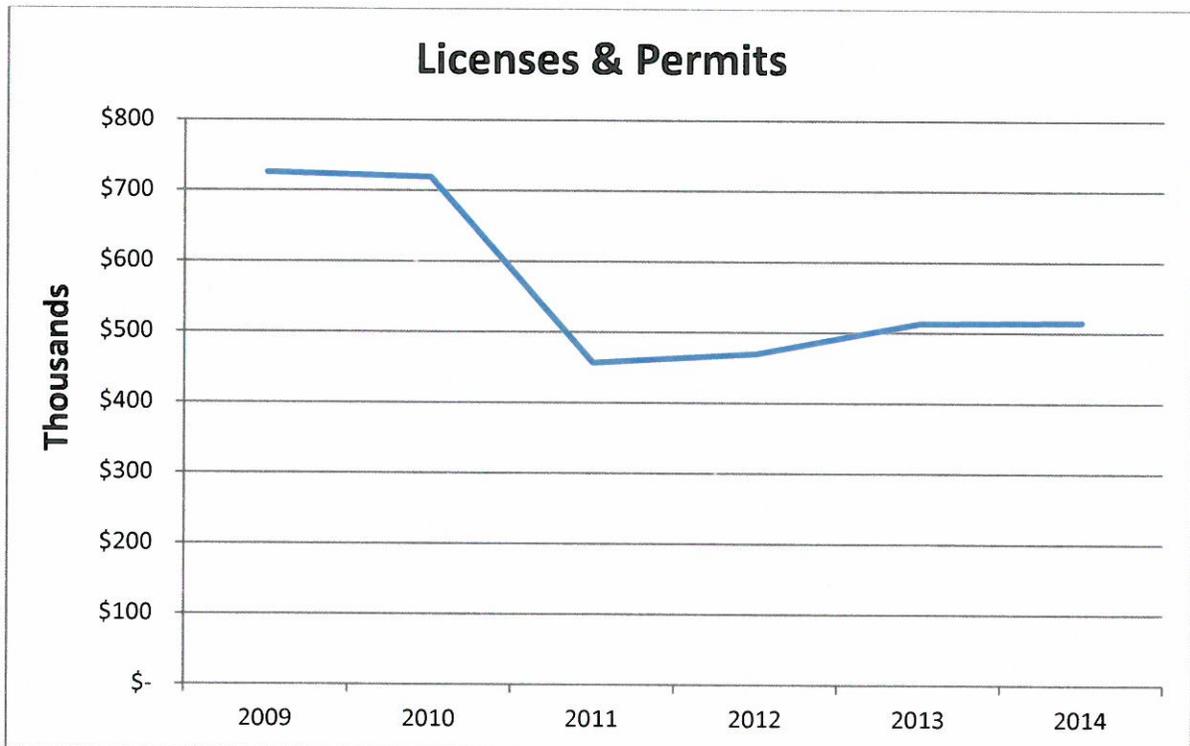
Franchise Fees – Franchise fees are collected on utility/enterprise operations within the City that depend upon the usage of City right-of-ways to deliver their services. The City's franchise fee is 5% of revenues, which is collected on natural gas, electricity, water and sewer, refuse collection, telephone service, and cable television services. Franchise fees amount to 8.6% of the City's 2014 budgeted revenue. These revenues overall have had an upward trend over the past four years due to several factors including increased utility rates and annexation. In 2014, the franchise fee revenues are estimated to increase by 1.4% due to anticipated higher electricity rates. 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 3.5% 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 0.89% of the total of the City's total revenues. Building permits and construction licenses account for 93.8% of these revenues. These revenues remained stable over the years but saw a jump in fiscal years 2009 and 2010 due to a few major construction projects. The revenues returned to normal levels in 2011 - 2012. Due to recent increased activity in building projects, revenues are expected to increase approximately 12% in 2013 and 2014 compared to 2011 and 2012. 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 2010 - 2011, however a slight increase occurred in 2012 and revenues are expected to remain close to 2012 levels due to the improvement in the economy with individuals paying their fines rather than leaving them delinquent. 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. During the past three years, however, interest income has steadily dropped due to the continued decrease in interest rates. Although, record low interest rates are expected to continue through 2014, rental revenues in the Airport fund have raised the revenue amounts in 2013. Use of Money and Property revenue is earned in many of the budgeted funds and represents .36% of the 2014 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 34.1% of total City revenues. Enterprise funds are primarily funded through service charges. Water and Sewer service charges amount to 67.4% of total External Service Charge revenues. Revenue from service charges have grown .94% primarily due to services charges for Fire District #2 fire coverage outside the city limits. The Fire District charges increased by \$108,398 or 7.1% due to expanded territory coverage and inflation. Water and sewer utility service charges are estimated to remain basically unchanged as rates were not increased in 2013 or the 2014 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 total amount of these fees has remained relatively flat since 2011 as fuel costs have not changed significantly. Internal service charges represent 2.2% 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

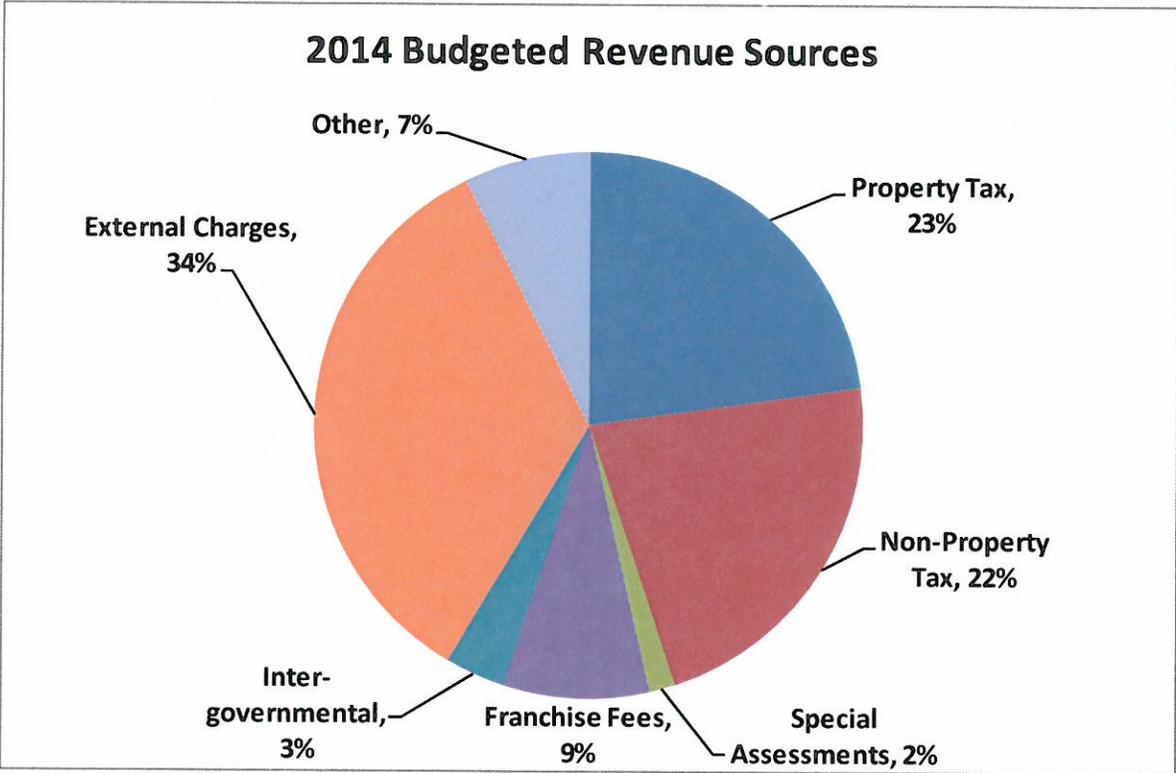
typically reported in the unbudgeted capital project funds. Bond and loan proceeds in the budgeted funds typically represent the re-financing of older general obligation bonds with newer debt. No outstanding general obligation bonds are expected to be refinanced in fiscal year 2014.

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. Fiscal year 2010 is considerably higher than the other years presented due to an unplanned sale of dirt from a potential park site. The other fiscal years are similar in actual and expected 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 reserve transfers anticipated in the 2014 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

	2010 Actual	2011 Actual	2012 Actual	2013 Budget	2013 Revised	2014 Budget
Budgeted Revenues:						
Property Tax	\$ 11,439,282	\$ 12,286,120	\$ 12,336,973	\$ 12,819,400	\$ 12,819,400	\$ 13,151,870
Tax Increment Revenues	206,183	167,193	160,936	155,000	155,000	155,000
Non-property Taxes	11,173,718	11,724,799	12,076,138	12,280,210	12,442,170	12,742,564
Special Assessments	919,421	936,325	955,669	915,000	915,000	915,000
Franchise Fees	4,677,545	4,946,730	4,879,004	4,892,947	4,928,220	4,961,286
Intergovernmental	1,476,872	2,225,542	2,233,185	2,107,012	2,052,632	2,019,686
Licenses and Permits	719,681	456,597	469,833	513,100	508,650	515,000
Fines, forfeitures, and penalties	675,318	678,102	714,326	704,200	704,200	704,100
Use of Money and Property	276,839	227,590	287,363	244,695	229,295	210,695
External Service Charges	18,680,609	19,409,600	19,155,079	19,505,394	19,443,652	19,689,710
Internal Service Charges	958,499	1,205,843	1,245,566	1,273,949	1,273,949	1,259,508
Bond/Loan Proceeds	5,490,490	1,161,050	6,370,569	-	-	-
Rec Commission	-	-	-	-	-	1,031,298
Miscellaneous	1,270,867	355,765	463,303	240,238	292,188	249,482
Reserve Transfers	407,327	839,053	158,483	323,267	323,267	57,411
Total Budgeted Revenues	\$ 58,372,651	\$ 56,620,309	\$ 61,506,427	\$ 55,974,412	\$ 56,087,623	\$ 57,662,610
Unbudgeted Revenues:						
Property Tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	3,566,600	2,222,158	846,424	1,684,262	1,684,262	2,186,511
Internal Service Charges	3,101,561	4,184,054	4,245,229	4,473,069	4,473,069	4,135,419
Federal and State Grants	-	-	2,048,677	-	-	-
Use of Money and Property	69,378	56,210	45,479	18,500	11,150	12,500
External Service Charges	1,071,097	1,045,128	1,030,862	1,153,617	1,153,617	1,218,873
Bond/Loan Proceeds	10,117,702	4,630,685	2,064,428	4,285,809	4,450,687	1,885,022
Miscellaneous	1,693,107	994,780	1,492,990	671,500	813,198	449,911
Reserve Transfers	8,701,025	13,615,776	6,223,483	7,379,676	7,379,676	6,998,723
Total Unbudgeted Revenues	\$ 28,320,470	\$ 26,748,791	\$ 17,997,572	\$ 19,666,433	\$ 19,965,659	\$ 16,886,959
Total All Revenues	\$ 86,693,121	\$ 83,369,100	\$ 79,503,999	\$ 75,640,845	\$ 76,053,282	\$ 74,549,569
Budgeted Expenditures:						
Personal Services	\$ 24,643,020	\$ 26,054,258	\$ 26,169,022	\$ 27,978,467	\$ 27,273,659	\$ 27,754,318
Contractual Services	11,417,379	11,043,830	11,227,630	12,183,788	12,204,503	12,687,743
Commodities	3,929,241	4,519,274	4,564,490	4,800,291	4,870,113	4,957,556
Capital Outlay	790,858	689,370	1,271,147	572,875	601,270	957,275
Debt Service	12,560,267	7,962,864	12,685,574	6,387,642	6,370,942	6,283,096
Reserve Transfers	4,516,023	4,479,828	4,142,446	5,443,132	5,558,132	6,200,246
Rec Commission	-	-	-	-	-	1,031,298
Overhead Cost Allocation	(53,967)	(33,360)	(54,000)	(77,000)	(77,000)	(145,151)
Total Expenditures	\$ 57,802,821	\$ 54,716,064	\$ 60,006,309	\$ 57,289,195	\$ 56,801,620	\$ 59,726,381
Unbudgeted Expenditures:						
Non-Program	28,427,296	24,448,222	21,165,373	23,172,442	22,866,856	18,059,974
Total All Expenditures	\$ 86,230,117	\$ 79,164,286	\$ 81,171,682	\$ 80,461,637	\$ 79,668,476	\$ 77,786,355

City of Hutchinson Expenditure Summary by Fund

Fund	Code	2010 Actual	2011 Actual	2012 Actual	2013 Budget	2013 Revised	2014 Budget
General	001	\$ 26,732,246	\$ 28,634,712	\$ 28,263,188	\$ 29,453,140	\$ 29,108,129	\$ 30,222,717
Special Revenue:							
Special Street	003	2,337,159	1,817,965	2,113,748	2,059,977	2,021,213	2,045,990
Special Parks & Recreation	009	150,201	170,002	159,832	177,588	176,014	181,314
Special Alcohol Programs	010	83,775	75,000	95,000	89,750	87,250	66,375
Convention & Tourism Promotion	030	525,970	553,517	569,635	650,000	650,000	650,000
Fun Valley	031	682,759	714,290	697,262	725,157	720,575	729,383
Recreation Commission	038	-	-	-	-	-	1,031,298
Animal Shelter	044	358,916	378,870	396,350	416,915	414,718	437,426
Tax Increment Financing	055	806,984	476,528	405,542	707,100	707,100	377,100
Central Garage	302	-	-	-	-	-	-
Community Improvement Districts	345	-	-	7,261	90,000	90,000	162,000
E-911 Surcharge	346	-	-	833,832	315,000	310,000	609,000
Debt Service	200	5,292,548	4,750,132	4,411,513	4,601,956	4,585,256	5,046,501
Enterprise:							
Refuse Collection	005	2,058,878	2,041,441	2,079,613	2,182,194	2,156,044	2,227,386
Golf Course	008	739,281	773,758	824,851	823,164	805,184	841,856
Airport	050	379,224	373,045	419,835	390,934	390,086	386,486
Water Utility	051	6,754,703	7,372,665	13,402,199	7,402,422	7,404,437	7,283,468
Sewer Utility	052	10,596,953	6,417,228	5,255,150	6,211,218	6,223,872	6,760,110
Storm Water Utility	057	303,224	166,911	71,499	992,680	951,742	667,971
Total Budgeted Expenditures		\$ 57,802,821	\$ 54,716,064	\$ 60,006,309	\$ 57,289,195	\$ 56,801,620	\$ 59,726,381
Fiduciary:							
Donations	048	\$ 76,337	\$ 255,730	\$ 239,791	\$ -	\$ -	\$ -
Hutchinson Community Foundation	053	20,974	16,657	40,325	-	-	-
Special Revenue:							
Federal & State Grant Funds	002	2,245,941	1,539,490	1,338,086	-	-	-
Gossage Animal Shelter Trust	007	55,427	55,954	56,407	56,840	56,840	57,411
Municipal Equipment Replacement	036	472,127	1,208,584	1,247,685	1,445,854	1,445,854	1,718,932
Disaster	045	116,784	-	-	-	-	-
Internal Service:							
Health & Dental Insurance	032	3,330,193	3,223,935	3,307,515	4,690,470	4,700,470	4,460,000
Risk Management	035	779,543	742,268	632,053	796,524	796,524	694,745
Worker's Compensation	037	290,431	552,945	403,731	945,550	445,550	438,100
Central Purchasing	046	122,300	139,029	337,458	-	-	-
Capital Project:							
Special Assessments	100	1,805,735	427,950	1,057,927	1,064,991	1,249,405	-
Capital Improvement Projects	088	18,984,377	13,253,581	9,772,000	8,924,269	8,924,269	6,084,923
Capital Improvement Reserve	089	127,127	3,032,099	2,732,394	5,247,944	5,247,944	4,605,863
Total Unbudgeted Expenditures		\$ 28,427,296	\$ 24,448,222	\$ 21,165,373	\$ 23,172,442	\$ 22,866,856	\$ 18,059,974
Total All Expenditures(1)		\$ 86,230,117	\$ 79,164,286	\$ 81,171,682	\$ 80,461,637	\$ 79,668,476	\$ 77,786,355

(1) Includes interfund transactions.

City of Hutchinson Interfund Transfer Summary

Fund	Code	Transfers In					
		2010 Actual	2011 Actual	2012 Actual	2013 Budget	2013 Revised	2014 Budget
General	001	\$ 273,593	\$ 82,619	\$ 17,000	\$ 10,000	\$ 10,000	\$ 24,286
Special Revenue:							
Special Street	003	991,031	532,845	802,189	744,927	760,543	742,710
Special Parks & Recreation	009	55,635	73,664	67,854	83,518	86,014	91,314
Special Alcohol Programs	010	-	-	-	-	-	-
Fun Valley	031	366,528	352,837	380,098	368,132	363,550	381,858
Animal Shelter	044	238,596	267,622	300,944	306,915	304,718	328,426
Tax Increment Financing	055	-	-	-	-	-	-
Bond and Interest	020	1,211,160	114,372	121,128	334,523	759,777	763,607
Enterprise:							
Refuse Collection	005	-	-	-	-	-	-
Golf Course	008	183,495	190,511	219,985	175,682	157,702	220,324
Airport	050	162,028	203,440	194,155	207,301	205,253	219,653
Water Utility	051	-	-	600,000	-	15,500	15,500
Sewer Utility	052	-	-	-	-	-	-
Storm Water Utility	057	-	-	-	-	-	-
Total		\$ 3,482,066	\$ 1,817,910	\$ 2,703,354	\$ 2,230,998	\$ 2,663,057	\$ 2,787,678

Fund	Code	Transfers Out					
		2010 Actual	2011 Actual	2012 Actual	2013 Budget	2013 Revised	2014 Budget
General	001	\$ 2,097,313	\$ 1,720,919	\$ 2,065,226	\$ 1,986,475	\$ 1,977,780	\$ 2,084,285
Special Revenue:							
Special Street	003	-	-	-	-	-	-
Special Parks & Recreation	009	-	-	-	-	-	-
Special Alcohol Programs	010	23,593	82,619	17,000	10,000	10,000	24,286
Fun Valley	031	-	-	-	-	-	-
Animal Shelter	044	-	-	-	-	-	-
Tax Increment Financing	055	-	-	600,000	-	-	-
Bond and Interest	020	-	-	-	-	-	-
Enterprise:							
Refuse Collection	005	250,000	-	-	-	-	-
Golf Course	008	-	-	-	-	-	-
Airport	050	-	-	-	16,700	15,500	15,500
Water Utility	051	555,580	7,186	13,765	6,844	495,779	495,269
Sewer Utility	052	555,580	7,186	7,363	132,479	132,479	136,819
Storm Water Utility	057	-	-	-	78,500	31,519	31,519
Total		\$ 3,482,066	\$ 1,817,910	\$ 2,703,354	\$ 2,230,998	\$ 2,663,057	\$ 2,787,678

**City of Hutchinson
Detailed Schedule of Interfund Transfers
Fiscal Year 2014 Budget**

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund		
Special Street Fund	\$ -	\$ 742,710
Special Parks & Recreation Fund	-	91,314
Special Alcohol Programs	24,286	-
Bond and Interest Fund	-	100,000
Fun Valley Fund	-	381,858
Animal Shelter Fund	-	328,426
Airport Fund	-	219,653
Golf Course Fund	-	220,324
Total General Fund	<u>\$ 24,286</u>	<u>\$ 2,084,285</u>
Special Street Fund		
General Fund	742,710	
Special Parks and Recreation Fund		
General Fund	91,314	
Special Alcohol Programs Fund		
General Fund		24,286
Fun Valley Fund		
General Fund	381,858	
Animal Shelter Fund		
General Fund	328,426	
Bond and Interest Fund		
General Fund	100,000	
Water Fund	495,269	
Sewer Fund	136,819	
Storm Water Fund	31,519	
Total Bond and Interest Fund	<u>763,607</u>	
Golf Course Fund		
General Fund	220,324	
Airport Fund		
General Fund	219,653	
Water Fund		15,500
Water Utility Fund		
Airport Fund	15,500	495,269
Sewer Utility Fund		
Bond and Interest Fund		136,819
Storm Water Fund		
Bond and Interest Fund		31,519
	<u>\$ 2,787,678</u>	<u>\$ 2,787,678</u>

City of Hutchinson
Detailed Schedule of Reserve Transfers
Fiscal Year 2014 Budget

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund		
Municipal Equipment Replacement Fund	\$ -	\$ 855,432
Capital Improvement Projects Fund	-	109,234
Capital Improvement Reserve	-	1,417,680
Total General Fund	\$ -	\$ 2,382,346
Special Street Fund		
Capital Improvement Reserve		200,000
Municipal Equipment Replacement Fund		136,000
Total Special Street Fund		336,000
Animal Shelter Fund		
Municipal Equipment Replacement Fund		10,000
Total Animal Shelter Fund		10,000
Convention & Tourism Promotion Fund		
Capital Improvement Reserve		11,100
Total Convention & Tourism Fund		11,100
Fun Valley Fund		
Municipal Equipment Replacement Fund		11,000
Total Fun Valley Fund		11,000
Bond and Interest Fund		
Gossage Trust Fund	57,411	
Golf Course Fund		
Municipal Equipment Replacement Fund		53,500
Capital Projects Fund		-
Water Utility Fund		
Municipal Equipment Replacement Fund		59,000
Capital Projects Fund		63,833
Capital Improvement Reserve		1,175,000
Total Water Utility Fund		1,297,833
Sewer Utility Fund		
Municipal Equipment Replacement Fund		444,000
Capital Projects Fund		63,833
Capital Improvement Reserve		800,000
Total Sewer Utility Fund		1,307,833
Storm Water Utility Fund		
Capital Improvement Projects Fund		430,548
Capital Improvement Reserve		110,000
Total Storm Water Utility Fund		540,548
Gossage Trust Fund		
Bond and Interest Fund		57,411
Municipal Equipment Replacement Fund:		
General Fund	855,432	
Special Street Fund	136,000	
Fun Valley Fund	11,000	
Golf Course Fund	53,500	
Animal Shelter	10,000	
Water Utility Fund	59,000	
Sewer Utility Fund	444,000	
Total Municipal Equipment Replacement Fund	1,568,932	
Capital Improvement Projects Fund:		
General Fund	109,234	
Water Fund	63,833	
Sewer Fund	63,833	
Storm Water Fund	430,548	
Capital Improvement Reserve	948,563	
Total Capital Improvement Projects Fund	1,616,011	
Capital Improvement Reserve:		
Capital Improvement Projects Fund		948,563
General Fund	1,417,680	-
Special Street Fund	200,000	-
Convention & Tourism Promotion Fund	11,100	-
Water Utility Fund	1,175,000	-
Sewer Utility Fund	800,000	-
Storm Water Utility Fund	110,000	-
Total Capital Improvement Reserve	3,713,780	948,563
	\$ 6,956,134	\$ 6,956,134

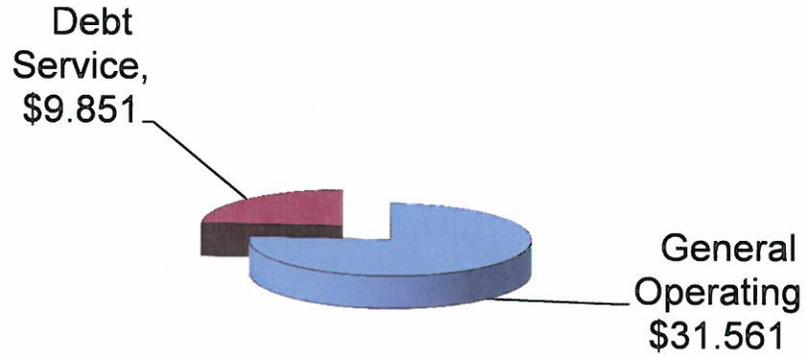
City of Hutchinson

Tax Rates and Valuations

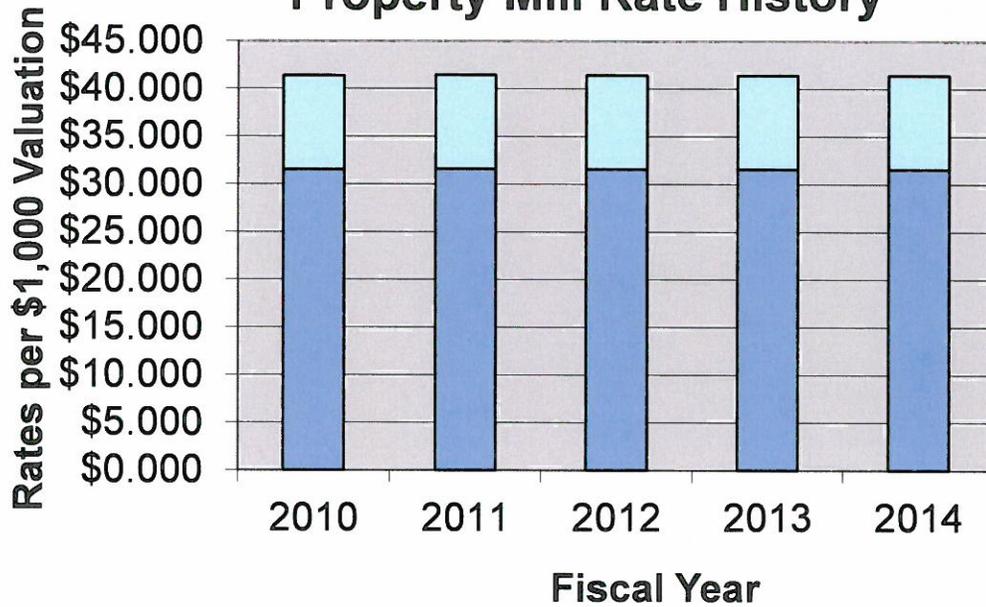
Last Five Years

	2010	2011	2012	2013	2014
<u>Property tax by Mill Levy Rates</u>					
General Operating	\$ 31.538	\$ 31.592	\$ 31.561	\$ 31.561	\$ 31.561
Debt Service	9.845	9.861	9.851	9.851	9.851
Total City Mill Levy Rate	<u>\$ 41.383</u>	<u>\$ 41.453</u>	<u>\$ 41.412</u>	<u>\$ 41.412</u>	<u>\$ 41.412</u>
Increase or (Decrease)	\$ (1.484)	\$ 0.070	\$ (0.041)	\$ -	\$ -
<u>Property Tax Dollars by Mill Levy</u>					
General Operating	\$ 7,681,260	\$ 8,305,965	\$ 8,408,191	\$ 8,571,556	\$ 8,871,302
Debt Service	2,397,729	2,592,513	2,624,413	2,675,403	2,768,962
Total City Property Taxes Levied	<u>\$ 10,078,989</u>	<u>\$ 10,898,478</u>	<u>\$ 11,032,604</u>	<u>\$ 11,246,959</u>	<u>\$ 11,640,264</u>
Increase or (Decrease)	\$ (498,142)	\$ 819,489	\$ 134,126	\$ 214,356	\$ 393,304
<u>Taxable Assessed Valuations</u>					
Real Estate	\$ 217,907,705	\$ 230,452,104	\$ 234,717,680	240,012,773	249,620,111
Personal Property	13,234,713	17,210,531	16,612,110	15,489,275	14,625,517
State Assessed	12,416,994	14,777,913	15,081,001	16,084,918	16,838,687
Total Taxable Assessed Valuation	<u>\$ 243,559,412</u>	<u>\$ 262,440,548</u>	<u>\$ 266,410,791</u>	<u>\$ 271,586,966</u>	<u>\$ 281,084,315</u>
Increase or (Decrease)	-1.29%	7.75%	1.51%	1.94%	3.50%
<u>Consolidated Mill Rate by Jurisdiction</u>					
City	41.383	41.453	41.412	41.416	41.412
Hutchinson Community School District	58.574	58.414	57.174	56.180	Unknown
Hutchinson Recreation Commission	3.959	3.969	4.962	4.969	Unknown
Reno County	37.859	39.629	38.594	38.582	Unknown
Hutchinson Public Library	6.189	6.200	6.119	6.120	Unknown
Hutchinson Community College	24.499	23.798	22.597	22.612	Unknown
State	1.500	1.500	1.500	1.500	Unknown
Total Consolidated Mill Rate *	<u>173.963</u>	<u>\$ 174.963</u>	<u>\$ 172.358</u>	<u>\$ 171.379</u>	<u>Unknown</u>
Increase or (Decrease)	7.398	1.000	(2.605)	(0.979)	Unknown
Buhler Community School District	\$ 53.473	\$ 54.016	54.061	50.783	Unknown
Upper Little Arkansas Watershed District	3.995	4.000	3.980	3.843	Unknown
Total Consolidated Mill Rate *	<u>\$ 168.898</u>	<u>\$ 170.596</u>	<u>\$ 168.263</u>	<u>\$ 164.856</u>	<u>Unknown</u>
Increase or (Decrease)	0.605	1.698	(2.333)	(3.407)	Unknown
Nickerson Community School District	\$ 48.415	\$ 48.926	49.515	49.276	Unknown
Total Consolidated Mill Rate *	<u>\$ 159.845</u>	<u>\$ 161.506</u>	<u>\$ 159.737</u>	<u>\$ 159.506</u>	<u>Unknown</u>
Increase or (Decrease)	(0.486)	1.661	(1.769)	(0.231)	Unknown
Haven Community School District	\$ 50.986	\$ 51.077	50.985	50.681	Unknown
Total Consolidated Mill Rate *	<u>\$ 162.416</u>	<u>\$ 163.657</u>	<u>\$ 161.207</u>	<u>\$ 160.911</u>	<u>Unknown</u>
Increase or (Decrease)	0.236	1.241	(2.450)	(0.296)	Unknown
<u>Other tax rates</u>					
Kansas state sales tax (1)	6.30%	6.30%	6.30%	6.30%	6.15%
Reno County sales tax	1.00%	1.00%	1.00%	1.00%	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
Property Tax Rate by Levy
Fiscal Year 2014
\$41.412**



**City of Hutchinson
Property Mill Rate History**



■ General Operating
 ■ Debt Service

City of Hutchinson

Summary of Permanent Personnel

Activity	2010 Actual	2011 Actual	2012 Actual	2013 Budget	2013 Revised	2014 Budget
General Fund:						
General Government:						
City Council	-	-	-	-	-	-
City Manager	3.00	3.00	3.00	2.63	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	3.00
Finance/City Clerk	7.75	6.75	4.50	4.50	4.00	4.00
Utility Billing	-	-	10.75	10.00	10.00	10.00
Central Purchasing	-	-	2.00	2.00	2.00	2.00
Information Technology	2.75	3.75	3.75	3.75	3.75	3.75
	<u>17.50</u>	<u>17.50</u>	<u>28.00</u>	<u>26.88</u>	<u>25.75</u>	<u>25.75</u>
Planning and Development:						
Planning & Zoning	5.00	6.00	6.00	6.00	6.00	4.00
Housing Development	-	-	1.00	1.00	1.00	2.00
	<u>5.00</u>	<u>6.00</u>	<u>7.00</u>	<u>7.00</u>	<u>7.00</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	1.00	2.00	2.00	2.00	2.00
Public Works Maintenance	13.00	13.00	13.00	12.00	12.00	12.00
Central Garage Revolving	7.00	7.00	7.00	7.00	7.00	7.00
Street Administration	0.50	-	-	-	-	-
Street Signs & Markings	2.00	2.00	2.00	2.00	2.00	2.00
	<u>23.50</u>	<u>23.00</u>	<u>24.00</u>	<u>23.00</u>	<u>23.00</u>	<u>23.00</u>
Engineering:						
Engineering	11.83	10.83	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	2.00	3.00
	<u>13.83</u>	<u>13.83</u>	<u>13.00</u>	<u>13.00</u>	<u>13.00</u>	<u>14.00</u>
Parks and Facilities:						
Park Administration	3.00	3.00	3.00	3.00	3.00	3.00
Park Maintenance	10.00	10.00	11.00	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	8.00	9.00	10.00	10.00
Eastside Cemetery	2.00	2.00	2.00	2.00	2.00	1.00
	<u>30.00</u>	<u>30.00</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	17.00	17.00
Patrol & Investigation	65.00	65.00	65.00	67.00	67.00	67.00
Dispatch (HRCEC)	19.50	19.00	19.00	19.00	19.00	19.00
Radio Maintenance	2.00	2.00	2.00	2.00	2.00	2.00
Animal Control	3.00	3.00	3.00	3.00	3.00	3.00
	<u>106.50</u>	<u>106.00</u>	<u>106.00</u>	<u>108.00</u>	<u>108.00</u>	<u>108.00</u>
Fire:						
Fire Administration	6.00	6.00	6.00	6.00	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	83.00	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	7.00	6.00	6.00	6.00	6.00	7.00
Total General Fund	<u>300.33</u>	<u>299.33</u>	<u>312.00</u>	<u>311.88</u>	<u>311.75</u>	<u>311.75</u>

Activity	2010 Actual	2011 Actual	2012 Actual	2013 Budget	2013 Revised	2014 Budget
Special Street Fund:						
Street Maintenance	17.50	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	<u>18.50</u>	<u>19.00</u>	<u>19.00</u>	<u>19.00</u>	<u>19.00</u>	<u>19.00</u>
Special Parks & Recreation Fund:						
Swimming Pools	<u>1.00</u>	<u>1.00</u>	<u>1.00</u>	<u>1.00</u>	<u>1.00</u>	<u>1.00</u>
Fun Valley Fund:						
Fun Valley Operations	<u>4.00</u>	<u>4.00</u>	<u>4.00</u>	<u>4.00</u>	<u>4.00</u>	<u>4.00</u>
Animal Shelter Fund:						
Animal Shelter Operations:	<u>5.00</u>	<u>5.00</u>	<u>5.00</u>	<u>5.00</u>	<u>5.00</u>	<u>5.00</u>
Airport Fund:						
Airport Operations	<u>3.00</u>	<u>3.00</u>	<u>3.00</u>	<u>3.00</u>	<u>3.00</u>	<u>3.00</u>
Golf Course Fund:						
Golf Course Operations	<u>6.00</u>	<u>6.00</u>	<u>6.00</u>	<u>6.00</u>	<u>6.00</u>	<u>6.00</u>
Total Golf Course Fund	<u>6.00</u>	<u>6.00</u>	<u>6.00</u>	<u>6.00</u>	<u>6.00</u>	<u>6.00</u>
Water Utility Fund:						
Water Production	8.50	8.50	7.00	7.00	7.00	7.00
Water Distribution	13.75	13.75	13.00	13.00	13.00	13.00
Water Administration	8.00	8.00	-	-	-	-
Total Water Utility Fund	<u>30.25</u>	<u>30.25</u>	<u>20.00</u>	<u>20.00</u>	<u>20.00</u>	<u>20.00</u>
Sewer Utility Fund:						
Wastewater Treatment Facility	20.00	20.00	17.50	17.50	17.50	16.50
Sanitary Sewer Maintenance	13.25	13.25	13.00	13.00	13.00	13.00
Total Sewer Utility Fund	<u>33.25</u>	<u>33.25</u>	<u>30.50</u>	<u>30.50</u>	<u>30.50</u>	<u>29.50</u>
Storm Water Utility Fund:						
Storm Water Administration	<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>402.33</u>	<u>401.83</u>	<u>401.50</u>	<u>401.38</u>	<u>401.25</u>	<u>400.25</u>

City of Hutchinson

Department Statistical Data

Department/Division	2011	2012
City Manager		
Downtown Development		
Cost of façade renovations	\$70,600	\$82,044
Cost of building renovations/construction	\$1,585,984	\$958,236
Value of buildings sold	\$764,000	\$730,000
Value of public improvements	\$2,500	\$1,000
Human Resources		
Human Resources		
Authorized permanent FTE	401.83	400.25
Finance		
Utility Billing		
Number of water customer accounts	15,606	15,987
Number of sewer customer accounts	16,124	16,206
Number of refuse customer accounts	14,470	14,516
Number of refuse carts	16,673	16,452
Number of radio read meters installed	2,809	2,654
Total number of water meters in service	16,555	16,596
Number of service calls	8,487	8,463
Central Purchasing		
Number of contracts bid	133	150
Total number of bids	195	207
Number of purchase orders issued	148	474
Number of items maintained in warehouse	4,412	4,594
Total Inventory Value	\$154,221	\$111,466
Warehouse square footage	3,584	2,760
Finance/City Clerk		
Number of checks issued	7,025	7,384
Number of dog licenses issued	1,864	1,887
Number of fireworks licenses issued	12	9
Information Technology		
Information Technology		
Number of computer devices	810	971
Number of Help desk support tickets	735	725
Number of web site visits	271,186	346,436
Number of web site unique visitors	96,630	139,529
Number of users	289	293
Number of e-mail accounts	161	182
Planning and Development		
Planning and Zoning		
Zoning amendments	4	8
Conditional use permits	11	8
Special use permits	7	2
Zoning variances and appeals	11	9
Subdivision plats	5	4
Subdivision variances	2	2
Lot splits	4	2
Temporary use permits	23	32
Zoning violation notices	36	43

City of Hutchinson Department Statistical Data

Department/Division	2011	2012
Planning and Development continued		
Zoning certifications	32	30
Landmark administrative reviews	75	83
Landmark cases	6	7
Brush-Up Hutch projects	8	11
Housing		
Number of Neighborhood Revitalization applications	14	26
Growth in value of Neighborhood Revitalization properties	\$4,671,950	\$1,657,660
Amount of housing grants received	\$292,630	\$138,418
Law		
Municipal Court		
Complaints/tickets	7,884	7,618
Fines and costs generated	\$671,652	\$686,088
Monitored individuals	256	200
Number of probation officers	1	1
Diversions	392	374
Individuals performed community service	331	317
Engineering		
Engineering		
RR spur for Salt City Industrial Park	\$2,090,504.45	
RR staging tracks for Siemens Facility	\$1,882,992.00	
23rd (Rambler to Lorraine)	\$537,456.06	
Arterial & Residential Overlays	\$890,500.86	
US-50 & K-61 Waterline Relocation	\$123,838.50	
US-50/K-61 & US-50/Halstead Sanitary Sewer Relocation	\$393,820.50	
WWTF Biosolids Improvements	\$4,976,564.00	
Woodie Seat Bridge Repair over Avenue "A"	\$14,995.00	
11th and Porter Traffic Signal	\$27,278.41	
Jupiter Hills Waterline	\$40,886.00	
Westminster Subdivision (Water, Sewer, Street)	\$238,669.30	
Animal Shelter Parking Lot	\$89,236.95	
Total for 2011	\$11,306,742.03	
Engineering		
Acres Street Drainage		\$118,332.00
Sidewalk and ADA Asset Survey		\$36,366.40
Pavement Management Survey		\$58,360.00
Plaza East 2nd - Water, Sewer, Street		\$134,442.75
Sherwood Hills Sanitary Sewer		\$218,573.50
Salt City Business Park Phase III		\$3,308,069.58
NEGVI Trail Phase III		\$348,242.19
Zoo Stormwater Management		\$135,000.00
Plum Street		\$1,751,540.14
Arterial & Residential Mill and Overlay		\$971,098.86
K-61/17th Intersection		\$414,821.40
Right Turn Lane		\$110,822.85
Arterial (17th from K-61 to RR Tracks)		\$153,264.20
Olive Garden Development - Water and Sewer		\$20,900.00
Total for 2012		\$7,779,833.87

City of Hutchinson

Department Statistical Data

Department/Division	2011	2012
Engineering continued		
Traffic		
Number of Traffic Signals	75	75
Number of Tornado Sirens	30	30
Storm Water Management		
Storm drain stenciling - Number of inlets	221	2,075
Stormwater Educational Presentations - Number of People	682	674
Illicit Discharge Call ins	22	17
Plans and SWPPPs reviewed	14	6
Post Construction BMP reviews	4	12
Construction Site BMP Inspections Completed	22	17
Number of bridges	67	67
Public Works		
Public Works Maintenance		
Miles of flood levies	28	28
Miles of drainage ditches	50	50
Acres of street right-of-way	400	400
Miles of highway/trail	15	20
Central Garage		
Size of City fleet maintained (vehicles & equipment)	900	975
Fuel usage-unleaded (gallons)	138,007	137,030
Fuel usage-diesel (gallons)	69,340	70,473
Number of mechanics	6	6
Street Signs & Markings		
Traffic control/street signs	6,100	11,000+
Linear feet of painted street markings	360,000	360,000
Linear feet of thermoplastic street markings	59,500	62,564
Street Maintenance		
Miles of paved streets	280	280
Miles of alleys	45	45
Miles of streets treated with slurry seal	13	10
Tons of asphalt applied to street repairs	1,095	1,054
Street Cleaning		
Curb miles swept in-house	2,782	3,979
Curb miles swept by contractor	2,500	2,500
Number of street sweepers owned	1	1
Storm Sewer		
Miles of storm sewer system	70	70
Inlets repaired/replaced	7	33
Storm sewer pipe repairs	9	9
Miles of storm sewer cleaned	9.4	11.4
Miles of storm sewer inspected	0.0	0.43
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

City of Hutchinson

Department Statistical Data

Department/Division	2011	2012
Water Production & Treatment continued		
Gallons of water treated (millions) for distribution	2,250	2,265
*Water samples tested	600	600
Water treatment facilities	1	1
Distribution Disinfection Monitoring Stations	4	4
Source Area Remediation Systems	4	4
Remediation Wells	5	5
Distribution Lead & Copper	30	30
Daily Point of Entry Inorganics	365	365
Other Distribution & POE required by KDHE	5	5
RO VOC's	12	12
RO Process Inorganics	1,147	1,150
WQ Complaints - Chlorine & Total Coliform	24	18
Disposal Well Inorganics	52	52
Disposal Well VOC's	4	4
Total annual samples including 600 coliform samples	2,239	2,236
*Water samples tested above are only for distribution coliform tests		
Other samples collected include the following:		
Water Distribution		
Miles of water main	310.3	313.1
Number of water valves	5,210	5,197
Number of fire hydrants	2,695	2,703
Miles of water service lines	75	75
Service lines replaced/repared	232	320
Water main breaks repaired	103	92
Feet of new water main installed	5,683	1,113
Service line taps	70	64
Utility locates	4,506	5,059
Wastewater Treatment Plant		
Number of lift/pump stations	33	33
Gallons per day of sewage treated	4,600,000	4,550,000
Gallons of biosolids/sludge produced for agricultural use	N/A	N/A
Cu. Yd. of biosolids produced for agricultural use	6,500	6,176
Sanitary Sewer Maintenance		
Miles of sanitary sewer lines	238.8	239.0
Number of manholes	5,392	5,394
Miles of sewer lines cleaned	77.4	66.4
Miles of sewer lines inspected by camera	39.5	28.8
Sanitary sewer lines repaired	59	74
Parks and Facilities		
Park Maintenance		
Number of developed parks	21	22
Developed acres of parks	565	664
Miles of developed trails	7.8	18.4
Number of undeveloped parks	19	19
Acres of undeveloped parks	59.68	73.00
Buildings & facilities maintained	43	43
Horticulture & Forestry		
Square Feet of Landscaping Beds Maintained	65,000	65,000
Acres mowed In-house	285	295
Acres mowed by Contractor	111	111

City of Hutchinson Department Statistical Data

Department/Division	2011	2012
Parks and Facilities continued		
Zoo		
Acres	9	35
Ponds/Water Features/Wetlands/Basins	4	6
Structures	16	16
Carey Park Golf Course		
Acres	120	120
Structures	11	11
College/high school/amateur tournaments	53	49
Rounds of golf played	28,000	25,278
Airport		
Acres	1,597	1,752
Number of runways	3	3
Flight operations	40,272	40,885
Tenants	11	11
Fun Valley and Hobart Detter Stadium		
Total Games	506	535
Acres Maintained at Fun Valley	55	55
Acre at Fun Valley - Total	127	127
Lighted Ball Fields	7	7
Buildings	5	5
Week-end Tournaments	17	17
Eastside Cemetery		
Plots	12,000	18,000
Acres	26	26
Structures	3	3
Police Department		
Police Operations		
Calls for burglary	1,103	1,192
Calls for battery	589	679
Calls for accidents	1,756	1,755
Calls for noise complaints	582	574
Calls for parking complaints	691	661
Calls for drug activity	182	236
Calls for stolen vehicles	260	124
Calls for suspicious activity	1,502	1,799
Calls for theft	1,728	2,392
Total calls for service	33,320	30,768
Animal Control		
Animals impounded	1,146	988
Number of citations issued	435	467
Number of calls for service	4,663	4,718
Written warnings issued	287	274
Number of animal control officers	3	3

City of Hutchinson Department Statistical Data

Department/Division	2011	2012
Police Department continued		
Animal Shelter		
Animals adopted	617	546
Total reclaimed animals	384	382
Total animals surrendered by public	322	253
Total stray animals	1,621	1,458
Totals animal intake	2,328	2,041
Animals euthanized	1,342	1,145
Fire Department		
Fire Operations		
Number of fire stations	7	7
Square miles of coverage	108	108
Emergency runs inside city	3,475	3,769
Emergency runs outside city	350	391
Fire Operations		
Total emergency runs	3,881	4,160
Residential fires	60	93
Commercial fires	10	16
Brush, tree, crop, grass fires-number	142	139
Brush, tree, crop, grass fires-acres	672	554
Emergency medical calls	2,608	2,752
False alarm calls	196	262
Fire loss	\$1,735,415	\$1,903,405
Mututal aid rendered	25	36
Fire Prevention		
Fire inspections	1,133	1,120
Hydrant inspections	4,606	4,462
Plans examined	40	40
Investigations	52	73
Public Appearances	43	42
Deaths from fire/explosion	0	1
Building Inspection & Code Enforcement		
Building Inspection		
Number of new residential permits	14	23
Value of new residential permits	\$2,784,000	\$3,874,500
Number of new commercial permits	12	5
Value of new commercial permits	\$4,013,000	\$11,260,000
Total number of permits issued	2,340	2,290
Total value of permits issued	\$33,461,666	\$40,041,468
Number of inspections	4,208	3,847
Permit fees	\$298,977	\$398,047

City of Hutchinson Department Statistical Data

Department/Division	2011	2012
Building Inspection & Code Enforcement continued		
Code Enforcement		
Nuisance/trash/junk violations	756	616
Nuisance/trash/junk investigations	1,565	1,282
Tall weeds, grass, & brush violations	830	1,359
Tall weeds, grass, & brush investigations	1,570	2,493
Property maintenance violations	33	55
Property maintenance investigations	90	128
Rental violations	24	30
Rental investigations	50	34
Total violations	1,956	2,353
Total investigations	3,918	4,597
Number of demolitions under City demo program	6	11
Number of vehicles towed	2	15

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 2013 should be \$6,355,266. The estimated ending fund balance for fiscal year 2013 is \$4,991,353, up from the 2013 budget of \$3,670,206.

Taxes are the primary funding source for General fund activities. Over thirty-one percent (31.3%) of General Fund revenues are derived from property taxes and slightly more than thirty-six percent (36.8%) of General fund revenues are derived from non-property taxes such as sales taxes and liquor taxes. For fiscal year 2014, the City's general property tax mill levy rate will not be changed and will remain at \$31.565.

The next largest General fund revenue sources are franchise fees (15.5%) and public safety revenues (7.8%). 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 2.2% or less of the General Fund revenues individually. Internal service charges amount to 3.9% 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-three percent (74.7%) 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 reduce .13 FTE's from 311.88 to 311.75 in fiscal year 2014. Expenditures for personal services are budgeted to reduce by \$19,865 due to reduced overtime and certain positions filled at lower rates than budgeted in 2013.

The other expenditure types in the General fund – contractual services, commodities, and capital outlay comprise 27.2% of the General fund's budget. These expenditures are budgeted to grow by \$612,101 or 8.0% in fiscal year 2014. This growth is primarily related to the increase jail service expense, fire training for new recruits, Kohl's tax rebate, increased capital outlay for firefighting equipment and furniture for the new park offices. In addition, the General fund 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 program, and to the municipal equipment replacement fund. The Growth Account also makes transfers for street improvements. Reserve transfers are budgeted to increase by \$330,900 or 14.3% in fiscal year 2014. These increases include payments for 2 Fire Pumper engines, a Police radio software upgrade and a Public Works tractor replacement.

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 2014, the overhead cost being allocated out increased by \$153,560 to \$3,202,761 which is an increase of 5.0%. This increase reflects the addition of Human Resources overhead costs being allocated to the Risk Management, Workers Compensation, and Health & Dental Insurance funds. Also increasing this allocation is the GIS transfer which is due to an additional headcount increasing expenses.

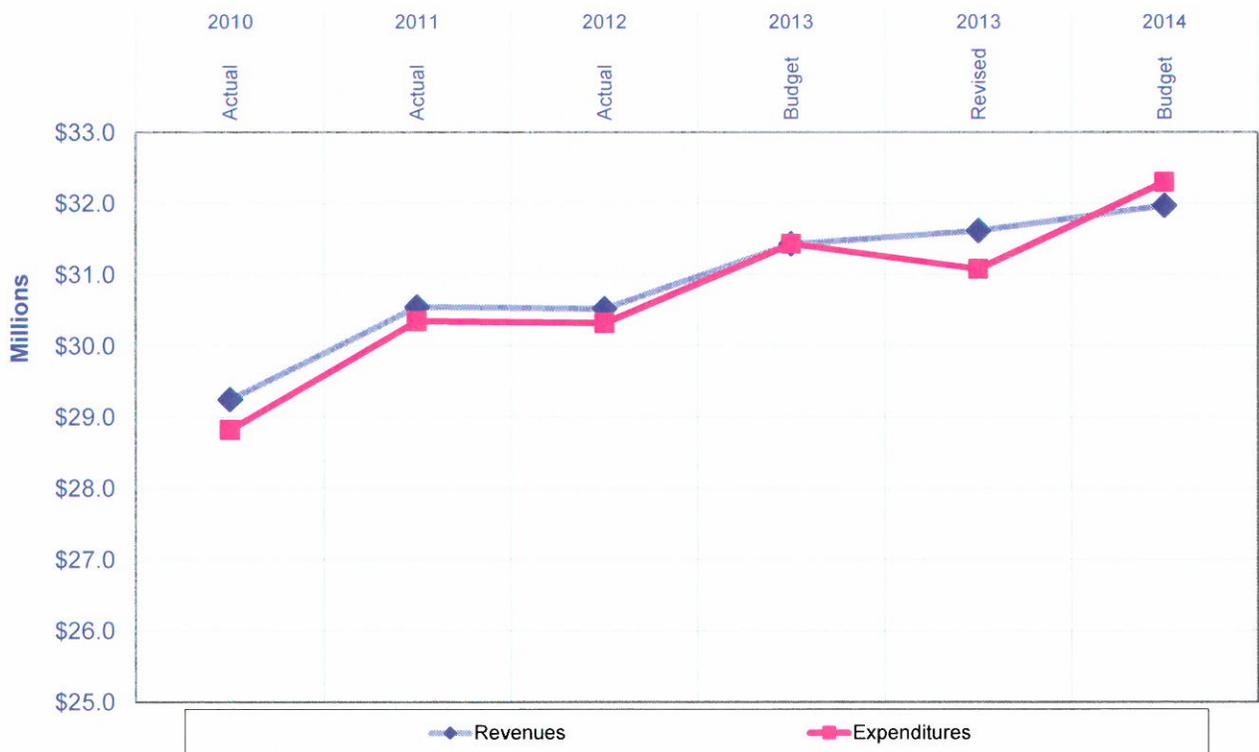
In addition, the General fund transfers funds to subsidize the Special Street, Special Parks and Recreation, Fun Valley, Animal Shelter, Airport, and Golf Course funds. These subsidy transfers are expected to amount to \$1,984,285 in fiscal year 2014 which is an increase of \$98,810 or 5.2% from the fiscal year 2013 budget. 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 2014 ending fund balance is budgeted at \$4,662,557 which is an increase from the 2013 budgeted fund balance by \$992,351. Of the projected ending fund balance, \$2,082,152 has been reserved by the City Council for economic development purposes and is presented as the Economic Development Funds. \$771,761 is reserved for economic development incentives and \$1,310,391 is reserved for economic development capital improvement projects.

General Fund (001) Fund Summary

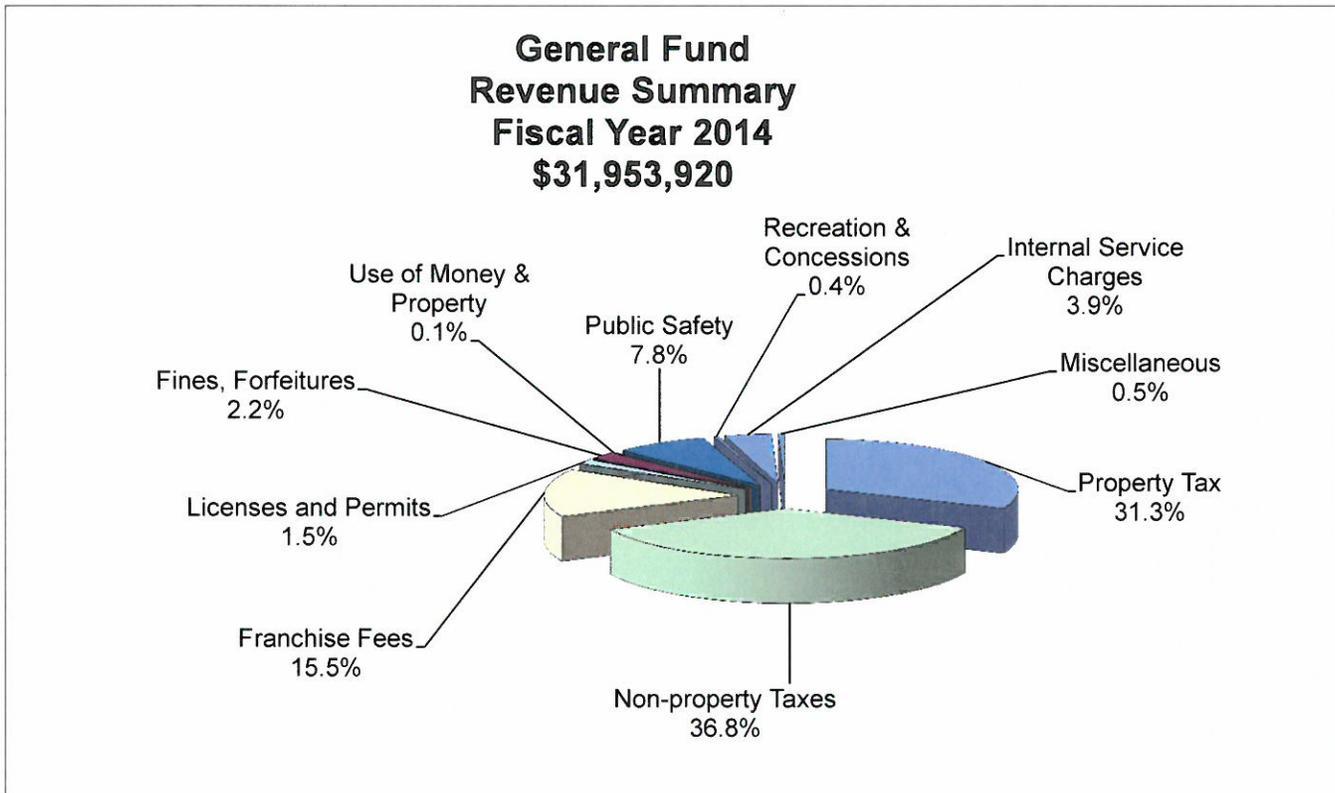
	<u>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>
Cash Balance, January 1	\$ 3,629,250	\$ 4,052,767	\$ 4,252,189	\$ 3,671,463	\$ 4,453,513	\$ 4,991,353
Revenues	28,979,483	30,472,434	30,512,738	31,428,359	31,613,749	31,953,920
Transfers In	<u>273,593</u>	<u>82,619</u>	<u>17,000</u>	<u>10,000</u>	<u>10,000</u>	<u>24,286</u>
Funds available	\$ 32,882,326	\$ 34,607,820	\$ 34,781,927	\$ 35,109,822	\$ 36,077,262	\$ 36,969,559
Expenditures	26,732,246	28,634,712	28,263,188	29,453,140	29,108,129	30,222,717
Transfers Out	<u>2,097,313</u>	<u>1,720,919</u>	<u>2,065,226</u>	<u>1,986,475</u>	<u>1,977,780</u>	<u>2,084,285</u>
Ending Balance, December 31	<u>\$ 4,052,767</u>	<u>\$ 4,252,189</u>	<u>\$ 4,453,513</u>	<u>\$ 3,670,206</u>	<u>\$ 4,991,353</u>	<u>\$ 4,662,557</u>

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



General Fund (001) Revenue Summary

	2010 Actual	2011 Actual	2012 Actual	2013 Budget	2013 Revised	2014 Budget
Property Tax	\$ 8,503,647	\$ 9,337,745	\$ 9,393,379	\$ 9,753,200	\$ 9,753,200	\$ 10,005,351
Non-property Taxes	10,458,826	10,978,607	11,297,294	11,352,070	11,522,170	11,750,564
Franchise Fees	4,677,545	4,946,730	4,879,004	4,892,947	4,928,220	4,961,286
Licenses and Permits	676,916	422,513	438,873	481,900	477,900	483,600
Fines, Forfeitures & Penalties	675,318	678,102	714,326	704,200	704,200	704,100
Use of Money & Property	16,760	19,222	27,278	17,000	17,000	19,000
Public Safety Service Charges	2,359,618	2,227,939	2,017,866	2,360,066	2,340,711	2,482,517
Recreation & Concession Service Charges	97,880	125,592	124,042	132,600	136,622	121,300
Internal Service Charges	958,499	1,205,843	1,245,566	1,273,949	1,273,949	1,259,508
Miscellaneous	397,474	250,141	375,111	194,000	193,350	166,694
Reserve Transfers	157,000	280,000	-	266,427	266,427	-
Total Revenues	\$ 28,979,483	\$ 30,472,434	\$ 30,512,738	\$ 31,428,359	\$ 31,613,749	\$ 31,953,920
Transfers In	273,593	82,619	17,000	10,000	10,000	24,286
Total	\$ 29,253,076	\$ 30,555,053	\$ 30,529,738	\$ 31,438,359	\$ 31,623,749	\$ 31,978,206



General Fund (001)

Revenue Summary by Source

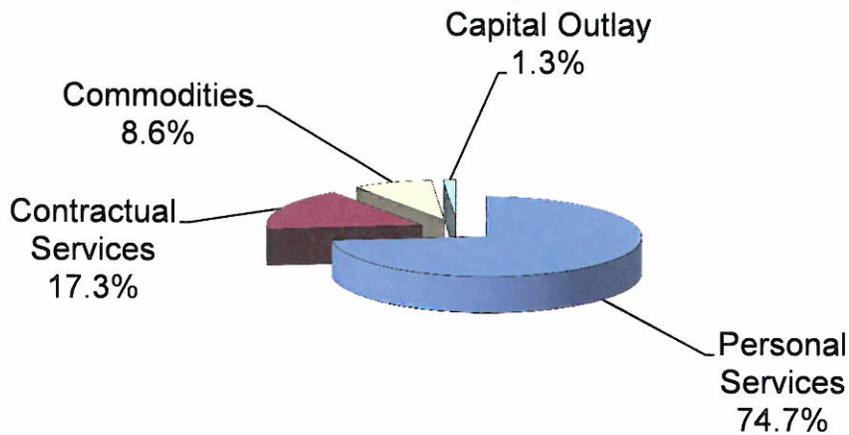
	2010 Actual	2011 Actual	2012 Actual	2013 Budget	2013 Revised	2014 Budget
Property Taxes:						
Ad valorem property tax	\$ 7,280,024	\$ 7,968,430	\$ 8,124,686	\$ 8,571,575	\$ 8,571,575	\$ 8,872,415
Uncollected tax delinquency	-	-	(50,294)	(162,876)	(162,876)	(177,038)
Motor vehicle tax	949,468	1,122,192	1,089,945	1,074,521	1,074,521	1,051,344
Other vehicle tax	6,749	14,290	12,600	15,783	15,783	15,330
Payments in lieu of tax	1,829	-	-	4,197	4,197	3,300
Delinquent tax collections	265,577	232,833	216,443	250,000	250,000	240,000
Subtotal	\$ 8,503,647	\$ 9,337,745	\$ 9,393,379	\$ 9,753,200	\$ 9,753,200	\$ 10,005,351
Non-Property Taxes:						
Local sales tax - countywide	\$ 4,634,008	\$ 4,869,940	\$ 5,093,067	\$ 5,060,475	\$ 5,198,234	\$ 5,302,199
Local sales tax - citywide	5,717,257	5,995,679	6,099,850	6,185,025	6,221,436	6,345,865
Liquor taxes	94,311	96,337	91,978	94,070	90,000	90,000
Intoxicating liquor tax	13,250	16,650	12,400	12,500	12,500	12,500
Subtotal	\$ 10,458,826	\$ 10,978,607	\$ 11,297,294	\$ 11,352,070	\$ 11,522,170	\$ 11,750,564
Utility franchise fees:						
Electricity - Westar Energy	\$ 2,135,894	\$ 2,454,996	\$ 2,541,221	\$ 2,464,727	\$ 2,500,000	\$ 2,550,000
Gas - Kansas Gas Service Company	971,319	814,878	769,076	856,561	856,561	850,000
Telephone	283,404	283,890	203,908	194,400	194,400	190,000
Gas - Black Hills Utility	76,392	144,137	123,893	135,430	135,430	134,486
Cable Television & Other Communications	441,390	445,004	446,483	450,035	450,035	445,728
Refuse Collection	160,109	164,890	155,370	175,150	175,150	170,000
Water/sewer system fund	609,037	638,937	639,053	616,644	616,644	621,072
Subtotal	\$ 4,677,545	\$ 4,946,730	\$ 4,879,004	\$ 4,892,947	\$ 4,928,220	\$ 4,961,286
Licenses and Permits:						
Cereal malt beverage licenses	\$ 3,275	\$ 2,800	\$ 2,800	\$ 3,250	\$ 3,250	\$ 3,000
Tree trimming licenses	1,025	550	450	900	900	1,000
Alarm License fees	33,650	17,160	25,575	25,000	20,000	25,000
Fireworks permits	25,000	30,000	22,500	25,000	5,000	5,000
Police and protective licenses	199	214	93	200	200	200
Other licenses & permits	3,021	1,357	2,793	3,000	3,000	3,000
Building & fence permits	495,878	225,705	264,915	300,000	325,000	325,000
Sign permits	2,775	3,465	2,933	3,500	2,000	3,000
Demolition permits	1,459	793	26,089	1,200	1,200	1,000
Building occupancy permits	2,760	3,191	7,302	3,000	3,000	3,000
Mechanical permits	30,756	39,027	14,703	32,000	32,000	32,000
Electrical permits	4,742	6,460	16,675	6,000	9,000	6,000
Plumbing permits	16,071	21,101	12,750	17,500	15,000	15,000
Electrical license fees	11,260	13,850	15	13,000	10,000	13,000
Plumbing license fees	10,430	9,165	14,560	11,000	11,000	11,000
Gas fitters license fees	145	35	1,904	100	100	100
Mechanical license fees	12,070	13,565	1,656	13,500	13,500	13,500
Wrecking license fees	950	1,100	60	1,250	1,250	1,300
Building contractor licenses	21,450	32,975	21,100	22,500	22,500	22,500
Subtotal	\$ 676,916	\$ 422,513	\$ 438,873	\$ 481,900	\$ 477,900	\$ 483,600
Fines, forfeitures, and penalties:						
Municipal court fines	\$ 399,046	\$ 395,695	\$ 423,039	\$ 420,000	\$ 420,000	\$ 420,000
Admin fee and set-off charge	383	549	276	500	500	500
Probation	17,195	23,386	24,821	25,000	25,000	25,000
Municipal court bond forfeitures	4,000	9,350	31,182	10,000	10,000	10,000
Overtime parking fees/late & other fees	178	191	-	100	100	100
Municipal court costs	194,843	186,000	178,930	187,500	187,500	187,500
Court surcharge	14,535	13,683	13,141	14,000	14,000	14,000
Diversion fees	43,044	46,718	42,106	45,000	45,000	45,000
DARE fees	1,125	1,079	831	1,100	1,100	1,000
Court confiscated monies and property	969	1,452	-	1,000	1,000	1,000
Subtotal	\$ 675,318	\$ 678,102	\$ 714,326	\$ 704,200	\$ 704,200	\$ 704,100
Use of Money & Property:						
Interest income	\$ 15,559	\$ 8,521	\$ 9,576	\$ 10,000	\$ 10,000	\$ 10,000
Rents and Leases	1,201	10,701	17,702	7,000	7,000	9,000
Subtotal	\$ 16,760	\$ 19,222	\$ 27,278	\$ 17,000	\$ 17,000	\$ 19,000

	2010 Actual	2011 Actual	2012 Actual	2013 Budget	2013 Revised	2014 Budget
Public Safety Service Charges:						
Police Officer reimbursements	\$ 150,233	\$ 60,918	\$ 100,789	\$ 100,000	\$ 100,000	\$ 105,000
Impoundment lot storage/auction	46,967	4,714	1,282	-	-	-
Police records	2,216	2,852	3,076	2,800	2,800	3,000
Fingerprinting fees	1,450	1,570	1,370	1,400	1,400	1,500
Radio maintenance reimbursement	96,801	94,918	81,396	100,000	100,000	100,000
Fire protection contracts	75,461	-	-	-	-	-
Fire District #2	1,370,723	1,532,489	1,316,142	1,520,519	1,501,164	1,628,917
Fire Inspection fees	77,293	3,150	-	-	-	-
Building Inspection fees	520	200	160	500	500	500
Central dispatch - Reno county	445,624	432,772	415,932	538,356	538,356	547,600
Central dispatch - others	30,004	30,133	30,309	30,491	30,491	30,000
Records - Reno county	7,040	9,111	8,598	10,000	10,000	10,000
Evidence custodian - Reno county	55,286	55,113	58,813	56,000	56,000	56,000
Subtotal	\$ 2,359,618	\$ 2,227,939	\$ 2,017,866	\$ 2,360,066	\$ 2,340,711	\$ 2,482,517
Recreation & Concession Service Charges:						
Ball park - rental fees	\$ 1,258	\$ 4,158	\$ -	\$ 1,500	\$ 1,500	\$ 1,500
Sports Arena - rental fees	5,298	7,763	6,678	7,500	7,500	6,500
Sports Arena - advertising	-	1,215	30	3,000	3,000	1,500
Memorial Hall - rental fees	5,894	4,574	8,648	10,000	10,000	8,500
Sports Arena reimbursements	41,576	51,290	49,337	50,000	50,000	50,000
Homebuilders rental	12,318	17,661	12,087	14,600	14,600	15,000
Rice Park building rental	9,876	13,571	9,056	11,000	11,000	11,500
Sports Arena Concessions	20,288	13,279	12,947	15,000	15,000	12,500
Memorial Hall Concessions	1,372	8,477	5,635	15,000	15,000	5,300
Soft drink contract	-	3,605	19,625	5,000	9,022	9,000
Subtotal	\$ 97,880	\$ 125,592	\$ 124,042	\$ 132,600	\$ 136,622	\$ 121,300
Internal Service Charges:						
Labor charges	\$ 169,283	\$ 192,150	\$ 207,335	\$ 188,150	\$ 188,150	\$ 189,230
Parts charges	284,799	315,874	289,201	297,500	297,500	296,843
Fuel charges	494,206	663,105	672,200	694,000	694,000	676,435
Custodial charges	-	24,711	57,706	84,299	84,299	85,000
Diesel fuel tax reimbursement	10,211	10,003	19,123	10,000	10,000	12,000
Subtotal	\$ 958,499	\$ 1,205,843	\$ 1,245,566	\$ 1,273,949	\$ 1,273,949	\$ 1,259,508
Miscellaneous:						
Sale of real estate	\$ 24,160	\$ -	\$ -	\$ -	\$ -	\$ -
Sale/auction of City property	44,763	26,523	90,738	25,000	79,000	50,000
Flood control project	21,773	21,769	20,732	22,000	22,000	22,000
DHRP contribution	15,000	15,000	15,000	15,000	15,000	15,000
Miscellaneous	131,071	11,583	575	10,000	10,000	10,000
IRB/CID administration fees	1,000	6,650	3,150	5,000	5,000	5,000
Eastside cemetery charges	18,239	17,025	19,457	20,000	15,350	17,518
Zoning application fees	6,320	6,230	6,155	6,000	6,000	6,176
Reimbursement of expenses	127,291	134,719	205,336	80,000	30,000	30,000
Zoo gift shop salary reimbursement	7,777	10,642	13,968	11,000	11,000	11,000
Overages (shortages)	80	-	-	-	-	-
Subtotal	397,474	250,141	375,111	194,000	193,350	166,694
Reserve Transfers:						
Reserve Transfers-CIP Reserve	7,000	80,000	-	-	-	-
Risk Management Reserve Transfer	50,000	-	-	-	-	-
Workers Comp Reserve Transfer	100,000	200,000	-	-	-	-
Health & Dental Insurance Reserve Transfer	-	-	-	266,427	266,427	-
Subtotal	\$ 157,000	\$ 280,000	\$ -	\$ 266,427	\$ 266,427	\$ -
Total Revenues	\$ 28,979,483	\$ 30,472,434	\$ 30,512,738	\$ 31,428,359	\$ 31,613,749	\$ 31,953,920
Transfers In:						
Refuse Collection Fund	\$ 250,000	\$ -	\$ -	\$ -	\$ -	\$ -
Special Alcohol Fund	23,593	82,619	17,000	10,000	10,000	24,286
Total Transfers In	\$ 273,593	\$ 82,619	\$ 17,000	\$ 10,000	\$ 10,000	\$ 24,286
Total	\$ 29,253,076	\$ 30,555,053	\$ 30,529,738	\$ 31,438,359	\$ 31,623,749	\$ 31,978,206

General Fund (001) Expenditure Summary by Type

	<u>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>
Personal Services	\$ 19,235,851	\$ 20,567,141	\$ 21,223,620	\$ 22,580,754	\$ 22,060,504	\$ 22,560,889
Contractual Services	4,295,890	4,383,206	4,758,674	4,857,255	4,993,172	5,233,066
Commodities	2,142,081	2,402,786	2,489,626	2,552,726	2,571,528	2,581,766
Capital Outlay	<u>164,086</u>	<u>253,481</u>	<u>270,682</u>	<u>198,975</u>	<u>224,493</u>	<u>406,225</u>
Total External Expenditures	\$ 25,837,908	\$ 27,606,614	\$ 28,742,601	\$ 30,189,709	\$ 29,849,698	\$ 30,781,946
Reserve Transfers	2,573,161	2,684,313	2,338,446	2,312,632	2,307,632	2,643,532
Overhead Cost Allocation	<u>(1,678,823)</u>	<u>(1,656,215)</u>	<u>(2,817,859)</u>	<u>(3,049,201)</u>	<u>(3,049,201)</u>	<u>(3,202,761)</u>
Total Expenditures	\$ 26,732,246	\$ 28,634,712	\$ 28,263,188	\$ 29,453,140	\$ 29,108,129	\$ 30,222,717
Transfers Out	<u>2,097,313</u>	<u>1,720,919</u>	<u>2,065,226</u>	<u>1,986,475</u>	<u>1,977,780</u>	<u>2,084,285</u>
Total	<u>\$ 28,829,559</u>	<u>\$ 30,355,631</u>	<u>\$ 30,328,414</u>	<u>\$ 31,439,615</u>	<u>\$ 31,085,909</u>	<u>\$ 32,307,002</u>

General Fund External Expenditures by Type Fiscal year 2014 \$30,781,946



General Fund (001)

Expenditure Summary by Department

Activity	2010 Actual	2011 Actual	2012 Actual	2013 Budget	2013 Revised	2014 Budget
Expenditures:						
General Government:						
City Council	\$ 25,227	\$ 21,333	\$ 20,683	\$ 29,130	\$ 30,630	\$ 30,630
City Manager	353,458	369,896	346,319	337,819	321,699	306,839
Downtown Development	118,300	126,378	123,718	127,407	128,953	127,959
Human Resources	275,647	287,269	282,544	310,553	353,919	330,521
Finance/City Clerk	511,032	496,353	350,180	363,870	349,232	372,251
Utility Billing	-	-	762,824	767,321	793,907	772,193
Central Purchasing	-	-	122,414	133,398	134,169	125,240
Information Technology	245,313	328,369	543,563	535,983	542,759	569,676
Planning and Development:						
Planning & Zoning	361,812	461,961	445,034	483,837	430,761	364,358
Housing Development	-	-	95,347	95,078	98,465	167,020
Law:						
City Attorney	225,093	178,774	180,401	191,167	186,163	194,127
Municipal Court	387,148	403,239	406,254	433,936	426,347	434,105
Public Works:						
Public Works Administration	121,528	129,021	184,681	198,652	204,199	201,804
Public Works Maintenance	776,740	831,386	860,195	831,019	844,792	847,198
Central Garage Revolving	1,316,368	1,469,938	1,488,092	1,560,912	1,566,859	1,562,581
Central Garage Shop Operations	36,782	43,448	52,383	50,199	42,868	79,449
Street Administration	3,821	3,545	-	-	-	-
Street Signs & Markings	140,569	137,022	116,978	144,144	139,460	146,344
Storm Sewer	7,804	8,789	5,353	-	-	-
Street Lighting	537,681	556,073	572,700	583,711	587,587	600,224
Engineering:						
Engineering	737,959	745,211	773,665	804,887	812,455	811,865
Traffic Signals	302,378	296,420	309,650	281,992	284,709	278,182
Geographical Information Systems	60,855	69,901	159,137	186,845	179,589	256,281
Parks and Facilities:						
Park Administration	279,384	319,013	372,317	373,396	373,405	408,313
Park Maintenance	953,376	976,727	958,268	958,507	973,808	956,624
Zoo	440,463	524,165	547,773	550,780	561,880	566,020
Forestry & Horticulture	690,838	705,556	754,446	815,861	876,827	908,911
Central Custodial Revolving	-	25,336	57,706	84,299	50,426	89,771
Insect/Rodent Control	10,820	6,578	6,666	7,980	7,980	10,100
Memorial Hall	61,318	62,839	95,249	98,401	100,654	97,975
Memorial Hall Concessions	4,145	8,459	3,560	11,323	8,923	8,973
Sports Arena	154,245	126,890	206,449	223,781	213,336	230,572
City Hall Building	66,117	70,492	85,535	92,515	90,672	113,515
Eastside Cemetery	138,666	140,038	139,175	156,868	113,622	112,122
Police:						
Police Administration	1,176,627	1,121,539	1,215,483	1,181,386	1,091,635	1,172,687
Detention of Prisoners	314,112	308,022	337,894	312,300	388,300	388,300
Patrol & Investigation	4,684,527	5,287,654	5,261,624	5,346,590	5,548,998	5,386,307
Police Records	49,552	55,603	18,549	31,300	31,160	39,300
Narcotics Control	29,600	27,389	33,826	31,300	28,473	31,300
Police Unclassified	61,797	66,531	142,002	120,171	120,171	124,600
Police Communications	2,066	3,333	1,090	5,600	5,600	5,600
Dispatch (HRCEC)	927,647	828,310	889,403	1,076,711	990,462	1,095,200
Radio Maintenance	158,668	163,381	141,744	176,508	147,526	165,811
Animal Control	160,716	173,644	176,575	179,867	180,141	177,773
Fire:						
Fire Administration	490,634	617,894	567,896	614,170	702,591	718,627
Fire Prevention	161,773	182,431	179,749	188,764	189,453	195,253
Fire Fighting	5,817,905	6,344,827	6,335,995	7,008,198	6,480,821	6,919,218
Fire Unclassified	181,355	234,598	200,282	230,639	245,139	254,839
Building Inspection & Code Enforcement:						
Inspection/Code Enforcement	520,527	496,636	463,127	492,992	507,030	584,787
Non-Departmental:						
Growth	599,500	600,000	599,856	600,000	600,000	600,000
Economic Opportunity Funds	189,627	337,285	150,894	179,167	174,167	170,468
Non-Departmental	3,539,549	3,511,431	2,935,800	2,901,108	2,894,608	3,313,662
Overhead Cost Allocation	(1,678,823)	(1,656,215)	(2,817,859)	(3,049,201)	(3,049,201)	(3,202,761)
Total Expenditures	\$ 26,732,246	\$ 28,634,712	\$ 28,263,188	\$ 29,453,140	\$ 29,108,129	\$ 30,222,717
Transfers Out:						
Growth	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
Non-Departmental	1,997,313	1,620,919	1,965,226	1,886,475	1,877,780	1,984,285
Total Transfers Out	\$ 2,097,313	\$ 1,720,919	\$ 2,065,226	\$ 1,986,475	\$ 1,977,780	\$ 2,084,285
Total	\$ 28,829,559	\$ 30,355,631	\$ 30,328,414	\$ 31,439,615	\$ 31,085,909	\$ 32,307,002

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>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>	<u>Change in Budget</u>
Expenditures:							
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Contractual Services	24,565	21,153	20,611	28,630	30,130	30,130	5.24%
Commodities	662	180	72	500	500	500	0.00%
Capital Outlay	-	-	-	-	-	-	0.00%
Total Expenditures	<u>\$ 25,227</u>	<u>\$ 21,333</u>	<u>\$ 20,683</u>	<u>\$ 29,130</u>	<u>\$ 30,630</u>	<u>\$ 30,630</u>	5.15%
Funding Sources:							
Overhead Cost Allocation	\$ 10,815	\$ 10,815	\$ 6,396	\$ 6,431	\$ 6,431	\$ 7,567	17.66%
General Revenues	14,412	10,518	14,287	22,699	24,199	23,063	1.60%
Total Funding Sources	<u>\$ 25,227</u>	<u>\$ 21,333</u>	<u>\$ 20,683</u>	<u>\$ 29,130</u>	<u>\$ 30,630</u>	<u>\$ 30,630</u>	5.15%

Current Trends and Issues:

The City Council has focused its thinking over the past 4 years on steering the City through the recession. During budget discussions the past two years the Council has allocated resources to address:

Housing. Council understands the need to address current housing issues and have allocated resources toward a more aggressive enforcement of the property maintenance code, aggressive demolition program of dilapidated structures and a new housing development incentive program.

Infrastructure/Equipment Investment. Council has discussed the ramifications of continuing to defer capital maintenance and equipment replacement needs. The Council has directed staff to work on financing plans to aggressively address these issues an concerns.

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>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>	<u>Change in Budget</u>
Expenditures:							
Personal Services	\$ 333,907	\$ 348,224	\$ 324,694	\$ 315,669	\$ 298,049	\$ 283,689	-10.13%
Contractual Services	17,979	20,423	20,708	20,800	22,750	22,250	6.97%
Commodities	1,572	1,249	917	1,350	900	900	-33.33%
Capital Outlay	-	-	-	-	-	-	0.00%
Total Expenditures	<u>\$ 353,458</u>	<u>\$ 369,896</u>	<u>\$ 346,319</u>	<u>\$ 337,819</u>	<u>\$ 321,699</u>	<u>\$ 306,839</u>	-9.17%
Funding Sources:							
Overhead Cost Allocation	\$ 105,278	\$ 105,278	\$ 81,849	\$ 74,590	\$ 74,590	\$ 75,799	1.62%
General Revenues	248,180	264,618	264,470	263,229	247,109	231,040	-12.23%
Total Funding Sources	<u>\$ 353,458</u>	<u>\$ 369,896</u>	<u>\$ 346,319</u>	<u>\$ 337,819</u>	<u>\$ 321,699</u>	<u>\$ 306,839</u>	-9.17%

Personnel Schedule

Full Time Equivalents

	<u>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>
City Manager	1.00	1.00	1.00	1.00	1.00	1.00
Administrative Secretary	1.00	1.00	1.00	0.63	0.00	0.00
Asst. to the City Manager	1.00	1.00	1.00	1.00	1.00	1.00
Total	3.00	3.00	3.00	2.63	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:	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>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>	<u>Change in Budget</u>
Expenditures:							
Personal Services	\$ 81,182	\$ 88,615	\$ 88,900	\$ 89,932	\$ 91,478	\$ 92,684	3.06%
Contractual Services	35,855	36,757	34,518	36,750	36,000	34,550	-5.99%
Commodities	1,263	1,006	300	725	725	725	0.00%
Capital Outlay	-	-	-	-	750	-	
Total Expenditures	<u>\$ 118,300</u>	<u>\$ 126,378</u>	<u>\$ 123,718</u>	<u>\$ 127,407</u>	<u>\$ 128,953</u>	<u>\$ 127,959</u>	0.43%
Funding Sources:							
Private Contributions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
General Revenues	118,300	126,378	123,718	127,407	128,953	127,959	0.43%
Total Funding Sources	<u>\$ 118,300</u>	<u>\$ 126,378</u>	<u>\$ 123,718</u>	<u>\$ 127,407</u>	<u>\$ 128,953</u>	<u>\$ 127,959</u>	0.43%

Personnel Schedule

Full Time Equivalents

	<u>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>
Downtown Director	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

Current 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 expected to open in the Spring of 2015.

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>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>	<u>Change in Budget</u>
Expenditures:							
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Contractual Services	537,681	556,073	572,700	583,711	587,587	600,224	2.83%
Commodities	-	-	-	-	-	-	0.00%
Capital Outlay	-	-	-	-	-	-	0.00%
Total Expenditures	<u>\$ 537,681</u>	<u>\$ 556,073</u>	<u>\$ 572,700</u>	<u>\$ 583,711</u>	<u>\$ 587,587</u>	<u>\$ 600,224</u>	2.83%
Funding Sources:							
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
General Revenues	<u>537,681</u>	<u>556,073</u>	<u>572,700</u>	<u>583,711</u>	<u>587,587</u>	<u>600,224</u>	2.83%
Total Funding Sources	<u>\$ 537,681</u>	<u>\$ 556,073</u>	<u>\$ 572,700</u>	<u>\$ 583,711</u>	<u>\$ 587,587</u>	<u>\$ 600,224</u>	2.83%

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>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>	<u>Change in Budget</u>
Expenditures:							
Personal Services	\$ 218,295	\$ 229,221	\$ 208,671	\$ 233,758	\$ 240,804	\$ 238,089	1.85%
Contractual Services	51,056	52,976	68,369	70,509	106,829	85,958	21.91%
Commodities	6,296	5,072	2,915	4,286	4,286	3,974	-7.28%
Capital Outlay	-	-	2,589	2,000	2,000	2,500	0.00%
Total Expenditures	<u>\$ 275,647</u>	<u>\$ 287,269</u>	<u>\$ 282,544</u>	<u>\$ 310,553</u>	<u>\$ 353,919</u>	<u>\$ 330,521</u>	6.43%
Funding Sources:							
Overhead Cost Allocation	\$ 57,387	\$ 57,387	\$ 60,169	\$ 74,422	\$ 74,422	\$ 121,612	63.41%
General Revenues	218,260	229,882	222,375	236,131	279,497	208,909	-11.53%
Total Funding Sources	<u>\$ 275,647</u>	<u>\$ 287,269</u>	<u>\$ 282,544</u>	<u>\$ 310,553</u>	<u>\$ 353,919</u>	<u>\$ 330,521</u>	6.43%

Personnel Schedule Full Time Equivalents

	<u>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 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	1.00
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	3.00

Department Summary

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

Capital Outlay:

Item:	Quantity	Replacement/ New/Maint	2013 Budget	2013 Revised	2014 Budget
File Cabinets		Purchase	2,000	2,000	2,500

Current Trends and Issues:

The continued evolution of the City's Wellness Initiative will remain a strategic priority for 2014. The mission of the Wellness Initiative is to promote and support the health and well-being of our employees and their family members, and to develop a workplace culture that values and rewards those employees that are taking reasonable steps towards living a healthy lifestyle.

The recruitment of qualified candidates to city service continues to be an area of concern. As such, the HR department will continue to work with departments to evolve sourcing/ recruitment strategies and improve the candidate selection processes. While recruitment of qualified staff is a wide-spread concern, special emphasis will continue to be placed on Police, Fire and Emergency Communications.

Lastly, significant time will be devoted to compliance with the Patient Protection and Affordable Care Act (PPACA).

Department Summary

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

This budget is responsible for the finance and city clerk function of the City. The Finance Department is responsible for the financial, accounting, 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, CRUD dumpsters, park facility reservations, and dog tags. City Clerk functions include open record requests, records management, special assessments certifications, and mowing assessments.

	<u>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>	<u>Change in Budget</u>
Expenditures:							
Personal Services	\$ 474,060	\$ 471,604	\$ 313,684	\$ 318,370	\$ 298,907	\$ 325,526	2.25%
Contractual Services	30,084	17,272	33,401	41,700	47,025	43,425	4.14%
Commodities	4,827	4,522	2,746	3,300	3,300	3,300	0.00%
Capital Outlay	2,061	2,955	348	500	-	-	-100.00%
Total Expenditures	<u>\$ 511,032</u>	<u>\$ 496,353</u>	<u>\$ 350,180</u>	<u>\$ 363,870</u>	<u>\$ 349,232</u>	<u>\$ 372,251</u>	2.30%
Funding Sources:							
Overhead Cost Allocation	\$ 176,288	\$ 176,288	\$ 105,580	\$ 97,842	\$ 97,842	\$ 109,087	11.49%
General Revenues	334,744	320,065	244,600	266,028	251,390	263,164	-1.08%
Total Funding Sources	<u>\$ 511,032</u>	<u>\$ 496,353</u>	<u>\$ 350,180</u>	<u>\$ 363,870</u>	<u>\$ 349,232</u>	<u>\$ 372,251</u>	2.30%

Personnel Schedule

Full Time Equivalents

	<u>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>
Director of Finance	1.00	1.00	1.00	1.00	1.00	1.00
Finance Services Manager	1.00	1.00	-	-	-	-
Purchasing Manager	1.00	1.00	-	-	-	-
Secretary - Purchasing	0.75	0.75	-	-	-	-
Sr Financial Analyst	-	-	-	-	-	1.00
Accounting Manager	1.00	1.00	1.00	1.00	1.00	1.00
Staff Accountant	-	-	0.75	0.75	1.00	-
Account Clerk	3.00	2.00	1.75	1.75	1.00	1.00
Total	7.75	6.75	4.50	4.50	4.00	4.00

Department Summary

Department:

Finance

Division:

Finance/City Clerk

Activity:

Finance/City Clerk (3000-451)

Capital Outlay:

<u>Item:</u>	<u>Quantity</u>	<u>Replacement/ New/Maint</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>
Miscellaneous Office Equipment	1	New	500	500	500

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.

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.

	<u>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>	<u>Change in Budget</u>
Expenditures:							
Personal Services	\$ -	\$ -	\$ 493,079	\$ 504,362	\$ 522,820	\$ 494,334	-1.99%
Contractual Services	-	-	178,084	180,459	188,587	192,459	6.65%
Commodities	-	-	34,870	45,500	45,500	47,100	3.52%
Capital Outlay	-	-	56,790	37,000	37,000	38,300	3.51%
Total Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 762,824</u>	<u>\$ 767,321</u>	<u>\$ 793,907</u>	<u>\$ 772,193</u>	0.63%
Funding Sources:							
Overhead Cost Allocation	\$ -	\$ -	\$ 794,885	\$ 767,321	\$ 767,321	\$ 772,193	0.63%
General Revenues	-	-	(32,061)	-	26,586	0	0.00%
Total Funding Sources	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 762,824</u>	<u>\$ 767,321</u>	<u>\$ 793,907</u>	<u>\$ 772,193</u>	0.63%

Personnel Schedule

Full Time Equivalents

	<u>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>
Utility Office Manager	-	-	1.00	1.00	1.00	1.00
Water Service Technician	-	-	4.00	4.00	4.00	4.00
Utility Clerk	-	-	5.75	5.00	5.00	5.00
Total	-	-	10.75	10.00	10.00	10.00

Capital Outlay:

<u>Item:</u>	<u>Quantity</u>	<u>Replacement/ New/Maint</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>
Water Meter replacements		Replacement	36,000	36,000	38,300
Lockers	4	New	1,000	1,000	

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:	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>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>	<u>Change in Budget</u>
Expenditures:							
Personal Services	\$ -	\$ -	\$ 119,079	\$ 128,398	\$ 130,672	\$ 121,340	-5.50%
Contractual Services	-	-	1,990	2,900	2,538	2,600	-10.34%
Commodities	-	-	1,201	2,000	959	1,200	-40.00%
Capital Outlay	-	-	144	100	-	100	0.00%
Total Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 122,414</u>	<u>\$ 133,398</u>	<u>\$ 134,169</u>	<u>\$ 125,240</u>	-6.12%
Funding Sources:							
Overhead Cost Allocation	\$ -	\$ -	\$ 25,499	\$ 29,454	\$ 29,454	\$ 30,938	5.04%
General Revenues	-	-	96,915	103,944	104,715	94,302	-9.28%
Total Funding Sources	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 122,414</u>	<u>\$ 133,398</u>	<u>\$ 134,169</u>	<u>\$ 125,240</u>	-6.12%

Personnel Schedule

Full Time Equivalents

	<u>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>
Purchasing Manager	-	-	1.00	1.00	1.00	1.00
Account Clerk	-	-	1.00	1.00	1.00	1.00
Total	-	-	2.00	2.00	2.00	2.00

Department Summary

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

Capital Outlay:

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

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.

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>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>	<u>Change in Budget</u>
Expenditures:							
Personal Services	\$ 200,795	\$ 284,705	\$ 292,074	\$ 297,213	\$ 303,989	\$ 308,402	3.76%
Contractual Services	43,318	41,755	215,531	226,445	226,445	248,949	9.94%
Commodities	791	1,494	35,433	11,825	11,825	11,825	0.00%
Capital Outlay	<u>409</u>	<u>415</u>	<u>525</u>	<u>500</u>	<u>500</u>	<u>500</u>	0.00%
Total Expenditures	<u>\$ 245,313</u>	<u>\$ 328,369</u>	<u>\$ 543,563</u>	<u>\$ 535,983</u>	<u>\$ 542,759</u>	<u>\$ 569,676</u>	6.29%
Funding Sources:							
Overhead Cost Allocation	\$ 38,965	\$ 38,965	\$ 142,307	\$ 142,506	\$ 142,506	\$ 142,506	0.00%
General Revenues	<u>206,348</u>	<u>289,404</u>	<u>401,256</u>	<u>393,477</u>	<u>400,253</u>	<u>427,170</u>	8.56%
Total Funding Sources	<u>\$ 245,313</u>	<u>\$ 328,369</u>	<u>\$ 543,563</u>	<u>\$ 535,983</u>	<u>\$ 542,759</u>	<u>\$ 569,676</u>	6.29%

Personnel Schedule

Full Time Equivalents

	<u>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 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
Media Specialist	-	-	1.00	1.00	1.00	1.00
Information Tech Technician	<u>1.75</u>	<u>1.75</u>	<u>0.75</u>	<u>0.75</u>	<u>0.75</u>	<u>0.75</u>
Total	2.75	3.75	3.75	3.75	3.75	3.75

Capital Outlay:

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

Current Trends and Issues:

The primary focus for 2014 will be upgrading Community Services, Financial, and Utility Billing systems budgeted in 2013 in the MERF and future MERF. IT is currently replacing the phone system in the Police Department. In 2014 all Microsoft Office users will upgrade to Office 365.

Department Summary

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

The Department of Planning and Community Development provides professional planning services for the Planning Commission, Housing Commission, Subdivisions, Landmarks Commission, as well as the City Council and City Administration.

Major activities include review of proposed subdivisions, review of the Comprehensive Plan and Community Improvements Commission. Priorities of the Planning Department are Complete Streets implementation and developing a Sidewalk Master Plan to support Healthy Community Design..

This department plays a major role in processing applications and managing state and federal funding of capital improvement projects for other City departments.

This department also administers the City's sign code, historic landmark, housing initiatives, land development and subdivision ordinances.

The newly created Housing and Neighborhood Development division is under the Planning Department.

	<u>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>	<u>Change in Budget</u>
Expenditures:							
Personal Services	\$ 311,666	\$ 388,496	\$ 404,333	\$ 420,317	\$ 367,241	\$ 302,373	-28.06%
Contractual Services	46,876	68,946	36,766	58,840	58,840	53,455	-9.15%
Commodities	3,115	3,621	3,780	4,480	4,480	4,480	0.00%
Capital Outlay	155	898	154	200	200	4,050	1925.00%
Total Expenditures	<u>\$ 361,812</u>	<u>\$ 461,961</u>	<u>\$ 445,034</u>	<u>\$ 483,837</u>	<u>\$ 430,761</u>	<u>\$ 364,358</u>	-24.69%
Funding Sources:							
Licenses and Permits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Zoning Application Fees	6,320	6,230	6,155	6,000	6,000	6,176	2.93%
General Revenues	355,492	455,731	438,879	477,837	424,761	358,182	-25.04%
Total Funding Sources	<u>\$ 361,812</u>	<u>\$ 461,961</u>	<u>\$ 445,034</u>	<u>\$ 483,837</u>	<u>\$ 430,761</u>	<u>\$ 364,358</u>	-24.69%

Personnel Schedule

Full Time Equivalents

	<u>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>
Director of Planning	1.00	1.00	1.00	1.00	1.00	1.00
Administrative Assistant	0.00	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	1.00
Long Range Planner	1.00	1.00	1.00	1.00	1.00	1.00
Community Dev. Specialist	1.00	1.00	1.00	1.00	1.00	0.00
Total	5.00	6.00	6.00	6.00	6.00	4.00

Department Summary

Department:

Planning & Development

Division:

Planning & Zoning

Activity:

Planning & Zoning (4100-460)

Capital Outlay:

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

Current Trends and Issues:

- Update the Comprehensive Plan which helps to guide our community's future growth and development and helps City officials and City staff make decisions.
- Continue implementing Healthy Community Design/Complete Streets into the zoning and subdivision regulations and comprehensive plan and a Sidewalk Master Plan through the Community Improvements Commission.

Department Summary

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

The Housing & Neighborhood Development division is a new division of the Planning Department. The Housing & Neighborhood Development division was created to address the quality of housing in Hutchinson and to implement the plans of the Housing Needs Assessment 2009 and the Housing Task Force Report 2011. Programs such as Brush-Up Hutch and the housing programs will be managed by the Housing Division as well as working with the Hutchinson Housing Commission, New Beginnings, Interfaith Housing, and other organizations related to housing development. In 2014, the position of Community Development Specialist was moved from Planning to the Housing division

	<u>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>	<u>Change in Budget</u>
Expenditures:							
Personal Services	\$ -	\$ -	\$ 61,622	\$ 83,928	\$ 80,000	\$ 149,030	77.57%
Contractual Services	-	-	33,660	10,600	17,615	16,940	59.81%
Commodities	-	-	65	550	850	1,050	90.91%
Capital Outlay	-	-	-	-	-	-	0.00%
Total Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 95,347</u>	<u>\$ 95,078</u>	<u>\$ 98,465</u>	<u>\$ 167,020</u>	75.67%
Funding Sources:							
Private Contributions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
General Revenues	-	-	95,347	95,078	98,465	167,020	75.67%
Total Funding Sources	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 95,347</u>	<u>\$ 95,078</u>	<u>\$ 98,465</u>	<u>\$ 167,020</u>	75.67%

Personnel Schedule

Full Time Equivalents

	<u>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>
Community Dev. Specialist	-	-	-	-	-	1.00
Housing Program Manager	-	-	1.00	1.00	1.00	1.00
Total	-	-	1.00	1.00	1.00	2.00

Current Trends and Issues:

The Housing & Neighborhood Development Division priorities for 2014 include:

* Reducing blight by holding property owners accountable for property conditions and sponsoring programs such as Brush -Up Hutch and the Spring Clean-Up

* Repurpose vacant properties through establishment of a Land Bank to encourage infill development, side-lot purchase, and other uses such as community gardens or open space

* Seek neighborhood engagement by working with residents to establish neighborhood organizations, grant resources for housing rehabilitation and support projects to improve and expand the housing stock

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>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>	<u>Change in Budget</u>
Expenditures:							
Personal Services	\$ 200,834	\$ 168,706	\$ 165,903	\$ 170,617	\$ 170,992	\$ 173,577	1.73%
Contractual Services	18,050	8,663	13,253	15,350	12,271	15,350	0.00%
Commodities	724	271	211	1,000	874	1,000	0.00%
Capital Outlay	5,485	1,134	1,034	4,200	2,026	4,200	0.00%
Total Expenditures	<u>\$ 225,093</u>	<u>\$ 178,774</u>	<u>\$ 180,401</u>	<u>\$ 191,167</u>	<u>\$ 186,163</u>	<u>\$ 194,127</u>	1.55%
Funding Sources:							
Overhead Cost Allocation	\$ 94,062	\$ 94,062	\$ 76,270	\$ 84,210	\$ 84,210	\$ 89,956	6.82%
General Revenues	131,031	84,712	104,131	106,957	101,953	104,171	-2.60%
Total Funding Sources	<u>\$ 225,093</u>	<u>\$ 178,774</u>	<u>\$ 180,401</u>	<u>\$ 191,167</u>	<u>\$ 186,163</u>	<u>\$ 194,127</u>	1.55%

Personnel Schedule

Full Time Equivalents

	<u>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>
City Attorney	1.00	1.00	1.00	1.00	1.00	1.00
Legal Staff Aide	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

Capital Outlay:

<u>Item:</u>	<u>Quantity</u>	<u>Replacement/ New/Maint</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>
Books		New	1,200	983	1,200
File Cabinets		New	3,000	1,043	3,000

Current 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 2010, there were more than 8,100 complaints and tickets handled by the court. These cases generated approximately \$670,000 in fines and costs. The probation officer monitored nearly 240 persons who were on probation for municipal court cases. Further, 367 new diversions were handled by the City's diversion officer. More than 330 people were able to perform community service work to pay off their fines. This program is overseen by the court supervisor.

	<u>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>	<u>Change in Budget</u>
Expenditures:							
Personal Services	\$ 227,936	\$ 246,136	\$ 247,679	\$ 257,636	\$ 262,361	\$ 257,805	0.07%
Contractual Services	148,469	154,146	157,163	171,200	159,923	171,700	0.29%
Commodities	2,194	2,427	1,036	3,500	2,641	3,000	-14.29%
Capital Outlay	8,549	530	376	1,600	1,422	1,600	0.00%
Total Expenditures	<u>\$ 387,148</u>	<u>\$ 403,239</u>	<u>\$ 406,254</u>	<u>\$ 433,936</u>	<u>\$ 426,347</u>	<u>\$ 434,105</u>	0.04%
Funding Sources:							
Fines & Forfeitures	\$ 387,148	\$ 395,695	\$ 406,254	\$ 422,667	\$ 422,667	\$ 434,105	2.71%
General Revenues	-	7,544	-	11,269	3,680	-	0.00%
Total Funding Sources	<u>\$ 387,148</u>	<u>\$ 403,239</u>	<u>\$ 406,254</u>	<u>\$ 433,936</u>	<u>\$ 426,347</u>	<u>\$ 434,105</u>	0.04%

Personnel Schedule

	Full Time Equivalents					
	<u>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 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

Department Summary

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

Capital Outlay:

Item:	Quantity	Replacement/ New/Maint	2013 Budget	2013 Revised	2014 Budget
Books		New	600	422	600
Miscellaneous Office Equipment		Replacement	1,000	1,000	1,000

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.

	<u>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>	<u>Change in Budget</u>
Expenditures:							
Personal Services	\$ 118,088	\$ 125,348	\$ 180,493	\$ 194,452	\$ 199,474	\$ 197,304	1.47%
Contractual Services	3,401	3,601	4,167	3,925	4,225	4,225	7.64%
Commodities	39	72	21	275	500	275	0.00%
Capital Outlay	-	-	-	-	-	-	0.00%
Total Expenditures	<u>\$ 121,528</u>	<u>\$ 129,021</u>	<u>\$ 184,681</u>	<u>\$ 198,652</u>	<u>\$ 204,199</u>	<u>\$ 201,804</u>	1.59%
Funding Sources:							
Overhead Cost Allocation	\$ 33,965	\$ 33,965	\$ 131,952	\$ 162,895	\$ 162,895	\$ 165,479	1.59%
General Revenues	87,563	95,056	52,729	35,757	41,304	36,325	1.59%
Total Funding Sources	<u>\$ 121,528</u>	<u>\$ 129,021</u>	<u>\$ 184,681</u>	<u>\$ 198,652</u>	<u>\$ 204,199</u>	<u>\$ 201,804</u>	1.59%

Personnel Schedule

Full Time Equivalents

	<u>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>
Public Works Director	1.00	1.00	1.00	1.00	1.00	1.00
Administrative Secretary	-	-	-	-	-	-
Administrative Staff Aide	-	-	1.00	1.00	1.00	1.00
Total	1.00	1.00	2.00	2.00	2.00	2.00

Current Trends and Issues:

The City has undergone a levy certification study and has received the results back from that study. Levy repairs and maintenance will be significant issues in the coming year. Other significant issues include unresolved storm water repairs and improvements and stagnation in the gas tax revenues from the State. These issues will pressure the street maintenance and overlay programs into the foreseeable future.

Department Summary

Department:

Public Works

Division:

Public Works Maintenance

Activity:

Public Works Maintenance (6150-574)

This activity is charged with the cost of maintenance of levees, floodways, open storm drains and ditches, and various street, highway and drainage right-of-ways of the City. Activities include mowing, weed-eating, vegetation control, rodent control and structure repair; picking up refuse at the City parks and City buildings; picking up trash along streets, highways and drainage right-of-ways 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, 50 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, 9 miles along the Martinez Bike Trail and 400 acres of street right-of-ways. The Public Works Maintenance Superintendent oversees the administration of this budget account under the oversight of the Director of Public Works.

	2010 Actual	2011 Actual	2012 Actual	2013 Budget	2013 Revised	2014 Budget	Change in Budget
Expenditures:							
Personal Services	\$ 654,306	\$ 694,316	\$ 702,470	\$ 670,190	\$ 683,963	\$ 673,053	0.43%
Contractual Services	26,024	23,227	38,550	37,704	33,104	43,445	15.23%
Commodities	96,410	113,826	119,175	123,125	127,725	127,700	3.72%
Capital Outlay	-	17	-	-	-	3,000	0.00%
Total Expenditures	\$ 776,740	\$ 831,386	\$ 860,195	\$ 831,019	\$ 844,792	\$ 847,198	1.95%
Funding Sources:							
Service Charges	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
General Revenues	776,740	831,386	860,195	831,019	844,792	847,198	1.95%
Total Funding Sources	\$ 776,740	\$ 831,386	\$ 860,195	\$ 831,019	\$ 844,792	\$ 847,198	1.95%

Personnel Schedule

Full Time Equivalents

	2010 Actual	2011 Actual	2012 Actual	2013 Budget	2013 Revised	2014 Budget
PW Maint. Superintendent	1.00	1.00	1.00	1.00	1.00	1.00
Senior Equip. Operator	6.00	6.00	6.00	5.00	5.00	5.00
Sr. Heavy Equip. Operator	2.00	2.00	2.00	2.00	2.00	2.00
Maintenance Worker	4.00	4.00	4.00	4.00	4.00	4.00
Total	13.00	13.00	13.00	12.00	12.00	12.00

Department Summary

Department:

Public Works

Division:

Public Works Maintenance

Activity:

Public Works Maintenance (6150-574)

Capital Outlay:

<u>Item:</u>	<u>Quantity</u>	<u>Replacement/ New/Maint</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>
3 Point Swing Offset Blade for snow removal on Hike Bike Trails					3,000

Current 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.

Beginning in fiscal year 2013, the City has transferred the responsibility of trash removal at the City parks and other City facilities to Stutzman's Refuse Disposal as part of the refuse contract renewal. As a consequence, Public Works Maintenance will be eliminating one Maintenance Worker position as well as disposing of trash removal equipment such as dumpsters and a garbage truck. This transfer allows the City to avoid costly equipment replacement that would have been necessary without the change.

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 between 357 & 360 rolling pieces of equipment and between 543 to 573 pieces of equipment that consist of small construction equipment including pumps, gas powered saws, chainsaws, weed eaters, skid steer, and tractor attachments, small mowing equipment, generators and stationary auxiliary 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 usage is 138,000 gallons of unleaded and 70,000 gallons of diesel. The Automotive Maintenance Superintendent oversees the administration of this budget account under the guidance of the Director of Public Works.

	<u>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>	<u>Change in Budget</u>
Expenditures:							
Personal Services	\$ 406,323	\$ 403,553	\$ 419,591	\$ 441,912	\$ 447,859	\$ 443,581	0.38%
Contractual Services	-	-	-	-	-	-	0.00%
Commodities	910,045	1,066,385	1,068,501	1,119,000	1,119,000	1,119,000	0.00%
Capital Outlay	-	-	-	-	-	-	0.00%
Total Expenditures	<u>\$ 1,316,368</u>	<u>\$ 1,469,938</u>	<u>\$ 1,488,092</u>	<u>\$ 1,560,912</u>	<u>\$ 1,566,859</u>	<u>\$ 1,562,581</u>	0.11%
Funding Sources:							
Overhead Cost Allocation	\$ 290,546	\$ 289,131	\$ 65,084	\$ 58,133	\$ 58,133	\$ 51,831	-10.84%
Central Garage Charges	958,499	1,181,132	1,187,860	1,189,650	1,189,650	1,174,508	-1.27%
General Revenues	67,323	(325)	235,148	313,129	319,076	336,242	7.38%
Total Funding Sources	<u>\$ 1,316,368</u>	<u>\$ 1,469,938</u>	<u>\$ 1,488,092</u>	<u>\$ 1,560,912</u>	<u>\$ 1,566,859</u>	<u>\$ 1,562,581</u>	0.11%

Personnel Schedule

Full Time Equivalents

	<u>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 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	2.00	1.00	1.00
Master Auto Mechanic	4.00	4.00	4.00	4.00	5.00	5.00
Total	7.00	7.00	7.00	7.00	7.00	7.00

Current 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 (2011 to 2012) prices for both unleaded gasoline and diesel fuel increased by 22% to 28%. Although prices are somewhat stable in 2013, it remains to be seen whether prices will remain stable in coming years. Central Garage utilizes information from the Department of Energy in order to make projections for future fuel costs.

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>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>	<u>Change in Budget</u>
Expenditures:							
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Contractual Services	12,784	14,016	23,374	19,699	17,956	27,649	40.36%
Commodities	23,998	21,880	26,009	30,500	24,912	29,800	-2.30%
Capital Outlay	-	7,552	3,000	-	-	22,000	0.00%
Total Expenditures	<u>\$ 36,782</u>	<u>\$ 43,448</u>	<u>\$ 52,383</u>	<u>\$ 50,199</u>	<u>\$ 42,868</u>	<u>\$ 79,449</u>	58.27%
Funding Sources:							
Overhead Cost Allocation	\$ 7,809	\$ 9,224	\$ 11,121	\$ 7,650	\$ 7,650	\$ 16,867	120.48%
General Revenues	28,973	34,224	41,262	42,549	35,218	62,582	47.08%
Total Funding Sources	<u>\$ 36,782</u>	<u>\$ 43,448</u>	<u>\$ 52,383</u>	<u>\$ 50,199</u>	<u>\$ 42,868</u>	<u>\$ 79,449</u>	58.27%

Capital Outlay:

<u>Item:</u>	<u>Quantity</u>	<u>Replacement/ New/Maint</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>
Fuel Management System					22,000

Current 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.

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>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>	<u>Change in Budget</u>
Personal Services	\$ 87,819	\$ 85,190	\$ 66,524	\$ 88,219	\$ 88,829	\$ 88,419	0.23%
Contractual Services	1,659	1,990	1,680	1,875	1,992	1,875	0.00%
Commodities	45,068	49,842	48,774	54,050	48,639	56,050	3.70%
Capital Outlay	6,023	-	-	-	-	-	0.00%
Total Expenditures	<u>\$ 140,569</u>	<u>\$ 137,022</u>	<u>\$ 116,978</u>	<u>\$ 144,144</u>	<u>\$ 139,460</u>	<u>\$ 146,344</u>	1.53%
Funding Sources:							
Reimbursement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
General Revenues	140,569	137,022	116,978	144,144	139,460	146,344	1.53%
Total Funding Sources	<u>\$ 140,569</u>	<u>\$ 137,022</u>	<u>\$ 116,978</u>	<u>\$ 144,144</u>	<u>\$ 139,460</u>	<u>\$ 146,344</u>	1.53%

Personnel Schedule

Full Time Equivalents

	<u>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 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

Current Trends and Issues:

No change for approved 2013 budget. The signage to maintain was previously estimated at 6,000+. Engineering recently completed a comprehensive sign inventory which establishes the actual signs to maintain is 11,000+. It is anticipated that Engineering will be developing an annual inspection of both sign condition and reflectivity requirements. An increase of \$2,000 in 2014 is requested to meet the expected increase of sign maintenance as a result of those annual inspections.

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>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>	<u>Change in Budget</u>
Expenditures:							
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Contractual Services	57	100	38				0.00%
Commodities	7,747	8,689	5,316				0.00%
Capital Outlay	-	-	-	-	-	-	0.00%
Total Expenditures	<u>\$ 7,804</u>	<u>\$ 8,789</u>	<u>\$ 5,353</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	0.00%
Funding Sources:							
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
General Revenues	7,804	8,789	5,353	-	-	-	0.00%
Total Funding Sources	<u>\$ 7,804</u>	<u>\$ 8,789</u>	<u>\$ 5,353</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	0.00%

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.

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>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>	<u>Change in Budget</u>
Expenditures:							
Personal Services	\$ 688,362	\$ 714,927	\$ 725,567	\$ 752,030	\$ 759,598	\$ 749,766	-0.30%
Contractual Services	33,205	14,930	31,752	28,757	28,757	43,699	51.96%
Commodities	16,131	15,202	13,447	19,000	19,000	18,300	-3.68%
Capital Outlay	261	152	2,899	5,100	5,100	100	-98.04%
Total Expenditures	<u>\$ 737,959</u>	<u>\$ 745,211</u>	<u>\$ 773,665</u>	<u>\$ 804,887</u>	<u>\$ 812,455</u>	<u>\$ 811,865</u>	0.87%
Funding Sources:							
Overhead Cost Allocation	\$ 419,679	\$ 419,679	\$ 525,531	\$ 660,007	\$ 660,007	\$ 665,729	0.87%
General Revenues	318,280	325,532	248,134	144,880	152,448	146,136	0.87%
Total Funding Sources	<u>\$ 737,959</u>	<u>\$ 745,211</u>	<u>\$ 773,665</u>	<u>\$ 804,887</u>	<u>\$ 812,455</u>	<u>\$ 811,865</u>	0.87%

Personnel Schedule

Full Time Equivalents

	<u>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 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	1.00	2.00	2.00	2.00
Construction Proj. Coord.	1.00	1.00	1.00	-	-	-
Engineering Tech-Design	3.00	2.00	2.00	2.00	2.00	2.00
Engineering Tech-Constr.	4.00	4.00	3.00	3.00	3.00	3.00
Secretary	0.83	0.83	-	-	-	-
Total	11.83	10.83	9.00	9.00	9.00	9.00

Capital Outlay:

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

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.

Department Summary

Department:

Engineering

Division:

Traffic Signals

Activity:

Traffic Signals (6215-552)

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>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>	<u>Change in Budget</u>
Expenditures:							
Personal Services	\$ 140,551	\$ 144,911	\$ 146,505	\$ 156,678	\$ 159,395	\$ 152,068	-2.94%
Contractual Services	90,938	87,327	92,514	96,964	96,964	97,764	0.83%
Commodities	35,247	36,982	38,631	28,350	28,350	28,350	0.00%
Capital Outlay	<u>35,642</u>	<u>27,200</u>	<u>32,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	0.00%
Total Expenditures	<u>\$ 302,378</u>	<u>\$ 296,420</u>	<u>\$ 309,650</u>	<u>\$ 281,992</u>	<u>\$ 284,709</u>	<u>\$ 278,182</u>	-1.35%
Funding Sources:							
Overhead Cost Allocation	\$ 76,648	\$ 76,648	\$ 79,361	\$ 70,470	\$ 70,470	\$ 69,518	-1.35%
General Revenues	<u>225,730</u>	<u>219,772</u>	<u>230,289</u>	<u>211,522</u>	<u>214,239</u>	<u>208,664</u>	-1.35%
Total Funding Sources	<u>\$ 302,378</u>	<u>\$ 296,420</u>	<u>\$ 309,650</u>	<u>\$ 281,992</u>	<u>\$ 284,709</u>	<u>\$ 278,182</u>	-1.35%

Personnel Schedule

Full Time Equivalents

	<u>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 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	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>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>	<u>Change in Budget</u>
Expenditures:							
Personal Services	\$ 60,855	\$ 69,558	\$ 142,625	\$ 168,115	\$ 160,859	\$ 237,551	41.30%
Contractual Services	-	343	16,512	18,730	18,730	18,730	0.00%
Commodities	-	-	-	-	-	-	0.00%
Capital Outlay	-	-	-	-	-	-	0.00%
Total Expenditures	<u>\$ 60,855</u>	<u>\$ 69,901</u>	<u>\$ 159,137</u>	<u>\$ 186,845</u>	<u>\$ 179,589</u>	<u>\$ 256,281</u>	37.16%
Funding Sources:							
Overhead Cost Allocation	\$ -	\$ -	\$ 109,426	\$ 153,213	\$ 153,213	\$ 210,150	37.16%
General Revenues	<u>60,855</u>	<u>69,901</u>	<u>49,711</u>	<u>33,632</u>	<u>26,376</u>	<u>46,131</u>	37.16%
Total Funding Sources	<u>\$ 60,855</u>	<u>\$ 69,901</u>	<u>\$ 159,137</u>	<u>\$ 186,845</u>	<u>\$ 179,589</u>	<u>\$ 256,281</u>	37.16%

Personnel Schedule

Full Time Equivalents

	<u>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>
GIS & Support Sys Manager	-	1.00	1.00	1.00	1.00	1.00
Engineering Systems Tech	-	-	-	-	-	1.00
Engineering Associate	-	-	1.00	1.00	1.00	1.00
Total	-	1.00	2.00	2.00	2.00	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:

Parks and Facilities

Division:

Parks and Facilities

Activity:

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>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>	<u>Change in Budget</u>
Expenditures:							
Personal Services	\$ 246,146	\$ 263,308	\$ 263,277	\$ 272,435	\$ 274,065	\$ 273,751	0.48%
Contractual Services	26,424	33,141	96,589	98,581	96,953	102,382	3.86%
Commodities	1,414	1,114	2,364	1,180	1,360	1,180	0.00%
Capital Outlay	5,400	21,450	10,087	1,200	1,027	31,000	2483.33%
Total Expenditures	<u>\$ 279,384</u>	<u>\$ 319,013</u>	<u>\$ 372,317</u>	<u>\$ 373,396</u>	<u>\$ 373,405</u>	<u>\$ 408,313</u>	9.35%
Funding Sources:							
Licenses and Permits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
General Revenues	279,384	319,013	372,317	373,396	373,405	408,313	9.35%
Total Funding Sources	<u>\$ 279,384</u>	<u>\$ 319,013</u>	<u>\$ 372,317</u>	<u>\$ 373,396</u>	<u>\$ 373,405</u>	<u>\$ 408,313</u>	9.35%

Personnel Schedule

Full Time Equivalents

	<u>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 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
Total	3.00	3.00	3.00	3.00	3.00	3.00

Department Summary

Department:

Parks and Facilities

Division:

Parks and Facilities

Activity:

Park Administration (6910-560)

Capital Outlay:

<u>Item:</u>	<u>Quantity</u>	<u>Replacement/ New/Maint</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>
Blue Print Storage System	1	New	1,200	10,273	
Office Furniture					31,000

Current 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.

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>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>	<u>Change in Budget</u>
Expenditures:							
Personal Services	\$ 566,949	\$ 583,962	\$ 587,458	\$ 598,731	\$ 606,931	\$ 603,373	0.78%
Contractual Services	131,227	145,145	131,959	136,426	138,539	137,701	0.93%
Commodities	254,200	207,887	202,987	200,650	205,638	168,650	-15.95%
Capital Outlay	1,000	39,733	35,864	22,700	22,700	46,900	106.61%
Total Expenditures	<u>\$ 953,376</u>	<u>\$ 976,727</u>	<u>\$ 958,268</u>	<u>\$ 958,507</u>	<u>\$ 973,808</u>	<u>\$ 956,624</u>	-0.20%
Funding Sources:							
Facility Rentals	\$ 23,452	\$ 35,390	\$ 21,142	\$ 27,100	\$ 27,100	\$ 28,000	3.32%
Overhead Cost Allocation	-	-	352,256	393,252	393,252	358,314	-8.88%
General Revenues	929,924	941,337	584,870	538,155	553,456	570,310	5.98%
Total Funding Sources	<u>\$ 953,376</u>	<u>\$ 976,727</u>	<u>\$ 958,268</u>	<u>\$ 958,507</u>	<u>\$ 973,808</u>	<u>\$ 956,624</u>	-0.20%

Personnel Schedule

Full Time Equivalents

	<u>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 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	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
Total	10.00	10.00	11.00	10.00	10.00	10.00

Department Summary

Department:

Parks and Facilities

Division:

Parks & Facilities Maintenance

Activity:

Park Maintenance (6940-561)

Capital Outlay:

Item:	Quantity	Replacement/ New/Maint	2013 Budget	2013 Revised	2014 Budget
Fish stocking program		Maintenance	1,000	1,000	1,000
Chain link fence for ballfield repairs @ Rice Park		Maintenance	6,500	6,500	4,000
Replace irrigation flow meters		Replacement	4,000	4,000	
Replace irrigation controllers		Replacement	4,000	4,000	
Lazer Leveling Transmitter for skid loader	1	New	3,200	3,200	
Replace trash/recycle receptacles		Replacement	4,000	4,000	
Security Poles and Light Fixtures - Park Shop Yard					13,500
Replace Ice Machine - Park Department					6,800
Thermal Imaging Scanner for HVAC					2,800
Office Workstation					8,800
8" Rip/Rap for Carey Park Lagoon					10,000

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 it 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.

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.

	<u>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>	<u>Change in Budget</u>
Expenditures:							
Personal Services	\$ 329,262	\$ 398,173	\$ 396,851	\$ 393,302	\$ 406,777	\$ 393,656	0.09%
Contractual Services	48,731	55,412	74,581	80,978	72,934	81,584	0.75%
Commodities	61,770	64,424	73,595	66,600	70,994	69,030	3.65%
Capital Outlay	700	6,156	2,746	9,900	11,176	21,750	119.70%
Total Expenditures	<u>\$ 440,463</u>	<u>\$ 524,165</u>	<u>\$ 547,773</u>	<u>\$ 550,780</u>	<u>\$ 561,880</u>	<u>\$ 566,020</u>	2.77%
Funding Sources:							
Private Contributions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Gift Shop Reimburse	7,777	10,642	13,968	11,000	11,000	11,000	0.00%
General Revenues	432,686	513,523	533,805	539,780	550,880	555,020	2.82%
Total Funding Sources	<u>\$ 440,463</u>	<u>\$ 524,165</u>	<u>\$ 547,773</u>	<u>\$ 550,780</u>	<u>\$ 561,880</u>	<u>\$ 566,020</u>	2.77%

Personnel Schedule

Full Time Equivalent

	<u>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>
Zoo Director	1.00	1.00	1.00	1.00	1.00	1.00
Senior Keeper	1.00	1.00	-	-	-	-
Zoo Keeper	4.00	4.00	5.00	5.00	5.00	5.00
Zoo Curator	1.00	1.00	1.00	1.00	1.00	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 Budget	2013 Revised	2014 Budget
Incubator		Replacement	1,000		
Water spigot behind porcupine & ringtail enclosure		Maintenance	500		
Large Message Center		New	1,000		
Recycling stations and trash cans	8	New	5,000	1,500	
Work unit for Director's office		Replacement	2,400	2,400	
Recreation Equipment				6,000	
Building including ADA ramp				1,276	13,800
Furniture					2,200
Fence					5,000
Television/DVD for training					750

Current 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.

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>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>	<u>Change in Budget</u>
Expenditures:							
Personal Services	\$ 474,501	\$ 465,633	\$ 517,263	\$ 581,671	\$ 638,354	\$ 630,761	8.44%
Contractual Services	50,425	58,906	66,080	62,740	59,696	72,600	15.72%
Commodities	135,831	154,085	165,898	143,950	151,277	175,750	22.09%
Capital Outlay	30,081	26,932	5,205	27,500	27,500	29,800	8.36%
Total Expenditures	<u>\$ 690,838</u>	<u>\$ 705,556</u>	<u>\$ 754,446</u>	<u>\$ 815,861</u>	<u>\$ 876,827</u>	<u>\$ 908,911</u>	11.41%
Funding Sources:							
Private Contributions	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	0.00%
General Revenues	675,838	690,556	739,446	800,861	861,827	893,911	11.62%
Total Funding Sources	<u>\$ 690,838</u>	<u>\$ 705,556</u>	<u>\$ 754,446</u>	<u>\$ 815,861</u>	<u>\$ 876,827</u>	<u>\$ 908,911</u>	11.41%

Personnel Schedule

Full Time Equivalents

	<u>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 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
Irrigation Maint. Tech.	-	-	-	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	8.00	9.00	10.00	10.00

Department Summary

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

Capital Outlay:

<u>Item:</u>	<u>Quantity</u>	<u>Replacement/ New/Maint</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>
Greenhouse benches		New	2,500	2,500	
Out-front Mowers w/60" Decks	2	Replacement	18,000	18,000	
20' Tandem Axle Equipment Trailer	1	Replacement	7,000	7,000	
Mower & Compact Loader					19,300
Replacement of Flow Meters & Controllers					10,500

Current 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.

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>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>	<u>Change in Budget</u>
Expenditures:							
Personal Services	\$ -	\$ 25,336	\$ 57,706	\$ 84,299	\$ 50,426	\$ 83,871	-0.51%
Contractual Services	-	-	-	-	-	\$ 1,750	0.00%
Commodities	-	-	-	-	-	\$ 2,650	0.00%
Capital Outlay	-	-	-	-	-	1,500	0.00%
Total Expenditures	<u>\$ -</u>	<u>\$ 25,336</u>	<u>\$ 57,706</u>	<u>\$ 84,299</u>	<u>\$ 50,426</u>	<u>\$ 89,771</u>	6.49%
Funding Sources:							
Service Charges	-	24,711	57,706	84,299	84,299	85,000	0.83%
General Revenues	-	625	(0)	-	(33,873)	4,771	0.00%
Total Funding Sources	<u>\$ -</u>	<u>\$ 25,336</u>	<u>\$ 57,706</u>	<u>\$ 84,299</u>	<u>\$ 50,426</u>	<u>\$ 89,771</u>	6.49%

Capital Outlay:

<u>Item:</u>	<u>Quantity</u>	<u>Replacement/ New/Maint</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>
Buffer Machine		New			1,500

Current 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:	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>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>	<u>Change in Budget</u>
Expenditures:							
Personal Services	\$ 8,040	\$ 15,632	\$ 18,026	\$ 18,053	\$ 16,878	\$ 17,159	-4.95%
Contractual Services	42,351	39,789	60,579	65,648	69,115	67,216	2.39%
Commodities	10,927	7,418	9,320	9,200	9,162	9,800	6.52%
Capital Outlay	-	-	7,324	5,500	5,500	3,800	0.00%
Total Expenditures	<u>\$ 61,318</u>	<u>\$ 62,839</u>	<u>\$ 95,249</u>	<u>\$ 98,401</u>	<u>\$ 100,654</u>	<u>\$ 97,975</u>	-0.43%
Funding Sources:							
Rental Fees	\$ 5,894	\$ 4,574	\$ 8,648	\$ 10,000	\$ 10,000	\$ 8,500	-15.00%
Service Charges	-	-	-	-	-	-	
General Revenues	55,424	58,265	86,602	88,401	90,654	89,475	1.22%
Total Funding Sources	<u>\$ 61,318</u>	<u>\$ 62,839</u>	<u>\$ 95,249</u>	<u>\$ 98,401</u>	<u>\$ 100,654</u>	<u>\$ 97,975</u>	-0.43%

Capital Outlay:

<u>Item:</u>	<u>Quantity</u>	<u>Replacement/ New/Maint</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>
Floor Scrubber	1	Replacement	5,500		
Building & Equipment				5,500	3,800

Current Trends and Issues:

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

Department Summary

Department:	Division:	Activity:
Parks and Facilities	Parks & Facilities Maintenance	Memorial Hall Concessions (6972-568)

To this activity is charged the expenses of providing concessions during rentals at Memorial Hall. 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. Hutch Hall Productions elected to terminate their contract with the City after June 15, 2010 which caused the City to assume the responsibility of booking the facility and providing concessions at the facility.

	<u>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>	<u>Change in Budget</u>
Expenditures:							
Personal Services	\$ 1,773	\$ 2,116	\$ 1,692	\$ 3,323	\$ 3,323	\$ 1,873	-43.64%
Contractual Services	60	871	445	1,350	1,350	1,350	0.00%
Commodities	2,253	4,687	888	6,650	4,250	5,750	-13.53%
Capital Outlay	59	785	535	-	-	-	0.00%
Total Expenditures	<u>\$ 4,145</u>	<u>\$ 8,459</u>	<u>\$ 3,560</u>	<u>\$ 11,323</u>	<u>\$ 8,923</u>	<u>\$ 8,973</u>	-20.75%
Funding Sources:							
Concession Revenue	\$ 1,372	\$ 8,459	\$ -	\$ 11,323	\$ -	\$ 5,300	-53.19%
General Revenues	2,773	-	3,560	-	8,923	3,673	0.00%
Total Funding Sources	<u>\$ 4,145</u>	<u>\$ 8,459</u>	<u>\$ 3,560</u>	<u>\$ 11,323</u>	<u>\$ 8,923</u>	<u>\$ 8,973</u>	-20.75%

Capital Outlay:

<u>Item:</u>	<u>Quantity</u>	<u>Replacement/ New/Maint</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>

Current Trends and Issues:

The City is responsible for providing concession for events at Memorial hall. This is staffed with part-time personnel when needed.

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>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>	<u>Change in Budget</u>
Expenditures:							
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Contractual Services	149,521	110,177	186,087	200,281	191,999	207,072	3.39%
Commodities	4,724	16,713	20,362	23,500	21,337	23,500	0.00%
Capital Outlay	-	-	-	-	-	-	0.00%
Total Expenditures	<u>\$ 154,245</u>	<u>\$ 126,890</u>	<u>\$ 206,449</u>	<u>\$ 223,781</u>	<u>\$ 213,336</u>	<u>\$ 230,572</u>	3.03%
Funding Sources:							
Rental Fees	\$ 5,298	\$ 7,763	\$ 6,678	\$ 7,500	\$ 7,500	\$ 6,500	-13.33%
Advertising	-	1,215	30	3,000	3,000	1,500	-50.00%
Expense Reimbursement	41,576	51,290	49,337	50,000	50,000	50,000	0.00%
Concession Revenue	20,288	13,279	12,947	15,000	15,000	12,500	-16.67%
Soft Drink Contract	-	3,605	19,625	5,000	9,022	9,000	0.00%
General Revenues	87,083	49,738	117,831	143,281	128,814	151,072	5.44%
Total Funding Sources	<u>\$ 154,245</u>	<u>\$ 126,890</u>	<u>\$ 206,449</u>	<u>\$ 223,781</u>	<u>\$ 213,336</u>	<u>\$ 230,572</u>	3.03%

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:

Parks and Facilities

Division:

Parks & Facilities Maintenance

Activity:

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>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>	<u>Change in Budget</u>
Expenditures:							
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Contractual Services	54,020	60,434	69,117	79,315	74,664	85,315	7.56%
Commodities	12,097	10,058	11,387	9,700	12,508	9,700	0.00%
Capital Outlay	-	-	5,031	3,500	3,500	18,500	428.57%
Total Expenditures	<u>\$ 66,117</u>	<u>\$ 70,492</u>	<u>\$ 85,535</u>	<u>\$ 92,515</u>	<u>\$ 90,672</u>	<u>\$ 113,515</u>	22.70%
Funding Sources:							
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Overhead Cost Allocation	19,283	19,283	26,740	19,283	19,283	30,245	56.85%
General Revenues	46,834	51,209	58,795	73,232	71,389	83,270	13.71%
Total Funding Sources	<u>\$ 66,117</u>	<u>\$ 70,492</u>	<u>\$ 85,535</u>	<u>\$ 92,515</u>	<u>\$ 90,672</u>	<u>\$ 113,515</u>	22.70%

Capital Outlay:

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

Current 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:	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>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>	<u>Change in Budget</u>
Expenditures:							
Personal Services	\$ 107,370	\$ 114,174	\$ 107,535	\$ 117,350	\$ 73,782	\$ 72,582	-38.15%
Contractual Services	10,120	9,197	12,391	11,668	12,740	12,440	6.62%
Commodities	15,676	16,447	19,169	20,450	19,700	19,700	-3.67%
Capital Outlay	<u>5,500</u>	<u>220</u>	<u>80</u>	<u>7,400</u>	<u>7,400</u>	<u>7,400</u>	0.00%
Total Expenditures	<u>\$ 138,666</u>	<u>\$ 140,038</u>	<u>\$ 139,175</u>	<u>\$ 156,868</u>	<u>\$ 113,622</u>	<u>\$ 112,122</u>	-28.52%
Funding Sources:							
Private Contributions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Service Charges	18,239	17,025	19,457	20,000	15,350	17,518	-12.41%
General Revenues	<u>120,427</u>	<u>123,013</u>	<u>119,718</u>	<u>136,868</u>	<u>98,272</u>	<u>94,604</u>	-30.88%
Total Funding Sources	<u>\$ 138,666</u>	<u>\$ 140,038</u>	<u>\$ 139,175</u>	<u>\$ 156,868</u>	<u>\$ 113,622</u>	<u>\$ 112,122</u>	-28.52%

Personnel Schedule

Full Time Equivalents

	<u>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>
Cemetery Sexton	1.00	1.00	1.00	1.00	1.00	1.00
Cemetery Maint. Tech.	<u>1.00</u>	<u>1.00</u>	<u>1.00</u>	<u>1.00</u>	<u>1.00</u>	<u>-</u>
Total	2.00	2.00	2.00	2.00	2.00	1.00

Department Summary

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

Capital Outlay:

<u>Item:</u>	<u>Quantity</u>	<u>Replacement/ New/Maint</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>
Miscellaneous Other Equipment		Replacement	600	600	600
Heckendorn 36" Rotary Riding Mower	1	Replacement	6,800	6,800	6,800

Current 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:

Parks and Facilities

Division:

Parks & Facilities Maintenance

Activity:

Insect/Rodent Control (7520-483)

This activity is charged with the cost of controlling insects and rodents. The primary function is conducting the seasonal effort to control mosquitoes, pigeons and crows. Primary expense is for purchase of insecticide.

	<u>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>	<u>Change in Budget</u>
Expenditures:							
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Contractual Services	-	-	-	280	280	2,400	757.14%
Commodities	10,820	6,578	6,666	7,700	7,700	7,700	0.00%
Capital Outlay	-	-	-	-	-	-	0.00%
Total Expenditures	<u>\$ 10,820</u>	<u>\$ 6,578</u>	<u>\$ 6,666</u>	<u>\$ 7,980</u>	<u>\$ 7,980</u>	<u>\$ 10,100</u>	26.57%
Funding Sources:							
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
General Revenues	<u>10,820</u>	<u>6,578</u>	<u>6,666</u>	<u>7,980</u>	<u>7,980</u>	<u>10,100</u>	26.57%
Total Funding Sources	<u>\$ 10,820</u>	<u>\$ 6,578</u>	<u>\$ 6,666</u>	<u>\$ 7,980</u>	<u>\$ 7,980</u>	<u>\$ 10,100</u>	26.57%

Current Trends and Issues:

The City eliminated general spraying for mosquitos due to the lack of effective elimination and the cost of spraying. These expenses vary with weather conditions and with the summer rains of 2013 the insect population is expected to increase.

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>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>	<u>Change in Budget</u>
Expenditures:							
Personal Services	\$ 1,138,644	\$ 1,081,834	\$ 1,132,309	\$ 1,084,986	\$ 997,278	\$ 1,078,287	-0.62%
Contractual Services	23,581	25,947	73,971	81,900	80,911	80,900	-1.22%
Commodities	13,709	13,108	8,757	14,000	12,725	13,000	-7.14%
Capital Outlay	693	650	446	500	721	500	0.00%
Total Expenditures	<u>\$ 1,176,627</u>	<u>\$ 1,121,539</u>	<u>\$ 1,215,483</u>	<u>\$ 1,181,386</u>	<u>\$ 1,091,635</u>	<u>\$ 1,172,687</u>	-0.74%
Funding Sources:							
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
General Revenues	1,176,627	1,121,539	1,215,483	1,181,386	1,091,635	1,172,687	-0.74%
Total Funding Sources	<u>\$ 1,176,627</u>	<u>\$ 1,121,539</u>	<u>\$ 1,215,483</u>	<u>\$ 1,181,386</u>	<u>\$ 1,091,635</u>	<u>\$ 1,172,687</u>	-0.74%

Personnel Schedule

Full Time Equivalents

	<u>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 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	2.00	2.00
Secretary	2.00	2.00	2.00	2.00	2.00	2.00
Records Technician	4.00	4.00	4.00	4.00	4.00	5.00
Desk Clerks	3.00	3.00	3.00	3.00	3.00	2.00
Evidence Technician	2.00	2.00	2.00	2.00	2.00	2.00
Total	17.00	17.00	17.00	17.00	17.00	17.00

Capital Outlay:

<u>Item:</u>	<u>Quantity</u>	<u>Replacement/ New/Maint</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>
Library Books		New	500	721	500

Current Trends and Issues:

We currently have one Records Clerk position and one Administrative Secretary position that is vacant. We are in the process of formulating a proposal that would eliminate both of these positions while creating a Records Supervisor position. This would result in a cost savings and would provide the much needed supervision within the Records division.

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>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>	<u>Change in Budget</u>
Expenditures:							
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Contractual Services	313,273	307,772	337,674	310,000	386,000	386,000	24.52%
Commodities	839	250	220	2,300	2,300	2,300	0.00%
Capital Outlay	-	-	-	-	-	-	0.00%
Total Expenditures	<u>\$ 314,112</u>	<u>\$ 308,022</u>	<u>\$ 337,894</u>	<u>\$ 312,300</u>	<u>\$ 388,300</u>	<u>\$ 388,300</u>	24.34%
Funding Sources:							
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
General Revenues	314,112	308,022	337,894	312,300	388,300	388,300	24.34%
Total Funding Sources	<u>\$ 314,112</u>	<u>\$ 308,022</u>	<u>\$ 337,894</u>	<u>\$ 312,300</u>	<u>\$ 388,300</u>	<u>\$ 388,300</u>	24.34%

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.

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>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>	<u>Change in Budget</u>
Expenditures:							
Personal Services	\$ 4,415,588	\$ 4,952,079	\$ 4,913,610	\$ 5,015,290	\$ 5,221,238	\$ 5,053,257	0.76%
Contractual Services	82,876	93,386	101,039	85,650	84,208	84,150	-1.75%
Commodities	183,111	235,913	238,424	237,450	233,102	236,650	-0.34%
Capital Outlay	2,952	6,276	8,551	8,200	10,450	12,250	49.39%
Total Expenditures	<u>\$ 4,684,527</u>	<u>\$ 5,287,654</u>	<u>\$ 5,261,624</u>	<u>\$ 5,346,590</u>	<u>\$ 5,548,998</u>	<u>\$ 5,386,307</u>	0.74%
Funding Sources:							
Reimbursement	\$ 150,233	\$ 60,918	\$ 100,789	\$ 100,000	\$ 100,000	\$ 105,000	5.00%
Impoundment/auction	46,967	4,714	1,282	-	-	-	0.00%
General Revenues	4,487,327	5,222,022	5,159,554	5,246,590	5,448,998	5,281,307	0.66%
Total Funding Sources	<u>\$ 4,684,527</u>	<u>\$ 5,287,654</u>	<u>\$ 5,261,624</u>	<u>\$ 5,346,590</u>	<u>\$ 5,548,998</u>	<u>\$ 5,386,307</u>	0.74%

Personnel Schedule

Full Time Equivalents

	<u>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>
Police Captain	1.00	1.00	1.00	1.00	1.00	1.00
Police Lieutenant	3.00	3.00	5.00	5.00	5.00	5.00
Detective Sergeant	6.00	6.00	2.00	2.00	2.00	2.00
Police Sergeant	8.00	8.00	9.00	9.00	9.00	9.00
Patrol Officer	47.00	47.00	48.00	50.00	50.00	50.00
Total	65.00	65.00	65.00	67.00	67.00	67.00

Department Summary

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

Capital Outlay:

Item:	Quantity	Replacement/ New/Maint	2013 Budget	2013 Revised	2014 Budget
Taser replacement	6	Replacement	6,000	6,000	6,000
Desk top scanner replacement	3	Replacement	1,500	1,500	1,500
Ticket writer printer replacement	1	Replacement	700	700	700
IP Camera	1	Replacement			1,800
Computer Storage device + 5 software Licenses	1	Replacement			2,250

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.

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.

	<u>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>	<u>Change in Budget</u>
Expenditures:							
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Contractual Services	48,733	51,961	17,155	29,950	29,810	29,950	0.00%
Commodities	819	3,642	1,394	1,350	1,350	1,350	0.00%
Capital Outlay	-	-	-	-	-	8,000	0.00%
Total Expenditures	<u>\$ 49,552</u>	<u>\$ 55,603</u>	<u>\$ 18,549</u>	<u>\$ 31,300</u>	<u>\$ 31,160</u>	<u>\$ 39,300</u>	25.56%
Funding Sources:							
Records Fees	\$ 2,216	\$ 2,852	\$ 3,076	\$ 2,800	\$ 2,800	\$ 3,000	0.00%
Intergovernmental	7,040	9,111	8,598	10,000	10,000	10,000	0.00%
Fingerprinting Charges	1,450	1,570	1,370	1,400	1,400	1,500	7.14%
General Revenues	38,846	42,070	5,506	17,100	16,960	24,800	45.03%
Total Funding Sources	<u>\$ 49,552</u>	<u>\$ 55,603</u>	<u>\$ 18,549</u>	<u>\$ 31,300</u>	<u>\$ 31,160</u>	<u>\$ 39,300</u>	25.56%

Capital Outlay:

<u>Item:</u>	<u>Quantity</u>	<u>Replacement/ New/Maint</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>
Microfilm Reader	1	Replacement			8,000

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.

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>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>	<u>Change in Budget</u>
Expenditures:							
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Contractual Services	24,585	23,920	31,267	26,300	25,459	26,300	0.00%
Commodities	5,015	3,469	2,559	5,000	3,014	5,000	0.00%
Capital Outlay	-	-	-	-	-	-	0.00%
Total Expenditures	<u>\$ 29,600</u>	<u>\$ 27,389</u>	<u>\$ 33,826</u>	<u>\$ 31,300</u>	<u>\$ 28,473</u>	<u>\$ 31,300</u>	0.00%
Funding Sources:							
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
General Revenues	<u>29,600</u>	<u>27,389</u>	<u>33,826</u>	<u>31,300</u>	<u>28,473</u>	<u>31,300</u>	0.00%
Total Funding Sources	<u>\$ 29,600</u>	<u>\$ 27,389</u>	<u>\$ 33,826</u>	<u>\$ 31,300</u>	<u>\$ 28,473</u>	<u>\$ 31,300</u>	0.00%

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>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>	<u>Change in Budget</u>
Expenditures:							
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Contractual Services	59,478	64,551	123,395	116,571	116,571	121,000	3.80%
Commodities	2,319	1,980	1,606	3,600	3,600	3,600	0.00%
Capital Outlay	-	-	17,001	-	-	-	0.00%
Total Expenditures	<u>\$ 61,797</u>	<u>\$ 66,531</u>	<u>\$ 142,002</u>	<u>\$ 120,171</u>	<u>\$ 120,171</u>	<u>\$ 124,600</u>	3.69%
Funding Sources:							
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
General Revenues	<u>61,797</u>	<u>66,531</u>	<u>142,002</u>	<u>120,171</u>	<u>120,171</u>	<u>124,600</u>	3.69%
Total Funding Sources	<u>\$ 61,797</u>	<u>\$ 66,531</u>	<u>\$ 142,002</u>	<u>\$ 120,171</u>	<u>\$ 120,171</u>	<u>\$ 124,600</u>	3.69%

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>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>	<u>Change in Budget</u>
Expenditures:							
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Contractual Services	2,066	3,333	1,090	5,600	5,600	5,600	0.00%
Commodities	-	-	-	-	-	-	0.00%
Capital Outlay	-	-	-	-	-	-	0.00%
Total Expenditures	<u>\$ 2,066</u>	<u>\$ 3,333</u>	<u>\$ 1,090</u>	<u>\$ 5,600</u>	<u>\$ 5,600</u>	<u>\$ 5,600</u>	0.00%
Funding Sources:							
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
General Revenues	<u>2,066</u>	<u>3,333</u>	<u>1,090</u>	<u>5,600</u>	<u>5,600</u>	<u>5,600</u>	0.00%
Total Funding Sources	<u>\$ 2,066</u>	<u>\$ 3,333</u>	<u>\$ 1,090</u>	<u>\$ 5,600</u>	<u>\$ 5,600</u>	<u>\$ 5,600</u>	0.00%

Current Trends and Issues:

In 2013 our radio technician outfitted 13 new patrol vehicles.

Department Summary

Department:

Police

Division:

Emergency Communications

Activity:

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>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>	<u>Change in Budget</u>
Expenditures:							
Personal Services	\$ 894,168	\$ 795,701	\$ 853,919	\$ 1,034,061	\$ 947,690	\$ 1,050,100	1.55%
Contractual Services	28,966	27,519	28,836	33,600	33,722	33,800	0.60%
Commodities	4,286	2,386	5,300	6,050	6,050	8,300	37.19%
Capital Outlay	<u>227</u>	<u>2,704</u>	<u>1,348</u>	<u>3,000</u>	<u>3,000</u>	<u>3,000</u>	0.00%
Total Expenditures	<u>\$ 927,647</u>	<u>\$ 828,310</u>	<u>\$ 889,403</u>	<u>\$ 1,076,711</u>	<u>\$ 990,462</u>	<u>\$ 1,095,200</u>	1.72%
Funding Sources:							
Intergovernmental	\$ 475,628	\$ 568,847	\$ -	\$ 568,847	\$ 568,847	\$ 577,600	1.54%
General Revenues	<u>452,019</u>	<u>259,463</u>	<u>889,403</u>	<u>507,864</u>	<u>421,615</u>	<u>517,600</u>	1.92%
Total Funding Sources	<u>\$ 927,647</u>	<u>\$ 828,310</u>	<u>\$ 889,403</u>	<u>\$ 1,076,711</u>	<u>\$ 990,462</u>	<u>\$ 1,095,200</u>	1.72%

Personnel Schedule

Full Time Equivalents

	<u>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>
Dispatch Director	1.00	1.00	1.00	1.00	1.00	1.00
Asst. Dispatch Director	1.00	1.00	1.00	-	-	-
Shift Supervisor	4.00	4.00	4.00	5.00	5.00	5.00
Dispatcher	<u>13.50</u>	<u>13.00</u>	<u>13.00</u>	<u>13.00</u>	<u>13.00</u>	<u>13.00</u>
Total	19.50	19.00	19.00	19.00	19.00	19.00

Capital Outlay:

<u>Item:</u>	<u>Schedule Type</u>	<u>Replacement/ New/Maint</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>
Chair replacements		Replacement	3,000	3,000	
Lockers, Storage Cabinet, Tables/Classroom, Polycom Phone		Replacement			3,000

Current Trends and Issues:

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.

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>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>	<u>Change in Budget</u>
Expenditures:							
Personal Services	\$ 125,189	\$ 136,618	\$ 117,642	\$ 144,658	\$ 102,330	\$ 113,086	-21.83%
Contractual Services	4,834	6,643	7,314	5,450	18,950	22,675	316.06%
Commodities	28,604	20,120	13,328	25,900	25,746	26,050	0.58%
Capital Outlay	41	-	3,460	500	500	4,000	700.00%
Total Expenditures	<u>\$ 158,668</u>	<u>\$ 163,381</u>	<u>\$ 141,744</u>	<u>\$ 176,508</u>	<u>\$ 147,526</u>	<u>\$ 165,811</u>	-6.06%
Funding Sources:							
Reimbursement	\$ 96,801	\$ 94,918	\$ 81,396	\$ 100,000	\$ 100,000	\$ 100,000	0.00%
General Revenues	61,867	68,463	60,348	76,508	47,526	65,811	-13.98%
Total Funding Sources	<u>\$ 158,668</u>	<u>\$ 163,381</u>	<u>\$ 141,744</u>	<u>\$ 176,508</u>	<u>\$ 147,526</u>	<u>\$ 165,811</u>	-6.06%

Personnel Schedule

Full Time Equivalents

	<u>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>
Lead Communication Tech	1.00	1.00	1.00	1.00	1.00	1.00
Communication Tech I	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

Capital Outlay:

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

Current Trends and Issues:

We currently have one Communications Technician position vacant. The need for clerical staff outweighs the need for an additional technician, therefore we are requesting that we eliminate the technician position and create a clerical position 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. The remaining personnel services will be allocated in Miscellaneous Contractual services to assist the Lead Communications Technician on large projects.

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>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>	<u>Change in Budget</u>
Expenditures:							
Personal Services	\$ 127,589	\$ 148,070	\$ 153,544	\$ 154,037	\$ 153,491	\$ 152,123	-1.24%
Contractual Services	12,916	7,089	8,249	5,650	7,650	6,650	17.70%
Commodities	16,080	17,117	14,290	19,180	18,000	18,000	-6.15%
Capital Outlay	<u>4,131</u>	<u>1,368</u>	<u>492</u>	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	0.00%
Total Expenditures	<u>\$ 160,716</u>	<u>\$ 173,644</u>	<u>\$ 176,575</u>	<u>\$ 179,867</u>	<u>\$ 180,141</u>	<u>\$ 177,773</u>	-1.16%
Funding Sources:							
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Licenses and Permits	-	-	-	-	-	-	0.00%
General Revenues	<u>160,716</u>	<u>173,644</u>	<u>176,575</u>	<u>179,867</u>	<u>180,141</u>	<u>177,773</u>	-1.16%
Total Funding Sources	<u>\$ 160,716</u>	<u>\$ 173,644</u>	<u>\$ 176,575</u>	<u>\$ 179,867</u>	<u>\$ 180,141</u>	<u>\$ 177,773</u>	-1.16%

Personnel Schedule

Full Time Equivalents

	<u>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>
Animal Control Officer	<u>3.00</u>	<u>3.00</u>	<u>3.00</u>	<u>3.00</u>	<u>3.00</u>	<u>3.00</u>
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 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>
Miscellaneous Other Equipment		Replacement	1,000	1,000	1,000

Current Trends and Issues:

Animal Control is scheduled to purchase a new truck from the MERF in 2014. 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.

Department:

Fire

Division:

Fire Operations

Activity:

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>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>	<u>Change in Budget</u>
Expenditures:							
Personal Services	\$ 471,738	\$ 581,992	\$ 552,303	\$ 594,945	\$ 680,730	\$ 689,872	15.96%
Contractual Services	13,758	11,847	11,869	13,800	14,936	23,030	66.88%
Commodities	3,613	2,523	3,724	5,125	6,625	5,425	5.85%
Capital Outlay	1,525	21,532	-	300	300	300	0.00%
Total Expenditures	<u>\$ 490,634</u>	<u>\$ 617,894</u>	<u>\$ 567,896</u>	<u>\$ 614,170</u>	<u>\$ 702,591</u>	<u>\$ 718,627</u>	17.01%
Funding Sources:							
Service Charges	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Intergovernmental	88,609	111,592	102,562	112,147	128,293	137,401	22.52%
General Revenues	402,025	506,302	465,334	502,023	574,298	581,225	15.78%
Total Funding Sources	<u>\$ 490,634</u>	<u>\$ 617,894</u>	<u>\$ 567,896</u>	<u>\$ 614,170</u>	<u>\$ 702,591</u>	<u>\$ 718,627</u>	17.01%

Personnel Schedule

Full Time Equivalent

	<u>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 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
Administrative Asst.	1.00	1.00	1.00	1.00	1.00	1.00
Total	6.00	6.00	6.00	6.00	7.00	7.00

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

Capital Outlay:

<u>Item:</u>	<u>Quantity</u>	<u>Replacement/ New/Maint</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>
Library Books		New	300	300	300

Current 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.

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>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>	<u>Change in Budget</u>
Expenditures:							
Personal Services	\$ 154,627	\$ 169,027	\$ 172,308	\$ 180,114	\$ 179,116	\$ 182,228	1.17%
Contractual Services	2,172	4,860	1,942	5,000	4,736	\$ 3,800	-24.00%
Commodities	2,174	4,265	3,679	2,900	2,900	\$ 4,400	51.72%
Capital Outlay	<u>2,800</u>	<u>4,279</u>	<u>1,820</u>	<u>750</u>	<u>2,700</u>	<u>\$ 4,825</u>	543.33%
Total Expenditures	<u>\$ 161,773</u>	<u>\$ 182,431</u>	<u>\$ 179,749</u>	<u>\$ 188,764</u>	<u>\$ 189,453</u>	<u>\$ 195,253</u>	3.44%
Funding Sources:							
Service Charges	\$ 77,293	\$ 3,150	\$ -	\$ -	\$ -	\$ -	
Intergovernmental	29,216	33,312	32,822	34,468	34,594	\$ 37,332	8.31%
General Revenues	<u>55,264</u>	<u>145,969</u>	<u>146,927</u>	<u>154,296</u>	<u>154,859</u>	<u>\$ 157,921</u>	2.35%
Total Funding Sources	<u>\$ 161,773</u>	<u>\$ 182,431</u>	<u>\$ 179,749</u>	<u>\$ 188,764</u>	<u>\$ 189,453</u>	<u>\$ 195,253</u>	3.44%

Personnel Schedule

Full Time Equivalents

	<u>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>
Prevention Inspectors/ Plans Examiners	<u>2.00</u>	<u>2.00</u>	<u>2.00</u>	<u>2.00</u>	<u>2.00</u>	<u>2.00</u>
Total	2.00	2.00	2.00	2.00	2.00	2.00

Department Summary

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

Capital Outlay:

Item:	Quantity	Replacement/ New/Maint	2013 Budget	2013 Revised	2014 Budget
2009 International Fire Code licenses	10	New	750	2,700	375
Digital Camera					1,350
Arson Scanner					3,100

Current 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.

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>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>	<u>Change in Budget</u>
Expenditures:							
Personal Services	\$ 5,520,668	\$ 5,960,449	\$ 5,923,446	\$ 6,600,648	\$ 6,040,546	\$ 6,410,418	-2.88%
Contractual Services	67,878	80,311	107,727	109,775	120,850	149,400	36.10%
Commodities	191,029	243,967	252,817	248,550	270,200	268,700	8.11%
Capital Outlay	<u>38,330</u>	<u>60,100</u>	<u>52,005</u>	<u>49,225</u>	<u>49,225</u>	<u>90,700</u>	84.26%
Total Expenditures	<u><u>\$ 5,817,905</u></u>	<u><u>\$ 6,344,827</u></u>	<u><u>\$ 6,335,995</u></u>	<u><u>\$ 7,008,198</u></u>	<u><u>\$ 6,480,821</u></u>	<u><u>\$ 6,919,218</u></u>	-1.27%
Funding Sources:							
Intergovernmental	\$ 1,126,175	\$ 1,158,565	\$ 1,156,953	\$ 1,279,697	\$ 1,183,398	\$ 1,322,954	3.38%
Reimbursement	-	-	-	-	-	-	0.00%
General Revenues	<u>4,691,730</u>	<u>5,186,262</u>	<u>5,179,042</u>	<u>5,728,501</u>	<u>5,297,423</u>	<u>5,596,264</u>	-2.31%
Total Funding Sources	<u><u>\$ 5,817,905</u></u>	<u><u>\$ 6,344,827</u></u>	<u><u>\$ 6,335,995</u></u>	<u><u>\$ 7,008,198</u></u>	<u><u>\$ 6,480,821</u></u>	<u><u>\$ 6,919,218</u></u>	-1.27%

Personnel Schedule

Full Time Equivalents

	<u>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>
Fire Training Captain	2.00	2.00	2.00	2.00	1.00	1.00
Fire Captain	27.00	27.00	27.00	27.00	24.00	24.00
Fire Drivers	27.00	27.00	27.00	27.00	24.00	24.00
Fire Fighters	<u>27.00</u>	<u>27.00</u>	<u>27.00</u>	<u>27.00</u>	<u>33.00</u>	<u>33.00</u>
Total	83.00	83.00	83.00	83.00	82.00	82.00

Department Summary

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

Capital Outlay:

Item:	Quantity	Replacement/ New/Maint	2013 Budget	2013 Revised	2014 Budget
Fire-Fighting Equipment		Replacement	42,175	42,175	65,300
Books		New	3,575	3,575	7,075
Medical Equipment		Replacement	3,475	3,475	6,475
Office Equipment					11,850

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.

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>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>	<u>Change in Budget</u>
Expenditures:							
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Contractual Services	160,287	203,800	176,377	209,189	223,089	223,089	6.64%
Commodities	9,852	12,072	14,071	18,850	19,450	19,450	3.18%
Capital Outlay	11,216	18,726	9,834	2,600	2,600	12,300	373.08%
Total Expenditures	<u>\$ 181,355</u>	<u>\$ 234,598</u>	<u>\$ 200,282</u>	<u>\$ 230,639</u>	<u>\$ 245,139</u>	<u>\$ 254,839</u>	10.49%
Funding Sources:							
Intergovernmental	\$ 32,753	\$ 42,838	\$ 36,571	\$ 42,622	\$ 44,762	\$ 48,725	14.32%
General Revenues	148,602	191,760	163,711	188,017	200,377	206,114	9.63%
Total Funding Sources	<u>\$ 181,355</u>	<u>\$ 234,598</u>	<u>\$ 200,282</u>	<u>\$ 230,639</u>	<u>\$ 245,139</u>	<u>\$ 254,839</u>	10.49%

Capital Outlay:

<u>Item:</u>	<u>Quantity</u>	<u>Replacement/ New/Maint</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>
Buildings		Replacement	1,000	1,000	4,400
Household Furn/Equip		Replacement	1,600	1,600	7,900

Current 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>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>	<u>Change in Budget</u>
Expenditures:							
Personal Services	\$ 447,856	\$ 409,527	\$ 351,238	\$ 411,055	\$ 400,261	\$ 465,898	13.34%
Contractual Services	58,500	67,451	89,494	58,362	62,997	68,937	18.12%
Commodities	13,325	17,941	13,401	19,575	17,575	17,602	-10.08%
Capital Outlay	<u>846</u>	<u>1,717</u>	<u>8,994</u>	<u>4,000</u>	<u>26,197</u>	<u>32,350</u>	708.75%
Total Expenditures	<u>\$ 520,527</u>	<u>\$ 496,636</u>	<u>\$ 463,127</u>	<u>\$ 492,992</u>	<u>\$ 507,030</u>	<u>\$ 584,787</u>	18.62%
Funding Sources:							
Licenses and Permits	\$ 497,257	\$ 371,789	\$ 387,455	\$ 427,550	\$ 448,550	\$ 449,400	5.11%
Service Charges	520	200	160	500	500	500	0.00%
Overhead Cost Allocation	22,750	22,750	19,711	20,711	-	20,157	-2.67%
General Revenues	<u>-</u>	<u>101,897</u>	<u>55,801</u>	<u>44,231</u>	<u>57,980</u>	<u>114,730</u>	159.39%
Total Funding Sources	<u>\$ 520,527</u>	<u>\$ 496,636</u>	<u>\$ 463,127</u>	<u>\$ 492,992</u>	<u>\$ 507,030</u>	<u>\$ 584,787</u>	18.62%

Personnel Schedule

Full Time Equivalents

	<u>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>
Building & Inspection Director	-	1.00	1.00	1.00	1.00	1.00
Building Official	1.00	-	-	-	-	-
Building Inspector	3.00	3.00	3.00	3.00	3.00	3.00
Administrative Assistant	1.00	-	-	-	-	1.00
Neighborhood Stds. Officer	1.00	1.00	1.00	1.00	1.00	1.00
Secretary	<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	7.00	6.00	6.00	6.00	6.00	7.00

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 Budget	2013 Revised	2014 Budget
Miscellaneous Office Equipment		Replacement	1,000	1,000	4,850
On-line ICC 2009 code subscription or CD's		Replacement	3,000	3,000	
Code Books					1,500
Replacement Truck					26,000

Current Trends and Issues:

- The Inspection Department has been reviewing the ICC 2012 Building Codes and plan to present for approval to the Council in the summer of 2013. The new codes will bring us up to date with many Kansas jurisdictions.
- Pursuing the condemnation and demolition of unsafe and hazardous structures is still a high priority for this department for 2013 and 2014.

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>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>	<u>Change in Budget</u>
Expenditures:							
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Contractual Services	257,500	250,000	232,856	288,000	288,000	290,000	0.69%
Commodities	-	-	-	-	-	-	0.00%
Capital Outlay	-	-	-	-	-	-	0.00%
Reserve Transfers	<u>342,000</u>	<u>350,000</u>	<u>367,000</u>	<u>312,000</u>	<u>312,000</u>	<u>310,000</u>	-0.64%
Total Expenditures	\$ 599,500	\$ 600,000	\$ 599,856	\$ 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>\$ 699,500</u>	<u>\$ 700,000</u>	<u>\$ 699,856</u>	<u>\$ 700,000</u>	<u>\$ 700,000</u>	<u>\$ 700,000</u>	0.00%
Funding Sources:							
Sales Taxes	699,500	700,000	699,856	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>\$ 699,500</u>	<u>\$ 700,000</u>	<u>\$ 699,856</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	2010 Actual	2011 Actual	2012 Actual	2013 Budget	2013 Revised	2014 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	97,000	96,856	92,000	92,000	92,000
Reno County Economic Development Council	63,000	63,000	63,000	58,000	58,000	58,000
Growth, Inc.	-	45,000	45,000	45,000	45,000	46,000
Downtown Hutchinson	25,000	-	-	-	-	-
DHRP - Third Thursday	-	-	-	5,000	5,000	2,500
Growth Coalition	45,000	5,000	-	-	-	-
Community Development at Chamber	-	-	-	10,000	10,000	15,000
Housing Program Initiatives	-	-	-	50,000	50,000	48,500
Welcome Channel	12,500	13,000	13,000	13,000	13,000	13,000
Hike/Bike Trails	-	12,000	-	-	-	-
Total Contractual Services	257,500	250,000	232,856	288,000	288,000	290,000
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	62,000	-
Housing Demolition Program	-	-	-	-	-	60,000
CIP Improvement Reserve:						
Hike & Bike Trail Extension	92,000	-	-	-	-	-
Total Reserve Transfers	92,000	-	117,000	62,000	62,000	60,000
Total Economic Development	\$ 349,500	\$ 250,000	\$ 349,856	\$ 350,000	\$ 350,000	\$ 350,000
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	\$ 350,000	\$ 450,000	\$ 350,000	\$ 350,000	\$ 350,000	\$ 350,000
Total Growth Account Expenditures	\$ 699,500	\$ 700,000	\$ 699,856	\$ 700,000	\$ 700,000	\$ 700,000

** 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>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>	<u>Change in Budget</u>
Expenditures:							
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Contractual Services	65,657	149,285	75,894	104,167	104,167	170,468	63.65%
Commodities	-	-	-	-	-	-	0.00%
Capital Outlay	-	-	-	-	-	-	0.00%
Reserve Transfers	<u>123,970</u>	<u>188,000</u>	<u>75,000</u>	<u>75,000</u>	<u>70,000</u>	<u>-</u>	-100.00%
Total Expenditures	<u>\$ 189,627</u>	<u>\$ 337,285</u>	<u>\$ 150,894</u>	<u>\$ 179,167</u>	<u>\$ 174,167</u>	<u>\$ 170,468</u>	-4.86%
Funding Sources:							
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Sales Taxes	189,627	337,285	150,894	179,167	174,167	170,468	-4.86%
General Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	0.00%
Total Funding Sources	<u>\$ 189,627</u>	<u>\$ 337,285</u>	<u>\$ 150,894</u>	<u>\$ 179,167</u>	<u>\$ 174,167</u>	<u>\$ 170,468</u>	-4.86%

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 2014 Budget**

City of Hutchinson's Sales Tax Receipts and Allocations - Indexing Analysis

	Collection Year				
	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Total Sales Tax Collected (City & County)	\$ 11,172,897	\$ 10,638,263	\$ 10,350,823	\$ 10,865,620	\$ 11,192,916
1/4% Sales Tax Receipts- beginning in 1994	-2,067,196	-1,963,400	-1,915,773	-1,998,560	-2,033,080
Sales Tax used for Indexing (Total Sales Tax less 1/4 cent Sales Tax)	\$ 9,105,701	\$ 8,674,863	\$ 8,435,050	\$ 8,867,060	\$ 9,159,836
Percentage of previous year collections	106.49%	95.27%	97.24%	105.12%	103.30%

	Budget Year				
	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
Growth Allocation x Percentage Change	1,289,352	1,228,347	1,194,389	1,255,561	1,297,018
Annual Growth Account	700,000	700,000	700,000	700,000	700,000
Growth Allocation to Reserves *	\$ 589,352	\$ 528,347	\$ 494,389	\$ 555,561	\$ 597,018

* 50% of the Growth allocations are for the Economic Development reserve and \$ 247,195 \$ 277,781 \$ 298,509
50% are for the Capital Improvements reserve. \$ 298,509

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

**Economic Opportunity Funds
Economic Development**

	<u>2010</u> <u>Actual</u>	<u>2011</u> <u>Actual</u>	<u>2012</u> <u>Actual</u>	<u>2013</u> <u>Budget</u>	<u>2013</u> <u>Revised</u>	<u>2014</u> <u>Budget</u>
Beginning Balance	\$ -	\$ 245,909	\$ 297,256	\$ 506,951	\$ 470,107	\$ 643,720
Revenues:						
Sales Tax Allocations	294,676	198,131	247,195	277,780	277,780	298,509
Elliott's Farm Lease Payment	2,500	2,500	1,550	-	-	-
Transfer from EOF-CIP	-	-	-	-	-	-
Funds Available	<u>\$ 311,567</u>	<u>\$ 446,540</u>	<u>\$ 546,001</u>	<u>\$ 784,731</u>	<u>\$ 747,887</u>	<u>\$ 942,229</u>
Expenditures:						
Contractual Services:						
Draka USA			3,000	7,000	7,000	
Collins	28,990					
South Hutch	6,667	6,667	6,667	6,667	6,667	-
Daymon	30,000	15,000	-			
Railroad Spur Property Taxes		52,618	51,227	53,000	53,000	55,000
Southwest Kansas Coalition			15,000			
Kohls Tax Rebate						77,968
Siemens		75,000	-	37,500	37,500	37,500
Total Expenditures	<u>65,657</u>	<u>149,285</u>	<u>75,894</u>	<u>104,167</u>	<u>104,167</u>	<u>170,468</u>
Ending Balance	<u>\$ 245,909</u>	<u>\$ 297,256</u>	<u>\$ 470,107</u>	<u>\$ 680,564</u>	<u>\$ 643,720</u>	<u>\$ 771,761</u>

**Economic Opportunity Funds
Capital Improvement Projects**

	<u>2010</u> <u>Actual</u>	<u>2011</u> <u>Actual</u>	<u>2012</u> <u>Actual</u>	<u>2013</u> <u>Budget</u>	<u>2013</u> <u>Revised</u>	<u>2014</u> <u>Budget</u>
Beginning Balance	\$ 451,070	\$ 621,776	\$ 631,907	\$ 804,102	\$ 804,102	\$ 1,011,882
Revenues:						
Sales Tax Allocations	<u>294,676</u>	<u>198,131</u>	<u>247,195</u>	<u>277,780</u>	<u>277,780</u>	<u>298,509</u>
Funds Available	\$ 745,746	\$ 819,907	\$ 879,102	\$ 1,081,882	\$ 1,081,882	\$ 1,310,391
Expenditures:						
Contractual Services:						
Transfer to EOF - Economic Dev						
Reserve Transfers:						
Sherman & Kirby water line	99,473					
Engineering-Windsor Estates	24,497					
K-61 Fence		88,000	-			
Trails		100,000	75,000	75,000	70,000	-
Total Expenditures	<u>123,970</u>	<u>188,000</u>	<u>75,000</u>	<u>75,000</u>	<u>70,000</u>	<u>-</u>
Ending Balance	<u>\$ 621,776</u>	<u>\$ 631,907</u>	<u>\$ 804,102</u>	<u>\$ 1,006,882</u>	<u>\$ 1,011,882</u>	<u>\$ 1,310,391</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>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>	<u>Change in Budget</u>
Expenditures:							
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Contractual Services	1,432,358	1,365,118	1,039,354	975,476	968,976	\$ 980,130.6	0.48%
Commodities	-	-	-	-	-	\$ -	0.00%
Capital Outlay	-	-	-	-	-	\$ -	0.00%
Reserve Transfers	<u>2,107,191</u>	<u>2,146,313</u>	<u>1,896,446</u>	<u>1,925,632</u>	<u>1,925,632</u>	<u>\$ 2,333,531.5</u>	21.18%
Total Expenditures	\$ 3,539,549	\$ 3,511,431	\$ 2,935,800	\$ 2,901,108	\$ 2,894,608	\$ 3,313,662.1	14.22%
Transfers Out	<u>1,997,313</u>	<u>1,620,919</u>	<u>1,965,226</u>	<u>1,886,475</u>	<u>1,877,780</u>	<u>\$ 1,984,285.0</u>	5.18%
Total Funding Uses	<u>\$ 5,536,862</u>	<u>\$ 5,132,350</u>	<u>\$ 4,901,026</u>	<u>\$ 4,787,583</u>	<u>\$ 4,772,388</u>	<u>\$ 5,297,947.1</u>	10.66%
Funding Sources:							
Overhead Cost Allocation	\$ 325,381	\$ 302,740	\$ 214,846	\$ 216,489	\$ 216,489	\$ 242,123	11.84%
Sales Taxes	1,628,407	1,702,967	1,796,580	1,751,426	1,751,426	1,797,995	2.66%
General Revenues	<u>3,583,074</u>	<u>3,126,643</u>	<u>2,889,600</u>	<u>2,819,668</u>	<u>2,804,473</u>	<u>3,257,829</u>	15.54%
Total Funding Sources	<u>\$ 5,536,862</u>	<u>\$ 5,132,350</u>	<u>\$ 4,901,026</u>	<u>\$ 4,787,583</u>	<u>\$ 4,772,388</u>	<u>\$ 5,297,947</u>	10.66%

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	2010 Actual	2011 Actual	2012 Actual	2013 Budget	2013 Revised	2014 Budget
Expenditures:						
Contractual Services:						
1/4% Sales Tax - Cosmosphere	\$ 632,205	\$ 661,152	\$ 730,287	\$ 680,352	\$ 680,352	\$ 698,045
1/4% Sales Tax - Underground Salt Museum	95,789	100,175	110,650	102,074	102,074	105,764
Computer Maintenance	71,812	69,228	-	-	-	-
Computer Equipment	186,296	122,727	-	-	-	-
Telephone	18,919	21,179	-	-	-	-
Audit	23,470	21,210	-	-	-	-
CRUD Program	3,889	4,530	-	-	-	-
Purchasing	(71)	(2,112)	(4,334)	-	-	-
Training & Staff Development	7,026	2,311	4,708	4,000	4,000	5,000
Wellness Program	3,411	-	-	-	-	-
Employee Recognition Program	-	-	21,099	12,000	12,000	12,000
Legislative Lobbying	107	-	-	-	-	-
ADA Compliance	2,565	3,374	-	-	-	-
RCAT	900	-	-	-	-	-
SCKEDD & REAP Memberships	10,502	11,519	11,242	12,500	12,500	13,000
Growth Coordinator	15,000	15,000	-	-	-	-
Miscellaneous Contractual Services	21,056	3,810	603	5,000	5,000	5,000
Other Governmental Agencies	150,000	150,000	-	-	-	-
Cultural Activities Fund	47,250	47,250	47,250	47,250	47,250	47,250
Hutch Fest Activities	10,000	12,500	11,250	12,500	6,000	6,000
Arts & Humanities Council	25,100	24,600	19,600	24,600	24,600	24,600
United Way	107,132	96,666	87,000	75,200	75,200	63,471
Total Contractual Services	\$ 1,432,358	\$ 1,365,118	\$ 1,039,354	\$ 975,476	\$ 968,976	\$ 980,131
Reserve Transfers:						
Risk Management Fund (Premiums)	\$ 431,153	\$ 339,814	\$ -	\$ -	\$ -	\$ -
Municipal Equipment Replacement Reserve	458,179	540,368	650,868	651,752	651,752	855,432
Capital Improvement Reserve	-	-	-	297,880	297,880	367,680
Pool Maintenance Reserve	7,000	7,000	7,000	7,000	7,000	7,000
1/4% Sales Tax - Street Improvement Reserves	900,413	941,641	955,643	969,000	969,000	994,186
Capital Improvement Projects Fund	310,446	317,491	282,935	-	-	109,234
Total Reserve Transfers	\$ 2,107,191	\$ 2,146,313	\$ 1,896,446	\$ 1,925,632	\$ 1,925,632	\$ 2,333,532
Transfers Out:						
Special Street Fund	\$ 991,031	\$ 532,845	\$ 802,189	\$ 744,927	\$ 760,543	\$ 742,710
Special Park Fund	55,635	73,664	67,854	83,518	86,014	91,314
Fun Valley Fund	366,528	352,837	380,098	368,132	363,550	381,858
Animal Shelter Fund	238,596	267,622	300,944	306,915	304,718	328,426
Golf Course Fund	183,495	190,511	219,985	175,682	157,702	220,324
Airport Fund	162,028	203,440	194,155	207,301	205,253	219,653
Total Transfers Out	\$ 1,997,313	\$ 1,620,919	\$ 1,965,226	\$ 1,886,475	\$ 1,877,780	\$ 1,984,285
Total Non-Departmental Expenditures	\$ 5,536,862	\$ 5,132,350	\$ 4,901,026	\$ 4,787,583	\$ 4,772,388	\$ 5,297,947

Non-Departmental Narrative 2014 Budget

Contractual Services - \$980,131:

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. FY14 budget is \$698,045.

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. FY14 budget is \$105,764.

Training and Staff Development: Provides funds for various training programs for all employees. FY14 budget is \$5,000.

Employee Recognition Program: New in fiscal year 2012. This provides funds to recognize employees for their dedication and years of service. FY14 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. FY13 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. FY14 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. FY14 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 due to dry conditions, the projection for the FY14 budget is reduced to \$6,000.

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. FY14 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. FY14 budget is \$63,471.

Reserve Transfers - \$2,224,298

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. FY14 budget is \$855,432.

CIP Reserve: This amount reflects transfers from the General fund to CIP reserve accounts as approved as part of the 5-year capital improvement program. Reserve transfers include \$65,000 for park improvements, \$65,000 for public facility improvements, \$65,000 for golf master plan improvements, and \$20,380 for fire station improvements. Transfers in FY14 also include the Building Demolition Reserve and the Traffic Signal Reserve. Those transfers are \$45,000 and \$50,300, respectively. FY14 budget is \$367,680.

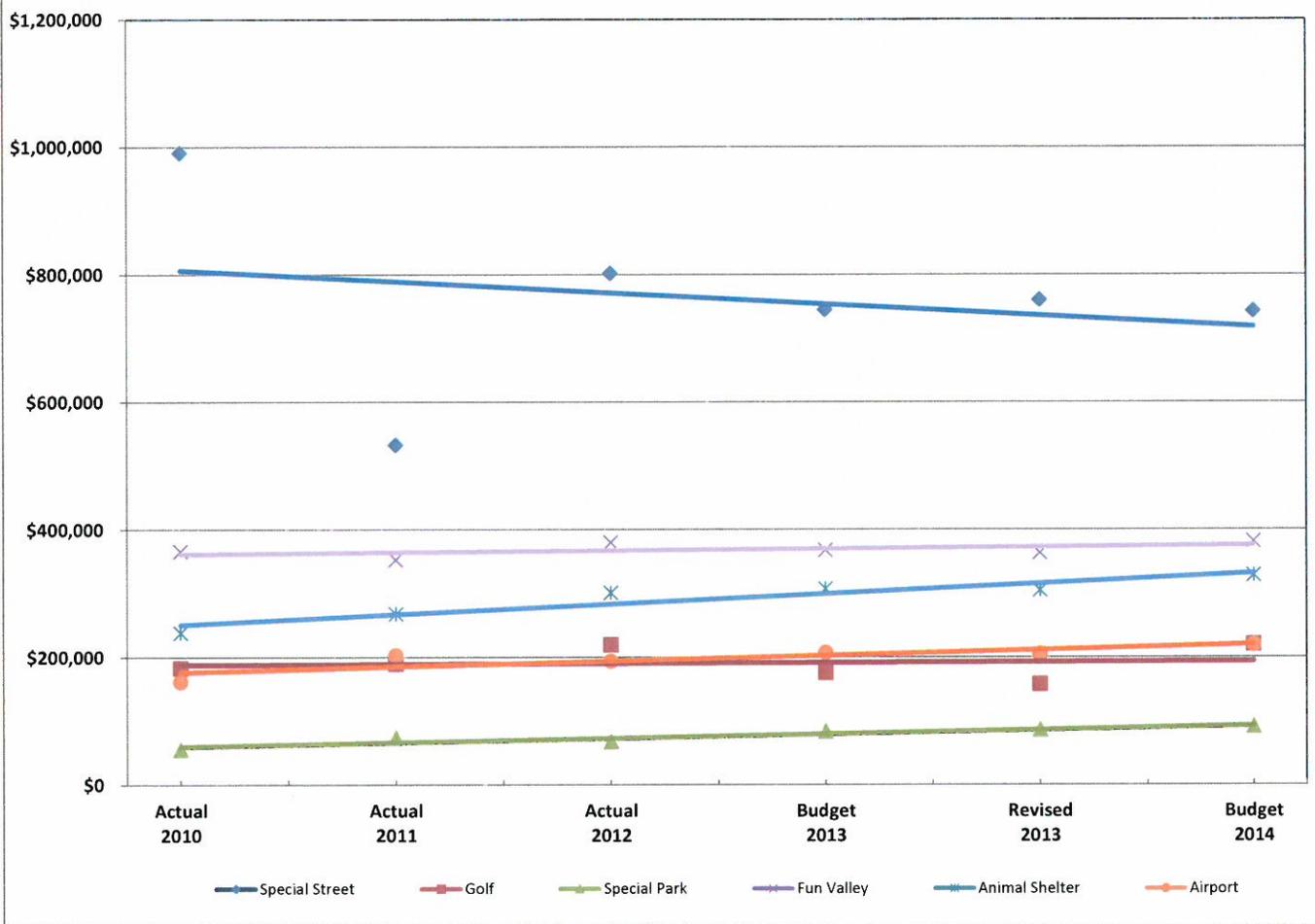
Pool Maintenance Reserve: This amount is being transferred to cover major maintenance and repairs at the City's aquatic center. This is part of the CIP Reserve. FY14 budget is \$7,000.

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. FY14 budget is \$994,186.

Transfers Out - \$1,984,285

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 FY14 is \$1,984,285.

Fund Subsidies from General Fund



**OVERHEAD COST ALLOCATION
Fiscal Year 2014**

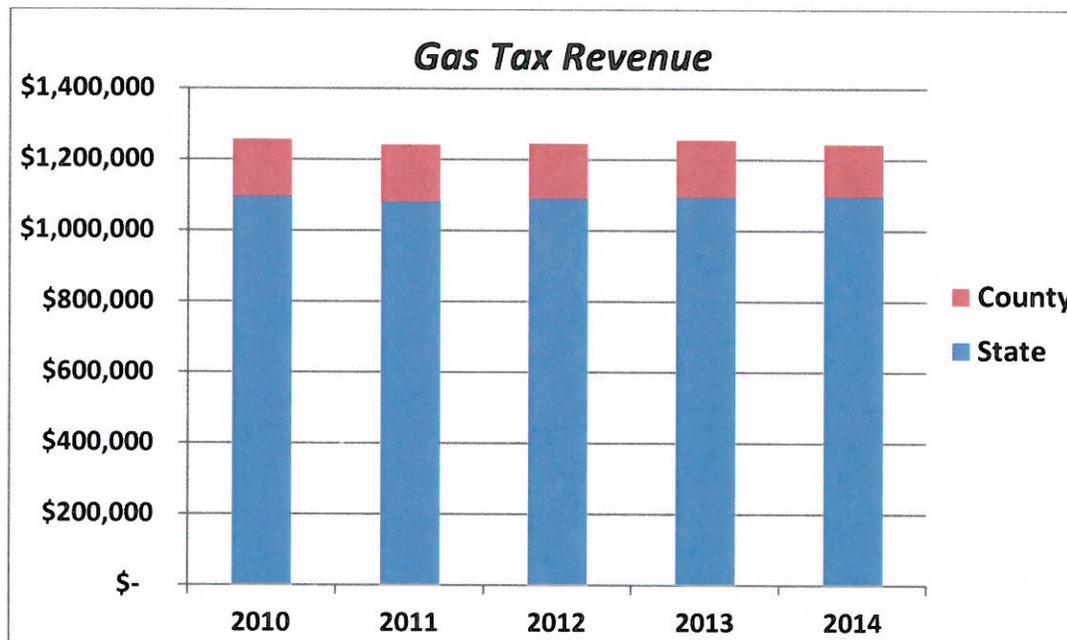
Department	2014 Budget	Category	Water	Sewer	Storm	Refuse	Water	Sewer	Storm	Refuse	Other (2)	TOTAL
City Council	30,630	Budget	12.99%	10.77%	0.94%		\$ 3,980	\$ 3,299	\$ 288			\$ 7,567
City Manager	306,839	Budget	12.99%	10.77%	0.94%		39,870	33,045	2,884			75,799
City Attorney	194,127	Budget	12.99%	10.77%	0.94%		25,224	20,906	1,825		42,000	89,956
Human Resources	330,521	Personnel	7.31%	8.06%	0.25%		24,154	26,632	826		70,000	121,612
Finance Admin.	370,751	Budget	12.99%	10.77%	0.94%		48,175	39,928	3,485		17,500	109,087
Purchasing	125,240	Budget	12.99%	10.77%	0.94%		16,273	13,488	1,177			30,938
Utility Billing	772,193	Services	46.50%	46.50%	0.00%	7.00%	359,070	359,070	0	54,054		772,193
Information Tech	569,676	Units/Services					74,281	68,224				142,506
Public Works Admin.	201,804	Functions	40.00%	40.00%	2.00%		80,722	80,722	4,036			165,479
Engineering	811,865	Functions	40.00%	40.00%	2.00%		324,746	324,746	16,237			665,729
GIS	256,281	Functions	40.00%	40.00%	2.00%		102,512	102,512	5,126			210,150
Traffic Signal	278,182	Functions	15.64%	9.35%	0.00%		43,508	26,010	0			69,518
Central Garage	469,127	Fleet	7.79%	6.75%	0.00%		36,555	31,681	0			68,237
Park Maintenance	956,624	Note 1	26.28%	10.23%	0.00%		251,359	97,872	0	9,082		358,314
City Hall	94,515	Floor Space	15.00%	15.00%	2.00%		14,177	14,177	1,890			30,245
Non-Departmental	980,131	Budget>Note 3	12.99%	10.77%	0.94%		127,356	105,555	9,213			242,123
Building Insp.	20,157	Note 4	45.96%	54.04%			9,264	10,893	0			20,157
TOTAL							\$ 1,581,228	\$ 1,358,759	\$ 46,987	\$ 63,136	\$ 129,500	\$ 3,202,761

- (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 \$35,000, 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 3 years and is expected to remain at this level into 2014. The following graph depicts State and County revenue distributions over the five year period:

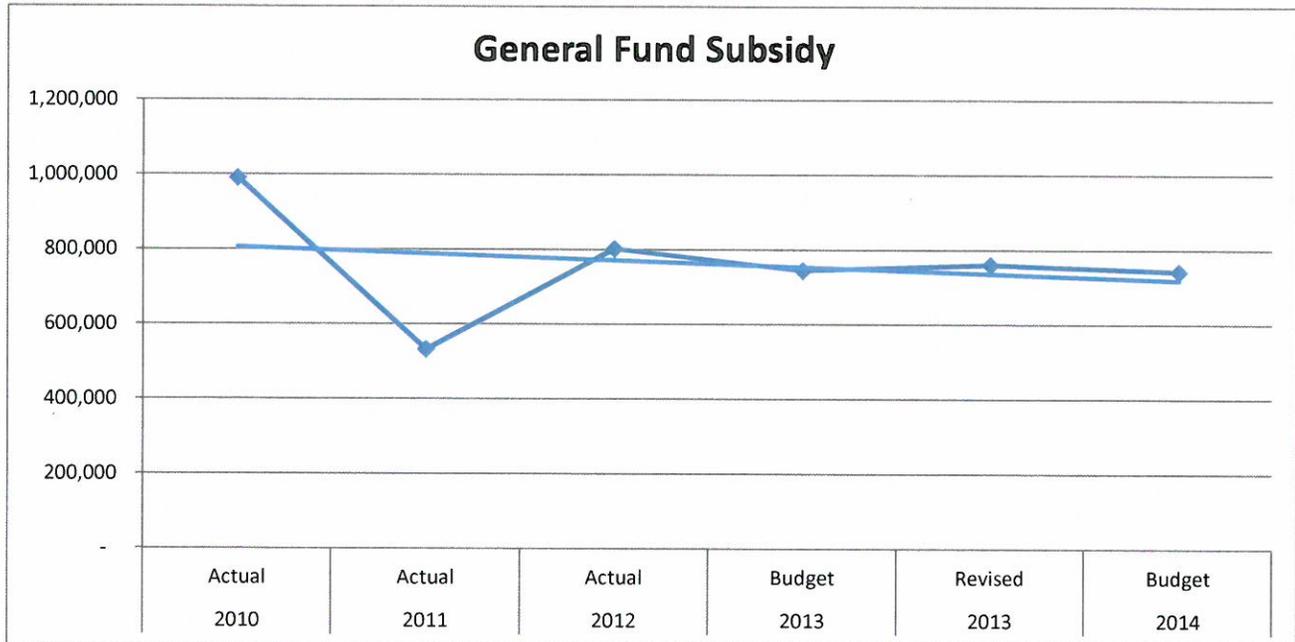


In addition to annually reviewing and monitoring revenue levels, expenditure levels are also monitored for possible adjustments. Overall expenditures in the Special Street fund have averaged \$2,074,968 over the past 5 years. The largest expenditure is for street maintenance which has averaged \$1,398,382 during these 5 years.

The subsidy from the General fund is budgeted at \$742,710 in fiscal year 2014. This is a decrease from fiscal year 2013 by \$2,217 or .3% but is lower than the subsidy in fiscal year 2012 of \$802,189. The overall change in the General fund subsidy directly correlates with the Special Street Revenue totals averaging \$1.3 Million while expenditures average \$2.1 Million.

Special Street (003) Fund Summary

	<u>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>
Cash Balance, January 1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Revenues:						
Revenues	1,346,128	1,285,120	1,311,559	1,315,050	1,260,670	1,303,280
Transfers In - General fund	<u>991,031</u>	<u>532,845</u>	<u>802,189</u>	<u>744,927</u>	<u>760,543</u>	<u>742,710</u>
Funds available	\$ 2,337,159	\$ 1,817,965	\$ 2,113,748	\$ 2,059,977	\$ 2,021,213	\$ 2,045,990
Expenditures:						
Street Maintenance	1,308,826	1,348,663	1,414,330	1,461,010	1,422,150	1,459,080
Street Cleaning	270,833	264,677	220,918	250,467	250,563	250,910
Reserve Transfers-MERF	-	87,000	153,500	148,500	148,500	136,000
Reserve Transfers-CIP Reserve	<u>757,500</u>	<u>117,625</u>	<u>325,000</u>	<u>200,000</u>	<u>200,000</u>	<u>200,000</u>
Total Expenditures	2,337,159	1,817,965	2,113,748	2,059,977	2,021,213	2,045,990
Transfers Out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Ending Balance, December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 0</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (0)</u>



Special Street (003) Revenue Summary

	<u>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>
Intergovernmental Revenues:						
State Gas Tax	\$ 1,096,883	\$ 1,081,389	\$ 1,090,967	\$ 1,095,180	\$ 1,059,800	\$ 1,097,820
County Gas Tax	160,382	161,088	155,072	160,330	141,330	146,160
Connecting Links	67,596	40,380	54,025	54,540	54,540	54,300
County Contribution	10,714	-	-	-	-	-
Service Charges:						
Street Cuts	6,721	2,209	5,056	5,000	5,000	5,000
Miscellaneous:						
Miscellaneous	99	54	418	-	-	-
Reimbursements	3,733	-	6,021	-	-	-
Total	<u><u>\$ 1,346,128</u></u>	<u><u>\$ 1,285,120</u></u>	<u><u>\$ 1,311,559</u></u>	<u><u>\$ 1,315,050</u></u>	<u><u>\$ 1,260,670</u></u>	<u><u>\$ 1,303,280</u></u>

Department Summary

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

Program Description:

To this account we charge the costs of administering the Street Division activities and more particularly the costs of construction (except the Growth Account and special assessment projects), reconstruction, alteration, repair and maintenance of streets and highways, both done by City employees and by contractors. There are over 240 miles of paved streets and over 45 miles of alleys to maintain. Annually nearly 21 miles of asphalt streets receive slurry seal preventative maintenance treatments and over four miles of asphalt streets receive an asphalt overlay. Approximately 1,130 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>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>	<u>Change in Budget</u>
Expenditures:							
Personal Services	\$ 903,047	\$ 919,884	\$ 1,005,445	\$ 1,018,264	\$ 982,187	\$ 1,008,334	-0.98%
Contractual Services	150,187	144,841	136,369	157,946	155,207	157,946	0.00%
Commodities	233,592	283,938	272,516	284,800	284,756	292,800	2.81%
Capital Outlay	<u>22,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	0.00%
Total Expenditures	<u>\$ 1,308,826</u>	<u>\$ 1,348,663</u>	<u>\$ 1,414,330</u>	<u>\$ 1,461,010</u>	<u>\$ 1,422,150</u>	<u>\$ 1,459,080</u>	-0.13%
Funding Sources:							
Intergovernmental	\$ 753,841	\$ 953,370	\$ 877,577	\$ 932,681	\$ 887,023	\$ 929,423	-0.35%
Reimbursement	-	-	-	-	-	-	0.00%
General Fund Subsidy	<u>554,985</u>	<u>395,293</u>	<u>536,753</u>	<u>528,329</u>	<u>535,127</u>	<u>529,657</u>	0.25%
Total Funding Sources	<u>\$ 1,308,826</u>	<u>\$ 1,348,663</u>	<u>\$ 1,414,330</u>	<u>\$ 1,461,010</u>	<u>\$ 1,422,150</u>	<u>\$ 1,459,080</u>	-0.13%

Personnel Schedule

Full Time Equivalents

	<u>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>
Street Superintendent	0.75	1.00	1.00	1.00	1.00	1.00
Asst. Street Superintendent	0.75	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	3.00	4.00	4.00	4.00	4.00	4.00
Sr. Heavy Equip. Operator	-	-	-	-	-	-
Equipment Operator	9.00	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	<u>2.00</u>	<u>2.00</u>	<u>2.00</u>	<u>2.00</u>	<u>2.00</u>	<u>2.00</u>
Total	17.50	18.00	18.00	18.00	18.00	18.00

Department Summary

Department:

Public Works

Division:

Streets

Activity:

Street Maintenance (6420-559)

Current Trends and Issues:

In recent years, funds allocated to the slurry seal program remained the same, and in some budget years decreased. This capital improvement reserve has been funded in previous years by the 1/4 cent sales tax along with the street reconstruction program. Due to the budget constraints in the General Fund, and in the gasoline tax revenues, some of the estimated 1/4 cent sales tax will be used to offset the costs of the residential street and the arterial street overlay programs. By spreading the 1/4 cent sales tax amongst all of the street improvement programs, each program is reduced proportionately rather than two programs being fully funded and two programs being reduced dramatically. If this trend continues, the potential exists for projected funding levels and budgets to lag behind inflation. The result will be less street maintenance and improvements getting done for the funding available. The street maintenance and improvement program may continue to get further behind.

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. In 2013, it has been recommended that the contract sweeping be eliminated. 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. The Street Superintendent oversees the administration of this budget account under the administration of the Director of Public Works.

	<u>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>	<u>Change in Budget</u>
Expenditures:							
Personal Services	\$ 39,957	\$ 43,743	\$ 43,097	\$ 46,099	\$ 46,759	\$ 46,642	1.18%
Contractual Services	133,747	124,619	129,884	133,168	124,699	133,168	0.00%
Commodities	88,371	96,315	47,937	71,200	79,105	71,100	-0.14%
Capital Outlay	8,758	-	-	-	-	-	0.00%
Total Expenditures	<u>\$ 270,833</u>	<u>\$ 264,677</u>	<u>\$ 220,918</u>	<u>\$ 250,467</u>	<u>\$ 250,563</u>	<u>\$ 250,910</u>	0.18%
Funding Sources:							
Intergovernmental	\$ 155,991	\$ 187,100	\$ 137,077	\$ 159,893	\$ 156,281	\$ 159,828	-0.04%
Reimbursement	-	-	-	-	-	-	0.00%
General Fund Subsidy	114,842	77,577	83,841	90,574	94,282	91,082	0.56%
Total Funding Sources	<u>\$ 270,833</u>	<u>\$ 264,677</u>	<u>\$ 220,918</u>	<u>\$ 250,467</u>	<u>\$ 250,563</u>	<u>\$ 250,910</u>	0.18%

Personnel Schedule

Full Time Equivalents

	<u>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>
Equipment Operator	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

Current 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.

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>
2008	\$ 97,738
2009	96,167
2010	94,311
2011	96,338
2012	91,978
2013 budget	94,070
2014 budget	90,000

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 \$91,314 in 2014 compared to \$83,518 in the 2013 budget.

Special Parks & Recreation (009) Fund Summary

	<u>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>
Cash Balance, January 1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Revenues:						
Non-Property Taxes:						
Liquor Taxes	\$ 94,311	\$ 96,338	\$ 91,978	\$ 94,070	\$ 90,000	\$ 90,000
Recreation & Concessions:						
Pepsi/Cases	255	-	\$ -	-	-	-
Total Revenues	<u>\$ 94,566</u>	<u>\$ 96,338</u>	<u>\$ 91,978</u>	<u>\$ 94,070</u>	<u>\$ 90,000</u>	<u>\$ 90,000</u>
Transfers In	<u>55,635</u>	<u>73,664</u>	<u>\$ 67,854</u>	<u>83,518</u>	<u>86,014</u>	<u>91,314</u>
Funds available	\$ 150,201	\$ 170,002	\$ 159,832	\$ 177,588	\$ 176,014	\$ 181,314
Expenditures:						
Swimming Pools	\$ 150,201	\$ 170,002	\$ 159,832	\$ 177,588	\$ 176,014	\$ 181,314
Reserve Transfers	-	-	\$ -	-	-	-
Total Expenditures	<u>\$ 150,201</u>	<u>\$ 170,002</u>	<u>\$ 159,832</u>	<u>\$ 177,588</u>	<u>\$ 176,014</u>	<u>\$ 181,314</u>
Transfers Out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Ending Balance, December 31	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>				

Department Summary

Department:

Parks & Facilities

Division:

Parks & Facilities Maintenance

Activity:

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>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>	<u>Change in Budget</u>
Expenditures:							
Personal Services	\$ 57,056	\$ 62,719	\$ 64,409	\$ 64,044	\$ 63,683	\$ 64,120	0.12%
Contractual Services	47,874	69,717	64,463	69,344	68,937	69,019	-0.47%
Commodities	32,271	35,650	26,936	34,200	33,394	38,175	11.62%
Capital Outlay	13,000	1,916	4,024	10,000	10,000	10,000	0.00%
Total Expenditures	<u>\$ 150,201</u>	<u>\$ 170,002</u>	<u>\$ 159,832</u>	<u>\$ 177,588</u>	<u>\$ 176,014</u>	<u>\$ 181,314</u>	2.10%
Funding Sources:							
Intergovernmental	\$ 94,311	\$ 96,338	\$ 91,978	\$ 94,070	\$ 90,000	\$ 90,000	-4.33%
Service Charges	255	-	-	-	-	-	#DIV/0!
General Fund Subsidy	55,635	73,664	67,854	83,518	86,014	91,314	9.33%
Total Funding Sources	<u>\$ 150,201</u>	<u>\$ 170,002</u>	<u>\$ 159,832</u>	<u>\$ 177,588</u>	<u>\$ 176,014</u>	<u>\$ 181,314</u>	2.10%

Personnel Schedule

Full Time Equivalents

	<u>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>
Senior Park Specialist	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

Department Summary

Department:

Parks & Facilities

Division:

Parks & Facilities Maintenance

Activity:

Swimming Pools (6930-571)

Capital Outlay:

Item:	Quantity	Replacement/ New/Maint	2013 Budget	2013 Revised	2014 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.

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 2014 are as follows:

<u>Agency</u>	<u>Amount Requested</u>	<u>Amount Approved</u>
Big Brothers/Big Sisters	\$ 10,000	\$ 9,000
Boys & Girls Club	25,000	22,500
Communities That Care	25,000	18,000
Reno Alcohol & Drug Services	10,000	2,250
Reno County Drug Court	15,400	14,625
SRO Program	10,000	-
	<u>\$ 95,400</u>	<u>\$ 66,375</u>

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>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>
Cash Balance, January 1	\$ 101,972	\$ 89,215	\$ 27,933	\$ 11,322	\$ 7,911	\$ 661
Revenues:						
Non-Property Taxes:						
Liquor Taxes	\$ 94,611	\$ 96,337	\$ 91,978	\$ 94,070	\$ 90,000	\$ 90,000
Interest Income	-	-	-	-	-	-
Total Revenues	<u>\$ 94,611</u>	<u>\$ 96,337</u>	<u>\$ 91,978</u>	<u>\$ 94,070</u>	<u>\$ 90,000</u>	<u>\$ 90,000</u>
Transfers In	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Funds available	\$ 196,583	\$ 185,552	\$ 119,911	\$ 105,392	\$ 97,911	\$ 90,661
Expenditures:						
Contractual Services	\$ 83,775	\$ 75,000	\$ 95,000	\$ 89,750	\$ 87,250	\$ 66,375
Transfers Out	<u>\$ 23,593</u>	<u>\$ 82,619</u>	<u>\$ 17,000</u>	<u>\$ 10,000</u>	<u>\$ 10,000</u>	<u>\$ 24,286</u>
Ending Balance, December 31	<u><u>\$ 89,215</u></u>	<u><u>\$ 27,933</u></u>	<u><u>\$ 7,911</u></u>	<u><u>\$ 5,642</u></u>	<u><u>\$ 661</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. This agreement is in effect until January 2024.

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

<u>Fiscal</u> <u>Year</u>	<u>Taxes Collected</u>
2008	\$712,526
2009	573,668
2010	525,970
2011	553,517
2012	569,635
2013 budget	650,000
2014 budget	650,000

Convention & Tourism Promotion (030) Fund Summary

	<u>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>
Cash Balance, January 1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Revenues:						
Non-Property Taxes:						
Transient Guest Tax	\$ 525,970	\$ 553,517	\$ 569,635	\$ 650,000	\$ 650,000	\$ 650,000
Miscellaneous	-	-	-	-	-	-
Total Revenues	<u>\$ 525,970</u>	<u>\$ 553,517</u>	<u>\$ 569,635</u>	<u>\$ 650,000</u>	<u>\$ 650,000</u>	<u>\$ 650,000</u>
Transfers In	-	-	-	-	-	-
Funds available	\$ 525,970	\$ 553,517	\$ 569,635	\$ 650,000	\$ 650,000	\$ 650,000
Expenditures:						
Convention & Tourism Bureau	\$ 300,554	\$ 316,295	\$ 325,506	\$ 371,410	\$ 371,410	\$ 365,086
Convention Center Subsidy	214,316	226,122	233,029	267,490	267,490	273,814
Reserve Transfer-CIP Reserve	11,100	11,100	11,100	11,100	11,100	11,100
Total Expenditures	<u>\$ 525,970</u>	<u>\$ 553,517</u>	<u>\$ 569,635</u>	<u>\$ 650,000</u>	<u>\$ 650,000</u>	<u>\$ 650,000</u>
Ending Balance, December 31	<u>\$ -</u>	<u>\$ -</u>				

Fun Valley Fund

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

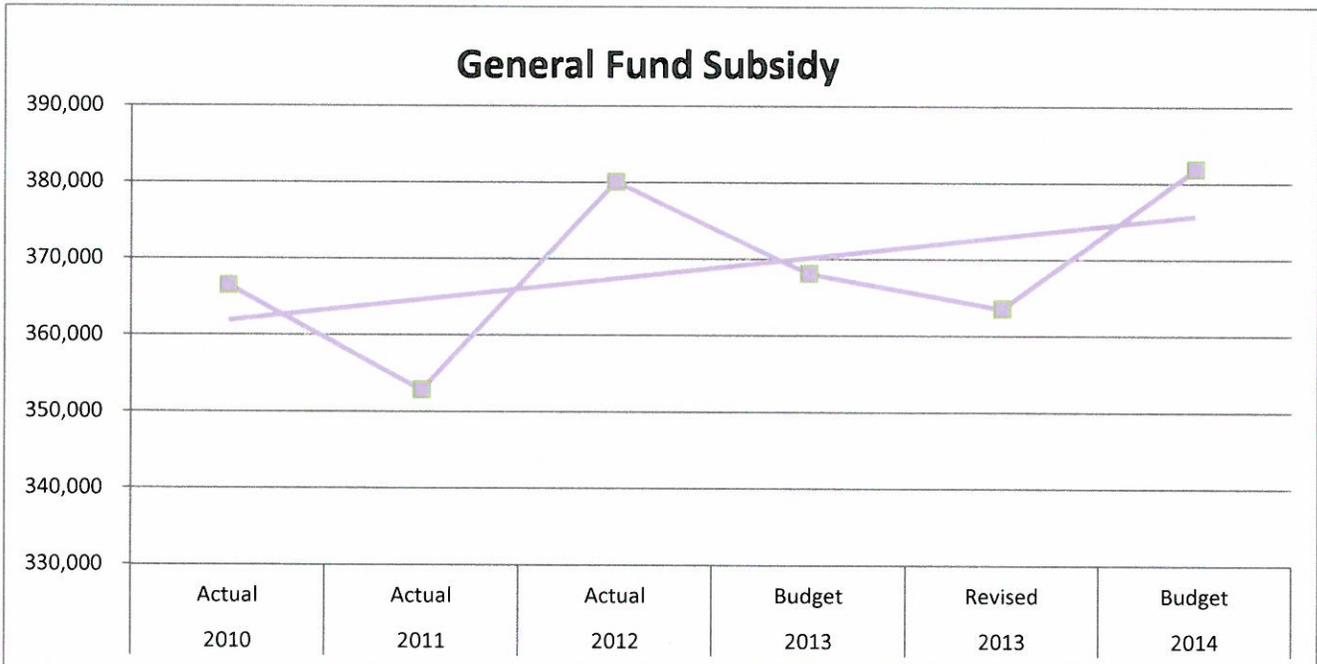
The Fun Valley Complex opened for play Memorial Day weekend of 1980. It was originally built as part of a large recreation facility by local oil man Larry Brown. In 1983 the City of Hutchinson, Kansas purchased the complex. Over the years numerous improvements have been made to keep the facility as one 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.

The Fun Valley fund is subsidized by the General fund. The General fund subsidy for fiscal year 2014 is \$381,858. This is an increase from the fiscal year 2013 budget by \$13,726 or 3.7%.

Fun Valley (031) Fund Summary

	2010 Actual	2011 Actual	2012 Actual	2013 Budget	2013 Revised	2014 Budget
Cash Balance, January 1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Revenues	\$ 316,231	\$ 361,453	\$ 317,163	\$ 357,025	\$ 357,025	\$ 347,525
Transfers In - General fund	<u>366,528</u>	<u>352,837</u>	<u>380,098</u>	<u>368,132</u>	<u>363,550</u>	<u>381,858</u>
Funds available	\$ 682,759	\$ 714,290	\$ 697,262	\$ 725,157	\$ 720,575	\$ 729,383
Expenditures:						
Fun Valley Operations	\$ 602,558	\$ 627,532	\$ 597,835	\$ 630,528	\$ 633,580	\$ 605,553
Fun Valley Concessions	80,201	86,758	84,427	94,629	86,996	112,830
Reserve Transfers-MERF	-	-	15,000	-	-	11,000
Total Expenditures	<u>\$ 682,759</u>	<u>\$ 714,290</u>	<u>\$ 697,262</u>	<u>\$ 725,157</u>	<u>\$ 720,575</u>	<u>\$ 729,383</u>
Ending Balance, December 31	<u>\$ -</u>					



Fun Valley (031) Revenue Summary

	<u>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>
Recreation & Concession Service Charges:						
Tournament Fees	\$ 89,875	\$ 109,053	\$ 98,817	\$ 105,000	\$ 105,000	\$ 100,000
USSSA Registration Fees	140	120	240	200	200	200
Gate Admissions	42,186	43,981	37,223	45,000	45,000	45,000
Ball Park Rental	21,365	34,072	35,023	34,000	34,000	34,000
Advertising	7,875	10,175	3,250	9,000	9,000	9,000
Retail Sales	3,310	8,817	7,784	6,000	6,000	6,000
Convention & Visitor Bureau Subsidy	54,318	42,833	38,751	43,225	43,225	43,225
Concessions	94,430	107,399	94,881	110,000	110,000	105,500
Miscellaneous:						
Reimbursement	2,761	5,025	1,195	4,600	4,600	4,600
Overages (Shortages)	(29)	(22)	-	-	-	-
Total	<u>\$ 316,231</u>	<u>\$ 361,453</u>	<u>\$ 317,163</u>	<u>\$ 357,025</u>	<u>\$ 357,025</u>	<u>\$ 347,525</u>

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, oversees the turf management, facility maintenance and programs for the Fun Valley Athletic Complex and the Hobart-Detter Stadium. Staff schedule, coordinate, and prepare for up to 60 high school and collegiate baseball games at the stadium. The Fun Valley Athletic Complex encompasses 50 acres and 25 structures. The staff 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.

This operational budget has also been impacted by the increase in the Federal minimum wage and our need to be competitive in that market.

The Capital Outlay Budget portion of the operational budget includes funds to continue with replacing the wind screens and safety caps on the outfield fences at Fun Valley, replacing drinking fountains that do not meet City code, and the City's portion of the replacement costs for the scoreboard at Hobart-Detter. With the exception of the scoreboard replacement, these projects are part of a multi-year replacement program.

	<u>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>	<u>Change in Budget</u>	
Expenditures:								
Personal Services	\$ 324,847	\$ 350,098	\$ 352,680	\$ 355,281	\$ 355,251	\$ 314,083	-11.60%	
Contractual Services	176,995	182,542	165,988	182,397	177,379	186,670	2.34%	689.11
Commodities	80,669	81,225	69,903	74,550	82,650	75,800	1.68%	
Capital Outlay	<u>20,047</u>	<u>13,667</u>	<u>9,264</u>	<u>18,300</u>	<u>18,300</u>	<u>29,000</u>	58.47%	
Total Expenditures	<u>\$ 602,558</u>	<u>\$ 627,532</u>	<u>\$ 597,835</u>	<u>\$ 630,528</u>	<u>\$ 633,580</u>	<u>\$ 605,553</u>	-3.96%	
Funding Sources:								
Private Contributions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%	
Service Charges	236,030	274,695	232,737	262,396	270,029	234,695	-10.56%	
General Fund Subsidy	<u>366,528</u>	<u>352,837</u>	<u>365,098</u>	<u>368,132</u>	<u>363,550</u>	<u>370,858</u>	0.74%	
Total Funding Sources	<u>\$ 602,558</u>	<u>\$ 627,532</u>	<u>\$ 597,835</u>	<u>\$ 630,528</u>	<u>\$ 633,580</u>	<u>\$ 605,553</u>	-3.96%	

Personnel Schedule

Full Time Equivalents

	<u>2010 Actual</u>	<u>2011 Revised</u>	<u>2012 Revised</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>
Facility Director	1.00	1.00	1.00	1.00	1.00	1.00
Assistant Director	1.00	1.00	1.00	1.00	1.00	1.00
Office Manager	1.00	1.00	1.00	1.00	1.00	1.00
Turf Maint. 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	4.00	4.00	4.00	4.00	4.00	4.00

Department Summary

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

Capital Outlay:

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

Department Summary

Department:

Parks & Facilities

Division:

Fun Valley

Activity:

Fun Valley Concessions (6996-567)

Program Description:

This budget is related to offering concession services at the Fun Valley and Hobart-Detter concession stands. This operation had been offered through a contractual arrangement with local vendor until the end of 2007. The contract expired in late 2007 and the vendor had no desire to continue offering the services because there was not sufficient volume generated through the stands to make it profitable for them. At one time the concession operations at the Sports Arena, Memorial Hall and Golf Course Clubhouse were also a part of the contract. When the Hutchinson Community College expressed a request to handle their own concession because of a declining level of service and the likelihood that a qualified vendor would not be found locally, the City agreed that HCC would manage the concessions needed for the Sports Arena. The City also took on the concession operations as another revenue stream for both the Fun Valley and Golf Course operations. To keep minimize operating expenses it was decided to provide these services using seasonal staff to operate the stands and existing full-time staff to manage the overall operation.

	<u>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>	<u>Change in Budget</u>
Expenditures:							
Personal Services	\$ 31,546	\$ 34,684	\$ 30,633	\$ 32,679	\$ 32,679	\$ 56,330	72.37%
Contractual Services	7,007	8,872	8,043	9,600	9,600	8,800	-8.33%
Commodities	40,050	43,202	43,794	50,850	43,217	46,100	-9.34%
Capital Outlay	<u>1,598</u>	-	<u>1,956</u>	<u>1,500</u>	<u>1,500</u>	<u>1,600</u>	6.67%
Total Expenditures	<u>\$ 80,201</u>	<u>\$ 86,758</u>	<u>\$ 84,427</u>	<u>\$ 94,629</u>	<u>\$ 86,996</u>	<u>\$ 112,830</u>	19.23%
Funding Sources:							
Service Charges	\$ 80,201	\$ 86,758	\$ 84,427	\$ 94,629	\$ 86,996	\$ 112,830	19.23%
Other	-	-	-	-	-	-	0.00%
Total Funding Sources	<u>\$ 80,201</u>	<u>\$ 86,758</u>	<u>\$ 84,427</u>	<u>\$ 94,629</u>	<u>\$ 86,996</u>	<u>\$ 112,830</u>	19.23%

Capital Outlay:

<u>Item:</u>	<u>Quantity</u>	<u>Replacement/ New/Maint</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>
Concession Equipment	1	Replacement	1,500	1,500	1,600

Current Trends and Issues:

After a few years of operation it has been demonstrated that the concession operation has sufficient revenues to exceed the direct operating expenses.

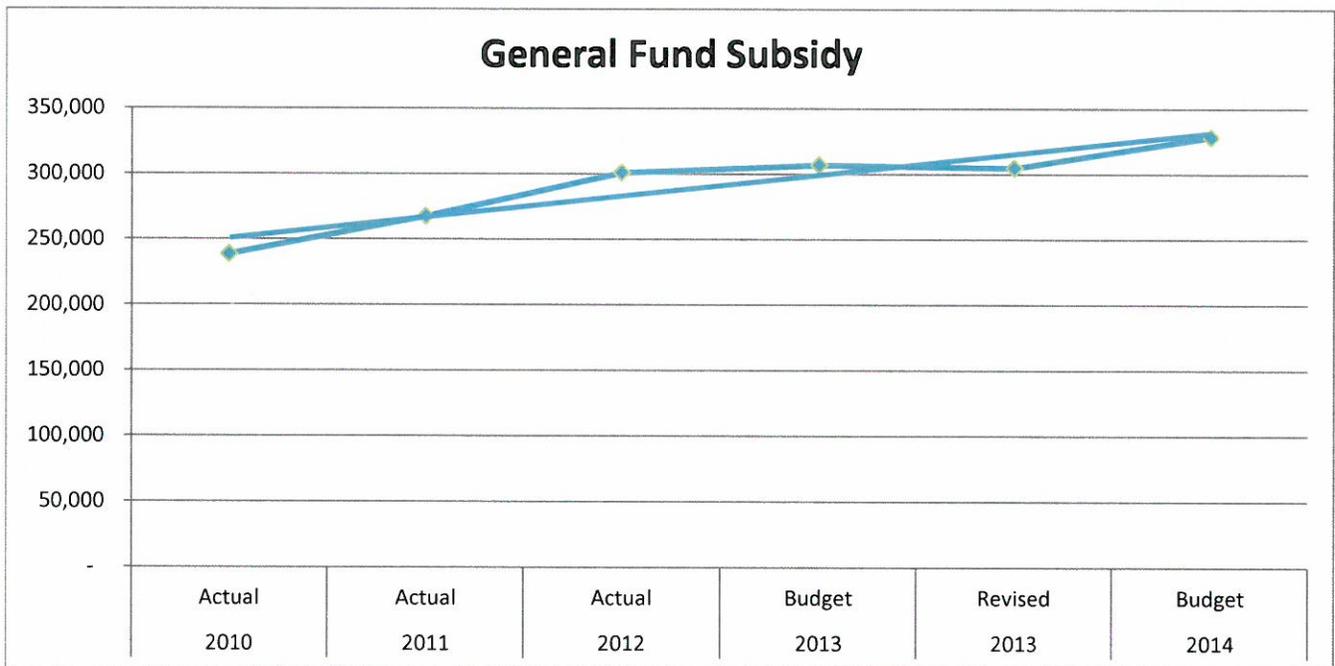
Animal Shelter Fund

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 2014 is \$328,426 which is \$21,511 or 7.0% higher than the 2013 budget subsidy.

Animal Shelter Fund Summary

	2010 Actual	2011 Actual	2012 Actual	2013 Budget	2013 Revised	2014 Budget
Cash Balance, January 1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Revenues	\$ 120,320	\$ 111,248	\$ 95,406	\$ 110,000	\$ 110,000	\$ 109,000
Transfers In - General fund	238,596	267,622	300,944	306,915	304,718	328,426
Funds available	\$ 358,916	\$ 378,870	\$ 396,350	\$ 416,915	\$ 414,718	\$ 437,426
Expenditures:						
Animal Shelter Operations	\$ 358,916	\$ 378,870	\$ 396,350	\$ 416,915	\$ 414,718	\$ 427,426
Reserve Transfers-MERF	-	-	-	-	-	10,000
Total Expenditures	\$ 358,916	\$ 378,870	\$ 396,350	\$ 416,915	\$ 414,718	\$ 437,426
Ending Balance, December 31	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -



Animal Shelter (044) Revenue Summary

	<u>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>
Licenses & Permits:						
Dog Licenses	\$ 41,490	\$ 32,834	\$ 26,910	\$ 30,000	\$ 30,000	\$ 30,000
Service Charges:						
Shelter Fees & Charges	9,524	7,116	8,259	10,000	10,000	10,000
Adoption Fees	46,552	47,527	36,788	47,000	47,000	47,000
Reclaimed Pet Fees	12,969	11,824	12,962	13,000	13,000	12,000
Relinquishment Fees	5,955	6,610	7,540	6,000	6,000	6,000
Concessions	-	-	-	-	-	-
Miscellaneous:						
Private Donations	-	-	-	-	-	-
Gift Certificates	-	650	-	-	-	-
Reimbursements	3,875	4,687	2,947	4,000	4,000	4,000
Other	(45)	-	-	-	-	-
Total	<u><u>\$ 120,320</u></u>	<u><u>\$ 111,248</u></u>	<u><u>\$ 95,406</u></u>	<u><u>\$ 110,000</u></u>	<u><u>\$ 110,000</u></u>	<u><u>\$ 109,000</u></u>

Department Summary

Department:

Police

Division:

Animal Services

Activity:

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>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>	<u>Change in Budget</u>
Expenditures:							
Personal Services	\$ 221,731	\$ 223,391	\$ 247,988	\$ 257,879	\$ 255,982	\$ 259,190	0.51%
Contractual Services	79,312	92,830	88,211	95,686	95,386	95,386	-0.31%
Commodities	57,873	62,649	60,151	61,350	61,350	66,850	8.96%
Capital Outlay	-	-	-	2,000	2,000	6,000	200.00%
Total Expenditures	<u>\$ 358,916</u>	<u>\$ 378,870</u>	<u>\$ 396,350</u>	<u>\$ 416,915</u>	<u>\$ 414,718</u>	<u>\$ 427,426</u>	2.52%
Funding Sources:							
Private Contributions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Service Charges	120,320	111,248	95,406	110,000	110,000	109,000	-0.91%
General Fund Subsidy	238,596	267,622	300,944	306,915	304,718	318,426	3.75%
Total Funding Sources	<u>\$ 358,916</u>	<u>\$ 378,870</u>	<u>\$ 396,350</u>	<u>\$ 416,915</u>	<u>\$ 414,718</u>	<u>\$ 427,426</u>	2.52%

Personnel Schedule

Full Time Equivalents

	<u>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 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 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>
Type 4 magazine/controlled substance safe	2	New	2,000	2,000	-
Video Monitoring					6,000

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.

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. The City anticipates extending this program prior to the program's expiration. These funds will continue to help monitor and remediate the contamination until the area is declared clean by the State and Federal governments.

Tax Increment Financing (055) Fund Summary

	2010 Actual	2011 Actual	2012 Actual	2013 Budget	2013 Revised	2014 Budget
Cash Balance, January 1	\$ 1,447,331	\$ 1,789,349	\$ 1,535,097	\$ 986,226	\$ 968,482	\$ 737,382
Revenues:						
Tax Incremental Revenue	\$ 206,183	\$ 167,193	\$ 160,936	\$ 155,000	\$ 155,000	\$ 155,000
State TIF Replacement	141,297	53,626	274,979	270,000	270,000	270,000
State & Federal Grants	-	-	-	-	-	-
Private Contributions	800,000	-	-	-	50,000	50,000
Reserve Transfers-CIP	-	-	-	-	-	-
Interest Income	1,522	1,457	3,013	1,000	1,000	1,000
Total Revenues	<u>\$ 1,149,002</u>	<u>\$ 222,276</u>	<u>\$ 438,927</u>	<u>\$ 426,000</u>	<u>\$ 476,000</u>	<u>\$ 476,000</u>
Transfers In	-	-	-	-	-	-
Funds available	\$ 2,596,333	\$ 2,011,625	\$ 1,974,024	\$ 1,412,226	\$ 1,444,482	\$ 1,213,382
Expenditures:						
Contractual Services	\$ 806,984	\$ 470,228	\$ 338,247	\$ 325,600	\$ 325,600	\$ 345,600
Commodities	-	6,300	28,863	31,500	31,500	31,500
Capital Outlay	-	-	38,432	-	-	-
Reserve Transfers-CIP	-	-	-	350,000	350,000	-
Total Expenditures	<u>\$ 806,984</u>	<u>\$ 476,528</u>	<u>\$ 405,542</u>	<u>\$ 707,100</u>	<u>\$ 707,100</u>	<u>\$ 377,100</u>
Transfers Out	-	-	600,000	-	-	-
Ending Balance, December 31	<u>\$ 1,789,349</u>	<u>\$ 1,535,097</u>	<u>\$ 968,482</u>	<u>\$ 705,126</u>	<u>\$ 737,382</u>	<u>\$ 836,282</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 2014 Budget, a Voice Logger system is budgeted to accommodate a transition to VIOP lines which will allow for expanded use for additional frequencies.

E-911 Surcharge (346) Fund Summary

	2010 Actual	2011 Actual	2012 Actual	2013 Budget	2013 Revised	2014 Budget
Cash Balance, January 1	\$ -	\$ -	\$ 838,048	\$ 33,891	\$ 548,716	\$ 598,716
Revenues:						
E-911 Surcharges	\$ -	\$ 838,000	\$ 541,192	\$ 360,000	\$ 360,000	\$ 334,000
Interest Income	-	48	854	-	-	-
Reimbursements	-	-	2,454	-	-	-
Total Revenues	<u>\$ -</u>	<u>\$ 838,048</u>	<u>\$ 544,499</u>	<u>\$ 360,000</u>	<u>\$ 360,000</u>	<u>\$ 334,000</u>
Transfers In	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Funds available	\$ -	\$ 838,048	\$ 1,382,547	\$ 393,891	\$ 908,716	\$ 932,716
Expenditures:						
Contractual Services	\$ -	\$ -	\$ 164,513	\$ 270,000	\$ 270,000	\$ 284,000
Commodities	-	-	224	5,000	-	-
Capital Outlay	-	-	669,095	40,000	40,000	325,000
Total Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 833,832</u>	<u>\$ 315,000</u>	<u>\$ 310,000</u>	<u>\$ 609,000</u>
Transfers Out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Ending Balance, December 31	<u><u>\$ -</u></u>	<u><u>\$ 838,048</u></u>	<u><u>\$ 548,716</u></u>	<u><u>\$ 78,891</u></u>	<u><u>\$ 598,716</u></u>	<u><u>\$ 323,716</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 2103 or in the 2014 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 late 2014.

Community Improvement District (345) Fund Summary

	<u>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>
Cash Balance, January 1	\$ -	\$ -	\$ -	\$ -	\$ 24,103	\$ 24,103
Revenues:						
Non-Property Taxes:						
CID Sales Tax	\$ -	\$ -	\$ 25,253	\$ 90,000	\$ 90,000	\$ 162,000
Miscellaneous	-	-	6,111	-	-	-
Total Revenues	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 31,364</u>	<u>\$ 90,000</u>	<u>\$ 90,000</u>	<u>\$ 162,000</u>
Funds available	\$ -	\$ -	\$ 31,364	\$ 90,000	\$ 114,103	\$ 186,103
Expenditures:						
Contractual Services	\$ -	\$ -	\$ 7,261	\$ 90,000	\$ 90,000	\$ 162,000
Capital Outlay	-	-	-	-	-	-
Total Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,261</u>	<u>\$ 90,000</u>	<u>\$ 90,000</u>	<u>\$ 162,000</u>
Ending Balance, December 31	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 24,103</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 24,103</u></u>	<u><u>\$ 24,103</u></u>

Recreation Commission (038) Fund Summary

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

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 remain at \$9.851 in fiscal year 2014. 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 \$763,607 in fiscal year 2014. Special assessments collected from development districts represent a substantial funding source for the current outstanding bonds. \$915,000 is budgeted in 2014 for current and delinquent special assessment collections.

The total general obligation debt service requirements are as follows:

FISCAL YEAR	TOTAL BONDS	TOTAL INTEREST	TOTAL
2014	\$ 4,010,000	\$ 1,029,001	\$ 5,039,001
2015	3,680,000	909,086	4,589,086
2016	3,470,000	794,546	4,264,546
2017	3,360,000	683,234	4,043,234
2018	3,120,000	576,406	3,696,406
2019	2,850,000	478,134	3,328,134
2020	2,575,000	388,149	2,963,149
2021	2,225,000	308,724	2,533,724
2022	1,895,000	239,004	2,134,004
2023	1,465,000	184,182	1,649,182
2024	1,185,000	146,686	1,331,686
2025	910,000	115,701	1,025,701
2026	875,000	89,978	964,978
2027	830,000	65,484	895,484
2028-2033	1,490,000	123,983	1,613,983
	\$ 33,940,000	\$ 6,132,298	\$ 40,072,298

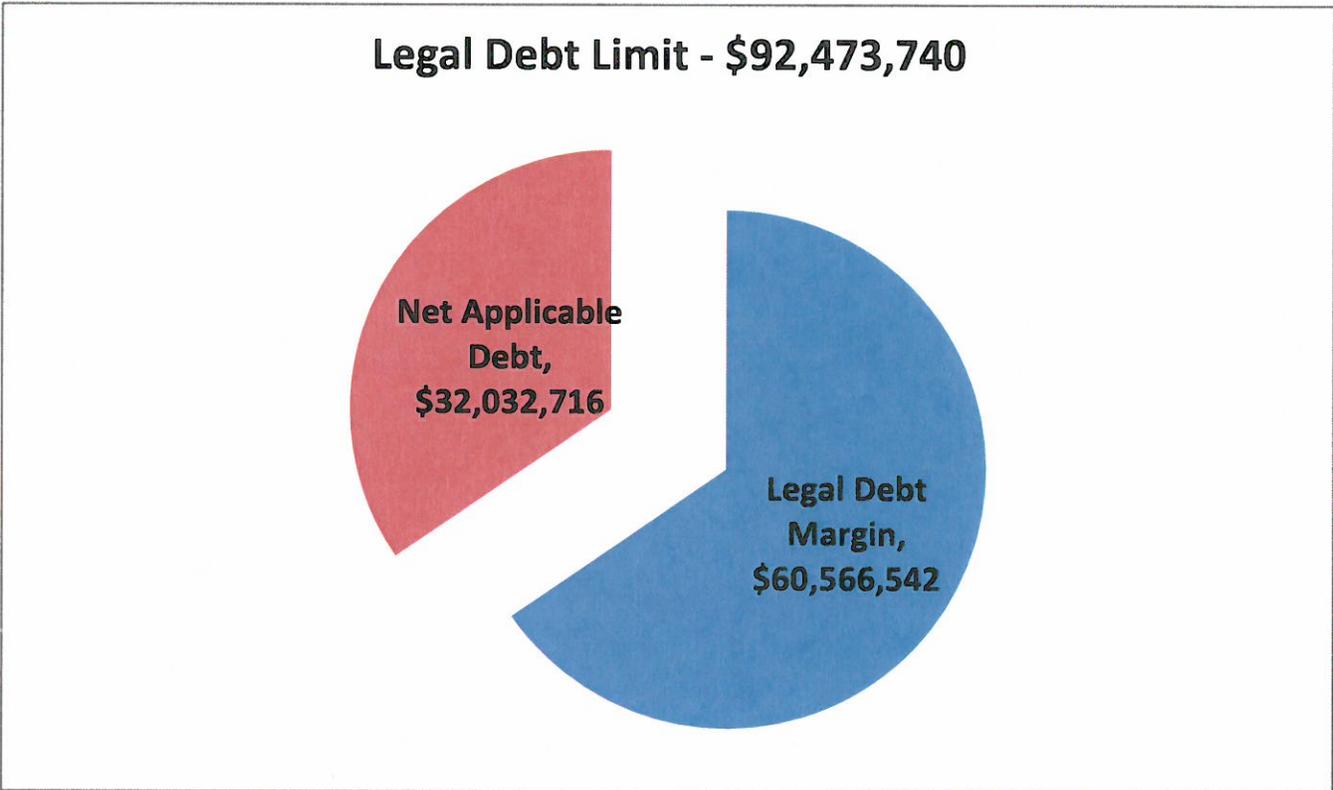
The City's current bond rating from Moody's Investor Service for general obligation bonds is Aa3. The City's bond rating by Standard and Poor's Investor Service is A+.

Bond & Interest (020) Fund Summary

	2010 Actual	2011 Actual	2012 Actual	2013 Budget	2013 Revised	2014 Budget
Cash Balance, January 1	\$ 591,881	\$ 642,314	\$ 503,199	\$ 373,465	\$ 390,696	\$ 771,219
Revenues:						
Property Taxes:						
General Property Tax	\$ 2,272,983	\$ 2,490,567	\$ 2,521,624	\$ 2,675,407	\$ 2,675,407	\$ 2,768,962
Uncollected Tax Delinquency	-	-	-	(50,838)	(50,838)	(55,379)
Payments in Lieu of Tax	1,004	-	-	1,310	1,310	-
Motor Vehicle Tax	527,700	350,296	341,906	335,394	335,394	328,151
Other Vehicle Taxes	3,751	7,251	3,933	4,927	4,927	4,785
Delinquent Property Tax	130,197	100,261	76,131	100,000	100,000	100,000
Machinery & Equipment Rebate	-	-	-	-	-	-
Intergovernmental:						
County Reimbursements	-	51,059	101,059	101,059	101,059	101,059
Fire District #2	-	-	15,891	16,803	16,803	16,347
South Hutch Levee Share	-	-	-	49,100	49,100	-
Special Assessments:						
Special Assessments	919,287	901,989	904,387	900,000	900,000	900,000
Delinquent Special Assessments	134	34,336	51,282	15,000	15,000	15,000
Bond Proceeds	26,175	-	-	-	-	-
Interest Income	-	1,833	3,186	1,000	1,000	1,000
Reserve Transfers-CIP Fund	194,900	503,099	141,820	-	-	-
Reserve Transfers-Gossage Trust	55,427	55,954	16,663	56,840	56,840	57,411
Miscellaneous	263	-	-	-	-	-
Total Revenues	\$ 4,131,821	\$ 4,496,645	\$ 4,177,882	\$ 4,206,002	\$ 4,206,002	\$ 4,237,336
Transfers In	1,211,160	114,372	121,128	334,523	759,777	763,607
Funds available	\$ 5,934,862	\$ 5,253,331	\$ 4,802,209	\$ 4,913,990	\$ 5,356,475	\$ 5,772,162
Expenditures						
Overhead Cost Allocation	\$ 7,500	\$ 5,500	\$ 7,500	\$ 7,500	\$ 7,500	\$ 7,500
Debt Service	5,285,048	4,744,632	4,404,013	4,594,456	4,577,756	5,039,001
Total Expenditures	\$ 5,292,548	\$ 4,750,132	\$ 4,411,513	\$ 4,601,956	\$ 4,585,256	\$ 5,046,501
Ending Balance, December 31	<u>\$ 642,314</u>	<u>\$ 503,199</u>	<u>\$ 390,696</u>	<u>\$ 312,034</u>	<u>\$ 771,219</u>	<u>\$ 725,661</u>

**City of Hutchinson
Legal Debt Limit/Legal Debt Margin
Fiscal Year 2013**

Equalized Assessed Valuation		\$	308,664,193
Percent of Value Allowed			<u>X 30%</u>
Legal Debt Limit		\$	92,599,258
Total Projected General Obligation Debt	\$		46,369,961
Total Net Debt Applicable to Limit:			
General Obligation Bonds	\$		32,315,000
General Obligation Temporary Notes			-
Less: Bond & Interest Fund		<u>(282,284)</u>	<u>\$ 32,032,716</u>
Legal Debt Margin		<u>\$</u>	<u>60,566,542</u>
Total Net Applicable Debt to Limit to Legal Debt Limit as a Percentage			34.59%



CITY OF HUTCHINSON
SCHEDULE OF GENERAL OBLIGATION BOND INDEBTEDNESS
 June 1, 2013

	GENERAL OBLIGATION ISSUED 3/21/03 - \$1,360,000			GENERAL OBLIGATION - REFUNDING ISSUED 7/11/03 - \$5,250,000			GENERAL OBLIGATION ISSUED 4/1/04 - \$2,265,000			GENERAL OBLIGATION ISSUED 11/15/04 - \$1,395,000		
	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	70,000	33,118	3.55%	240,000	22,790	3.10%	245,000	21,355	3.65%	130,000	10,210	3.60%
2015	75,000	30,633	3.65%	250,000	15,350	3.25%	25,000	12,413	4.10%	10,000	5,530	4.00%
2016	75,000	27,895	3.75%	125,000	7,225	3.40%	25,000	11,388	4.10%	10,000	5,130	4.00%
2017	75,000	25,083	3.85%	85,000	2,975	3.50%	25,000	10,363	4.10%	15,000	4,730	4.00%
2018	80,000	22,195	3.95%				25,000	9,338	4.10%	15,000	4,130	4.00%
2019	85,000	19,035	4.05%				30,000	8,313	4.38%	15,000	3,530	4.10%
2020	90,000	15,593	4.10%				30,000	7,000	4.38%	10,000	2,915	4.10%
2021	90,000	11,903	4.20%				30,000	5,688	4.38%	15,000	2,505	4.10%
2022	95,000	8,123	4.25%				30,000	4,375	4.38%	15,000	1,890	4.20%
2023	95,000	4,085	4.30%				35,000	3,063	4.38%	15,000	1,260	4.20%
2024							35,000	1,531	4.38%	15,000	630	4.20%
	<u>830,000</u>	<u>197,660</u>		<u>700,000</u>	<u>48,340</u>		<u>535,000</u>	<u>94,824</u>		<u>265,000</u>	<u>42,460</u>	
	GENERAL OBLIGATION ISSUED 6/1/05 - \$625,000			GENERAL OBLIGATION - REFUNDING ISSUED 6/15/05 - \$4,005,000			GENERAL OBLIGATION - REFUNDING ISSUED 10/31/05 - \$2,285,000			GENERAL OBLIGATION ISSUED 5/15/06 - \$1,965,000		
	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	70,000	2,520	3.60%	320,000	63,300	4.25%	215,000	37,625	3.60%	170,000	39,503	3.85%
2015				330,000	49,700	4.25%	225,000	29,885	3.65%	180,000	32,958	3.90%
2016				345,000	35,675	4.25%	45,000	21,673	3.95%	185,000	25,938	3.95%
2017				165,000	21,013	4.25%	45,000	19,695	3.95%	35,000	18,630	4.15%
2018				125,000	14,000	4.00%	45,000	18,118	3.95%	35,000	17,178	4.15%
2019				125,000	9,000	4.00%	50,000	16,340	3.95%	40,000	15,725	4.15%
2020				100,000	4,000	4.00%	50,000	14,365	3.95%	40,000	14,065	4.15%
2021							55,000	12,390	4.20%	45,000	12,405	4.30%
2022							55,000	10,080	4.20%	45,000	10,470	4.30%
2023							60,000	7,770	4.20%	45,000	8,535	4.30%
2024							60,000	5,250	4.20%	50,000	6,600	4.40%
2025							65,000	2,730	4.20%	50,000	4,400	4.40%
2026										50,000	2,200	4.40%
	<u>70,000</u>	<u>2,520</u>		<u>1,510,000</u>	<u>196,688</u>		<u>970,000</u>	<u>196,120</u>		<u>970,000</u>	<u>208,605</u>	
	GENERAL OBLIGATION ISSUED 10/15/06 - \$600,000			GENERAL OBLIGATION ISSUED 6/1/07 - \$630,000			TAXABLE GENERAL OBLIGATION ISSUED 6/1/07 - \$4,805,000			GENERAL OBLIGATION ISSUED 11/15/07 - \$3,005,000		
	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	45,000	13,313	3.70%	65,000	10,620	3.700%	320,000	160,875	5.25%	180,000	78,866	3.55%
2015	50,000	11,648	3.70%	70,000	8,215	3.700%	335,000	144,075	5.15%	190,000	72,476	3.60%
2016	50,000	9,798	3.90%	75,000	5,625	3.750%	350,000	126,823	5.20%	200,000	65,636	3.65%
2017	15,000	7,848	3.90%	75,000	2,813	3.750%	370,000	108,623	5.20%	205,000	58,336	3.70%
2018	15,000	7,263	3.90%				345,000	89,383	5.30%	105,000	50,751	3.70%
2019	15,000	6,678	3.90%				365,000	71,098	5.35%	110,000	46,866	3.75%
2020	20,000	6,093	3.90%				380,000	51,570	5.40%	115,000	42,741	3.80%
2021	20,000	5,313	4.25%				405,000	31,050	5.40%	120,000	38,371	3.85%
2022	20,000	4,463	4.25%				170,000	9,180	5.40%	125,000	33,751	3.95%
2023	20,000	3,613	4.25%							130,000	28,814	4.00%
2024	20,000	2,763	4.25%							135,000	23,614	4.00%
2025	20,000	1,913	4.25%							140,000	18,214	4.05%
2026	25,000	1,063	4.25%							150,000	12,544	4.10%
2027										155,000	6,394	4.13%
	<u>335,000</u>	<u>81,763</u>		<u>285,000</u>	<u>27,273</u>		<u>3,040,000</u>	<u>792,675</u>		<u>2,060,000</u>	<u>577,375</u>	
	GENERAL OBLIGATION ISSUED 8/15/08 - \$2,590,000			GENERAL OBLIGATION - REFUNDING ISSUED 4/1/09 - \$2,860,000			GENERAL OBLIGATION ISSUED 6/1/09 - \$1,320,000			GENERAL OBLIGATION ISSUED 6/1/10 - \$3,782,476		
	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	235,000	57,765	3.30%	185,000	69,040	2.400%	120,000	25,785	2.25%	295,000	89,938	2.00%
2015	245,000	50,010	3.40%	185,000	64,600	2.700%	125,000	23,085	2.45%	305,000	84,038	2.50%
2016	250,000	41,680	3.50%	190,000	59,605	3.000%	130,000	20,023	2.70%	325,000	76,413	3.00%
2017	265,000	32,930	3.60%	400,000	53,905	3.250%	130,000	16,513	3.00%	335,000	66,663	3.00%
2018	275,000	23,390	3.70%	415,000	40,905	3.400%	135,000	12,613	3.15%	350,000	56,613	3.00%
2019	25,000	13,215	4.15%	310,000	26,795	3.550%	140,000	8,360	3.30%	365,000	46,113	3.00%
2020	25,000	12,178	4.15%	135,000	15,790	3.750%	5,000	3,740	4.40%	375,000	35,163	3.00%
2021	25,000	11,140	4.15%	135,000	10,728	3.850%	5,000	3,520	4.40%	55,000	23,913	3.25%
2022	30,000	10,103	4.15%	140,000	5,530	3.950%	5,000	3,300	4.40%	55,000	22,125	3.25%
2023	30,000	8,858	4.15%				10,000	3,080	4.40%	60,000	20,338	3.50%
2024	30,000	7,613	4.35%				10,000	2,640	4.40%	60,000	18,238	3.50%
2025	35,000	6,308	4.35%				10,000	2,200	4.40%	65,000	16,138	3.63%
2026	35,000	4,785	4.35%				10,000	1,760	4.40%	65,000	13,781	3.63%
2027	35,000	3,263	4.35%				10,000	1,320	4.40%	70,000	11,425	3.88%
2028	40,000	1,740	4.35%				10,000	880	4.40%	70,000	8,713	3.88%
2029							10,000	440	4.40%	75,000	6,000	4.00%
2030										75,000	3,000	4.00%
	<u>1,580,000</u>	<u>284,975</u>		<u>2,095,000</u>	<u>346,898</u>		<u>865,000</u>	<u>129,258</u>		<u>3,000,000</u>	<u>598,606</u>	

	TAXABLE TEMPORARY NOTES ISSUED 6/1/10 - \$872,000			GENERAL OBLIGATION ISSUED 6/1/11 - \$1,420,000			GENERAL OBLIGATION ISSUED 11/15/11 - \$1,170,000			GENERAL OBLIGATION ISSUED 5/15/12 - \$1,890,000		
	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	225,000	2,813	2.50%	125,000	31,453	1.100%	115,000	14,975	0.80%	160,000	39,250	2.00%
2015				130,000	30,078	2.00%	115,000	14,055	1.00%	160,000	36,050	2.00%
2016				130,000	27,478	2.100%	110,000	12,905	1.25%	165,000	32,850	2.00%
2017				140,000	24,748	2.400%	115,000	11,530	1.50%	165,000	29,550	2.00%
2018				145,000	21,388	2.500%	120,000	9,805	1.70%	170,000	26,250	2.00%
2019				150,000	17,763	2.500%	120,000	7,765	1.90%	175,000	22,850	2.00%
2020				155,000	14,013	2.750%	125,000	5,485	2.10%	175,000	19,350	2.00%
2021				160,000	9,750	3.000%	130,000	2,860	2.20%	180,000	15,850	2.00%
2022				165,000	4,950	3.000%				180,000	12,250	2.00%
2023										185,000	8,650	2.00%
2024										15,000	4,950	3.00%
2025										15,000	4,500	3.00%
2026										15,000	4,050	3.00%
2027										20,000	3,600	3.00%
2028										20,000	3,000	3.00%
2029										20,000	2,400	3.00%
2030										20,000	1,800	3.00%
2031										20,000	1,200	3.00%
2032										20,000	600	3.00%
	<u>225,000</u>	<u>2,813</u>		<u>1,300,000</u>	<u>181,618</u>		<u>950,000</u>	<u>79,380</u>		<u>1,880,000</u>	<u>269,000</u>	

	GENERAL OBLIGATION - REFUNDING ISSUED 10/23/12 - \$6,270,000			GENERAL OBLIGATION ISSUED 5/31/13 - \$4,585,000			TOTAL GENERAL OBLIGATION DEBT SERVICE REQUIREMENTS		
	BOND AMOUNT	INTEREST AMOUNT	INTEREST RATES	BOND AMOUNT	INTEREST AMOUNT	INTEREST RATES	TOTAL BONDS	TOTAL INTEREST	TOTAL REQUIREMENTS
2014	380,000	108,425	2.00%	100,000	95,465	2.00%	4,010,000	1,029,001	5,039,001
2015	385,000	100,825	2.00%	290,000	93,465	2.00%	3,680,000	909,086	4,589,086
2016	395,000	93,125	2.00%	290,000	87,665	2.00%	3,470,000	794,546	4,264,546
2017	400,000	85,225	2.00%	300,000	81,865	2.00%	3,360,000	683,234	4,043,234
2018	410,000	77,225	2.00%	310,000	75,865	2.00%	3,120,000	576,406	3,696,406
2019	420,000	69,025	2.00%	310,000	69,665	2.00%	2,850,000	478,134	3,328,134
2020	430,000	60,625	1.50%	315,000	63,465	2.00%	2,575,000	388,149	2,963,149
2021	435,000	54,175	1.50%	320,000	57,165	2.00%	2,225,000	308,724	2,533,724
2022	440,000	47,650	1.65%	325,000	50,765	1.55%	1,895,000	239,004	2,134,004
2023	445,000	40,390	1.70%	335,000	45,728	1.70%	1,465,000	184,182	1,649,182
2024	410,000	32,825	1.75%	345,000	40,033	1.85%	1,185,000	146,686	1,331,686
2025	380,000	25,650	1.80%	130,000	33,650	2.05%	910,000	115,701	1,025,701
2026	390,000	18,810	1.90%	135,000	30,985	2.15%	875,000	89,978	964,978
2027	395,000	11,400	2.00%	145,000	28,083	2.25%	830,000	65,484	895,484
2028	175,000	3,500	2.00%	150,000	24,820	2.40%	465,000	42,653	507,653
2029				150,000	21,220	2.50%	255,000	30,060	285,060
2030				155,000	17,470	2.60%	250,000	22,270	272,270
2031				160,000	13,440	2.70%	180,000	14,640	194,640
2032				160,000	9,120	2.80%	180,000	9,720	189,720
2033				160,000	4,640	2.90%	160,000	4,640	164,640
	<u>5,890,000</u>	<u>828,875</u>		<u>4,585,000</u>	<u>944,573</u>		<u>33,940,000</u>	<u>6,132,298</u>	<u>40,072,298</u>

General Obligation Bonds
2003A Series
Dated: March 21, 2003
Original Value: \$1,360,000

Fiscal Period	Principal	Interest	Total	Rates
2013	65,000.00	35,360.00	100,360.00	3.450%
2014	70,000.00	33,117.50	103,117.50	3.550%
2015	75,000.00	30,632.50	105,632.50	3.650%
2016	75,000.00	27,895.00	102,895.00	3.750%
2017	75,000.00	25,082.50	100,082.50	3.850%
2018	80,000.00	22,195.00	102,195.00	3.950%
2019	85,000.00	19,035.00	104,035.00	4.050%
2020	90,000.00	15,592.50	105,592.50	4.100%
2021	90,000.00	11,902.50	101,902.50	4.200%
2022	95,000.00	8,122.50	103,122.50	4.250%
2023	95,000.00	4,085.00	99,085.00	4.300%
	<u>895,000.00</u>	<u>233,020.00</u>	<u>1,128,020.00</u>	

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

The Woodlands street	\$636,752
The Woodlands water	286,688
The Woodlands sanitary sewer	336,464
Monarch Meadows street	64,192
Monarch Meadows water	17,952
Monarch Meadows sanitary sewer	17,952
	<u>\$1,360,000</u>
Issuance costs, capitalized interest, contingency	0
	<u>\$1,360,000</u>

**General Obligation Bonds
2003A Series
Dated: March 21, 2003
Original Value: \$1,360,000**

Fiscal Period	Principal	Interest	Total	Rates
2014	70,000.00	33,117.50	103,117.50	3.550%
2015	75,000.00	30,632.50	105,632.50	3.650%
2016	75,000.00	27,895.00	102,895.00	3.750%
2017	75,000.00	25,082.50	100,082.50	3.850%
2018	80,000.00	22,195.00	102,195.00	3.950%
2019	85,000.00	19,035.00	104,035.00	4.050%
2020	90,000.00	15,592.50	105,592.50	4.100%
2021	90,000.00	11,902.50	101,902.50	4.200%
2022	95,000.00	8,122.50	103,122.50	4.250%
2023	95,000.00	4,085.00	99,085.00	4.300%
	830,000.00	197,660.00	1,027,660.00	

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

The Woodlands street	\$636,752
The Woodlands water	286,688
The Woodlands sanitary sewer	336,464
Monarch Meadows street	64,192
Monarch Meadows water	17,952
Monarch Meadows sanitary sewer	17,952
	\$1,360,000
Issuance costs, capitalized interest, contingency	0
	\$1,360,000

General Obligation Refunding Bonds
2003B Series
Dated: July 11, 2003
Original Value: \$5,250,000

Fiscal Period	Principal	Interest	Total	Rates
2014	240,000.00	22,790.00	262,790.00	3.100%
2015	250,000.00	15,350.00	265,350.00	3.250%
2016	125,000.00	7,225.00	132,225.00	3.400%
2017	85,000.00	2,975.00	87,975.00	3.500%

700,000.00	48,340.00	748,340.00
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Interest due April 1 and October 1. Principal due October 1

1993 Refunding	\$1,146,075
1993A1	309,750
1995A	1,139,775
1996A	354,900
1997A	429,975
1997B	729,750
1997C	210,000
1997F	929,775
	<u>\$5,250,000</u>
Issuance costs, capitalized interest, contingency	0
	<u><u>\$5,250,000</u></u>

**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	25,000.00	11,387.50	36,387.50	4.100%
2017	25,000.00	10,362.50	35,362.50	4.100%
2018	25,000.00	9,337.50	34,337.50	4.100%
2019	30,000.00	8,312.50	38,312.50	4.375%
2020	30,000.00	7,000.00	37,000.00	4.375%
2021	30,000.00	5,687.50	35,687.50	4.375%
2022	30,000.00	4,375.00	34,375.00	4.375%
2023	35,000.00	3,062.50	38,062.50	4.375%
2024	35,000.00	1,531.25	36,531.25	4.375%
	<u>535,000.00</u>	<u>94,823.75</u>	<u>629,823.75</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	10,000.00	5,530.00	15,530.00	4.00%
2016	10,000.00	5,130.00	15,130.00	4.00%
2017	15,000.00	4,730.00	19,730.00	4.00%
2018	15,000.00	4,130.00	19,130.00	4.00%
2019	15,000.00	3,530.00	18,530.00	4.10%
2020	10,000.00	2,915.00	12,915.00	4.10%
2021	15,000.00	2,505.00	17,505.00	4.10%
2022	15,000.00	1,890.00	16,890.00	4.20%
2023	15,000.00	1,260.00	16,260.00	4.20%
2024	15,000.00	630.00	15,630.00	4.20%
	<u>265,000.00</u>	<u>42,460.00</u>	<u>307,460.00</u>	

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	<u>236,592</u>
	<u>\$1,395,000</u>
Issuance costs, capitalized interest, contingency	<u>0</u>
	<u><u>\$1,395,000</u></u>

**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><u>\$4,005,000</u></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	45,000.00	21,672.50	66,672.50	3.950%
2017	45,000.00	19,895.00	64,895.00	3.950%
2018	45,000.00	18,117.50	63,117.50	3.950%
2019	50,000.00	16,340.00	66,340.00	3.950%
2020	50,000.00	14,365.00	64,365.00	3.950%
2021	55,000.00	12,390.00	67,390.00	4.200%
2022	55,000.00	10,080.00	65,080.00	4.200%
2023	60,000.00	7,770.00	67,770.00	4.200%
2024	60,000.00	5,250.00	65,250.00	4.200%
2025	65,000.00	2,730.00	67,730.00	4.200%
	970,000.00	196,120.00	1,166,120.00	

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	35,000.00	18,630.00	53,630.00	4.150%
2018	35,000.00	17,177.50	52,177.50	4.150%
2019	40,000.00	15,725.00	55,725.00	4.150%
2020	40,000.00	14,065.00	54,065.00	4.150%
2021	45,000.00	12,405.00	57,405.00	4.300%
2022	45,000.00	10,470.00	55,470.00	4.300%
2023	45,000.00	8,535.00	53,535.00	4.300%
2024	50,000.00	6,600.00	56,600.00	4.400%
2025	50,000.00	4,400.00	54,400.00	4.400%
2026	50,000.00	2,200.00	52,200.00	4.400%
	970,000.00	208,605.00	1,178,605.00	

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	50,000.00	9,797.50	59,797.50	3.900%
2017	15,000.00	7,847.50	22,847.50	3.900%
2018	15,000.00	7,262.50	22,262.50	3.900%
2019	15,000.00	6,677.50	21,677.50	3.900%
2020	20,000.00	6,092.50	26,092.50	3.900%
2021	20,000.00	5,312.50	25,312.50	4.250%
2022	20,000.00	4,462.50	24,462.50	4.250%
2023	20,000.00	3,612.50	23,612.50	4.250%
2024	20,000.00	2,762.50	22,762.50	4.250%
2025	20,000.00	1,912.50	21,912.50	4.250%
2026	25,000.00	1,062.50	26,062.50	4.250%
	<u>335,000.00</u>	<u>81,762.50</u>	<u>416,762.50</u>	

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
	<u>\$600,000</u>

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	70,000.00	8,215.00	78,215.00	3.700%
2016	75,000.00	5,625.00	80,625.00	3.750%
2017	75,000.00	2,812.50	77,812.50	3.750%

285,000.00	27,272.50	312,272.50
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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
	<u>630,000</u>
Issuance costs, capitalized interest, contingency	0
	<u>\$630,000</u>

**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	350,000.00	126,822.50	476,822.50	5.200%
2017	370,000.00	108,622.50	478,622.50	5.200%
2018	345,000.00	89,382.50	434,382.50	5.300%
2019	365,000.00	71,097.50	436,097.50	5.350%
2020	380,000.00	51,570.00	431,570.00	5.400%
2021	405,000.00	31,050.00	436,050.00	5.400%
2022	170,000.00	9,180.00	179,180.00	5.400%
	<u>3,040,000.00</u>	<u>792,675.00</u>	<u>3,832,675.00</u>	

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

Memorial Hall	\$156,643
Airport Terminal	192,200
KP&F Liability	<u>4,456,157</u>
	4,805,000
Issuance costs, capitalized interest, contingency	<u>0</u>
	<u><u>\$4,805,000</u></u>

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><u>\$3,005,000</u></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><u>\$2,860,000</u></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%
	865,000.00	129,257.50	994,257.50	

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
	\$1,320,000
Issuance costs, capitalized interest, contingency	0
	\$1,320,000

**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

**Taxable Temporary Notes
2010 Series
Dated: June 1, 2010
Original Value: \$872,000**

Fiscal Period	Principal	Interest	Total	Rates
2014	225,000.00	2,812.50	227,812.50	2.500%

225,000.00	2,812.50	227,812.50
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Interest due June 1 and December 1. Principal due June 1

Siemens Project - Railroad Spur	\$852,000
	\$852,000
Issuance costs, capitalized interest, contingency	20,000
	\$872,000

**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%
	<u>1,300,000.00</u>	<u>181,617.50</u>	<u>1,481,617.50</u>	

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
	<u>\$1,382,812</u>
Issuance costs, capitalized interest, contingency	37,188
	<u>\$1,420,000</u>

**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	<u>\$1,170,000</u>
	\$1,170,000
Issuance costs, capitalized interest, contingency	0
	<u>\$1,170,000</u>

**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%
	<u>5,890,000.00</u>	<u>828,875.00</u>	<u>6,718,875.00</u>	

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

Refund 2002 & 2006 Water Capital Loan Notes	<u>\$6,270,000</u>
	\$6,270,000
Issuance costs, capitalized interest, contingency	<u>0</u>
	<u>\$6,270,000</u>

**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

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

	2010 Actual	2011 Actual	2012 Actual	2013 Budget	2013 Revised	2014 Budget
Cash Balance, January 1	\$ 249,869	\$ 17,427	\$ 64,551	\$ 74,055	\$ 102,868	\$ 129,358
Revenues:						
Service Charges:						
Refuse Collection Fees	\$ 1,881,130	\$ 1,889,397	1,933,487	\$ 1,986,947	\$ 1,995,134	\$ 2,052,993
Residential Composting	(121)	-	-	-	-	-
Franchise Fees	160,109	164,890	155,370	175,150	158,400	161,500
Late Fees	29,266	27,977	27,528	28,000	28,000	28,000
Interest Income	5,150	4,664	1,545	500	500	500
Miscellaneous:						
Other	902	1,637	-	500	500	-
Audit Adjustment	-	-	-	-	-	-
Total Revenues	\$ 2,076,436	\$ 2,088,565	\$ 2,117,930	\$ 2,191,097	\$ 2,182,534	\$ 2,242,993
Transfers In	-	-	-	-	-	-
Funds available	\$ 2,326,305	\$ 2,105,992	\$ 2,182,481	\$ 2,265,152	\$ 2,285,402	\$ 2,372,351
Expenditures:						
Refuse Collection	\$ 2,058,878	\$ 2,041,441	\$ 2,023,793	\$ 2,119,400	\$ 2,093,250	\$ 2,164,250
Overhead Cost Allocation	-	-	55,820	62,794	62,794	63,136
Reserve Transfers	-	-	-	-	-	-
Total Expenditures	\$ 2,058,878	\$ 2,041,441	\$ 2,079,613	\$ 2,182,194	\$ 2,156,044	\$ 2,227,386
Transfers Out	250,000	-	-	-	-	-
Ending Balance, December 31	<u>\$ 17,427</u>	<u>\$ 64,551</u>	<u>\$ 102,868</u>	<u>\$ 82,958</u>	<u>\$ 129,358</u>	<u>\$ 144,965</u>

Department Summary

Department:	Division:	Activity:
Public Works	Refuse Collection	Refuse Collection (6710-490)

Program Description:

This is a summary of refuse collection. Beginning in February of 2003, the City refuse collection service is 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.

	<u>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>	<u>Change in Budget</u>
Expenditures:							
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Contractual Services	2,054,086	2,038,664	2,023,707	2,119,400	2,093,250	2,164,250	2.12%
Commodities	4,792	2,777	86	-	-	-	0.00%
Capital Outlay	-	-	-	-	-	-	0.00%
Total Expenditures	<u>\$ 2,058,878</u>	<u>\$ 2,041,441</u>	<u>\$ 2,023,793</u>	<u>\$ 2,119,400</u>	<u>\$ 2,093,250</u>	<u>\$ 2,164,250</u>	2.12%
Funding Sources:							
Service Charges	\$ 2,058,878	\$ 2,041,441	\$ 2,023,793	\$ 2,119,400	\$ 2,093,250	\$ 2,164,250	2.12%
Other	-	-	-	-	-	-	0.00%
Total Funding Sources	<u>\$ 2,058,878</u>	<u>\$ 2,041,441</u>	<u>\$ 2,023,793</u>	<u>\$ 2,119,400</u>	<u>\$ 2,093,250</u>	<u>\$ 2,164,250</u>	2.12%

Current 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 2014 is \$0.30 per month per cart, which is 2.9%. The basic residential customer monthly charge will increase from \$10.35 per month in 2013 to \$10.65 per month for 2014. For years after 2014, adjustments are as stipulated in the agreement (set rate or CPI-W adjustment).

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 53 tournaments annually with total rounds played each year averaging 28,000.

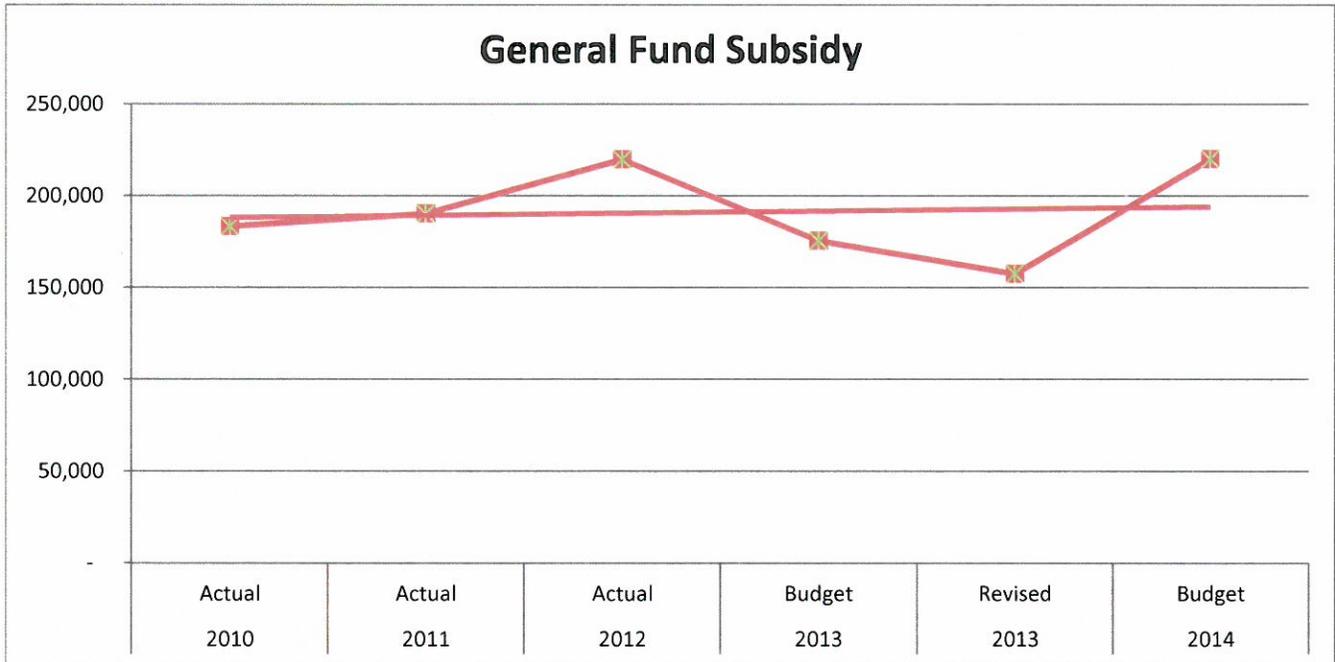
External revenues for both course fees and concessions projections are based on trends and cover approximately 75% of expenditures. The balances of expenditures are covered by a general fund transfer.

A master plan for the Carey Park golf course was completed in 2003. The plan lays out changes and improvements to be made to the course into the future. Funds have been included in the 5-year capital improvement program to implement the plan.

The Carey park golf course is an enterprise fund, however its revenues do not exceed its expenditures. The General fund provides a subsidy to offset its operating deficit. The General fund subsidy for the golf course is budgeted to be \$220,324 in fiscal year 2014 which is a \$44,642 or 25.4% increase from the 2013 fiscal year budget.

Golf Course (008) Fund Summary

	2010 Actual	2011 Actual	2012 Actual	2013 Budget	2013 Revised	2014 Budget
Cash Balance, January 1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Revenues	555,786	583,247	604,866	647,482	647,482	621,532
Transfers In - General fund	183,495	190,511	219,985	175,682	157,702	220,324
Funds available	\$ 739,281	\$ 773,758	\$ 824,851	\$ 823,164	\$ 805,184	\$ 841,856
Expenditures:						
Golf Course	\$ 619,670	\$ 663,309	\$ 637,706	\$ 658,028	\$ 637,723	\$ 656,424
Golf Course Concessions	119,611	110,449	129,145	131,136	133,462	131,931
Reserve Transfers-MERF	-	-	58,000	34,000	34,000	53,500
Total Expenditures	\$ 739,281	\$ 773,758	\$ 824,851	\$ 823,164	\$ 805,184	\$ 841,856
Transfers Out	-	-	-	-	-	-
Ending Balance, December 31	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -



Golf Course Fund (008) Revenue Summary

	2010 Actual	2011 Actual	2012 Actual	2013 Budget	2013 Revised	2014 Budget
Recreation & Concessions:						
Greens Fees	\$ 173,313	\$ 211,737	\$ 218,877	\$ 220,036	\$ 220,036	\$ 220,036
Improvement Fund Fees	40,684	-	-	-	-	-
Tournament Revenue	10,064	-	-	2,000	2,000	2,000
Season Passes	87,760	86,002	88,670	90,833	90,833	90,833
School Fees	3,650	-	-	5,844	5,844	5,844
Private Cart Fees	15,281	-	12,572	15,486	15,486	15,486
City Cart Rental	105,719	128,915	112,890	106,016	106,016	106,016
Locker Rental	1,880	2,170	2,060	2,685	2,685	2,685
Cart Shed Rental	10,344	-	9,898	13,082	13,082	13,082
Advertising	-	-	-	18,000	18,000	9,000
Golf Concessions	61,074	52,918	65,630	66,000	66,000	60,000
Golf Pro Shop	37,506	62,207	52,612	66,000	66,000	60,000
Driving Range	-	25,269	26,877	26,500	26,500	26,500
Miscellaneous:						
Reimbursement	6	-	873	-	-	300
Miscellaneous	7,724	14,006	13,906	15,000	15,000	9,750
Overages (Shortages)	781	23	-	-	-	-
Total	\$ 555,786	\$ 583,247	\$ 604,866	\$ 647,482	\$ 647,482	\$ 621,532

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.

	2010 Actual	2011 Actual	2012 Actual	2013 Budget	2013 Revised	2014 Budget	Change in Budget
Expenditures:							
Personal Services	\$ 417,578	\$ 438,130	\$ 458,244	\$ 463,288	\$ 445,838	\$ 452,413	-2.35%
Contractual Services	85,348	88,351	88,974	97,950	96,291	101,721	3.85%
Commodities	90,285	91,355	90,091	96,790	92,818	99,290	2.58%
Capital Outlay	26,459	45,473	397	-	2,775	3,000	#DIV/0!
Reserve Transfer to Merf	-	-					#DIV/0!
Total Expenditures	<u>\$ 619,670</u>	<u>\$ 663,309</u>	<u>\$ 637,706</u>	<u>\$ 658,028</u>	<u>\$ 637,723</u>	<u>\$ 656,424</u>	-0.24%
Funding Sources:							
Service Charges	\$ 436,175	\$ 472,798	\$ 475,721	\$ 516,346	\$ 514,020	\$ 489,601	-5.18%
General Fund Subsidy	183,495	190,511	161,985	141,682	123,702	166,824	17.74%
Total Funding Sources	<u>\$ 619,670</u>	<u>\$ 663,309</u>	<u>\$ 637,706</u>	<u>\$ 658,028</u>	<u>\$ 637,723</u>	<u>\$ 656,424</u>	-0.24%

Personnel Schedule

Full Time Equivalents

	2010 Actual	2011 Actual	2012 Actual	2013 Budget	2013 Revised	2014 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 Budget	2013 Revised	2014 Budget
Trees & Shrubs			3,400	2,775	3,000

Current Trends and Issues:

According to a National Golf Foundation study the number of golfers enter the game increased by 16 percent since 1990, with little drop off of existing golfers. Both public and private course also experienced a decrease of 20 percent in demand since 1990 or 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) = Percieve 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....invest in them appropriately.

Phase 1 of the Golf Master Plan was completed in 2009 and future phases of the plan continues to await funding. The next phase of the project will address holes 13, 18 and the driving range. This will include a new green complex with bunkering, removal of existing mounds, addition and removal of trees, new and expanded tee space, addition of target greens and updated irrigation heads and piping.

Department Summary

Department:

Parks and Facilities

Division:

Golf Course

Activity:

Golf Concessions (6925-570)

Program Description:

This budget is related to offering concession services at the Golf Course Clubhouse. This operation had been offered through a contractual arrangement with local vendor until the end of 2007. The contract expired in late 2007 and the vendor had no desire to continue offering the services. The concession operations at the Sports Arena and Fun Valley were also a part of the contract. When the Hutchinson Community College expressed a request to handle their own concession because the sliding level of service and likelihood that a qualified vendor would not be found locally, the City agreed that HCC would manage the concessions needed for the Sports Arena. The City also began to look at the concession operations as another revenue stream for both the Fun Valley and Golf Course operations and decided it would begin to provide these services using seasonal staff to operate the stands and existing full-time staff to manage the overall operation.

	<u>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>	<u>Change in Budget</u>
Expenditures:							
Personal Services	\$ 34,493	\$ 27,841	\$ 26,358	\$ 33,376	\$ 33,376	\$ 33,671	0.88%
Contractual Services	6,808	11,723	14,572	12,910	15,391	16,510	27.89%
Commodities	65,783	68,838	86,215	80,850	80,695	77,750	-3.83%
Capital Outlay	<u>12,527</u>	<u>2,047</u>	<u>2,000</u>	<u>4,000</u>	<u>4,000</u>	<u>4,000</u>	0.00%
Total Expenditures	<u>\$ 119,611</u>	<u>\$ 110,449</u>	<u>\$ 129,145</u>	<u>\$ 131,136</u>	<u>\$ 133,462</u>	<u>\$ 131,931</u>	0.61%
Funding Sources:							
Service Charges	\$ 119,611	\$ 110,449	\$ 129,145	\$ 131,136	\$ 133,462	\$ 131,931	0.61%
Other	-	-	-	-	-	-	
Total Funding Sources	<u>\$ 119,611</u>	<u>\$ 110,449</u>	<u>\$ 129,145</u>	<u>\$ 131,136</u>	<u>\$ 133,462</u>	<u>\$ 131,931</u>	0.61%

Capital Outlay:

<u>Item:</u>	<u>Quantity</u>	<u>Replacement/ New/Maint</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>
Cage for golf ball picker	1	New	2,000	2,000	
Beer can cooler	1	Replacement	2,000	2,000	
Concession & Computer Equipment					4,000

Current Trends and Issues:

This operation has been undergoing some significant transformation as new management is far more aggressive in reducing salary related expenses during the off-season. After a partial season, it has been demonstrated that this philosophy will have a significant impact on the expenses associated with this operation. It is anticipated that the concession operation will have revenues that exceed the direct operating expenses of the operation and make this a positive revenue generator for the Golf Course.

Airport Fund

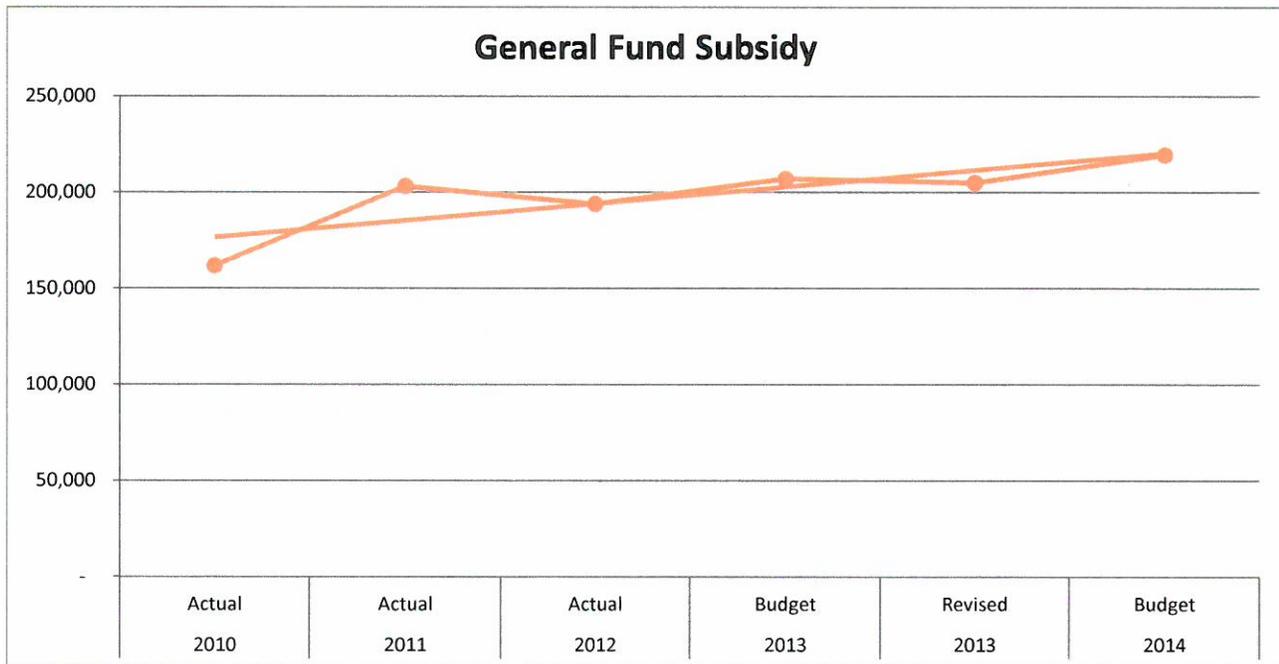
The Airport fund accounts for the operations of the Hutchinson Municipal Airport. This includes the main terminal, three runways, all taxiways, aprons, and related surrounds. The Airport handles approximately 60,000 flight operations annually and encompasses 1597 acres. The Airport has 11 tenants including 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 2014 is budgeted to be \$219,653. This is \$12,352 or 6.0% higher than the 2013 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

	2010 Actual	2011 Actual	2012 Actual	2013 Budget	2013 Revised	2014 Budget
Cash Balance, January 1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Revenues:						
Use of Money & Property:						
Restaurant Rent	\$ 49,269	\$ 47,214	\$ 47,214	\$ 47,214	\$ 47,214	\$ 47,214
Hangar Rent	105,593	72,975	109,064	61,697	61,697	61,697
T-Hangar rent	-	-	-	14,000	14,000	14,000
Other Rents & Fees	100	250	-	1,500	1,500	1,500
Office Rent	42,018	36,977	51,434	55,852	55,852	45,852
Farm Rent	3,502	1,532	2,533	1,432	1,432	1,432
Miscellaneous:						
Fuel Sales	14,076	8,239	13,237	16,000	16,000	8,000
Reimbursed Expenses	2,638	2,418	2,198	2,638	2,638	2,638
Total Revenues	<u>\$ 217,196</u>	<u>\$ 169,605</u>	<u>\$ 225,680</u>	<u>\$ 200,333</u>	<u>\$ 200,333</u>	<u>\$ 182,333</u>
Transfers In - General fund	<u>162,028</u>	<u>203,440</u>	<u>194,155</u>	<u>207,301</u>	<u>205,253</u>	<u>219,653</u>
Funds available	\$ 379,224	\$ 373,045	\$ 419,835	\$ 407,634	\$ 405,586	\$ 401,986
Expenditures:						
Airport Operations	\$ 379,224	\$ 373,045	\$ 364,835	\$ 371,934	\$ 371,086	\$ 386,486
Reserve Transfers-MERF	-	-	55,000	19,000	19,000	-
Total Expenditures	<u>\$ 379,224</u>	<u>\$ 373,045</u>	<u>\$ 419,835</u>	<u>\$ 390,934</u>	<u>\$ 390,086</u>	<u>\$ 386,486</u>
Transfers Out	<u>-</u>	<u>-</u>	<u>-</u>	<u>16,700</u>	<u>15,500</u>	<u>15,500</u>
Ending Balance, December 31	<u>\$ -</u>					



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 renown 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 review 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>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>	<u>Change in Budget</u>
Expenditures:							
Personal Services	\$ 155,456	\$ 167,204	\$ 163,585	\$ 177,361	\$ 178,581	\$ 176,314	-0.59%
Contractual Services	127,559	122,213	115,549	117,973	115,803	119,072	0.93%
Commodities	79,365	63,318	78,076	67,300	67,300	81,800	21.55%
Capital Outlay	16,844	20,310	7,625	9,300	9,402	9,300	0.00%
Total Expenditures	<u>\$ 379,224</u>	<u>\$ 373,045</u>	<u>\$ 364,835</u>	<u>\$ 371,934</u>	<u>\$ 371,086</u>	<u>\$ 386,486</u>	3.91%
Funding Sources:							
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Service Charges	217,196	169,605	225,680	200,333	200,333	182,333	-8.99%
General Fund Subsidy	162,028	203,440	139,155	171,601	170,753	204,153	18.97%
Total Funding Sources	<u>\$ 379,224</u>	<u>\$ 373,045</u>	<u>\$ 364,835</u>	<u>\$ 371,934</u>	<u>\$ 371,086</u>	<u>\$ 386,486</u>	3.91%

Department Summary

Department:	Division:	Activity:
Parks & Facilities	Airport	Airport (6971-573)

Personnel Schedule

Full Time Equivalents

	2010 Actual	2011 Actual	2012 Actual	2013 Budget	2013 Revised	2014 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 Budget	2013 Revised	2014 Budget
Pavement Improvements		Maintenance	800	800	800
Airport Improvements		Maintenance	5,000	5,000	5,000
Security Cameras (year 1 of 2)		New	3,500	3,500	3,500

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.

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 2.27 billion gallons of groundwater annually, which is provided to the City's water customers. Divisional staff also takes over 975 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 90 water main breaks, installs approximately 1,100 feet of new water mains, makes 60 service line taps and completes over 5,000 utility locates.

The Water Utility fund is projecting an ending fund balance in 2014 of \$5,099,717. Of this amount, \$586,700 or 11.5% 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 2013 is projected to be \$4,513,017.

Water Utility (051) Fund Summary

	2010 Actual	2011 Actual	2012 Actual	2013 Budget	2013 Revised	2014 Budget
Cash Balance, January 1	\$ 4,524,582	\$ 4,306,891	\$ 5,176,227	\$ 5,733,100	\$ 6,243,819	\$ 5,593,586
Revenues	7,092,592	7,635,020	7,512,987	7,234,482	7,234,482	7,269,368
Bond Proceeds	-	-	6,370,569	-	-	-
Transfers In			600,000		15,500	15,500
Prior Year Encumbrances Canceled	-	614,167	-	-	-	-
Funds available	\$ 11,617,174	\$ 12,556,078	\$ 19,659,783	\$ 12,967,582	\$ 13,493,801	\$ 12,878,454
Expenditures:						
Water Production	\$ 1,590,134	\$ 1,765,941	\$ 1,809,439	\$ 1,950,572	\$ 1,958,769	\$ 1,926,730
Water Distribution	1,129,634	1,324,897	1,187,172	1,303,604	1,237,422	1,269,058
Water Administration	1,303,279	1,149,412	563,342	557,614	557,614	561,412
Reserve Transfers-MERF	-	58,000	59,500	34,000	34,000	59,000
Reserve Transfers-CIP Reserve	616,929	775,000	775,000	825,000	825,000	1,175,000
Reserve Transfers-CIP Fund	-	184,690	-	-	60,000	63,833
Debt Service	1,196,299	1,196,298	7,560,466	1,196,298	1,196,298	647,206
Overhead Cost Allocation	918,428	918,427	1,447,280	1,535,334	1,535,334	1,581,228
Audit Adjustments	-	-	-	-	-	-
Accrued Interest Adjustment	-	-	-	-	-	-
Total Expenditures	\$ 6,754,703	\$ 7,372,665	\$ 13,402,199	\$ 7,402,422	\$ 7,404,437	\$ 7,283,468
Transfers Out	555,580	7,186	13,765	6,844	495,779	495,269
Ending Balance, December 31	<u>\$ 4,306,891</u>	<u>\$ 5,176,227</u>	<u>\$ 6,243,819</u>	<u>\$ 5,558,316</u>	<u>\$ 5,593,586</u>	<u>\$ 5,099,717</u>
Fund Balance Restrictions:						
Meter deposit	\$ 319,472	\$ 328,171	\$ 336,256	\$ 360,000	\$ 360,000	\$ 375,000
Well closure	190,000	194,000	199,500	205,500	205,500	211,700
Bond accounts	88,500	-	-	-	-	-
Depreciation & emergency reserve	100,000	-	-	-	-	-
Unrestricted	3,608,919	4,654,056	5,708,063	4,992,816	5,028,086	4,513,017
Total Fund Balance	<u>\$ 4,306,891</u>	<u>\$ 5,176,227</u>	<u>\$ 6,243,819</u>	<u>\$ 5,558,316</u>	<u>\$ 5,593,586</u>	<u>\$ 5,099,717</u>

Water Utility Fund (051) Revenue Summary

	<u>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>
Service Charges:						
Water Sales	\$ 6,520,878	\$ 7,061,955	\$ 6,915,748	\$ 6,701,415	\$ 6,701,415	\$ 6,734,482
Service Connection Fee	38,320	37,460	39,337	38,000	38,000	38,000
Tapping Charges	25,945	24,965	34,222	25,000	25,000	28,000
Connect/Disconnect Fees	44,436	53,770	49,323	43,000	43,000	48,000
Late Fees	70,490	79,912	73,594	61,000	61,000	71,168
Water District Surcharge	3,072	3,072	3,072	3,000	3,000	3,072
Franchise Fees	329,296	353,222	347,697	335,067	335,067	336,746
Interest Income	24,094	14,434	16,026	25,000	25,000	6,900
Miscellaneous	36,061	6,230	33,968	3,000	3,000	3,000
Bond Proceeds			6,370,569			
Audit Adjustments	-	-	-	-	-	-
Total	<u><u>\$ 7,092,592</u></u>	<u><u>\$ 7,635,020</u></u>	<u><u>\$ 13,883,556</u></u>	<u><u>\$ 7,234,482</u></u>	<u><u>\$ 7,234,482</u></u>	<u><u>\$ 7,269,368</u></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 975 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.

	<u>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>	<u>Change in Budget</u>
Expenditures:							
Personal Services	\$ 479,510	\$ 461,699	\$ 419,292	\$ 463,322	\$ 445,635	\$ 448,530	-3.19%
Contractual Services	657,665	715,369	786,016	886,400	855,194	888,850	0.28%
Commodities	319,279	374,881	451,170	418,100	475,190	496,600	18.78%
Capital Outlay	133,680	213,992	152,961	182,750	182,750	92,750	-49.25%
Total Expenditures	<u>\$ 1,590,134</u>	<u>\$ 1,765,941</u>	<u>\$ 1,809,439</u>	<u>\$ 1,950,572</u>	<u>\$ 1,958,769</u>	<u>\$ 1,926,730</u>	-1.22%
Funding Sources:							
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Service Charges	1,590,134	1,765,941	1,809,439	1,950,572	1,958,769	1,926,730	-1.22%
Other	-	-	-	-	-	-	0.00%
Total Funding Sources	<u>\$ 1,590,134</u>	<u>\$ 1,765,941</u>	<u>\$ 1,809,439</u>	<u>\$ 1,950,572</u>	<u>\$ 1,958,769</u>	<u>\$ 1,926,730</u>	-1.22%

Personnel Schedule

Full Time Equivalents

	<u>2010 Actual</u>	<u>2011 Revised</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>
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
Engineering Associate	0.50	0.50	-	-	-	-
Lead Water Treatment Oper.	1.00	1.00	-	1.00	1.00	1.00
Senior Water Treatment Oper.	-	-	-	2.00	2.00	2.00
Water Treatment Operator	5.00	5.00	5.00	2.00	2.00	2.00
Water Quality Coord.	1.00	1.00	-	-	-	-
Senior Water Prod. Workers	-	-	-	-	-	-
Water Production Workers	-	-	-	-	-	-
Environmental Geologist	-	-	-	-	-	-
Total	8.50	8.50	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 Budget	2013 Revised	2014 Budget
Office Equipment		Replacement	8,000	5,854	8,000
Prod. & Const. Equipment		Maintenance	90,000	90,000	65,000
Other Equipment		Replacement	84,750	84,750	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 4 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. \$200,000 is being transferred in fiscal year 2014 for the unspecified water treatment and production projects reserve (WTRUNS) and \$100,000 is being transferred in fiscal year 2014 for the water treatment and production equipment replacement reserve (WPEQUP). These are programmed as annual allocations to these capital project reserves.

Department Summary

Department:

Public Works

Division:

Water & Sewer Maintenance

Activity:

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 320 water service lines, repairs 90 water main breaks, makes 65 service line taps and completes over 5,000 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>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>	<u>Change in Budget</u>
Expenditures:							
Personal Services	\$ 719,366	\$ 880,694	\$ 753,229	\$ 789,604	\$ 752,434	\$ 738,458	-6.48%
Contractual Services	72,653	80,369	64,532	134,300	118,502	134,700	0.30%
Commodities	258,960	330,186	340,690	352,700	339,486	362,900	2.89%
Capital Outlay	78,655	33,648	28,721	27,000	27,000	33,000	22.22%
Total Expenditures	<u>\$ 1,129,634</u>	<u>\$ 1,324,897</u>	<u>\$ 1,187,172</u>	<u>\$ 1,303,604</u>	<u>\$ 1,237,422</u>	<u>\$ 1,269,058</u>	-2.65%
Funding Sources:							
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Service Charges	1,129,634	1,324,897	1,187,172	1,303,604	1,237,422	1,269,058	-2.65%
Other	-	-	-	-	-	-	0.00%
Total Funding Sources	<u>\$ 1,129,634</u>	<u>\$ 1,324,897</u>	<u>\$ 1,187,172</u>	<u>\$ 1,303,604</u>	<u>\$ 1,237,422</u>	<u>\$ 1,269,058</u>	-2.65%

Personnel Schedule

Full Time Equivalents

	<u>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>
Water/Sewer Superintendent	0.50	0.50	0.50	0.50	0.50	0.50
Engineering Associate	0.25	0.25	-	-	-	-
Water Maint. Supervisor	1.00	1.00	1.00	1.00	1.00	1.00
Administrative Staff Aide	0.50	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	13.75	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 Budget	2013 Revised	2014 Budget
Land, Right-of-Way, etc.		New	2,000	2,000	2,000
New Water Meters		New	25,000	25,000	25,000
Pipe Locator & 3" Hydraulic Pump		New			6,000

Current Trends and Issues:

In the 2014 Capital Improvement Program, \$400,000 is being transferred from the Water Fund into water line replacement and expansion reserves - \$100,000 is going for water lines in new developments to encourage development and \$300,000 is going into water line replacement, repair and expansion projects. As the buried water line infrastructure continues to age with many of the lines starting to approach their useful life, it is anticipated that the annual allocation into this repair and replacement reserve will need to be increased, possibly starting as early as 2015.

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 expenses for the Water Utility System. 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.

	<u>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>	<u>Change in Budget</u>
Expenditures:							
Personal Services	\$ 440,036	\$ 413,063	\$ -	\$ -	\$ -	\$ -	0.00%
Contractual Services	635,315	668,586	557,991	557,614	557,614	561,412	0.68%
Commodities	19,339	31,763	-	-	-	-	0.00%
Capital Outlay	208,589	36,000	5,351	-	-	-	0.00%
Total Expenditures	<u>\$ 1,303,279</u>	<u>\$ 1,149,412</u>	<u>\$ 563,342</u>	<u>\$ 557,614</u>	<u>\$ 557,614</u>	<u>\$ 561,412</u>	0.68%
Funding Sources:							
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Service Charges	1,303,279	1,149,412	563,342	557,614	557,614	561,412	0.68%
Other	-	-	-	-	-	-	0.00%
Total Funding Sources	<u>\$ 1,303,279</u>	<u>\$ 1,149,412</u>	<u>\$ 563,342</u>	<u>\$ 557,614</u>	<u>\$ 557,614</u>	<u>\$ 561,412</u>	0.68%

Personnel Schedule

Full Time Equivalents

	<u>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>
Utility Office Manager	1.00	1.00	-	-	-	-
Water Service Tech.	4.00	4.00	-	-	-	-
Utility Clerk	3.00	3.00	-	-	-	-
Asst. Officer Manager	-	-	-	-	-	-
Total	8.00	8.00	-	-	-	-

Capital Outlay:

<u>Item:</u>	<u>Quantity</u>	<u>Replacement/ New/Maint</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>

Current 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
December 31, 2012

KANSAS WATER POLLUTION CONTROL LOAN					
ISSUED 10/27/05 - \$10,000,000					
	BOND AMOUNT	INTEREST AMOUNT	FEES AMOUNT	TOTAL	INTEREST RATES
2013	433,207	193,811	20,189	647,206	2.650%
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%
	8,183,034	1,674,261	174,402	10,031,697	

**Kansas Water Pollution Control Loan
Water Fund
#1666**

**Dated: October 27, 2005
Original Value: \$10,000,000**

Fiscal Period	Principal	Interest	Fees	Total	Rates
2013	433,206.99	193,810.68	20,188.61	647,206.28	2.650%
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>8,183,034.13</u>	<u>1,674,261.09</u>	<u>174,402.12</u>	<u>10,031,697.34</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 2014 budget, the sewer allocation to the capital reserves increases from \$500,000 to \$800,000. Reserves for WWTF projects are \$444,000 in the 2014 budget including \$375,000 for a sewer cleaner truck which is a chassis mounted high pressure sewer cleaning machine.

Sewer Utility (052) Fund Summary

	<u>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>
Cash Balance, January 1	\$ 2,111,958	\$ 2,350,640	\$ 3,395,900	\$ 3,429,706	\$ 4,341,642	\$ 3,981,318
Revenues	11,391,215	7,326,199	6,208,255	6,005,942	5,996,027	6,032,025
Prior Year Encumbrances Canceled	-	143,475	-	-	-	-
Funds available	<u>\$ 13,503,173</u>	<u>\$ 9,820,314</u>	<u>\$ 9,604,155</u>	<u>\$ 9,435,648</u>	<u>\$ 10,337,669</u>	<u>\$ 10,013,343</u>
Expenditures:						
Wastewater Treatment Plant	\$ 2,634,684	\$ 2,330,622	\$ 2,056,399	\$ 2,545,887	\$ 2,526,369	\$ 2,422,229
Sanitary Sewer Maintenance	867,203	892,544	861,397	1,084,005	1,056,177	1,074,400
Reserve Transfers-MERF	-	34,000	63,000	150,000	150,000	444,000
Reserve Transfers-CIP Reserve	317,218	300,000	-	500,000	500,000	800,000
Reserve Transfers-CIP Fund	-	139,200	300,000	-	60,000	63,833
Debt Service	6,078,920	2,021,934	721,095	596,888	596,888	596,888
Overhead Cost Allocation	698,928	698,928	1,253,259	1,334,438	1,334,438	1,358,759
Audit Adjustments	-	-	-	-	-	-
Accrued Interest Adjustment	-	-	-	-	-	-
Total Expenditures	<u>\$ 10,596,953</u>	<u>\$ 6,417,228</u>	<u>\$ 5,255,150</u>	<u>\$ 6,211,218</u>	<u>\$ 6,223,872</u>	<u>\$ 6,760,110</u>
Transfers Out	<u>555,580</u>	<u>7,186</u>	<u>7,363</u>	<u>132,479</u>	<u>132,479</u>	<u>136,819</u>
Ending Balance, December 31	<u><u>\$ 2,350,640</u></u>	<u><u>\$ 3,395,900</u></u>	<u><u>\$ 4,341,642</u></u>	<u><u>\$ 3,091,951</u></u>	<u><u>\$ 3,981,318</u></u>	<u><u>\$ 3,116,414</u></u>
Fund Balance Restrictions:						
Bond sinking	\$ 88,500	\$ -	\$ -	\$ -	\$ -	\$ -
Depreciation & emergency reserve	100,000	-	-	-	-	-
Unrestricted	<u>2,162,140</u>	<u>3,395,900</u>	<u>4,341,642</u>	<u>3,091,951</u>	<u>3,981,318</u>	<u>3,116,414</u>
Total Fund Balance	<u><u>\$ 2,350,640</u></u>	<u><u>\$ 3,395,900</u></u>	<u><u>\$ 4,341,642</u></u>	<u><u>\$ 3,091,951</u></u>	<u><u>\$ 3,981,318</u></u>	<u><u>\$ 3,116,414</u></u>

Sewer Utility Fund (052) Revenue Summary

	<u>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>
Licenses & Permits:						
Sewer Permits	\$ 1,275	\$ 1,250	\$ 4,050	\$ 1,200	\$ 750	\$ 1,400
Service Charges:						
Sewer Use Charges	5,562,354	5,717,396	5,832,091	5,658,666	5,658,666	5,686,959
Late Fees	47,049	50,093	49,215	46,000	47,978	48,218
Franchise Fees	279,741	285,715	291,357	281,577	282,933	284,348
Tapping Fees	7,500	21,440	25	-	-	-
Loan/Bond Proceeds	5,464,315	1,161,050	-	-	-	-
Miscellaneous:						
Salvaged Material	-	262	147	-	100	-
Reimbursements	548	62,415	7,171	500	3,000	500
Use of Money & Property:						
Rental of Property	-	8,000	16,000	8,000	-	8,000
Interest Income	28,433	18,578	8,199	10,000	2,600	2,600
Total	<u>\$ 11,391,215</u>	<u>\$ 7,326,199</u>	<u>\$ 6,208,255</u>	<u>\$ 6,005,942</u>	<u>\$ 5,996,027</u>	<u>\$ 6,032,025</u>

Department Summary

Department:

Public Works

Division:

Wastewater Treatment

Activity:

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 treatment 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 6,200 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>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>	<u>Change in Budget</u>
Expenditures:							
Personal Services	\$ 924,507	\$ 808,143	\$ 733,698	\$ 906,770	\$ 899,110	\$ 842,129	-7.13%
Contractual Services	1,362,366	1,095,905	947,931	1,126,042	1,102,684	1,105,675	-1.81%
Commodities	291,211	368,238	334,777	439,025	450,525	450,525	2.62%
Capital Outlay	<u>56,600</u>	<u>58,336</u>	<u>39,993</u>	<u>74,050</u>	<u>74,050</u>	<u>23,900</u>	-67.72%
Total Expenditures	<u>\$ 2,634,684</u>	<u>\$ 2,330,622</u>	<u>\$ 2,056,399</u>	<u>\$ 2,545,887</u>	<u>\$ 2,526,369</u>	<u>\$ 2,422,229</u>	-4.86%
Funding Sources:							
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Service Charges	2,634,684	2,330,622	2,056,399	2,545,887	2,526,369	2,422,229	-4.86%
Other	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	0.00%
Total Funding Sources	<u>\$ 2,634,684</u>	<u>\$ 2,330,622</u>	<u>\$ 2,056,399</u>	<u>\$ 2,545,887</u>	<u>\$ 2,526,369</u>	<u>\$ 2,422,229</u>	-4.86%

Personnel Schedule

Full Time Equivalents

	<u>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>
WW Treatment Supt.	1.00	1.00	1.00	1.00	1.00	1.00
WW Treatment Asst. Supt.	1.00	1.00	-	-	-	-
WW Treatment Maint Supv	-	-	1.00	1.00	1.00	1.00
Administrative Staff Aide	0.50	0.50	-	-	-	-
Chemist	1.00	1.00	-	-	-	-
Lead Lab Technician	-	-	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	1.00
Plant Operators	5.00	5.00	5.00	5.00	5.00	4.00
Operator Trainee	-	-	-	-	-	-
Senior Maint. Worker	2.00	2.00	1.00	1.00	1.00	1.00
Maintenance Worker	4.00	4.00	5.00	5.00	5.00	5.00
Utility Clerk	2.00	2.00	-	-	-	-
Secretary	<u>0.50</u>	<u>0.50</u>	<u>0.50</u>	<u>0.50</u>	<u>0.50</u>	<u>0.50</u>
Total	20.00	20.00	17.50	17.50	17.50	16.50

Department Summary

Department:	Division:	Activity:
Public Works	Wastewater Treatment	Wastewater Treatment Plant (6510-494)

Capital Outlay:

Item:	Quantity	Replacement/ New/Maint	2013 Budget	2013 Revised	2014 Budget
WIMS software & PDA	1	New	4,460	4,460	
Cabinets for laboratory	1	Replacement	9,590	9,590	
Office Equipment		Replacement	10,000	10,000	
Dissolved Oxygen Measurement Equipment	4	New	50,000	50,000	
Moisture Analyzer					4,900
Lab Cabinets					9,000
SCADA systems updates					10,000

Current 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 2014 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 help reduce the amount of future debt required for this project.

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. \$150,000 is being transferred 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 for these improvements, possibly starting as early as 2015.

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 246 miles of sanitary sewer lines and over 5,394 manholes. Each year, on average, staff cleans 66 miles of sanitary sewer lines, inspect, by camera, 29 miles of sanitary sewer lines, and complete 74 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>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>	<u>Change in Budget</u>
Expenditures:							
Personal Services	\$ 618,450	\$ 595,913	\$ 577,882	\$ 715,212	\$ 684,824	\$ 689,107	-3.65%
Contractual Services	95,418	117,278	100,234	197,168	200,029	200,468	1.67%
Commodities	125,320	175,853	142,635	166,625	166,325	171,325	2.82%
Capital Outlay	28,015	3,500	40,646	5,000	5,000	13,500	170.00%
Total Expenditures	<u>\$ 867,203</u>	<u>\$ 892,544</u>	<u>\$ 861,397</u>	<u>\$ 1,084,005</u>	<u>\$ 1,056,177</u>	<u>\$ 1,074,400</u>	-0.89%
Funding Sources:							
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Service Charges	867,203	892,544	861,397	1,084,005	1,056,177	1,074,400	-0.89%
Other	-	-	-	-	-	-	0.00%
Total Funding Sources	<u>\$ 867,203</u>	<u>\$ 892,544</u>	<u>\$ 861,397</u>	<u>\$ 1,084,005</u>	<u>\$ 1,056,177</u>	<u>\$ 1,074,400</u>	-0.89%

Personnel Schedule

Full Time Equivalents

	<u>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>
Water/Sewer Superintendent	0.50	0.50	0.50	0.50	0.50	0.50
Engineering Associate	0.25	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
Lead Maint. Worker	2.00	2.00	2.00	2.00	2.00	2.00
Maintenance Worker	9.00	9.00	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	13.25	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 Budget	2013 Revised	2014 Budget
Software/computer system upgrades		Replacement	\$ 5,000	\$ 5,000	\$ 5,000
Generator & Mixer		New			8,500

Current Trends and Issues:

In the 2014 capital improvement program, \$150,000 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, possibly starting as early as 2015. \$100,000 is also being transferred from the Sewer Fund to the Severance Street Interceptor Sewer replacement project. These funds are being accumulated to replace or refurbish the 48" interceptor sewer line in the near future. The money is being transferred to help reduce the amount of future debt required for the project.

CITY OF HUTCHINSON
SCHEDULE OF SEWER BOND INDEBTEDNESS
December 31, 2012

KANSAS WATER POLLUTION CONTROL LOAN
ISSUED 3/14/02 - \$6,800,000

	BOND AMOUNT	INTEREST AMOUNT	FEES AMOUNT	INTEREST RATES
2013	280,643	106,679	9,358	3.100%
2014	289,411	98,618	8,651	3.100%
2015	298,452	90,306	7,922	3.100%
2016	307,776	81,735	7,170	3.100%
2017	317,391	72,895	6,394	3.100%
2018	327,306	63,779	5,595	3.100%
2019	337,531	54,379	4,770	3.100%
2020	348,076	44,685	3,920	3.100%
2021	358,950	34,688	3,043	3.100%
2022	370,163	24,378	2,138	3.100%
2023	381,727	13,747	1,206	3.100%
2024	195,313	2,783	244	3.100%
2025				
2026				
2027				
2028				
2029				
2030				
2031				
	<u>3,812,737</u>	<u>688,671</u>	<u>60,410</u>	

KANSAS WATER POLLUTION CONTROL LOAN
ISSUED 10/21/09 - \$3,068,553

	BOND AMOUNT	INTEREST AMOUNT	FEES AMOUNT	INTEREST RATES
	122,282	70,764	7,162	2.470%
	125,630	67,724	6,855	2.470%
	129,071	64,599	6,538	2.470%
	132,605	61,390	6,214	2.470%
	136,237	58,092	5,880	2.470%
	139,968	54,704	5,537	2.470%
	143,801	51,223	5,185	2.470%
	147,739	47,647	4,823	2.470%
	151,785	43,973	4,451	2.470%
	155,941	40,199	4,069	2.470%
	160,212	36,321	3,676	2.470%
	164,599	32,337	3,273	2.470%
	169,106	28,244	2,859	2.470%
	173,737	24,038	2,433	2.470%
	178,495	19,718	1,996	2.470%
	183,383	15,279	1,546	2.470%
	188,405	10,719	1,085	2.470%
	193,565	6,033	611	2.470%
	98,761	1,220	124	2.470%
	<u>2,895,322</u>	<u>734,224</u>	<u>74,314</u>	

TOTAL KWPC LOANS

	BOND AMOUNT	INTEREST AMOUNT	FEES AMOUNT	TOTAL
2013	402,925	177,443	16,520	596,888
2014	415,041	166,342	15,505	596,888
2015	427,523	154,906	14,460	596,888
2016	440,381	143,124	13,383	596,888
2017	453,627	130,987	12,274	596,888
2018	467,274	118,483	11,132	596,888
2019	481,332	105,602	9,955	596,888
2020	495,814	92,332	8,742	596,888
2021	510,734	78,661	7,494	596,888
2022	526,104	64,577	6,207	596,888
2023	541,939	50,068	4,882	596,888
2024	359,912	35,120	3,517	398,549
2025	169,106	28,244	2,859	200,209
2026	173,737	24,038	2,433	200,209
2027	178,495	19,718	1,996	200,209
2028	183,383	15,279	1,546	200,209
2029	188,405	10,719	1,085	200,209
2030	193,565	6,033	611	200,209
2031	98,761	1,220	124	100,104
	<u>6,708,059</u>	<u>1,422,895</u>	<u>134,724</u>	<u>8,265,678</u>

**Kansas Water Pollution Control Loan
Sewer Fund
#1517
Dated: March 14, 2002
Original Value: \$6,800,000**

Fiscal Period	Principal	Interest	Fees	Total	Rates
2013	280,643.24	106,678.80	9,357.78	396,679.82	3.100%
2014	289,410.60	98,618.48	8,650.74	396,679.82	3.100%
2015	298,451.87	90,306.36	7,921.59	396,679.82	3.100%
2016	307,775.58	81,734.56	7,169.68	396,679.82	3.100%
2017	317,390.56	72,894.97	6,394.29	396,679.82	3.100%
2018	327,305.92	63,779.24	5,594.66	396,679.82	3.100%
2019	337,531.04	54,378.73	4,770.05	396,679.82	3.100%
2020	348,075.60	44,684.54	3,919.68	396,679.82	3.100%
2021	358,949.56	34,687.50	3,042.76	396,679.82	3.100%
2022	370,163.24	24,378.15	2,138.43	396,679.82	3.100%
2023	381,727.23	13,746.75	1,205.84	396,679.82	3.100%
2024	195,312.57	2,783.20	244.14	198,339.91	3.100%
	<u>3,812,737.01</u>	<u>688,671.28</u>	<u>60,409.64</u>	<u>4,561,817.93</u>	

Principal and Interest due March 1 and September 1

Project:

Install water main between 30th & 43rd Avenues and Obbe Road and Healstead Street including the Sherwood Hills and Hillcrest Additions.

**Kansas Water Pollution Control Loan
Sewer Fund
#1780**

**Dated: October 21, 2009
Original Value: \$3,068,553 ***

Fiscal Period	Principal	Interest	Fees	Total	Rates
2013	122,281.80	70,764.47	7,162.39	200,208.66	2.470%
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>2,895,322.33</u>	<u>734,223.67</u>	<u>74,314.21</u>	<u>3,703,860.21</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 2014.

The storm water fee rate plan included in the 2014 budget is unchanged from the 2013 budget.

Storm Water Utility (057) Fund Summary

	<u>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>
Cash Balance, January 1	\$ 382,481	\$ 360,551	\$ 477,897	\$ 686,165	\$ 691,861	\$ 231,919
Revenues:						
Service Charges	\$ 280,896	\$ 283,851	\$ 284,446	\$ 564,000	\$ 522,819	\$ 530,000
Interest Income	398	406	1,017	500	500	-
Reimbursements	-	-	-	-	-	-
Total Revenues	<u>\$ 281,294</u>	<u>\$ 284,257</u>	<u>\$ 285,463</u>	<u>\$ 564,500</u>	<u>\$ 523,319</u>	<u>\$ 530,000</u>
Transfers In	-	-	-	-	-	-
Funds available	\$ 663,775	\$ 644,808	\$ 763,360	\$ 1,250,665	\$ 1,215,180	\$ 761,919
Expenditures:						
Storm Water Administration	\$ 52,009	\$ 66,911	\$ 71,499	\$ 79,945	\$ 39,007	\$ 69,836
Storm Sewer Maintenance	-	-	-	10,600	10,600	10,600
Reserve Transfers-CIP Fund	251,215	-	-	800,000	800,000	430,548
Reserve Transfers-CIP Reserve	-	100,000	-	70,000	70,000	110,000
Overhead Cost Allocation	-	-	-	32,135	32,135	46,987
Total Expenditures	<u>\$ 303,224</u>	<u>\$ 166,911</u>	<u>\$ 71,499</u>	<u>\$ 992,680</u>	<u>\$ 951,742</u>	<u>\$ 667,971</u>
Transfers Out	-	-	-	78,500	31,519	31,519
Ending Balance, December 31	<u><u>\$ 360,551</u></u>	<u><u>\$ 477,897</u></u>	<u><u>\$ 691,861</u></u>	<u><u>\$ 179,485</u></u>	<u><u>\$ 231,919</u></u>	<u><u>\$ 62,429</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>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>	<u>Change in Budget</u>
Expenditures:							
Personal Services	\$ 39,589	\$ 59,911	\$ 68,862	\$ 74,535	\$ 36,817	\$ 64,106	-13.99%
Contractual Services	12,420	-	1,837	2,960	2,190	2,730	-7.77%
Commodities	-	-	800	2,450	-	3,000	22.45%
Capital Outlay	-	7,000	-	-	-	-	
Total Expenditures	<u>\$ 52,009</u>	<u>\$ 66,911</u>	<u>\$ 71,499</u>	<u>\$ 79,945</u>	<u>\$ 39,007</u>	<u>\$ 69,836</u>	-12.64%
Funding Sources:							
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Service Charges	52,009	66,911	71,499	79,945	39,007	69,836	-12.64%
Other	-	-	-	-	-	-	0.00%
Total Funding Sources	<u>\$ 52,009</u>	<u>\$ 66,911</u>	<u>\$ 71,499</u>	<u>\$ 79,945</u>	<u>\$ 39,007</u>	<u>\$ 69,836</u>	-12.64%

Personnel Schedule

Full Time Equivalents

	<u>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 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

Current Trends and Issues:

In 2013, the Storm Sewer activity was transferred to the Storm Water Fund. The anticipated storm water fee increases should be able to absorb these costs, which is a more appropriate funding source than the General fund. Storm sewer improvements have been planned as part of the storm water utility, however, they have been intermittent due to the certification requirements of the levee system. With an increase in the storm water fee, implementing the storm sewer master plan may begin to be possible. The extent to which improvements will be able to be made is yet to be known.

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>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>	<u>Change in Budget</u>
Expenditures:							
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Contractual Services	-	-	-	325	325	325	0.00%
Commodities	-	-	-	10,275	10,275	10,275	0.00%
Capital Outlay	-	-	-	-	-	-	0.00%
Total Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,600</u>	<u>\$ 10,600</u>	<u>\$ 10,600</u>	0.00%
Funding Sources:							
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Service Charges	-	-	-	10,600	-	-	0.00%
General Revenues	-	-	-	-	10,600	-	0.00%
Total Funding Sources	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,600</u>	<u>\$ 10,600</u>	<u>\$ -</u>	-100.00%

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.

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 12/21/2012 balances accounted for in the Donations fund include:

- Hutch Card program for park and/or zoo improvements - \$53,539.
- Brush-up Hutch for painting aging homes - \$9,411
- Park Tree Donations - \$16,878
- Cannon Restoration - \$10,568
- Zoo Improvements - \$11,118
- PD Hardship program - \$4,520

Donations (048) Fund Summary

	<u>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>
Cash Balance, January 1	\$ 117,854	\$ 100,101	\$ 186,334	\$ 186,334	\$ 224,812	\$ 224,812
Revenues:						
Miscellaneous	\$ -	\$ 216,669	\$ 177,043	\$ -	\$ -	\$ -
Donations	57,122	72,897	101,226	-	-	-
Reserve Transfers-General Fund	-	6,030	-	-	-	-
Reserve Transfers-CIP Fund	1,462	46,367	-	-	-	-
Total Revenues	<u>\$ 58,584</u>	<u>\$ 341,963</u>	<u>\$ 278,269</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Funds available	\$ 176,438	\$ 442,064	\$ 464,603	\$ 186,334	\$ 224,812	\$ 224,812
Expenditures:						
Contractual Services	\$ 76,201	\$ 209,976	\$ 217,423	\$ -	\$ -	\$ -
Capital Outlay	136	-	-	-	-	-
Reserve Transfers-CIP Fund	-	45,754	22,368	-	-	-
Total Expenditures	<u>\$ 76,337</u>	<u>\$ 255,730</u>	<u>\$ 239,791</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Ending Balance, December 31	<u>\$ 100,101</u>	<u>\$ 186,334</u>	<u>\$ 224,812</u>	<u>\$ 186,334</u>	<u>\$ 224,812</u>	<u>\$ 224,812</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>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>
Cash Balance, January 1	\$ 23,926	\$ 38,800	\$ 27,919	\$ 27,919	\$ 53,069	\$ 53,219
Revenues:						
Interest Income	\$ 28	\$ 46	\$ 89	\$ -	\$ 150	\$ -
Donations	35,820	5,730	65,386	-	-	-
Total Revenues	<u>\$ 35,848</u>	<u>\$ 5,776</u>	<u>\$ 65,475</u>	<u>\$ -</u>	<u>\$ 150</u>	<u>\$ -</u>
Transfers in	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Funds available	\$ 59,774	\$ 44,576	\$ 93,394	\$ 27,919	\$ 53,219	\$ 53,219
Expenditures:						
Contractual Services	\$ 20,974	\$ 16,657	\$ 40,325	\$ -	\$ -	\$ -
Capital Outlay	-	-	-	-	-	-
Total Expenditures	<u>\$ 20,974</u>	<u>\$ 16,657</u>	<u>\$ 40,325</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Ending Balance, December 31	<u><u>\$ 38,800</u></u>	<u><u>\$ 27,919</u></u>	<u><u>\$ 53,069</u></u>	<u><u>\$ 27,919</u></u>	<u><u>\$ 53,219</u></u>	<u><u>\$ 53,219</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

	<u>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>
Cash Balance, January 1	\$ (1,136)	\$ 114,331	\$ 480,608	\$ 480,608	\$ 196,692	\$ 196,692
Revenues:						
Intergovernmental	\$ 2,297,510	\$ 1,673,298	\$ 846,424	\$ -	\$ -	\$ -
Interest Income	-	97	380	-	-	-
Miscellaneous	63,898	202,437	207,366	-	-	-
Reserve Transfers In-General	-	29,935	-	-	-	-
Total Revenues	<u>\$ 2,361,408</u>	<u>\$ 1,905,767</u>	<u>\$ 1,054,170</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Funds available	\$ 2,360,272	\$ 2,020,098	\$ 1,534,778	\$ 480,608	\$ 196,692	\$ 196,692
Expenditures:						
Contractual Services	\$ 120,749	\$ 477,183	\$ 693,897	\$ -	\$ -	\$ -
Commodities	609,665	26,514	62,156	-	-	-
Capital Outlay	510,621	74,201	353,909	-	-	-
Reserve Transfers-CIP Fund	1,004,906	961,592	228,125	-	-	-
Total Expenditures	<u>\$ 2,245,941</u>	<u>\$ 1,539,490</u>	<u>\$ 1,338,086</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Transfers Out	-	-	-	-	-	-
Ending Balance, December 31	<u>\$ 114,331</u>	<u>\$ 480,608</u>	<u>\$ 196,692</u>	<u>\$ 480,608</u>	<u>\$ 196,692</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 Period	Principal	Interest	Total
2013	44,123	12,718	56,840
2014	46,084	11,328	57,411
2015	48,045	9,807	57,851
2016	49,025	8,173	57,198
2017	51,967	6,458	58,424
2018	53,928	4,587	58,514
2019	4,903	2,591	7,494
2020	4,903	2,388	7,291
2021	4,903	2,185	7,087
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	8,100
2026	6,864	938	7,802
2027	6,864	640	7,503
2028	7,844	341	8,185
	<u>\$ 353,961</u>	<u>\$ 68,601</u>	<u>\$ 422,562</u>

**Gossage Animal Shelter Trust (007)
Fund Summary**

	<u>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>
Cash Balance, January 1	\$ 58,355	\$ 41,120	\$ 1,006	\$ 599	\$ 259	\$ -
Revenues:						
Interest Income	\$ 5	\$ 6	\$ 41	\$ -	\$ -	\$ -
Donations	38,187	15,834	55,362	56,500	56,581	57,411
Total Revenues	<u>\$ 38,192</u>	<u>\$ 15,840</u>	<u>\$ 55,403</u>	<u>\$ 56,500</u>	<u>\$ 56,581</u>	<u>\$ 57,411</u>
Transfers in	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Funds available	\$ 96,547	\$ 56,960	\$ 56,409	\$ 57,099	\$ 56,840	\$ 57,411
Expenditures:						
Reserve Transfer-Bond & Interest	\$ 55,427	\$ 55,954	\$ 56,407	\$ 56,840	\$ 56,840	\$ 57,411
Reserve Transfer-CIP Fund	-	-	-	-	-	-
Total Expenditures	<u>\$ 55,427</u>	<u>\$ 55,954</u>	<u>\$ 56,407</u>	<u>\$ 56,840</u>	<u>\$ 56,840</u>	<u>\$ 57,411</u>
Ending Balance, December 31	<u>\$ 41,120</u>	<u>\$ 1,006</u>	<u>\$ 2</u>	<u>\$ 259</u>	<u>\$ -</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 2014 is \$1,718,932. Listed below are totals for MERF requirements by category.

MERF Program Totals	
General Fund MERF	\$707,551
Non-General Fund MERF	635,500
Computer/WAN MERF	293,680
Copier MERF	34,201
Backhoe MERF	<u>48,000</u>
Total	\$1,718,932

Municipal Equipment Replacement (036) Fund Summary

	2010 Actual	2011 Actual	2012 Actual	2013 Budget	2013 Revised	2014 Budget
Cash Balance, January 1	\$ 759,261	\$ 1,104,149	\$ 1,208,881	\$ 1,216,438	\$ 1,339,408	\$ 930,806
Revenues:						
Municipal Court Fees	\$ 21,443	\$ 5,308	\$ 3,590	\$ -	\$ -	\$ -
Interest Income	569	991	2,098	-	-	-
Scrap and Salvage Sales	-	72,042	101,372	-	-	-
Fire District #2	-	-	14,097	-	-	-
Street Sweeper Lease Proceeds	-	-	173,924	-	-	-
Miscellaneous	-	-	28,263	-	-	-
Reimbursements	-	-	-	-	-	-
Reserve Transfers - Budgeted Funds	795,003	1,234,975	1,054,868	1,037,252	1,037,252	1,718,932
Reserve Transfers - CIP Reserves	-	-	-	-	-	-
Total Revenues	<u>\$ 817,015</u>	<u>\$ 1,313,316</u>	<u>\$ 1,378,212</u>	<u>\$ 1,037,252</u>	<u>\$ 1,037,252</u>	<u>\$ 1,718,932</u>
Transfers In	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Funds available	<u>\$ 1,576,276</u>	<u>\$ 2,417,465</u>	<u>\$ 2,587,093</u>	<u>\$ 2,253,690</u>	<u>\$ 2,376,660</u>	<u>\$ 2,649,738</u>
Expenditures:						
Reserve Transfers	\$ 109,691	\$ 374,288	\$ -	\$ -	\$ -	\$ -
Capital Outlay	362,436	834,296	1,247,685	1,445,854	1,445,854	1,718,932
Total Expenditures	<u>\$ 472,127</u>	<u>\$ 1,208,584</u>	<u>\$ 1,247,685</u>	<u>\$ 1,445,854</u>	<u>\$ 1,445,854</u>	<u>\$ 1,718,932</u>
Transfers Out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Ending Balance, December 31	<u><u>\$ 1,104,149</u></u>	<u><u>\$ 1,208,881</u></u>	<u><u>\$ 1,339,408</u></u>	<u><u>\$ 807,836</u></u>	<u><u>\$ 930,806</u></u>	<u><u>\$ 930,806</u></u>

General Fund MERF	2014	2015	2016	2017	2018
ANIMAL CONTROL					
Vehicle, Animal Control - #219			35,000		
Vehicle, Animal Control - #220				35,000	
Animal Shelter Totals	0	0	35,000	35,000	0
CENTRAL GARAGE					
Mini Van, Fleet Vehicle		28,000			
Central Garage Totals	0	28,000	0	0	0
EASTSIDE CEMETERY					
Backhoe, Used w/Extendable Boom - #164			50,000		
1 Ton 4X4 Truck w/Flatbed, Hoist & Snowplow - #163		39,000			
Used 3/4 Ton Pickup Truck - #151			23,000		
John Deere Utility Vehicle 6X4 Gator					11,000
Eastside Cemetery Totals	0	39,000	73,000	0	11,000
ENGINEERING					
Truck, Traffic Signal Boom - Replace #142		95,000			
Automobile (Constr. Proj. Coord.) - Replace #150					26,000
Bucket Truck - Replace #149		95,000			
Engineering Totals	0	190,000	0	0	26,000
FIRE					
Fire Pumper - Engine #2	85,000	85,000	85,000	85,000	85,000
Crash Rescue Vehicle - CRV 4			721,000		
Fire Pumper - Engine #5		600,000			
Fire Pumper - Engine #7			600,000		
Fire Pumper - Engine #4				600,000	
Fire Pumper - Engine #6					630,000
Pumper - Replace Engine 6	81,767	81,767	81,767		
Radio, Mobile/Portable Upgrade	21,000	21,000	21,000	21,000	21,000
800 Mhz Radio System upgrade	6,376	6,376	6,376	6,376	6,376
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					91,500
3/4 Ton Pickup, 4WD w/Lid - #C6		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					36,750
Jaws-of-Life Rescue Unit				32,025	
Fire Totals	246,643	883,393	1,662,143	796,901	923,126
HORTICULTURE & FORESTRY					
Frontier Mighty Mike Compost Turner - New		21,000			
Commercial 12' Wide Area Mower - #302			49,500		
1 Ton Truck w/ Flatbed & Hoist - #91	32,000				
1 Ton Truck w/ Flatbed, Hoist & Snow Plow - #94	39,000				
1 Ton 4 X 4 Truck w/ Flatbed, Hoist & Snow Plow - #117		39,000			
3/4 Ton Pickup - #190		23,000			
Sprigmaster II - 52" Pulltype Sprigger - New		26,000			
John Deere 12' Front Mount Range Wing Mower - #327		49,500			
1 Ton Pickup w/ Flatbed & Hoist - #59			32,000		
Vermeer 170 HP Chipper Unit - #84			45,000		
2 1/2 Ton Chassis w/ 65" Tree Spade - #88				95,000	
John Deere 12' Front Mount Range Wing Mower - #325			49,500		
John Deere 12' Front Mount Range Wing Mower - #326				49,500	
John Deere TX Turf Gator - #313			10,000		
3/4 Ton Pickup - #122					23,000
John Deere 2653B Trim Mower - #298					36,000
Horticulture & Forestry Totals	71,000	158,500	186,000	144,500	59,000
INSPECTION					
Pickup, 1/2 Ton Extended Cab w/6 ft. bed - Replace #174		25,000			
Automobile, Mid-size 4-door Sedan - Replace #179		26,000			
Pickup, 1/2 Ton Extended Cab w/6 ft. bed - Replace #175			25,000		
Pickup, 1/2 Ton Extended Cab w/6 ft. bed - Replace #173				26,000	
Inspection Totals	0	51,000	25,000	26,000	0

General Fund MERF	2014	2015	2016	2017	2018
PARK MAINTENANCE					
1 Ton Truck w/Tommy Lift - #101	28,000				
1 Ton Truck - #178			24,000		
¾ Ton Truck - #96	23,000				
2½ Ton Truck w/Flatbed, Hoist, Snow Plow, Hookall - #87				85,000	
Used Catapillar 460B Telehandler - New				40,000	
1 Ton Truck w/Crew Cab, Utility Bed & Power Inverter-#114		45,000			
Used - Articulating Work Platform Model Z-51/30J RT-#113		25,000			
John Deere TX Turf Gator - #314			10,000		
Used Ton Truck w/Utility Bed & 45' Boom - #124					68,000
¾ Ton Truck - #152					23,000
Skidloader - #303					65,000
1 Ton Pickup w/ Utility Bed - #159					37,000
Park Maintenance Totals	51,000	70,000	34,000	125,000	193,000
POLICE					
Body Armor - Replace	25,000	32,000			
Data Terminals, Mobile - Replace	18,600	18,600	18,600	18,600	18,600
Radios, Mobile & Handheld - Replace	0	16,000	16,000	16,000	16,000
Vehicles, Patrol - Replace 13 **	100,000	130,000	160,000	130,000	130,000
Vehicle Equipment, Patrol			40,000		
Vehicles, Unmarked - Replace two	0	40,000	40,000	40,000	40,000
Computer Server Replacement	5,000	25,000	25,000	25,000	25,000
Mobile Software Upgrade	53,000				
Light Bars for Patrol Vehicles - Replace			28,600		
800 Mhz Radio System upgrade	10,808	10,808	10,808	10,808	10,808
Rifle Replacement (4/yr for 4 years)	0	10,000	10,000	10,000	10,000
Video Systems, In-Car	14,500	20,000		19,000	21,750
Van, Property & Evidence - Replace		30,000			
Police Totals	226,908	332,408	349,008	269,408	272,158
PUBLIC WORKS MAINTENANCE					
Truck, Pickup - ¾-ton 4x4 - #57			28,000		
Tractor, Farm - 2 Wheel Drive w/Cab - #53	56,000				
Tractor, Farm - 2 Wheel Drive w/ Cab - #55		57,000			
Tractor, Farm - 85 HP, 2 Wheel Drive w/ Cab - #61				45,000	
Tracked Bulldozer - #52				175,000	
Used Tracked Excavator - New		115,000			
Mower, 15 ft. Winged PTO driven - #647		16,500			
Mower, 15 ft. Winged PTO driven - #649	16,000				
Mower, 10 ft. winged - #66				14,000	
Truck, Pickup - ¾-ton 4x4 w/ Flatbed		27,000			
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			120,000		
Wheeled Loader - #25					200,000
Truck, Dump - Single Axle w/ 10 ft. Bed - #542					100,000
PW Maintenance Totals	72,000	240,500	198,000	234,000	300,000
STREET SIGNS & MARKINGS					
Truck, 1-Ton Flatbed - Replace #11	40,000				
Street Administration Totals	40,000	0	0	0	0
ZOO					
John Deere Utility Vehicle 4X4 Gator - #604			13,000		
Used - ¾ Ton Cargo Van - #74				18,000	
Zoo Totals	0	0	13,000	18,000	0
Total General Fund	707,551	1,992,801	2,575,151	1,648,809	1,784,284

** Dollars are contributions to MERF to purchase 13 squad cars every three years - next purchase years are 2016 and 2019.

Non-General Fund MERF	2014	2015	2016	2017	2018
AIRPORT - 50					
Used - 100HP New Holland Bidirectional Tractor - #78					
Used - Hydraulic Excavator W/Mulching Head - New		55,000			
Schulte 26' Flex Wing Mower - #648			25,000		
1 Ton 4X4 Truck w/Flatbed, Hoist & Snowplow - #208			39,000		
Graco LineLazer IV 5900 Paint Sprayer - #72D		18,000			
John Deere Utility Vehicle 6X4 Gator - #77				12,000	
Airport Totals	0	73,000	64,000	12,000	0
FUN VALLEY - 31					
Used - ¾ Ton Truck w/Flatbed & Hoist - #69				28,000	
John Deere 2020A Pro Gator - #67		21,500			
John Deere Utility Vehicle 6X4 Gator - #670	11,000				
John Deere 2653B Trim Mower - #672			36,000		
John Deere 2653B Trim Mower - #671			36,000		
John Deere 1200A Bunker Rake/Groomer - #660					12,250
John Deere 1200A Bunker Rake/Groomer - #673					12,250
Used - 1/2 Ton Truck - #279					23,000
John Deere TX Turf Gator - #315				10,000	
John Deere 72" 997 ZTrac Mower - #299				20,000	
Fun Valley Totals	11,000	21,500	72,000	58,000	47,500
GOLF COURSE - 08					
John Deere 2653B Trim Mower - #414			36,000		
John Deere 72" Front Mount Rotary Mower - #455	22,000				
John Deere 2020A Pro Gator - #405	21,500				
John Deere TX Turf Gator - #401	10,000				
John Deere 2500B Triplex Greens Mower - #413		27,500			
John Deere 1600 Turbo Wide Area Mower - #456				49,500	
John Deere 2500B Triplex Greens Mower - #436			27,500		
John Deere 8700 Fairway Mower - #459					52,000
John Deere 1200A Bunker Rake/Groomer - #445		12,500			
Golf Course Totals	53,500	40,000	63,500	49,500	52,000
SPECIAL STREET - 03					
New Asphalt Zipper (Cold Planer)	26,500	26,500	26,500		
Loader, Wheeled	36,500	36,500	36,500		
Street Sweeper, Mechanical - #188	36,000	36,000	36,000		
Regular Cab Truck, Pickup -1-ton w/Hoist - #43		40,000			
Truck, Dump - Single Axle w/ Slurry App. Bed (complete unit) #180					360,000
Loader, Wheeled - #17		210,000			
Small Drum Roller - #19		55,000			
Tar Melting Pot Trailer - #23				45,000	
Truck, Dump - Tandem Axle w/ 15 ft. Bed - #0				135,000	
Truck, Dump - Tandem Axle w/ 15 ft. Bed - #98			130,000		
Truck, Dump - Tandem Axle w/ 13 ft. Bed - #42	25,000	25,000	25,000	25,000	25,000
Special Street Totals	124,000	429,000	254,000	205,000	385,000
Total General Fund Related	188,500	563,500	453,500	324,500	484,500
WATER DISTRIBUTION - 51					
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 - ¾-ton Flatbed - #577			35,000		
Loader, Skid-Steer w/ Trailer and Forks - #581		62,000			
Truck, Dump - Tandem Axle w/ 15 ft. Bed - #570					135,000
Water Distribution Totals	0	62,000	87,000	104,000	135,000

Non-General Fund MERF	2014	2015	2016	2017	2018
UTILITY BILLING - 51					
Sungard replacement solution		150,000			
Cargo Van - Replace #195	25,000				
Cargo Van - Replace # 192					25,000
Cargo Van - Replace # 193			25,000		
Cargo Van - Replace #191			25,000		
Utility Billing Totals	25,000	150,000	50,000	0	25,000
WASTEWATER TREATMENT PLANT - 52					
Diesel Trash Pump, 6 inch w/Float Controls - #38A			33,000		
Truck, Dump - Tandem Axle w/ 15 ft. Bed - #36		128,000			
Truck, Pickup - ¾-ton 4x4 w/ Utility Bed - #31	47,000				
Truck, Pickup - ½-ton - #32		30,000			
Car, 4-door Sedan - #34		26,000			
Loader, Wheeled - #24			200,000		
Diesel-powered, trailer-mounted, 10 kW generator		18,000			
Mower, Self-Propelled - #37C			45,000		
Wastewater Treatment Totals	47,000	202,000	278,000	0	0
SANITARY SEWER MAINTENANCE - 52					
Truck, Flatbed - 1-ton w/ Flush Tank - #543				44,000	
Truck, Flatbed - 1-ton w/ Flush Tank - #544		44,000			
Television Inspection Van w/CUES electronics - #541					150,000
Truck, Pickup - 1/2 Ton - #547				25,000	
Truck, Combination Sewer Cleaner - #535				350,000	
Truck, Combination Sewer Cleaner - #548	375,000				
Sewer Maintenance Totals	375,000	44,000	0	419,000	150,000
STORM SEWER MAINTENANCE - 57					
Truck, Pickup - ¾-ton w/ Utility Bed and Crane - #537			39,000		
Storm Sewer Totals	0	0	39,000	0	0
Total Enterprise Funds	447,000	458,000	454,000	523,000	310,000
Total Non-General Fund	635,500	1,021,500	907,500	847,500	794,500

Backhoe MERF	2014	2015	2016	2017	2018
SPECIAL STREET - 03					
Backhoe Reserve - 4 Backhoes	12,000	12,000	12,000	12,000	12,000
Special Street Totals	12,000	12,000	12,000	12,000	12,000
SEWER MAINTENANCE - 52					
Backhoe Reserve - 4 Backhoes	12,000	12,000	12,000	12,000	12,000
Sewer Maintenance Totals	12,000	12,000	12,000	12,000	12,000
WATER DISTRIBUTION - 51					
Backhoe Reserve - 4 Backhoes	24,000	24,000	24,000	24,000	24,000
Water Distribution Totals	24,000	24,000	24,000	24,000	24,000
Backhoe Totals	48,000	48,000	48,000	48,000	48,000

* Dollars reflect contributions into MERF for backhoes and not purchases - 2 backhoes to be purchased in fiscal year 2015 and 2 in fiscal year 2017.

Copier MERF	2014	2015	2016	2017	2018
GENERAL FUND					
Replace Canon C5045-Public Works	12,000				
Replace Canon C2030-Park Maintenance	6,000				
Replace Canon C7065-Public Works		12,000			
Replace Canon IR3530-Police Task Force		10,000			
Replace Canon IR8500-City Hall			15,000		
Replace Canon IR200-Municipal Court			8,000		
Replace Canon Desktop-Eastside Cemetery			4,000		
Replace Canon IR5075-Fire Department				15,000	
Replace Canon IR2200-Zoo				8,000	
New Canon Desktop-Airport				4,000	
General Fund Totals	18,000	22,000	27,000	27,000	0
FUN VALLEY - 31					
Replace Canon C4080-Fun Valley					10,000
Animal Shelter Totals	0	0	0	0	10,000
ANIMAL SHELTER - 44					
Replace Canon C5045-Animal Shelter	10,000				
Animal Shelter Totals	10,000	0	0	0	0
General Fund Related Totals	10,000	0	0	0	10,000
WASTEWATER TREATMENT - 52					
Replace Canon IR200-WWTP					10,000
Wastewater Treatment Totals	0	0	0	0	10,000
WATER PRODUCTION - 51					
Replace Canon C4080-Water Treatment		12,000			
Water Production Totals	0	12,000	0	0	0
WATER DISTRIBUTION - 51					
Replace Canon Desktop-Water Maintenance					5,000
Water Production Totals	0	0	0	0	5,000
Enterprise Fund Totals	0	12,000	0	0	15,000
Copier Totals	28,000	34,000	27,000	27,000	25,000

Computer/WAN MERF	2014	2015	2016	2017	2018
INFORMATION TECHNOLOGY					
Device replacement-computers, printers, telephones, scanners, switches, UPS, etc.	123,680	123,680	123,680	123,680	123,680
Sungard replacement solution	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	143,680	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>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>
Cash Balance, January 1	\$ 3,435,781	\$ 2,789,261	\$ 3,321,760	\$ 3,564,043	\$ 3,352,185	\$ 3,130,327
Revenues:						
Employee Contributions	\$ 777,049	\$ 893,692	\$ 913,258	\$ 1,028,617	\$ 1,028,617	\$ 1,078,373
Retiree Premiums Collected	99,064	108,225	113,073	100,000	100,000	115,500
Cobra Premiums Collected	22,803	31,417	941	25,000	25,000	25,000
Department Premiums Charged	1,768,106	2,713,295	2,772,276	3,319,995	3,319,995	3,252,513
Interest Income	13,248	9,805	11,109	5,000	5,000	6,000
Reimbursements	3,403	-	-	-	-	-
Total Revenues	<u>\$ 2,683,673</u>	<u>\$ 3,756,434</u>	<u>\$ 3,810,657</u>	<u>\$ 4,478,612</u>	<u>\$ 4,478,612</u>	<u>\$ 4,477,386</u>
Funds available	\$ 6,119,454	\$ 6,545,695	\$ 7,132,417	\$ 8,042,655	\$ 7,830,797	\$ 7,607,713
Expenditures:						
Claims	\$ 2,700,402	\$ 2,602,348	\$ 2,673,811	\$ 3,396,921	\$ 3,396,921	\$ 3,400,000
Plan Administration Fees	604,066	600,806	612,658	902,122	902,122	900,000
Professional Consulting Fees	7,725	-	-	15,000	25,000	50,000
Insurance Premiums	-	-	-	-	-	-
Employee Wellness Program	-	2,781	3,046	75,000	75,000	75,000
Reserve Transfer-General Fund	-	-	-	266,427	266,427	-
Overhead Cost Allocation	18,000	18,000	18,000	35,000	35,000	35,000
Total Expenditures	<u>\$ 3,330,193</u>	<u>\$ 3,223,935</u>	<u>\$ 3,307,515</u>	<u>\$ 4,690,470</u>	<u>\$ 4,700,470</u>	<u>\$ 4,460,000</u>
Ending Balance, December 31	<u>\$ 2,789,261</u>	<u>\$ 3,321,760</u>	<u>\$ 3,824,902</u>	<u>\$ 3,352,185</u>	<u>\$ 3,130,327</u>	<u>\$ 3,147,713</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>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>
Cash Balance, January 1	\$ 969,095	\$ 1,085,140	\$ 1,128,534	\$ 1,124,483	\$ 1,306,405	\$ 1,272,824
Revenues:						
Department Premiums Charged	\$ 770,990	\$ 726,326	\$ 726,326	\$ 724,443	\$ 724,443	\$ 682,921
Interest Income	2,514	486	1,362	1,000	1,000	1,500
Miscellaneous	-	-	-	-	-	-
Reimbursements	122,084	58,850	82,236	40,000	37,500	37,500
Total Revenues	<u>\$ 895,588</u>	<u>\$ 785,662</u>	<u>\$ 809,924</u>	<u>\$ 765,443</u>	<u>\$ 762,943</u>	<u>\$ 721,921</u>
Transfers In	-	-	-	-	-	-
Funds available	<u>\$ 1,864,683</u>	<u>\$ 1,870,802</u>	<u>\$ 1,938,458</u>	<u>\$ 1,889,926</u>	<u>\$ 2,069,348</u>	<u>\$ 1,994,745</u>
Expenditures:						
Contractual Services	\$ 703,838	\$ 721,311	\$ 614,053	\$ 775,524	\$ 775,524	\$ 673,745
Commodities	-	-	-	-	-	-
Capital Outlay	7,705	2,957	-	-	-	-
Capital Improvements	-	-	-	-	-	-
Reserve Transfer-General Fund	50,000	-	-	-	-	-
Overhead Cost Allocation	18,000	18,000	18,000	21,000	21,000	21,000
Total Expenditures	<u>\$ 779,543</u>	<u>\$ 742,268</u>	<u>\$ 632,053</u>	<u>\$ 796,524</u>	<u>\$ 796,524</u>	<u>\$ 694,745</u>
Ending Balance, December 31	<u><u>\$ 1,085,140</u></u>	<u><u>\$ 1,128,534</u></u>	<u><u>\$ 1,306,405</u></u>	<u><u>\$ 1,093,402</u></u>	<u><u>\$ 1,272,824</u></u>	<u><u>\$ 1,300,000</u></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>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>
Cash Balance, January 1	\$ 1,942,995	\$ 2,077,563	\$ 2,161,983	\$ 1,995,601	\$ 2,136,855	\$ 2,122,436
Revenues:						
Department Premiums Charged	\$ 411,468	\$ 634,516	\$ 373,098	\$ 428,631	\$ 428,631	\$ 199,985
Interest Income	13,213	2,849	5,505	2,500	2,500	2,500
Reimbursements	318	-	-	-	-	-
Total Revenues	<u>\$ 424,999</u>	<u>\$ 637,365</u>	<u>\$ 378,603</u>	<u>\$ 431,131</u>	<u>\$ 431,131</u>	<u>\$ 202,485</u>
Transfers In	-	-	-	-	-	-
Funds available	\$ 2,367,994	\$ 2,714,928	\$ 2,540,586	\$ 2,426,732	\$ 2,567,986	\$ 2,324,921
Expenditures:						
Contractual Services:	\$ 172,431	\$ 334,945	\$ 385,731	\$ 924,550	\$ 424,550	\$ 417,100
Commodities	-	-	-	-	-	-
Capital Improvements	-	-	-	-	-	-
Reserve Transfer-General Fund	100,000	200,000	-	-	-	-
Overhead Cost Allocation	18,000	18,000	18,000	21,000	21,000	21,000
Total Expenditures	<u>\$ 290,431</u>	<u>\$ 552,945</u>	<u>\$ 403,731</u>	<u>\$ 945,550</u>	<u>\$ 445,550</u>	<u>\$ 438,100</u>
Ending Balance, December 31	<u>\$ 2,077,563</u>	<u>\$ 2,161,983</u>	<u>\$ 2,136,855</u>	<u>\$ 1,481,182</u>	<u>\$ 2,122,436</u>	<u>\$ 1,886,821</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 2013 or the 2014.

Central Purchasing (046) Fund Summary

	<u>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2013 Revised</u>	<u>2014 Budget</u>
Cash Balance, January 1	\$ 17,411	\$ 46,108	\$ 16,996	\$ 16,996	\$ 53,067	\$ 53,067
Revenues:						
Departmental Inventory Charges	\$ 150,997	\$ 109,917	\$ 373,529	\$ -	\$ -	\$ -
Interest Income	-	-	-	-	-	-
Total Revenues	<u>\$ 150,997</u>	<u>\$ 109,917</u>	<u>\$ 373,529</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Transfers In	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Funds available	\$ 168,408	\$ 156,025	\$ 390,525	\$ 16,996	\$ 53,067	\$ 53,067
Expenditures:						
Inventory Purchased	\$ 122,300	\$ 139,029	\$ 337,458	\$ -	\$ -	\$ -
Contractual Services	-	-	-	-	-	-
Total Expenditures	<u>\$ 122,300</u>	<u>\$ 139,029</u>	<u>\$ 337,458</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><u>\$ 46,108</u></u>	<u><u>\$ 16,996</u></u>	<u><u>\$ 53,067</u></u>	<u><u>\$ 16,996</u></u>	<u><u>\$ 53,067</u></u>	<u><u>\$ 53,067</u></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 are no known temporary note requirements for the 2014 budget.

Special Assessments (100) Fund Summary

	2010 Actual	2011 Actual	2012 Actual	2013 Budget	2013 Revised	2014 Budget
Cash Balance, January 1	\$ 234,167	\$ (217)	\$ 946,833	\$ 490,165	\$ 365,584	\$ -
Revenues:						
Temporary Notes	\$ 1,066,659	\$ 1,375,000	\$ 125,001	\$ -	\$ 489,704	\$ -
Bond Proceeds	-	-	329,248	574,826	250,000	-
Miscellaneous	-	-	-	-	144,117	-
Reserve Transfers - CIP Reserves	504,692	-	22,429	-	-	-
Total Revenues	<u>\$ 1,571,351</u>	<u>\$ 1,375,000</u>	<u>\$ 476,678</u>	<u>\$ 574,826</u>	<u>\$ 883,821</u>	<u>\$ -</u>
Transfers In	-	-	-	-	-	-
Funds available	<u>\$ 1,805,518</u>	<u>\$ 1,374,783</u>	<u>\$ 1,423,511</u>	<u>\$ 1,064,991</u>	<u>\$ 1,249,405</u>	<u>\$ -</u>
Expenditures:						
Capital Improvements	69,950	427,950	597,565	12,766	193,340	-
Reserve Transfers-Bond & Interest	12,527	-	-	-	-	-
Repayment of Temp Notes	1,701,000	-	460,362	1,045,000	1,045,001	-
Interest on Temp Notes	22,258	-	-	7,225	11,064	-
Total Expenditures	<u>\$ 1,805,735</u>	<u>\$ 427,950</u>	<u>\$ 1,057,927</u>	<u>\$ 1,064,991</u>	<u>\$ 1,249,405</u>	<u>\$ -</u>
Ending Balance, December 31	<u><u>\$ (217)</u></u>	<u><u>\$ 946,833</u></u>	<u><u>\$ 365,584</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</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 2014 includes capital projects totaling \$6,037,923. 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 \$1,885,022 in general obligation bonds in 2014 for capital projects. Some of the significant projects to be undertaken in fiscal year 2014 are as follows:

Reconstruct and Widen Waldron Street, 23rd to 30th – This project consists of a total reconstruction of subgrade and pavement, new curb and gutter, sidewalk and drives between on Waldron Street between 23rd and 30th. The project is required due to the significant street failures on this road. \$1,400,000

Downtown Street Scape - Improve the intersection at 5th and Main with new traffic signals, corner crossings, decorative elements, street furnishings, landscaping and drainage improvements. The project also includes similar improvements between 5th and Main intersection north to 7th street. \$1,195,828

Hike and Bike Trail Extension from GVI (Grand View Industrial ditch) to 43rd Avenue – This project includes land acquisition, design and construction of a hiking and biking trail which will link with existing trails. \$634,250

KLINK: K61 from US 50 to Avenue G – This project is for a ultrathin bonded overlay from US50 to Avenue G to prevent further deterioration of this section of roadway. Without this project, a more expense mill and overlay will soon be required. This project will also include removing and replacing the concrete bridge approach slabs between Avenue G and Lorraine. \$500,000

Storm Water ERU (Equivalent Residential Unit) Study – The study will develop and prioritize stormwater improvements which were included in the 2000 Stormwater Master Plan. The study will also develop a stormwater utility rate for residential and commercial properties based upon needs of the stormwater utility. \$300,000

Railroad Crossing at Washington Street – Remove and replace worn railroad panels on the BNSF crossing at Washington between 2nd and 3rd avenues. \$264,311

43rd Avenue Park – Phase II – This project includes work related to the design, purchasing and constructing infrastructure, recreational amenities, parking areas, trails, playground equipment, utilities, and buildings related to the project. \$250,186,

Capital Improvement Projects (088) Fund Summary

	2010 Actual	2011 Actual	2012 Actual	2013 Budget	2013 Revised	2014 Budget
Cash Balance, January 1	\$ 13,576,807	\$ 13,363,193	\$ 6,351,936	\$ 6,294,595	\$ 1,526,932	\$ 1,558,232
Revenues:						
Intergovernmental	\$ 1,269,090	\$ 548,860	\$ -	\$ 1,604,642	\$ 1,604,642	\$ 2,181,891
Interest Income	39,708	41,930	24,895	10,000	2,500	2,500
Bond/Loan Proceeds	8,949,673	3,255,685	1,610,179	3,710,983	3,710,983	1,885,022
Federal and State Grants	-	-	2,048,677	-	-	-
Donations	900	30,300	34,200	500,000	500,000	155,000
Reimbursed Expenses	1,371,375	301,918	68,021	-	-	-
Miscellaneous	-	18,103	384,494	-	-	200,000
Reserve Transfers - Budgeted Funds	7,140,017	2,045,528	776,530	1,212,000	1,212,000	667,448
Reserve Transfers - Capital Improvement Reserve	-	-	-	1,925,444	1,925,444	948,563
Total Revenues	<u>\$ 18,770,763</u>	<u>\$ 6,242,324</u>	<u>\$ 4,946,996</u>	<u>\$ 8,963,069</u>	<u>\$ 8,955,569</u>	<u>\$ 6,040,424</u>
Transfers In	-	-	-	-	-	-
Funds available	<u>\$ 32,347,570</u>	<u>\$ 19,605,517</u>	<u>\$ 11,298,932</u>	<u>\$ 15,257,664</u>	<u>\$ 10,482,501</u>	<u>\$ 7,598,656</u>
Expenditures:						
Capital Improvements	\$ 15,897,543	\$ 5,241,355	\$ 8,351,681	\$ 7,217,819	\$ 7,217,819	\$ 6,084,923
Repayment of Temp Notes	-	-	-	1,690,000	1,690,000	-
Interest on Temp Notes	-	-	-	16,450	16,450	-
Reserve Transfers - Bond & Interest Fund	194,900	503,099	85,413	-	-	-
Reserve Transfers - All Other Funds	2,891,934	7,509,127	1,334,906	-	-	-
Total Expenditures	<u>\$ 18,984,377</u>	<u>\$ 13,253,581</u>	<u>\$ 9,772,000</u>	<u>\$ 8,924,269</u>	<u>\$ 8,924,269</u>	<u>\$ 6,084,923</u>
Ending Balance, December 31	<u>\$ 13,363,193</u>	<u>\$ 6,351,936</u>	<u>\$ 1,526,932</u>	<u>\$ 6,333,395</u>	<u>\$ 1,558,232</u>	<u>\$ 1,513,733</u>

Capital Improvement Reserve

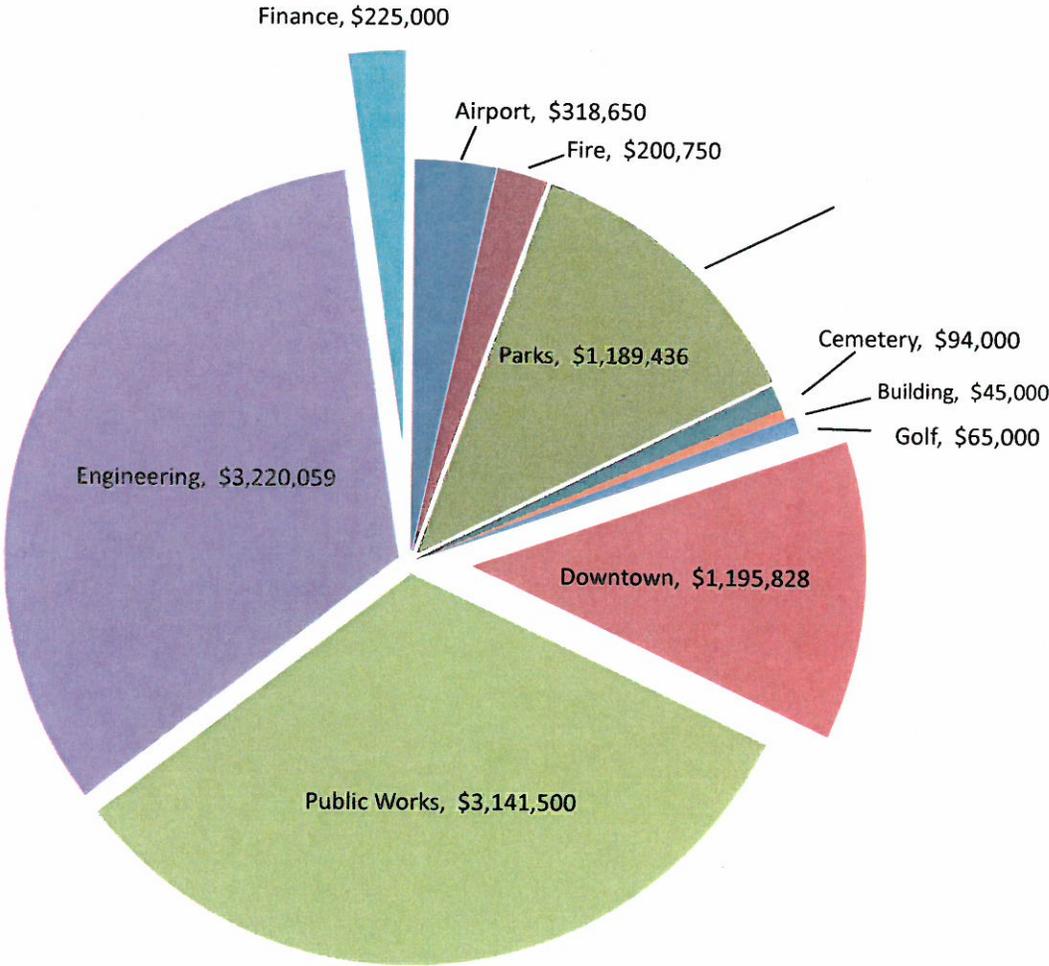
The Capital Improvement Reserve accounts for appropriated reserve transfers from the City's operating funds for the purpose of facility and infrastructure maintenance, repairs, and improvements. Reserve transfers include transfers from the General fund, the Special Street fund, the Water and Sewer funds, 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 (\$975,200) and Water and Sewer projects (\$1,650,000).

Reserve transfers to the Capital Improvement Reserve in fiscal year 2014 are budgeted to be \$3,657,300.

Capital Improvement Reserves (089) Fund Summary

	2010 Actual	2011 Actual	2012 Actual	2013 Budget	2013 Revised	2014 Budget
Cash Balance, January 1	\$ 350,613	\$ 735,445	\$ 7,962,773	\$ 7,822,773	\$ 9,600,035	\$ 7,711,691
Revenues:						
Intergovernmental	\$ -	\$ -	\$ -	\$ 79,620	\$ 79,620	\$ 4,620
League and Facility Revenues	150,738	6,486	-	-	-	-
Bond Proceeds	101,370	-	-	-	-	-
Miscellaneous	-	-	-	75,000	75,000	-
Reserve Transfers - Budgeted Funds	122,977	1,452,942	1,570,578	3,204,980	3,204,980	3,663,780
Reserve Transfers - CIP Fund	136,874	8,799,999	2,799,078	-	-	-
Total Revenues	<u>\$ 511,959</u>	<u>\$ 10,259,427</u>	<u>\$ 4,369,656</u>	<u>\$ 3,359,600</u>	<u>\$ 3,359,600</u>	<u>\$ 3,668,400</u>
Transfers In	-	-	-	-	-	-
Funds available	<u>\$ 862,572</u>	<u>\$ 10,994,872</u>	<u>\$ 12,332,429</u>	<u>\$ 11,182,373</u>	<u>\$ 12,959,635</u>	<u>\$ 11,380,091</u>
Expenditures:						
Capital Improvements	\$ 50,769	\$ 2,671,788	\$ 2,485,971	\$ 3,322,500	\$ 3,322,500	\$ 3,657,300
Reserve Transfers - Budgeted Funds	-	-	-	-	-	-
Reserve Transfer - Special Assessments	-	-	-	-	-	-
Reserve Transfers - CIP Fund	76,358	360,311	246,423	1,925,444	1,925,444	948,563
Total Expenditures	<u>\$ 127,127</u>	<u>\$ 3,032,099</u>	<u>\$ 2,732,394</u>	<u>\$ 5,247,944</u>	<u>\$ 5,247,944</u>	<u>\$ 4,605,863</u>
Ending Balance, December 31	<u>\$ 735,445</u>	<u>\$ 7,962,773</u>	<u>\$ 9,600,035</u>	<u>\$ 5,934,429</u>	<u>\$ 7,711,691</u>	<u>\$ 6,774,228</u>

FY14 Capital Improvements by Department



2014 Capital Improvements by Funding Source

Project	Department	Score	Requested	Approved	General Obligation Bonds		
					Main Traffic Way	Public Bldg	Charter Ord #46
Capital Improvement Projects:							
Runway 17-35 Mill & Overlay - Phase I (Design)	Airport	88	133,650	133,650			13,365
Obee Dump Site Remediation & Tree Clearing	Airport	85	165,000	165,000			165,000
Safe Routes to School	Engineering	84	245,400	245,400			
Extend Water Lines & Driveway at Fire Training Center	Fire	78	150,000	150,000			46,140
Fire Station #3 Roof Replacement	Fire	73	25,750	25,750		25,750	
Public Works Washbay & Oil Separator Improvements	Public Works	73	191,500	191,500			
Downtown Streetscape - Phase IV - Phase 1	Downtown	67	1,195,828	1,195,828	324,925		
Hike & Bike Trail from GVI to 43rd Avenue	Parks	66	634,250	634,250			
BNSF RR Crossings at Washington Street	Engineering	62	264,311	264,311	132,156		
Emergency Warning Siren Replacement	Engineering	61	90,000	90,000			
Waldron 23rd to 30th	Engineering	59	1,400,000	1,400,000	725,000		
KLINK: K-61 Improvement Project - US 50 to G Ave	Engineering	59	500,000	500,000			
Avenue A Park Pedestrian Bridge Design	Engineering	57	7,500	7,500			7,500
Madison Street Storm Sewer Reconstruction, 11th-12th	Engineering	55	130,548	130,548			
Airport Bridge Repair - Design	Engineering	55	105,000	105,000	105,000		
Purchase of Park Land	Parks	52	155,000	155,000			
Eastside Cemetery Maintenance Shed Construction	Cemetery	46	94,000	94,000		90,000	
43rd Avenue Park - Phase II	Parks	44	339,561	250,186			250,186
Stormwater ERU Study	Engineering	37	300,000	300,000			
Transportation Master Plan	Engineering	35	200,000	-			
Fun Valley Parking Lot Replacement	Fun Valley	33	200,000	-			
Maintenance Shed/Lockerroom Renovation (To 2015)	H-D	33	191,500	-			
Structure Elevation Verification - Main Street Locations	Engineering	28	27,500	-			
TOTALS			6,746,298	6,037,923	1,287,081	115,750	482,191
Capital Improvement Reserve Transfers:							
Airport Facility Improvements	Airport	53	25,000	20,000			
Building Demolition Reserve	Building	85	90,000	45,000			
ADA Sidewalk Replacement	Parks	73	25,000	20,000			
Public Facility Improvements	Parks	36	150,000	65,000			
Park Improvements	Parks	36	150,000	65,000			
Spray Park Improvements	Parks	36	8,000	-			
Ball Park Improvements	Parks	33	25,000	-			
Golf Master Plan Renovations	Golf	51	334,000	65,000			
Fire Station Maintenance & Repair Projects	Fire	73	35,000	25,000			
Traffic Signal Upgrades/Repairs	Engineering	50	50,300	50,300			
Bridge Maintenance Reserve	Engineering	47	17,000	17,000			
ADA Ramps	Public Works	73	25,000	25,000			
Slurry Seal Program	Public Works	55	350,000	200,000			
Annual Residential Street Resurfacing	Public Works	55	250,000	250,000			
Annual Arterial/Collector Resurfacing	Public Works	55	725,000	725,000			
Storm Drainage Complaint Projects	Engineering	37	110,000	110,000			
WWTF Upgrade - Biological Phosphorus Removal	Public Works	65	100,000	100,000			
WWTF Facility Project Reserve	Public Works	65	300,000	300,000			
Severance Interceptor Project (US50 to WWTF)	Public Works	54	100,000	100,000			
Sanitary Sewer Line Projects - Unspecified	Public Works	42	300,000	300,000			
Water Production Projects - Unspecified	Public Works	65	300,000	300,000			
Water Production Equipment Replacement	Public Works	69	100,000	100,000			
Water Line Projects - Unspecified	Public Works	55	450,000	450,000			
Automatic Water Meter "Radio Read" System	Finance	45	225,000	225,000			
Water Assessment Reserve for New Development	Public Works	45	100,000	100,000			
TOTALS			4,344,300	3,657,300	-	-	-
			\$11,090,598	\$9,695,223	\$1,287,081	\$115,750	\$482,191

Grant	Reserves	Sales Tax	General Fund	Growth	EOF	Special Street	Water	Sewer	Storm Water	Assessments	Other	Total
120,285												133,650
												165,000
200,000				45,400								245,400
	15,000										88,860	150,000
												25,750
			63,834				63,833	63,833				191,500
870,903												1,195,828
475,687	158,563											634,250
132,156												264,311
45,000											45,000	90,000
	675,000											1,400,000
200,000	100,000	200,000										500,000
												7,500
									130,548			130,548
												105,000
											155,000	155,000
4,000												94,000
												250,186
									300,000			300,000
												-
												-
												-
2,048,031	948,563	200,000	63,834	45,400	-	-	63,833	63,833	430,548	-	288,860	6,037,923
			20,000									20,000
			45,000									45,000
			20,000									20,000
			65,000									65,000
			65,000									65,000
												-
												-
			65,000									65,000
4,620			20,380									25,000
			50,300									50,300
			17,000									17,000
	25,000											25,000
						200,000						200,000
	250,000											250,000
	475,000		250,000									725,000
									110,000			110,000
								100,000				100,000
								300,000				300,000
								100,000				100,000
								300,000				300,000
							300,000					300,000
							100,000					100,000
							450,000					450,000
							225,000					225,000
							100,000					100,000
4,620	-	750,000	367,680	250,000	-	200,000	1,175,000	800,000	110,000	-	-	3,657,300
\$2,052,651	\$948,563	\$950,000	\$431,514	\$295,400	\$0	\$200,000	\$1,238,833	\$863,833	\$540,548	\$0	\$288,860	\$9,695,223

2014 - 2018 Capital Improvement Program

Project Descriptions	Department	Score	2014	2015	2016	2017	2018	Total
Airport Facility Improvements	Airport	53	20,000	65,000	65,000	65,000	65,000	280,000
Building Demolition Reserve	Building	85	45,000	75,000	65,000	50,000	50,000	285,000
ADA Sidewalk Replacement	Parks	73	20,000	25,000		30,000		75,000
Hike & Bike Trail Extension	Parks			150,000	150,000	150,000	150,000	600,000
Public Facility Improvements	Parks	36	65,000	150,000	155,000	165,000	150,000	685,000
Park Improvements	Parks	36	65,000	158,000	150,000	153,000	150,000	676,000
Spray Park Improvements	Parks	36	0	8,000	8,000	8,000	8,000	32,000
Ball Park Improvements	Parks	33	0	25,000	25,000	25,000	25,000	100,000
Golf Master Plan Renovations	Golf	51	65,000	334,000	227,500	235,000	590,000	1,451,500
Downtown Land Banking	Downtown	44		75,000	75,000	75,000	75,000	350,000
Fire Station Maintenance & Repair Projects	Fire	73	25,000	75,000	75,000	75,000	35,000	285,000
Traffic Signal Upgrades/Repairs	Engineering	50	50,300	51,500	52,800	56,000	57,400	268,000
Bridge Maintenance Reserve	Engineering	47	17,000					268,000
ADA Ramps	Public Works	60	25,000	25,000	25,000	25,000	25,000	125,000
Slurry Seal Program	Public Works	55	200,000	326,174	335,959	346,038	356,419	1,714,590
Annual Residential Street Resurfacing	Public Works	55	250,000	378,721	390,082	401,785	413,839	1,834,427
Annual Arterial/Collector Resurfacing	Public Works	55	725,000	737,066	751,678	766,728	782,230	3,762,702
Storm Drainage Complaint Projects	Engineering	37	110,000	110,000	110,000	110,000	110,000	550,000
WWTF Upgrade - Biological Phosphorus Removal	Public Works	65	100,000	100,000	100,000	100,000	100,000	500,000
WWTF Facility Project Reserve	Public Works	65	300,000	150,000	150,000	150,000	150,000	900,000
Severance Interceptor Project (US50 to WWTF)	Public Works	54	100,000	100,000	100,000	100,000	100,000	500,000
Sanitary Sewer Line Projects - Unspecified	Public Works	42	300,000	150,000	150,000	150,000	150,000	900,000
Water Production Projects - Unspecified	Public Works	65	300,000	200,000	200,000	200,000	200,000	1,100,000
Water Production Equipment Replacement	Public Works	69	100,000	100,000	100,000	100,000	100,000	500,000
Water Line Projects - Unspecified	Public Works	55	450,000	300,000	300,000	300,000	300,000	1,650,000
Automatic Water Meter "Radio Read" System	Finance	45	225,000	225,000	225,000	225,000	225,000	1,125,000
Water Assessment Reserve for New Development	Public Works	45	100,000	100,000	100,000	100,000	100,000	500,000
Total Capital Improvement Reserve Transfers			3,657,300	4,193,461	4,086,019	4,161,551	4,467,888	21,017,219
Total Capital Improvement Program			9,695,223	14,807,050	10,089,059	8,856,099	8,004,578	51,903,009

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>
Bob Bush	Mayor	April 2015
Cindy Proett	Vice Mayor	April 2015
Jade Piros de Carvalho	Council Member	April 2015
Jon Daveline	Council Member	April 2017
Nancy Soldner	Council Member	April 2017

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	1,300
Hutchinson Unified School District No. 308	Education	935
Dillon Companies	Groceries	800
Hutchinson Clinic	Medical Services	682
Hutchinson Community College	Education	668
Tyson Prepared Foods	Precooked Meats	553
Hutchinson Correctional Facility	State Prison	509
Kuhn Krause, Inc.	Agricultural Manufacturer	350
Buhler Unified School District No. 313	Education	341
Kroger Accounting Services	Back Office & Support	331
Wal-Mart Super Center	Discount Retailer	330
Siemens Wind Power	Wind Turbine Components Mfr.	330
Lowen Corporation	Industrial Marking/Sign Mfr.	275
Wesley Towers	Health Care/Retirement Services	275
Portfolio Recovery Associates	Debt Collection	266
Collins Bus Corporation	Type A Bus Manufacturer	260
Mennonite Manor	Health Care/Retirement Services	250
Nickerson Unified School District No. 309	Education	195
Data Center, Inc.	Financial Technology / Banking	185
First National Bank of Hutchinson	Financial Services	181
Eaton Corporation	Hydraulic Components Mfr.	180
Horizons Mental Health Center	Health Care	179
Morton Salt, Inc.	Salt	155
Kwik Shop, Inc	Retail Store	152
Good Samaritan Society Hutchinson Village	Retirement, Assisted Living	151
National Credit Adjusters	Debt Collection	138
Jackson Dairy	Food - Bakers, Processors & Wholesalers	130
TECH, Inc.	Education & Training for Special Needs	122
Conklin Cars Hutchinson	Automobile - Dealers	121
Sonoco	Manufacturers - Paper Products	120
TSW Products	Manufacturer - Hydraulic parts	120
Hutchinson News, The	Newspapers	115
Cargill Salt	Salt	115
ALCOA Aerospace	Aluminum	102

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>
2002	32,978	31,423	1,555	4.7%
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%

STATE OF KANSAS

<u>Year</u>	<u>Total Labor Force</u>	<u>Employed</u>	<u>Unemployed</u>	<u>Unemployed Rate</u>
2002	1,425,342	1,351,738	73,604	5.2%
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%

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>
2002	\$38,603,227	\$550.18
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

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>
2002	\$789,653,000
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

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>
2001	\$1,639,883,000	\$25,438	\$29,669
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

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	65%
Franchise Fees	16%
License and Permits	2%
Fines, Forfeitures and Penalties	2%
Public Safety Revenues	8%
Other	<u>7%</u>
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>
2003	\$174,136,125	\$23,566,885	\$13,029,218	\$36,302,474	\$247,034,702
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

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>
2003	\$1,427,946,254
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

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 ⁽¹⁾	12,279,926	11,489,279	93.56%

⁽¹⁾ Collections as of June 5, 2013

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 2012:

<u>Firm</u>	<u>Assessed Valuation</u>	<u>Taxes Paid</u>
Westar Energy	\$7,815,032	\$1,326,281
Main Line, Inc. (Hospital)	5,177,020	837,648
Rubloff Hutchinson Portfolio, LLC	3,875,000	664,094
Kansas Gas Service	2,804,399	475,218
Southwestern Bell	2,258,832	384,899
Wal-Mart Stores	2,063,196	353,588
Sands of Hutchinson, LLC	2,098,033	337,811
Eaton Corporation	1,877,977	321,751
Dillon Real Estate Co, Inc.	1,460,500	250,299
BNSF	1,476,623	250,208

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 7.8%, which consists of 6.05% imposed by the State of Kansas, 1.00% imposed by Reno County and a 0.75% citywide local option sales tax. 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. In addition, voters in the County recently approved a 10-year sales tax for ½-cent to fund a new jail project.

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

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

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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 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 Pinciples 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.

Changes in Fund Balance Explanation and Analysis Fiscal year 2014

General:

Decrease \$328,796 6.6%

The general fund has a \$340K increase in revenues due to higher property tax valuations and a projected 2% increase in sales tax revenue. Expenses for the 2014 budget are higher due to inclusion of an employee step pay increase of \$270K and two key strategic initiatives. One initiative is an increase on the demolition of unsafe and abandoned housing for \$154K. The second initiative is for funding street improvements including slurry seal repairs and street overlay where repairs are insufficient to correct deteriorating conditions totaling \$450K.

Special Alcohol Programs:

Decrease \$661 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:

Increase \$98,900 13.4%

This fund balance is projected to increase \$350K as a transfer to the Capital Improvement Projects fund is not projected in the 2014 Budget. The change in fund balance is not a concern as adequate cash is available to serve the fund's expenses of groundwater oversight for the 4th and Carey remediation and the RO Water Treatment Project.

E-911 Surcharge:

Decrease \$275,000 45.9%

The fund balance decrease is due primarily to a one time projected capital outlay for voice logger software and radio maintenance. The projected 2014 fund balance of \$324K is adequate to service the operating needs of this function.

Debt Service:

Decrease \$45,558 5.9%

The Debt Service fund has a declining fund balance from 2013 projections. Debt Service obligations are funded primarily from tax revenues and special assessments. Other sources of Debt Service come from fund transfer including the Sewer, Water and General Funds.

Refuse Collection:

Increase \$15,607 12.1%

The increase in fund balance is not significant.

Water Utility:

Decrease \$493,869 8.8%

The decrease in fund balance is due to an increase in the CIP reserve to cover water line production projects and refinanced water bond obligations. While the fund balance decreased, there is adequate cash balance to service all operating requirements.

Sewer Utility:

Decrease	\$864,904	21.7%
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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. Future rate increases may be necessary to continue repairs and upgrades to aging equipment and sewer lines.

Storm Water Utility:

Decrease	\$169,490	73.0%
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The change in fund balance is primarily due to transfers of \$541K to the Capital Improvement Projects fund and the Capital Improvements Reserves.

Municipal Equipment Replacement:

Unchanged	\$0	N/M
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The fund anticipates spending the 2014 budget provisions of \$1,719K in fiscal 2014. This will leave a fund balance estimated to be \$931K at year-end.

Health & Dental Insurance:

Increase	\$17,386	0.6%
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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	\$27,176	2.1%
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The Risk Management fund has a projected balance of \$1,300K which is within the city council policy of 3x the highest claims expenditures in the last 3 years.

Workers Compensation:

Decrease	\$235,615	11.1%
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The decrease in fund balance is due to a lower claims experience. The fund has a projected balance of \$1,887K which is within the city council policy for unreserved fund balances. The city now has a stop loss insurance policy which limits exposure on claims.

Special Assessments:

Unchanged	\$0	N/M
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The special assessment fund projects will be closed at the end of 2013 and their balances brought to \$0. No open projects are expected at the end of 2013.

Capital Improvement Projects:

Decrease	\$44,499	2.9%
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The change in fund balance is not significant while the balance is projected to be \$1,514K at year-end.

Capital Improvement Reserves:

Decrease	\$937,463	12.2%
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The decrease in the fund balance is primarily due to the Waldro0n Street repair project for \$675K and the hike & Bike trail work in 2014.

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