

City of Lawrence
PROPOSED BUDGET 2022
INVESTING IN LAWRENCE

Citizen's Guide



Mayor Steve Collier
Controller Tyler Douthit

To ensure that our City truly works for all of us, our proposed budget must ensure that every member of our community feels **SAFE, WELCOME and INCLUDED** in Lawrence's prosperity and growth.

We share enormous dreams for our children, ourselves, our neighbors and so much more beyond that.

The ideals we have for our individual and collective potential are intertwined in our willingness to help each other.

Please help us take the next step forward with a budget that meets our needs today and gives all of us the chance to thrive in the future.

Steve Collier - Mayor, City of Lawrence



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ELECTED OFFICIALS



KATHY WALTON
CITY CLERK



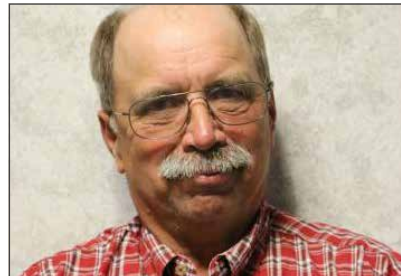
LISA CHAVIS
AT-LARGE / PRESIDENT



TOM SHEVLOT
DISTRICT 5 / VICE PRESIDENT



TYRRELL GILES
DISTRICT 1



RICK WELLS
DISTRICT 2



SHERRON FREEMAN
DISTRICT 3



MARIA RUSOMAROFF
DISTRICT 4



LAUREN RUSSEL
DISTRICT 6



DEBORAH WHITFIELD
AT-LARGE



SHAWN DENNEY
AT-LARGE

LEADERSHIP STAFF



STEVE COLLIER
MAYOR



TYLER DOUTHITT
CITY CONTROLLER



DAVID HOFMANN
POLICE CHIEF



DINO BATALIS
FIRE CHIEF



SCOTT SALSBERY
UTILITIES SUPERINTENDENT



PAUL WANNER
UTILITIES DIRECTOR OF OPERATIONS



SRI VENUGOPALAN
DIRECTOR OF ENGINEERING



JIM HENEGHAN
STREETS DIRECTOR



ERIC MARTIN
PARKS & RECREATION DIRECTOR



JANETTE JACKSON
HUMAN RESOURCES DIRECTOR
DIRECTOR OF MINORITY & WOMEN BUSINESS DEVELOPMENT



KAITLIN VOLLER
CITY ATTORNEY



DAN ZUERNER
ECONOMIC DEVELOPMENT DIRECTOR



DANIEL BEYER
MANAGER OF COMMUNICATIONS

FINANCIAL GOALS

A little over five years ago, we set a priority to grow the City's reserved General Fund Operating Balance. The City's reserve was as low as \$60,000 in 2012 and around \$1.5 million at the beginning of 2016.

This operating reserve ("OR") is extremely important, as it provides a safety net against unexpected emergencies and potential shifts in revenue forecasts. It would also allow the City to discontinue interim borrowing with Tax Anticipation Notes for cash flow needs, providing substantial interest cost savings to the General Fund.

Our initial target was set at 10% of budgeted expenditures, which was the minimum level we should attain, but ultimately not the ideal reserve amount. The target was

subsequently raised to 15% in 2017 and then to 20% in 2018. 20% was the ultimate goal, and should be the minimum reserve the City maintains going forward.

We ended FY2019 with a 20% OR and a total General Fund Operating Reserve of \$7.4 million, or approximately 32% of budgeted expenditures.

We are pleased to report, with the 2022 proposed budget, this will be our fourth consecutive year maintaining a 20% OR. By way of comparison, the State of Indiana's operating reserve is approximately 13% of expenditures.

Our proposed 2022 General Fund budget is a balanced budget

City of Lawrence 2022 Proposed General Fund Budget

Balanced Budget Proposal (in \$ millions)

Projected 1/1/2022 Reserved Operating Fund Balance¹	\$	4.67
Revenue:		
Property Taxes	\$	10.23
PILOT/FHRA		4.06
Trash Collection Fees		2.32
Local Income Taxes		4.41
Other		3.16
<u>Unreserved Fund Balance</u>		<u>3.60</u>
Total Revenue	\$	27.77
Expense²:		
Public Safety	\$	20.18
Trash Collection		1.95
Parks and Recreation		1.89
<u>Other</u>		<u>3.75</u>
Total Expense	\$	27.77
Projected 12/31/2022 Reserved Operating Fund Balance	\$	4.67

(1) Projected net balance as of August 19, 2021

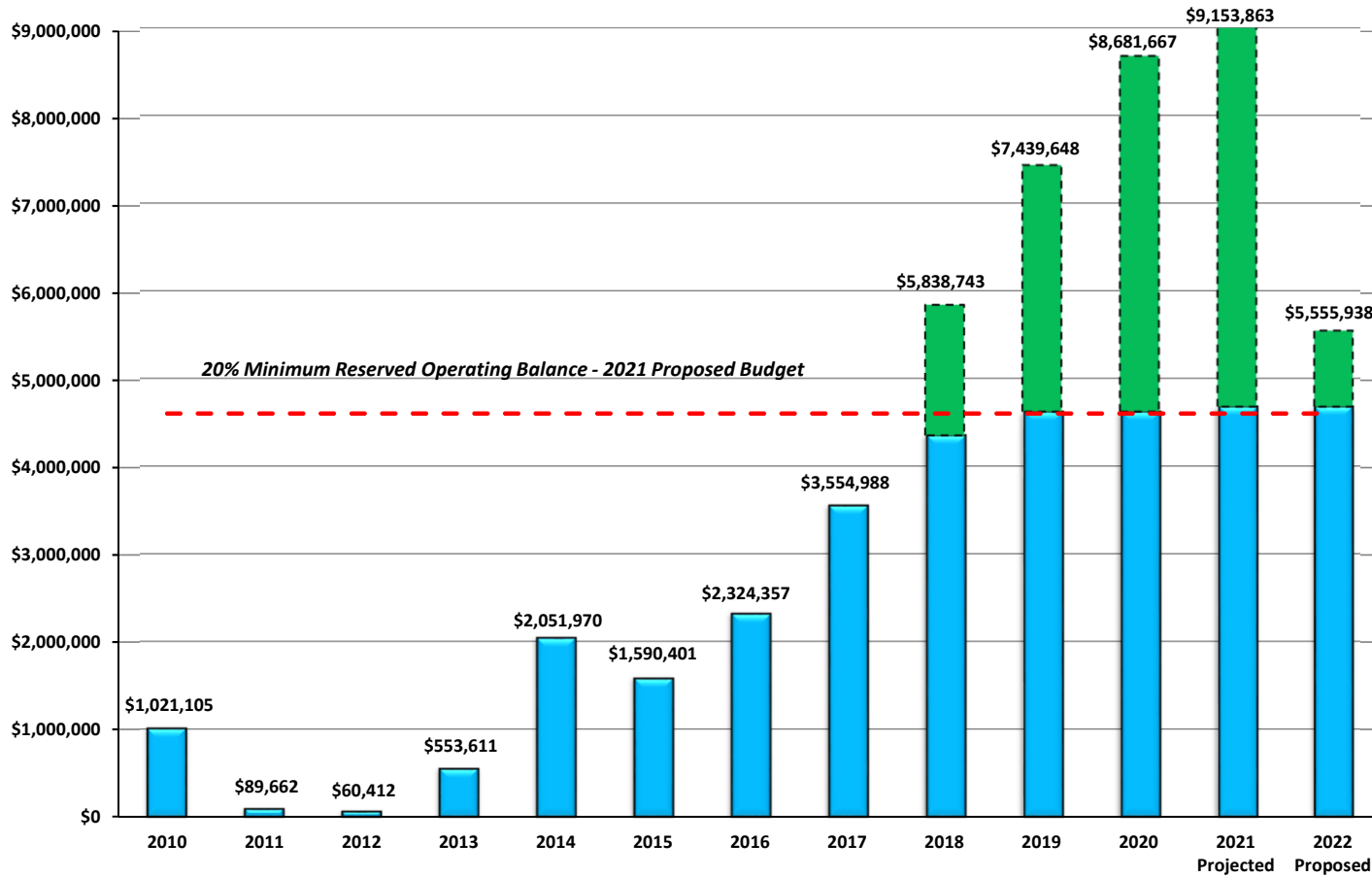
(2) Includes one-time expenditures of approximately \$3.60 million

(3) Reserved fund balance equal to 20% of operating budget; excluding one-time expenditures

(4) Projected total fund balance at the end of FY2022 is approximately \$5.5 million.




City of Lawrence General Fund Operating Balance Comparison
2010-2020 Actual; 2021 - 2022 Projected



Note: 2010 - 2020 actual reported operating balance (including audit adjustments)

 Unreserved Operating Balance

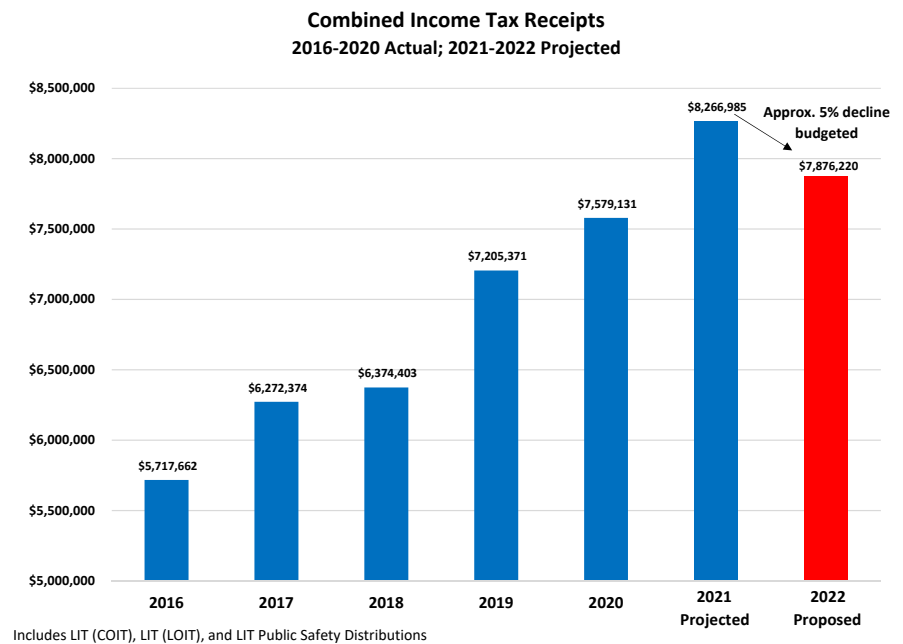
 Reserved Operating Balance



COVID 19 UPDATE

Thankfully, the City is in its strongest financial position in years. The COVID-19 pandemic continues to disrupt our everyday lives, including the operations of the City. Our strong financial position will ensure we can withstand the global pandemic without disrupting our workforce, unlike many other communities. In our 2021 budget we made spending cuts to ensure our strong financial position was maintained while focusing on providing essential services. Although we are maintaining a positive outlook with our 2022 proposed budget, we must continue to monitor our revenue sources for COVID-19 related impacts.

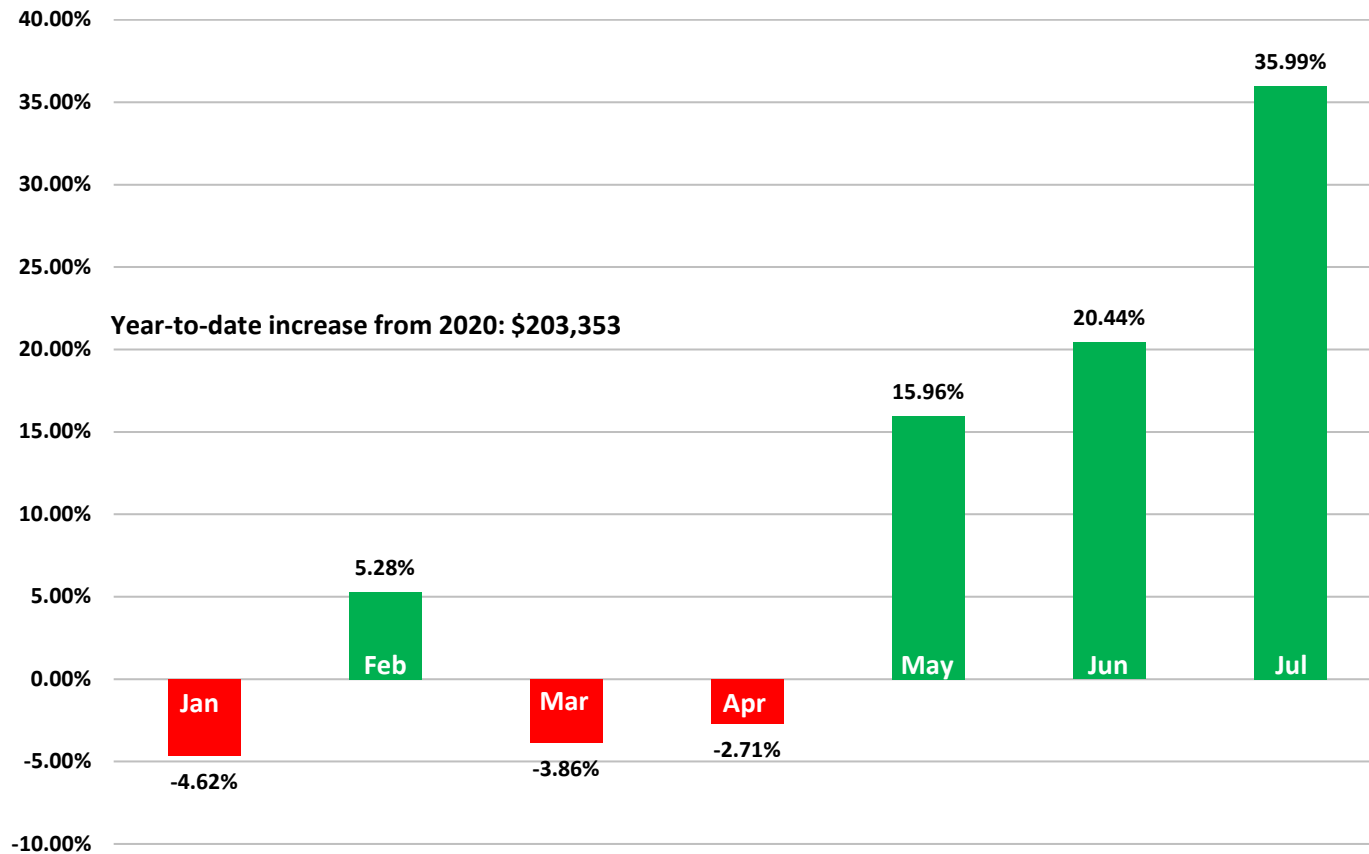
- The terrific work done by our Street Department is funded by gasoline taxes, which are up slightly this year compared to 2020 as a result of increased vehicle traffic.
- Income tax revenue – Local Income Tax (“LIT”) and Public Safety LIT (“PS LIT”) – received in 2021 reflect collections from 2019.
 - o 2022 receipts should reflect collections from 2020, the year of the pandemic, which should be somewhat less than current receipts
 - o Continuing a cautious approach, we have budgeted an approximate 6% decline for PS LIT in 2022 from 2021’s projected tax revenue.



Street Department Funding - Combined Gasoline Tax Receipts

2021 Year-to-Date (through July 31)

Monthly Change from 2020



— PROPOSED BUDGET HIGHLIGHTS —

We are planning to do more paving projects in 2022 than we were able to do in 2021. The Streets Department will continue to focus on strip patching, side walk repairs and replacements, and stormwater repairs.

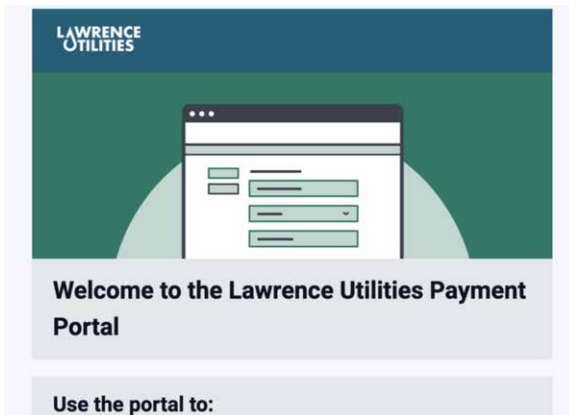


Our Parks Department plans to replace the damaged roof on the Sterrett Center, to purchase additional playground equipment for Community Park, to install Pickleball courts at Lee Road Park, and to devote several acres at 4 parks to create natural habitats for butterflies and pollinators to improve the survival of the Monarch Butterfly.



— PROPOSED BUDGET HIGHLIGHTS —

A continued commitment to enhancing customer and resident experience throughout Lawrence. Also a commitment to increasing connectivity and trails within Lawrence. We have allocated funding for what is expected to be a multi-year process to provide more trail connectivity to the great amenities in Lawrence.



Newly Updated Utility Online
Billpay Service



Choose Lawrence
Economic Development Website

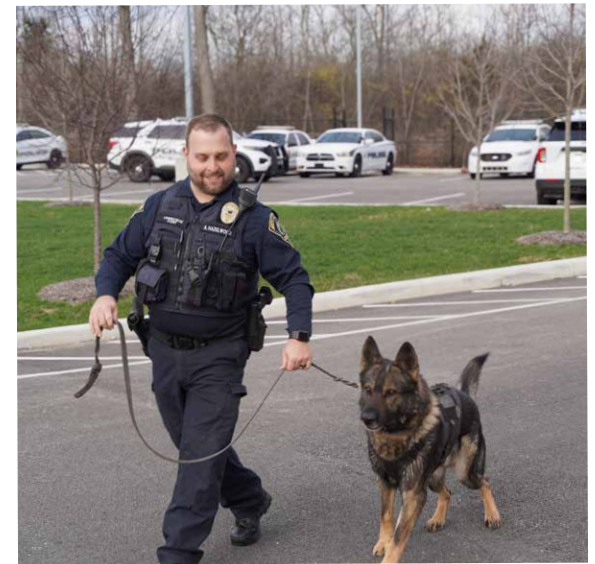


Visit Lawrence
Tourism Website



Maintain our commitment to Public Safety, including continued funding for body cameras for our police

Continued emphasis on funding for police officer training – in excess of over 400% increase since 2016



Long-term financing for the demolition and replacement of Fire Station 38





TOUR LAURENCE

BIKE SHARE



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