

2015 Adopted Budget



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Elected & Administrative Officials

Elected Officials

| <u>Name</u> | <u>Title</u> | <u>Term Expires</u> |
|-----------------|-------------------|---------------------|
| Marilyn Pearse | Mayor | April 2017 |
| Jason Mock | Council President | April 2015 |
| Christi Darnell | Councilmember | April 2017 |
| Kathy Gerstner | Councilmember | April 2017 |
| Shane Starkey | Councilmember | April 2015 |
| Ken Wagner | Councilmember | April 2015 |

Administrative Officials

| <u>Name</u> | <u>Position</u> |
|------------------|----------------------------------|
| Chris Lowe | City Administrator |
| Collin Bielser | Community Development Director |
| Allen Craig | Fire Chief |
| Chris Croucher | Electrical Distribution Director |
| Rob Culley | Power Plant Superintendent |
| Anna-Marie Keena | City Clerk |
| Greg Neis | Police Chief |
| Brad Smith | Finance Director |
| Bill Winegar | Public Works Director |

City Administrator's Budget Message

July 1, 2015

Honorable Mayor and Councilmembers:

According to the budgeting standards established by the Government Finance Officers' Association of the United States and Canada (GFOA), a municipal budget document should be a policy document, an operations guide, a financial plan and a communications medium. The 2015 Budget for the City of Baldwin City satisfies these criteria.

The City of Baldwin City operates on a calendar fiscal year beginning on January 1. The budget is organized into 25 separate and distinct "Funds," each of which is described in detail in the Budget Document. The City prepares its financial statements on a prescribed basis of accounting that demonstrates compliance with the cash basis and budget laws of the State of Kansas, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. As a City of the Third Class, the City can, and does, waive compliance annually with generally accepted accounting principles. An audit of the City's financial statements by a third party accounting firm takes place annually.

This Budget Document attempts to present and explain each Fund separately. Each section by fund includes highlights of major expenditures or expenses in that particular fund, explanatory information about the fund, personnel information by fund and other information intended to educate the reader about the sources and uses of the funds.

The first category of funds is GOVERNMENTAL FUNDS. The General Fund is the first governmental fund presented in the Budget Document, which is divided into the following departments: Finance and Administration, Public Works, Parks, Fire, Police, City Pool, Municipal Court, Economic Development, Information Technology, and Community Development. The General Fund is the City's primary tax supported fund, used to account for all funds not required by standard budgeting practice to be budgeted separately. The Budget also includes an Equipment Reserve Fund which is a recipient of transfers from the General Fund to save and pay for equipment purchases in support of General Fund departments. Additionally, other governmental funds are the Library, Cemetery, Cemetery Reserve, and Debt Service or Bond and Interest Fund.

City Administrator's Budget Message

The second category of funds in the Budget Document is the SPECIAL REVENUE FUNDS, which are those that have a special tax or other revenue source dedicated for a specific purpose. These include Special Parks, Quality of Life Sales Tax, Special Highway, Capital Improvement Sales Tax, and Pool Sales Tax.

The third category of funds is the ENTERPRISE FUNDS. These funds derive revenue from fees for services rather than taxes. The City maintains Electric, Water, Wastewater, and Refuse Fund. Each enterprise fund consists of an Operating Fund, a Reserve Fund, a Capital Improvement Fund, and a Debt Service Fund. The exception is the Refuse Fund which is a contracted service fund.

Finally, the City has one CAPITAL FUND that primarily consists of debt proceeds to complete capital improvement projects as approved by the Governing Body.

Revenues exceed or equal expenditures or expenses in each of the City's 25 distinct funds. Because of the cash basis and budgetary laws in effect in the State of Kansas, the final budget includes budget authority to spend all available resources in each fund; however, that just provides the City flexibility to spend those resources based on unforeseen circumstances. If the funds were not budgeted to zero and additional expenditures or expenses were required, the City would have to republish the budget and follow the entire budget process again simply to authorize additional spending. Therefore, the 2015 budget in each of the funds includes contingency amounts and capital outlay line items that are intended to "budget to zero," which provides the budget authority to spend those resources if necessary. The total expenditures and expenses for all funds for 2015 is \$17,153,093.

The GENERAL FUND revenues are projected at \$2,480,764 with the cash carry amount projected at \$371,885. Expenditures are budgeted to zero for total budget authority at \$2,852,649. The EQUIPMENT RESERVE FUND revenues are projected to be \$88,426 with a cash carry of \$259,068. Budget authority for expenditures in this fund is \$347,494.

The LIBRARY FUND is a component unit of the City. By charter ordinance, the City is authorized to levy 4 mills each year to fund library operations. The fund is a net neutral fund to the City. The revenue projected for the Library in 2015 is \$135,328 with the same amount budgeted for expenditures.

City Administrator's Budget Message

The CEMETERY FUND's revenues are projected at \$66,994 with a cash carry amount of \$34,652. Expenditures in this fund are budgeted at \$101,647. The CEMETERY RESERVE FUND includes cash carry and revenues of \$105,659. This fund is budgeted to zero as well.

The DEBT SERVICE FUND, often referred to as the Bond and Interest Fund, is where debt payments for governmental fund activities are budgeted. Each enterprise fund has its own debt service fund; however, this fund is separate and distinct from those debt service funds. Cash carry and revenue in this fund is projected at \$508,961 and expenditures in this fund equal that amount.

As noted earlier, the City maintains several SPECIAL REVENUE FUNDS that are collected and earmarked for certain related expenditures. The SPECIAL PARKS AND RECREATION FUND receives revenue from statewide liquor sales as well as improvement fees and lease proceeds. Projected revenues are \$13,093 with a cash carry amount of \$72,131. The expenditures are budgeted to zero in the amount of \$85,224. This revenue must only be used on park related projects.

The QUALITY OF LIFE SALES TAX FUND has projected revenues of \$93,911 with a cash carryover of \$176,632. Expenditures are budgeted at to zero. This fund is a ¼-cent sales tax which can be used broadly for quality of life amenities like the Library and City parks.

The SPECIAL HIGHWAY FUND consists of the proceeds of statewide gas tax payments from the State and the County. These funds must be used on transportation related expenses. Cash carry in this fund is \$138,081 with additional projected revenues of \$127,400. This fund's expenditures are budgeted at \$265,481 in 2015.

The CAPITAL IMPROVEMENT SALES TAX FUND is a local, ½-cent sales tax that funds large-scale capital projects. The majority of this revenue stream is devoted to paying debt service for the 6th Street road project. Revenues in this fund are projected at \$187,822 with a cash carry amount of \$154,443. Expenditures total \$342,265 in 2015 budget.

The SWIMMING POOL SALES TAX FUND contains the remainder of money raised by a now defunct sales tax for the construction of the City pool. This fund contains \$94,952 in cash and is used as a reserve fund for large improvements or repairs to the pool. Budget authority exists to expend the remainder of these funds if necessary.

City Administrator's Budget Message

ENTERPRISE FUNDS comprise the rest of the City's budgeted funds. As previously noted, each utility is comprised of an operating fund, a capital improvement fund, a debt service fund and a reserve fund. The City of Baldwin City adopted a fund balance policy for its utilities in 2013. It is the goal of management to build up the reserve funds to the level as stated in that fund balance policy. That policy can be found in Appendix III of this document.

Budgeted revenues in the ELECTRIC OPERATING FUND are anticipated to be \$4,466,305 with a cash carry of \$862,841. Expenses are budgeted to be \$5,078,854. The ELECTRIC CIP FUND shows a cash carry of \$272,358 with no additional revenue expected. The ELECTRIC DEBT SERVICE FUND includes \$683,090 in revenue and an equal amount budgeted as an expense. This amount represents debt payments for the construction of the power plant as well as for citywide line upgrades. The ELECTRIC RESERVE FUND has cash carry funds in the amount of \$906,926 with expenditures budgeted to zero.

The WATER OPERATING FUND anticipates \$1,693,434 in revenue along with a cash carry balance of \$339,597. Budgeted expenses in this fund are \$1,913,926. The WATER DEBT SERVICE FUND has a cash carry balance of \$3,177 and revenue transferred from the operating fund in the amount of \$104,335. Budgeted expenses for bond and interest are \$107,512. The WATER CIP FUND has \$326,182 in cash carryover with no additional revenue expected. The WATER RESERVE FUND has \$741,341 in cash carryover and those funds are budgeted to zero for budget authority purposes.

The WASTEWATER OPERATING FUND shows anticipated revenues of \$887,494 along with \$65,617 in cash carryover. Budgeted expenses equal \$950,652 in this fund. The WASTEWATER DEBT SERVICE FUND has \$400,454 budgeted for revenues and an equal amount of expense budgeted to make those debt payments. The WASTEWATER CIP FUND contains cash carryover of \$103,700. This fund is budgeted to zero for budget authority. The WASTEWATER RESERVE FUND contains cash carryover of \$149,941 with no additional revenue anticipated. Budgeted expenses for the reserve are \$97,229.

The REFUSE AND RECYCLING FUND has a cash carryover balance of \$24,364 and anticipated revenues of \$241,772. Budgeted expenses in this fund are \$238,834.

City Administrator's Budget Message

The GENERAL CAPITAL IMPROVEMENT FUND has a cash carryover balance of \$271,835, with no further revenues expected. Expenditures are budgeted at \$271,835 with the new Highway 56/Intermediate Center shared-use path accounting for the largest expense.

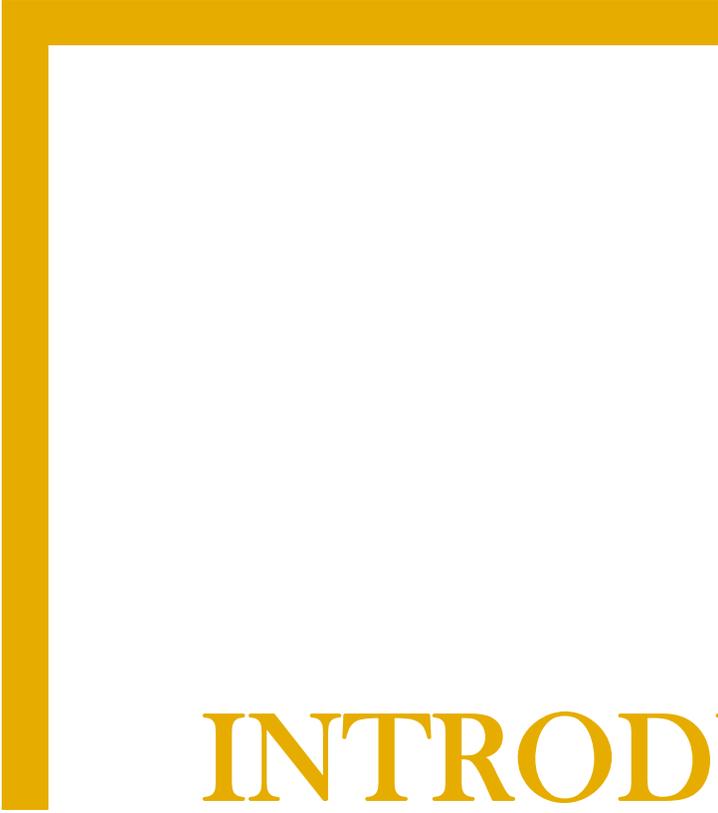
In summary, the 2015 budget identifies and addresses several needs. The budget meets all statutory requirements of the State of Kansas and provides adequate budget authority to provide flexibility of spending throughout the year. It provides adequate reserves for contingencies and cash flow requirements. All of the information contained in this transmittal letter can be found in greater detail within this document.

I would like to recognize all of the hard work of our Department Heads, Mayor Pearse, City Council and Finance Committee members that made the passage of this Budget possible.

Respectfully submitted,



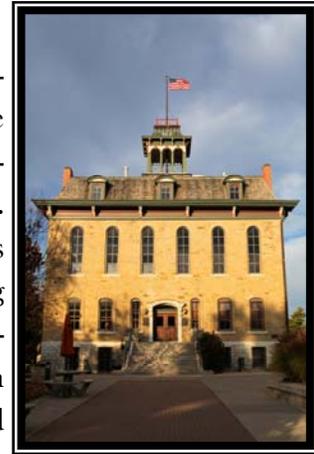
Chris Lowe,
City Administrator



INTRODUCTION

Baldwin City is one of the oldest settlements in Douglas County. Located along the Santa Fe Trail, the City is situated in the southeast portion of the Atchison, Topeka, and Santa Fe Railroad about 15 miles from Lawrence. The first settlement near the present town site, was established in June 1854. The original town site consisted of 320 acres and its founders named the town Palmyra. By 1855, Palmyra had several stores, a good hotel for that period, and a number of houses and seemed to be on the path to prosperity.

In 1858, the town company purchased a section of land adjoining Palmyra and donated it to the Kansas Educational Association of the Methodist Episcopal church on the condition that they locate an institution of higher learning known as Baker University on the site. Baker University is the oldest four-year university in Kansas, and has been co-ed since its founding. As the work on the university building progressed and the institution grew, houses were built around its vicinity, and the town was renamed Baldwin City in honor of John Baldwin of Berea, Ohio, a major benefactor to the University and community.



Parmenter Hall, Baker University's most widely recognized building.

Baldwin City unwittingly found themselves surrounded by the events that led up to the American Civil War during the time now known as “Bleeding Kansas.” Bleeding Kansas was the period following the passage of the Kansas-Nebraska Act of 1854 until Kansas’ establishment as a “Free State” in 1861. During that time, numerous political confrontations occurred along the Kansas/Missouri border between pro and anti-slavery supporters. Three miles east of Baldwin was the town site of Black Jack, where the Battle of Black Jack occurred in June of 1856. The Battle of Black Jack was the first armed conflict between proslavery and antislavery forces in the United States. Noted abolitionist John Brown commanded the antislavery forces in the conflict. Some consider the Battle of Black Jack to be the first battle of the Civil War. Seven years later, Baldwin City again found itself in the path of conflict between Kansas anti-slavery forces, “Jayhawkers” and Missouri pro-slavery forces “Border Ruffians.” In the early morning hours of August 21, 1863, a company of pro-slavery forces led by William Quantrill



View looking over the Coal Creek Valley

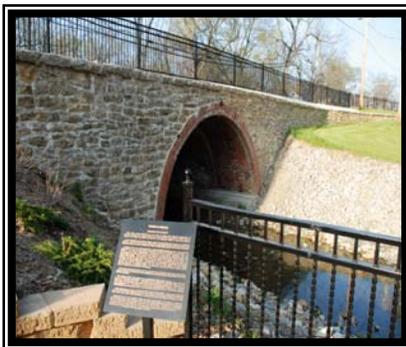
ransacked the town of Lawrence, Kansas. The night before, Quantrill’s forces passed within three miles of Baldwin City. In an attempt to alert the citizens of Lawrence, Baldwin City residents hung lanterns from the tree “Signal Oak.” These hanging lanterns telegraphed a code of signs across the Coal Creek Valley to Blue Mound, where they were flashed in

turn to Mount Oread at Lawrence and back again. This communication system was established to rally settlers when the Boarder Ruffians were in route.

Since its founding, Baker University has contributed immensely to the City's early and continued success. In 1898, Baker University professor William Bauer, growing tired of the smoky oil lamps, designed a small university light plan providing power to the campus. The successful illumination of Baker convinced leaders of Baldwin City that the community should be electrified as well. In 1905, a city-wide vote was held, approving the creation of a City power plant. Today, the City still has the capability of producing electricity for its citizens.



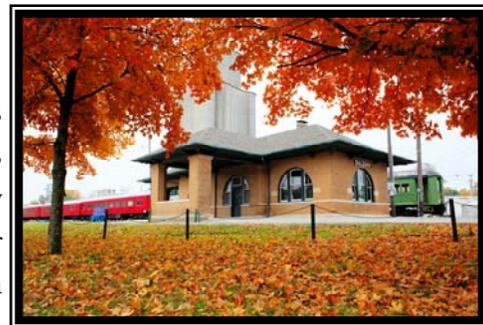
High Street in downtown Baldwin City in the early 1900's.



Baldwin City's Women's Bridge

In 1899, Baldwin City voters elected an-all female municipal government. Baldwin women ran for the City's top elected positions after becoming fed up with having to cross Tauy Creek, located between the train depot and the town's center. Crossing the creek meant muddied long dresses and petticoats. Fittingly, the female mayor and all-woman council commissioned the construction of Women's Bridge that still stands today, providing passage over Tauy Creek.

Railways played an important part in Baldwin City's early history. The first rail line south of the Kansas River stopped in Baldwin City, providing the primary means of transportation. The rail line operated under many names during its years of operation; however, in the mid-1970s, the line was abandoned ending commercial rail service to the community. In 1987, a group of investors purchased the tracks from Baldwin City to Ottawa and have continued to operate a round-trip excursion of more than 20 miles ever since. In 2012, a private dinner train was added to the rail-line expanding the type of excursions departing from the Baldwin City Santa Fe Train Depot.



Baldwin City's Santa Fe Train Depot. The point of departure for excursion trains.

Since its founding, Baldwin City has had strong ties to its fair share of national and foreign dignitaries. In 1912, Theodore Roosevelt delivered a speech along the campaign trail from the Baldwin City train depot platform. In 1911, sitting President William Howard Taft visited Baldwin City and spoke at Baker University. The historical visit is marked on Baker's campus with what is known as the Taft Bridge. The story goes that he was too big to walk across the bridge, so instead of a wooden bridge they built a new concrete one that would be stronger. Today, Baker University contains a guestbook containing the signature of the former president. Also, located on Baker's campus is the Clarice L. Osborne Memorial Chapel. The chapel was moved stone by stone from the village of Sproxton, England. In 1996, former British Prime Minister, Lady Margaret Thatcher whose father had preached in the building, dedicated the chapel as the spiritual center of the University.

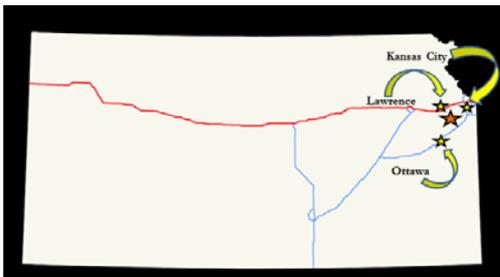


Taft Bridge located on the campus of Baker University.

Today, Baldwin City is a growing community located in the center of an economic triangle. Just 15 minutes from Lawrence and Ottawa, Kansas, and only 30 minutes from the Kansas City Metropolitan Area, Baldwin City is an ideal community offering a small-town lifestyle yet easy access to all of the amenities in nearby metropolitan areas.

Location

Zip Code.....66006
 Area Code.....(785)
 Time Zone.....CST
 Land Area (sq. miles).....2.641
 Elevation (ft.).....1,037
 Latitude.....3.8.777506
 Longitude.....-95.18748



Baldwin City's location in relation to surrounding cities.

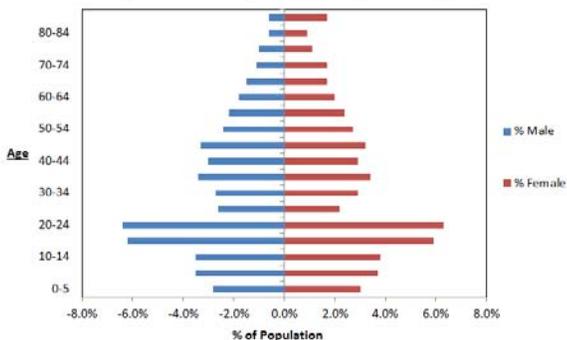
Climate

January Avg. Max/Min.....40°/19°
 July Avg. Max/Min.....89°/69°
 Avg. Precipitation (inches)...40.36"

People

City Population (2013, est.)....4,540
 Male.....47.6%
 Female.....52.4%
 Median Age.....30

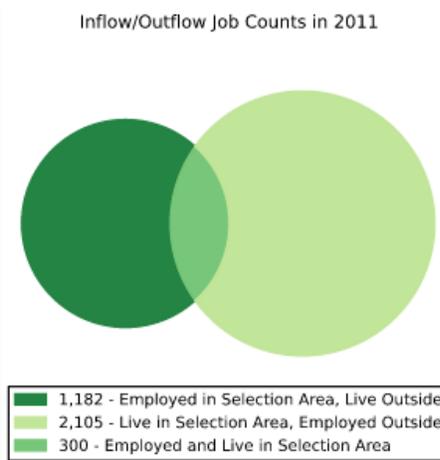
Baldwin City's 2010 Population



Workforce

(For Population 25 Years and Over)
 High School Education or Higher.....95.2%
 Bachelor's Degree or Higher.....31.8%
 Graduate or Professional Degree.....12%
 Unemployed (16 Years and Over).....4%
 Mean travel time to work.....28 minutes

Inflow/Outflow Job Counts in 2011



Income

Median Household Income.....\$51,228
 Median Family Income.....\$75,508
 Per Capita Income.....\$25,029
 Individuals Below Poverty Level.....10.6%

Housing

Housing Units.....1,665
 Total Households.....1,501
 Family Households.....1,011
 Owner Occupied.....66.2%
 Renter Occupied.....33.8%

Cost of Living

City Sales Tax8.4%

Purpose

The purpose of the budget guide is to assist the public in understanding the way the City budget is prepared, adopted, implemented and amended. It provides information about the budget process and also defines financial terms and provides an overview of the City's financial goals.

What is a Budget?

The development of an annual budget is one of the most important processes a City engages in on a continuing basis. The budget serves multiple functions for the City. First of all, the budget is a financial plan that ties financial resources to specific activities. Second, the budget is a policy document that establishes the activities and projects that the City will pursue and provides an organizational framework for implementing those activities. Finally, the budget serves as a vehicle for communicating with the public about the planned activities of the City.

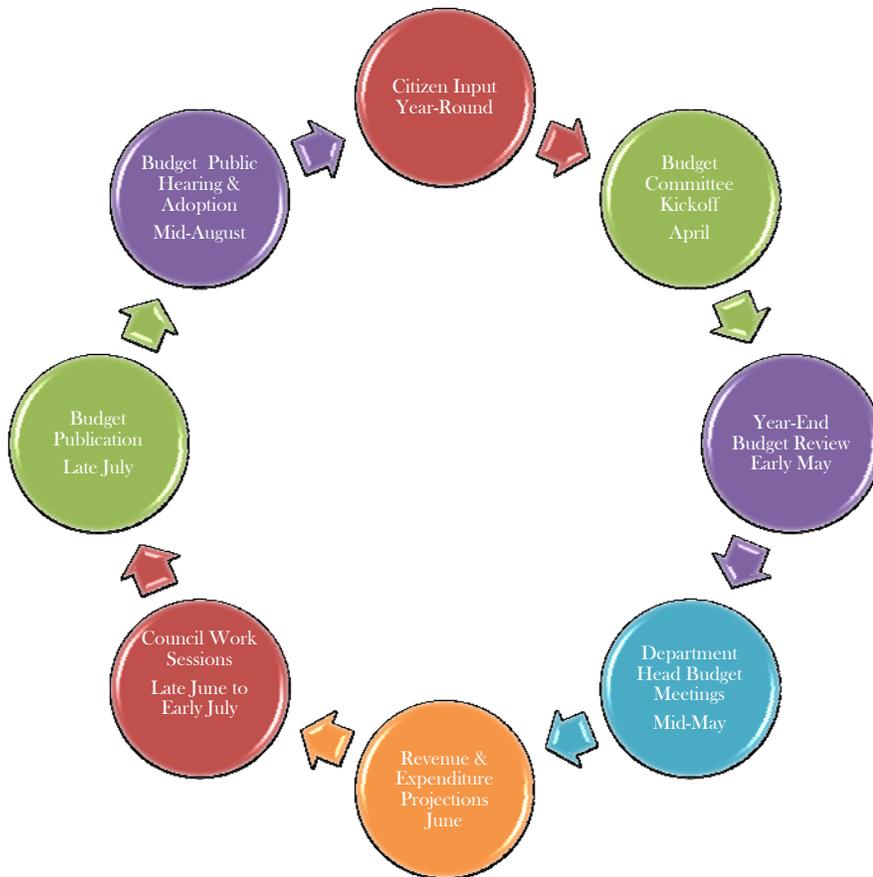
Budget Preparation

Preparation of the City's budget occurs mostly during the summer months just prior to establishing the City's mill levy rate for the following year, although implementation is a year-round process. The City of Baldwin City operates on a January 1st to December 31st fiscal year calendar. The budget presents actual figures for prior years, estimated figures for the current year and budgeted figures for the coming year.

The City Administrator and Finance Director meet with each Department Head who has prepared budget requests based on projected needs within their scope of responsibility. Each line item is discussed and adjusted to fit next year's projects. The City Administrator's approach in these meetings is to make certain there is adequate justification for increasing budget requests based on a detailed scope of work or specific need to purchase items. Similarly, there needs to be justification for maintaining an existing line item budget level if historically the funds have not been used. Finally, the City Administrator reviews areas that may need more funding to fit the community's priorities based upon priorities of the City Council.

2015 Budget Calendar

| Date | Activity |
|-----------------|---|
| April 2014 | Initial Budget Committee Meetings Held |
| May 2014 | Staff Budget Preparation & Meetings with Department Heads |
| June 2014 | Develop Revenue Projections |
| July 1, 2014 | Receive Assessed Valuation from County Clerk |
| July 14, 2014 | Budget Work Session & Authorize Publication of Budget |
| July 24, 2014 | Publication of Notice of Hearing |
| August 4, 2014 | City Council Budget Hearing |
| August 14, 2014 | 2015 Budget Ordinance Published |
| August 15, 2014 | Last Day for Public Hearing (K.S.A. 79-2933) |
| August 20, 2014 | 2015 Budget Certified to County Clerk |
| August 25, 2014 | Statutory Deadline for Budget Submittal (K.S.A. 79-1801) |



Budget Law (K.S.A. 79-2925 – 79-2937)

The City is required to establish a budget of planned expenditures for every fund, except capital project funds, for which debt has been issued. The budget law also prohibits the City from expending an amount that exceeds the amount budgeted for the fund. The City may, without violation of the budget law, transfer budget authority within the General Fund from department to department or between items of expenditure. The budget law also prescribes a minimum procedure the City must follow in order to adopt the budget. The law requires the City to hold a public hearing prior to budget adoption. This hearing must be publicized by public notice in the official City newspaper at least 10 days prior to the date of the hearing.

Cash Basis Law (K.S.A. 10-1101)

The Kansas Cash Basis Law prohibits cities from creating a financial obligation unless there is money on hand in the proper fund with which to pay the indebtedness.

Limit on Indebtedness (K.S.A. 10-309)

Kansas law limits the long-term debt (Bonds and Temporary Notes) outstanding to a maximum of 30% of assessed valuation. Assessed value for the purposes of establishing the debt limit includes the value assigned to motor vehicles. Motor vehicles are not included in the assessed value for establishing the mill levy. Debt issued for the purposes of storm or sanitary sewers, certain street intersections, or for City utilities are not subject to the limit. In addition, debt issued under some statutes may be specifically exempt by the authorizing legislation.

Open Meetings (K.S.A. 75-4317 et seq.)

Generally, any time a quorum of the City Council meets for the purpose of conducting or discussing business, the meeting must be open to the public. State law provides specific instances in which the City Council may go into executive session (non-public meeting), but no binding decisions may be made in such closed sessions. The public is encouraged to attend and participate in all City Council meetings pursuant to the rules of order.

Kansas Open Records Act (K.S.A. 45-215 et seq.)

The Kansas Open Records Act provides that, unless specifically exempt by law, all public records are open to public inspection. The basic policy is that the public has a right to public records unless otherwise limited by state or federal law. A fee may be charged if substantial amounts of staff time are required to provide access. Copies of records can be provided for a nominal fee. If a record is requested and access is denied, a specific reason for denial must be given.

Baldwin City makes use of a uniform system of accounting maintained to reflect compliance with the applicable laws of the State of Kansas. Annual financial statements are presented after applying encumbrances, where applicable, to record accrued contracts, property, and equipment resulting in financial statements presented on a modified cash basis of accounting.

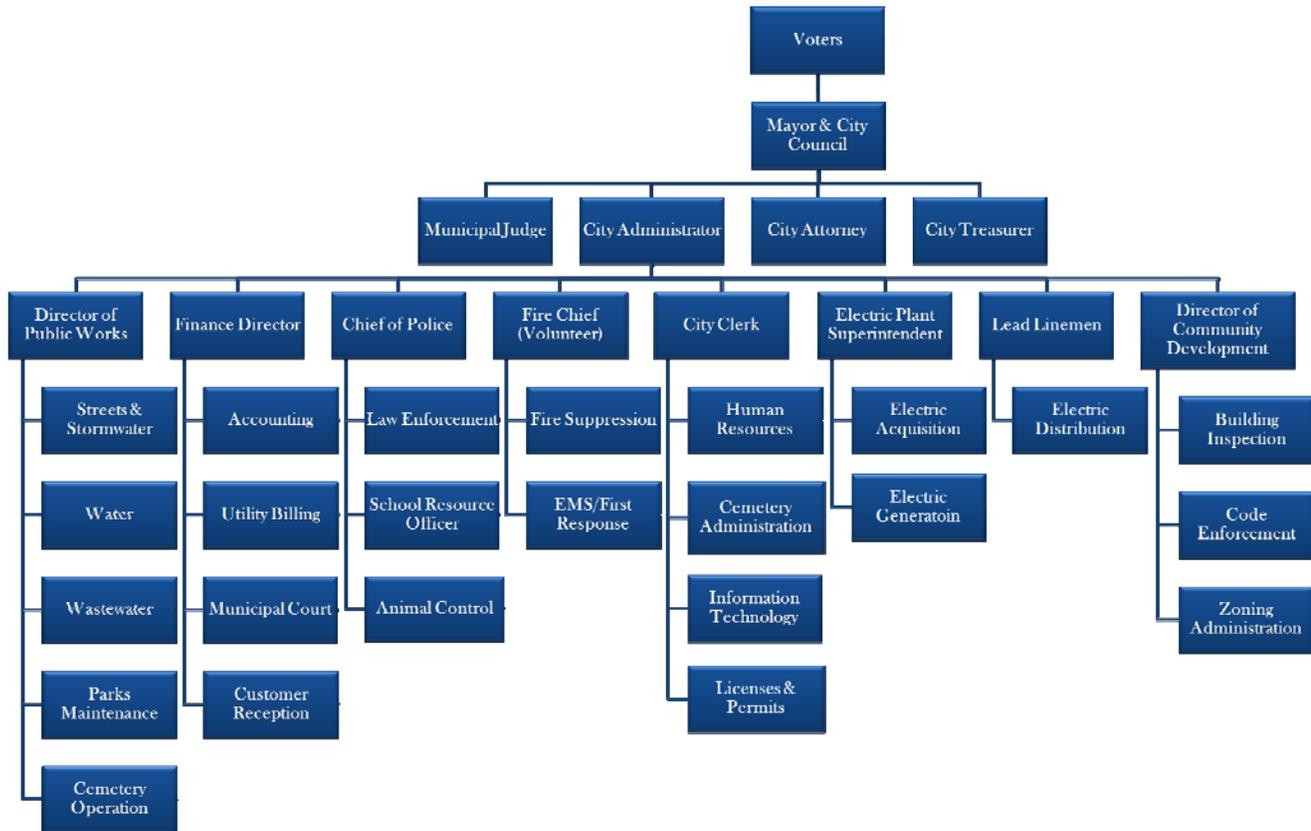
As a governmental system, the City is charged with the duties of reporting and fully disclosing its financial position and financial results of operation in conformity with the laws of the State of Kansas. The City must demonstrate compliance with finance-related legal and contractual provisions within the system's financial activities.

The financial transactions of the City are recorded in individual funds. A fund is defined as a separate fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.

The following types of funds comprise the financial activities of the City:

- **General Fund** - accounts for all unrestricted resources except those required to be accounted for in another fund. This is the principal operating fund of the City.
- **Special Revenue Funds** - are used to account for revenues derived from specific taxes, governmental grants, or other revenue sources which are restricted to finance particular functions or activities of the City.
- **Debt Service Funds** - are used to account for the accumulation of cash for, and the payment of, principal, interest and other related costs of the City's debt.
- **Capital Project Fund** - is used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds).
- **Enterprise Funds** - account for operations that are financed and operated in a manner similar to private business enterprises where the stated intent is that the expense of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges or where periodic determination of revenues earned, expensed incurred, and/or net income is deemed appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Organizational Chart



Baldwin City maintains approximately 40 full-time employees, six part-time employees, and two seasonal employees. Together, these employees are responsible for carrying out the daily activities of the City. This includes, but is not limited to, police protection, street maintenance, and the delivery of reliable electricity and clean water. Because the City is a small organization, employees are often required to wear many hats and perform tasks across different departments. For this reason, the City allocates personnel costs across different funds. This is done to reflect the actual labor costs being performed by a particular position.

Reading the Budget Guide

The City of Baldwin City maintains 25 different funds. These funds provide the necessary resources to operate the City of Baldwin City. This includes general government operations such as street and parks maintenance as well as business-type activities like the electric plant, electric distribution lines and water/sewer infrastructure.

Every fund has been accounted for in this budget guide, and some funds contain additional departments. For instance, the City's General Fund is one fund, but it contains the resources for 10 departments. Each fund and each department, when applicable, has been formatted using the following method:

- 1. Introduction & Overview:** Provides a brief summary of the fund/department.
- 2. Achievements, Organizational Structure, and Budget Highlights:** Lists the notable accomplishments from the prior year (if applicable), includes an organizational chart for the fund/department (if applicable) and briefly details the budgeted expenditures in 2015.
- 3. Line Item Expenditures:** The budgeted expenditures are listed by individual line item.

1 Administration



The Administration Department supports the administrative functions of the City, including the City Administrator's office, Finance Director, and City Clerk responsibilities. The Administration Department serves as the root center for the City of Baldwin, City.

2 2014 Notable Achievements

- Standard and Poor increased the City's bond rating from an "A" to "AA", an increase of two notches. A significant turn around from three years ago when the City had a negative balance in its General Fund.
- City refinanced the Electric Plant's outstanding debt. With the improved bond rating, the City will realize approximately \$600,000 in interest savings over 10 years.
- Approximately 10,000 payments were processed totaling \$5.4 million. Payments include utility bills, license fees, court fees, and other miscellaneous payments.
- Executed an agreement with NG Weber to clear the way for fiber installation throughout the City.
- Enhanced the City's social media presence. In 2014, the number of "likes" on the City's Facebook page increased by 40%.

2015 Budget Highlights

The 2015 Administration budget continues to provide the resources necessary for the administrative functions of the City. The 2015 Administration budget includes funds to pay for the way finding signs approved in late 2014, increased funds for community events like the downtown concert series, and a transfer to the General Fund Reserve to cover the City's share of the Hancock Place grant. It should be noted that the 2014 administration budget illustrates the department's full budget authority.

| Administration (01.01) | 2013 Actual | 2014 Budget | 2014 Estimate | 2015 Budget |
|------------------------|-------------|-------------|---------------|-------------|
| Personnel | 111,691 | 98,748 | 99,260 | 110,000 |
| Contractual | 3,600 | 138,714 | 97,500 | 111,700 |
| Commodities | 5,758 | 117,400 | 11,400 | 5,000 |
| Capital Outlay | - | - | - | 100,000 |
| Miscellaneous | 1,417 | 42,000 | 32,421 | 2,000 |
| Transfers | 169,261 | 1,044,611 | 210,884 | 15,000 |
| Total | 312,667 | 1,493,473 | 427,465 | 333,700 |

3 Administration (01.01)

| Administration (01.01) | 2014 Budget | 2014 Estimate | 2015 Budget |
|--|-------------|---------------|-------------|
| Personnel Services | | | |
| 01.01.1000 Deputy | 71,084 | 70,700 | 70,700 |
| 01.01.1100 Office Assistant | 3,600 | 3,600 | 3,600 |
| 01.01.1120 Telephone Room | 7,500 | 7,500 | 7,500 |
| 01.01.1130 City A. Business | 4,800 | 5,000 | 4,800 |
| 01.01.1140 Communications | 1,120 | 50 | 1,120 |
| 01.01.1150 Maintenance | 750 | 1,000 | 900 |
| 01.01.1170 Crew | 500 | 100 | 400 |
| Sub-Total | 87,364 | 98,410 | 99,200 |
| Contracting Services | | | |
| 01.01.1200 Street Lighting | 4,000 | 4,000 | 4,000 |
| 01.01.1210 Maintenance/Repairs/Logistics | 4,000 | 1,000 | 4,000 |
| 01.01.1220 Legal Publications | 1,600 | 70 | 1,600 |
| 01.01.2000 Professional Services | 500 | 10,000 | 1,000 |
| 01.01.2010 Utilities | 700 | 5,700 | 7,000 |
| 01.01.2020 Transportation | 1,400 | 800 | 1,400 |
| 01.01.2030 Municipal Operations Services | 3,000 | 1,000 | 3,000 |
| 01.01.2040 Printing Expenses | 10,000 | 4,000 | 10,000 |
| 01.01.2050 Data Acquisition/Equip. | 300 | 1,000 | 400 |
| 01.01.2060 Other Professional Services | 2,400 | 21,214 | 30,700 |
| 01.01.2070 Office Supplies/Equip. | - | 4,000 | 5,000 |
| 01.01.2080 Business Print/Industry Costs | 80,000 | - | 90,000 |
| 01.01.2090 Cemetery Expenses | 20,000 | - | 40,000 |
| 01.01.3000 Construction/Repairs | 11,200 | 2,000 | 10,000 |
| 01.01.3020 Community Events & Public Relations | 14,000 | 21,000 | 10,000 |
| Sub-Total | 129,764 | 57,200 | 111,700 |
| Commodities | | | |
| 01.01.3100 Office Computer Supplies | 2,000 | 1,470 | 2,000 |
| 01.01.3120 Stationery | 50 | 50 | 50 |
| 01.01.3150 Postable Supplies | 50 | 50 | 50 |
| 01.01.3190 Other Commodities | 110,700 | 1,000 | - |
| Sub-Total | 111,750 | 11,420 | 2,050 |
| Capital Outlay | | | |
| 01.01.4000 Office Machines | - | - | - |
| 01.01.4700 Invest. Acquisition | - | - | 10,000 |
| 01.01.4900 Invest. Capital Outlay | - | - | 100,000 |
| Sub-Total | - | - | 110,000 |
| Miscellaneous | | | |
| 01.01.5000 Contingency | 60,000 | 30,000 | 30,000 |
| 01.01.5010 Miscellaneous Expenses | 2,000 | 1,419 | 2,000 |
| Sub-Total | 62,000 | 31,419 | 32,000 |
| Transfers | | | |
| 01.01.6000 General Fund Paid Transfer | 71,800 | 145,000 | 50,000 |
| 01.01.6100 Transfer to General Fund | 6,000 | 6,000 | 6,000 |
| 01.01.6120 Transfer to Off Balance | 14,000 | 10,000 | 10,000 |
| 01.01.6130 Transfer to Off Balance | 11,000 | 10,000 | 10,000 |
| Sub-Total | 102,800 | 171,000 | 76,000 |
| Total Expenditures | 484,113 | 407,810 | 333,700 |

Chart of Funds

| FUND NUMBER | FUND NAME | DEPARTMENT NUMBER | DEPARTMENT NAME |
|-------------|--------------------------------|-------------------|------------------------|
| 01 | GENERAL | 01 | ADMINISTRATION |
| | | 02 | PUBLIC WORKS/STREETS |
| | | 03 | PUBLIC WORKS/PARKS |
| | | 04 | FIRE |
| | | 05 | POLICE |
| | | 06 | SWIMMING POOL |
| | | 07 | MUNICIPAL COURT |
| | | 09 | ECONOMIC DEVELOPMENT |
| | | 10 | INFORMATION TECHNOLOGY |
| | | 35 | COMMUNITY DEVELOPMENT |
| 02 | LIBRARY | 01 | ADMINISTRATION |
| 03 | CEMETERY | 01 | ADMINISTRATION |
| 09 | GENERAL FUND DEBT SERVICE | 01 | ADMINISTRATION |
| 11 | ELECTRIC | 24 | GENERATION |
| | | 25 | DISTRIBUTION |
| | | 26 | ADMINISTRATION |
| | | 27 | ACQUISITION |
| 12 | WATER | 11 | ADMINISTRATION |
| | | 12 | DISTRIBUTION |
| 15 | WATER DEBT SERVICE | 01 | ADMINISTRATION |
| 18 | WASTEWATER | 21 | ADMINISTRATION |
| | | 22 | TREATMENT |
| | | 23 | COLLECTION |
| 20 | WASTEWATER DEBT SERVICE | 01 | ADMINISTRATION |
| 24 | REFUSE | 01 | ADMINISTRATION |
| 26 | SPECIAL PARKS & RECREATION | 01 | ADMINISTRATION |
| 27 | QUALITY OF LIFE SALES TAX | 01 | ADMINISTRATION |
| 28 | SPECIAL HIGHWAY | 01 | ADMINISTRATION |
| 29 | GENERAL FUND CIP | 01 | ADMINISTRATION |
| 30 | WASTEWATER RESERVE | 01 | ADMINISTRATION |
| 31 | GENERAL FUND EQUIPMENT RESERVE | 01 | ADMINISTRATION |
| 32 | ELECTRIC RESERVE | 01 | ADMINISTRATION |
| 33 | WATER RESERVE | 01 | ADMINISTRATION |
| 34 | CEMETERY RESERVE | 01 | ADMINISTRATION |
| 40 | ELECTRIC CIP | 01 | ADMINISTRATION |
| 41 | WATER CIP | 01 | ADMINISTRATION |
| 42 | WASTEWATER CIP | 01 | ADMINISTRATION |
| 45 | SALES TAX CIP | 01 | ADMINISTRATION |
| 51 | ELECTRIC DEBT SERVICE | 01 | ADMINISTRATION |
| 70 | SWIMMING POOL SALES TAX | 01 | ADMINISTRATION |

Schedule of Transfers

Governmental budgets typically include transfers of funds from one source to another. Transfers are scheduled for a host of reasons, but the most common occurrence for a transfer is to take revenue from a dedicated source, like electric payments or sales tax collections, and transfer them to other funds to pay bond and interest for outstanding debt issuances or to set aside money for future capital improvement upgrades.



| To | From | | | | | | | | | | | | Total |
|-------------------------|-------------------|--------------------|----------------------------|-------------------------|------------------------|------------------|--------------------|--------------------------------|----------------------|--------------------|------------------------|-----------------------------|-----------|
| | General Fund (01) | Cemetery Fund (03) | Electric Utility Fund (11) | Water Utility Fund (12) | WWTR Utility Fund (18) | Refuse Fund (24) | Special Parks (26) | Quality of Life Sales Tax (27) | Special Highway (28) | Water Reserve (33) | WWTR Capital Imp. (42) | Capital Imp. Sales Tax (45) | |
| General Fund (01) | - | 4,602 | 402,990 | 158,951 | 53,767 | 24,178 | 2,633 | - | - | - | - | 30,000 | 677,121 |
| General B&I (09) | 50,000 | - | - | - | - | - | - | 70,525 | 28,903 | - | - | 210,000 | 359,428 |
| Water Utility Fund (12) | - | - | - | - | - | - | - | - | - | 100,000 | - | - | 100,000 |
| Water B&I (15) | - | - | - | 104,335 | 391,407 | - | - | - | - | - | - | - | 495,742 |
| Wastewater B&I (20) | - | - | - | - | 383,953 | - | - | - | - | - | - | - | 383,953 |
| CIP Fund (29) | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Wastewater Reserve (30) | - | - | - | - | - | - | - | - | - | - | 52,712 | - | 52,712 |
| General Reserve (31) | 88,426 | - | - | - | - | - | - | - | - | - | - | - | 88,426 |
| Cemetery Reserve (34) | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Electric CIP (40) | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Water CIP (41) | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Electric B&I (51) | - | - | 683,090 | - | - | - | - | - | - | - | - | - | 683,090 |
| Total | 138,426 | 4,602 | 1,086,080 | 263,286 | 829,127 | 24,178 | 2,633 | 70,525 | 28,903 | 100,000 | 52,712 | 240,000 | 2,840,472 |



2015 GENERAL FUND



Overview

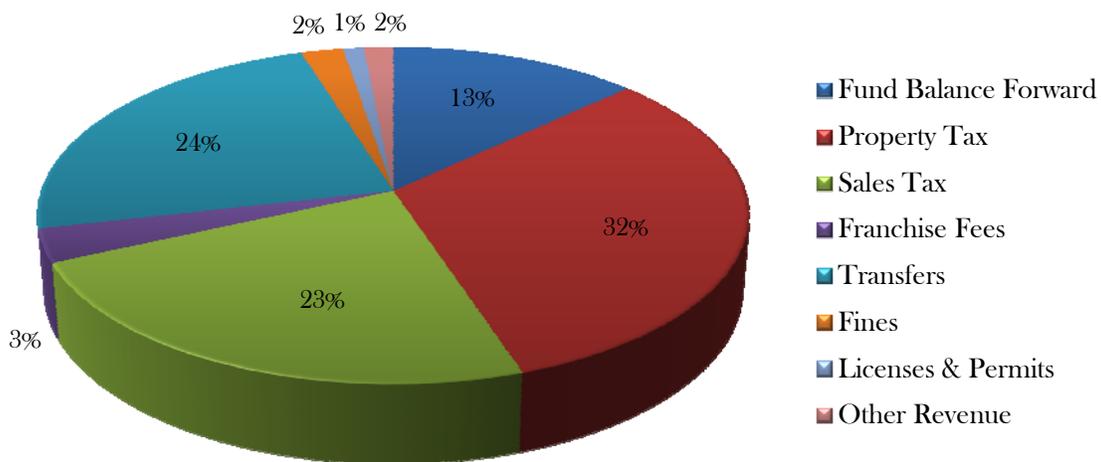
The City's General Fund is the principal operating fund for the City of Baldwin City. Municipal services such as police and fire protection, streets and parks maintenance, administration, planning and zoning, and economic development programs are a few examples of the types of municipal services that are budgeted in the City's General Fund.

Cumulatively, the City's 2015 General Fund has a budget authority of \$2,852,649. The 2015 budget utilizes its full budget authority; furthermore, the utilities where the finances were healthy enough contributed an additional transfer to the General Fund in lieu of a franchise fee. This was done to alleviate the City's reliance on ad valorem revenues and to more accurately depict costs that would be incurred by private or investor-owned utilities.

General Fund Revenue

The General Fund relies on revenues from a variety of sources to provide for the operations of the 10 departments that are budgeted in the fund. Early in the budget process, revenues for the General Fund are analyzed based on the actual receipts from the previous year. Adjustments then might be made to the current year's revenue estimates, and projections are made for the next fiscal year. More than 50% of all General Fund revenues come from two sources: property taxes and sales tax.

General Fund Revenues



General Fund (01)

| General (01) | 2013 Actual | 2014 Budget | 2014 Estimate | 2015 Budget |
|---|----------------|----------------|------------------|----------------|
| Unencumbered Cash Balance - Jan. 1st | 489,752 | 359,922 | 598,773 | 371,885 |
| Revenue | | | | |
| Ad Valorem Tax | 739,649 | 721,479 | 707,452 | 807,358 |
| Delinquent Tax | 15,372 | 30,840 | 22,942 | 16,420 |
| Motor Vehicle Tax | 78,666 | 70,905 | 86,398 | 83,343 |
| Recreational Vehicle Tax | 967 | 1,000 | 1,034 | 943 |
| Vehicle Rental Tax | 54 | 100 | 33 | 140 |
| City Sales and Use Tax | 187,866 | 187,000 | 192,896 | 187,822 |
| County Sales and Use Tax | 457,082 | 454,223 | 474,883 | 478,809 |
| Natural Gas Franchise Fee | 42,051 | 39,000 | 43,966 | 59,740 |
| Telephone Franchise Fee | 13,232 | 13,200 | 11,388 | 14,323 |
| Cable TV Franchise Fee | 8,200 | 8,458 | 8,243 | 10,049 |
| KCP&L Franchise Fee | 4,892 | 4,740 | 6,154 | 7,125 |
| Transient Guest Tax | 14,553 | 15,000 | 12,066 | 16,000 |
| Leased City Property | 3 | 1 | 1 | 1 |
| Lake Lease - KS Wildlife/Parks | 773 | 1,030 | 1,030 | 1,030 |
| KS Local Alcohol/Liquor Fund | 9,268 | 9,472 | 9,592 | 8,593 |
| CMB/Liquor License Fees | 1,600 | 1,500 | 1,775 | 1,500 |
| Miscellaneous Permit Fees | 1,850 | 1,000 | 1,899 | 1,000 |
| Building Permit Fee | 25,425 | 12,000 | 29,959 | 22,000 |
| Dog Tag Fees | 1,263 | 1,000 | 1,176 | 1,200 |
| NOW Account Interest | 1,244 | 12,000 | 3,654 | 3,592 |
| Municipal Court Fines | 101,969 | 68,117 | 64,183 | 62,882 |
| Animal Control Ordinance Fines | 665 | 400 | 560 | - |
| VIN Verification Fees | 4,806 | 5,000 | 6,678 | 5,000 |
| Other Revenues | 2,785 | 16,652 | 12,276 | 15,000 |
| Electric Utility Fund Transfer | 223,636 | 189,618 | 189,618 | 179,675 |
| Water Utility Fund Transfer | 86,959 | 70,746 | 70,746 | 74,279 |
| Wastewater Utility Fund Transfer | 26,888 | 14,451 | 14,451 | 14,392 |
| Refuse Utility Fund Transfer | 8,300 | 9,585 | 9,585 | 12,089 |
| Special Parks & Recreation Transfer | 668 | 4,035 | 4,035 | 2,633 |
| Transfer from Cemetery | - | 2,647 | 2,647 | 4,377 |
| Transfer from Electric - In Lieu of Franchise Fee | 111,818 | 290,015 | 290,015 | 223,315 |
| Transfer from Water - In Lieu of Franchise Fee | 43,479 | 104,558 | 104,558 | 84,672 |
| Transfer from Wastewater - In Lieu of Franchise Fee | 19,503 | 19,427 | 19,427 | 39,375 |
| Transfer from Refuse - In Lieu of Franchise Fee | - | - | - | 12,089 |
| Transfer from CIP Sales Tax | - | 98,211 | 98,211 | 30,000 |
| Total Receipts | 2,235,486 | 2,477,410 | 2,503,531 | 2,480,764 |
| Resources Available | 2,725,238 | 2,837,332 | 3,102,304 | 2,852,649 |
| Total Expenditures | 2,062,592 | 2,837,332 | 2,356,932 | 2,852,649 |

Ad Valorem Taxes

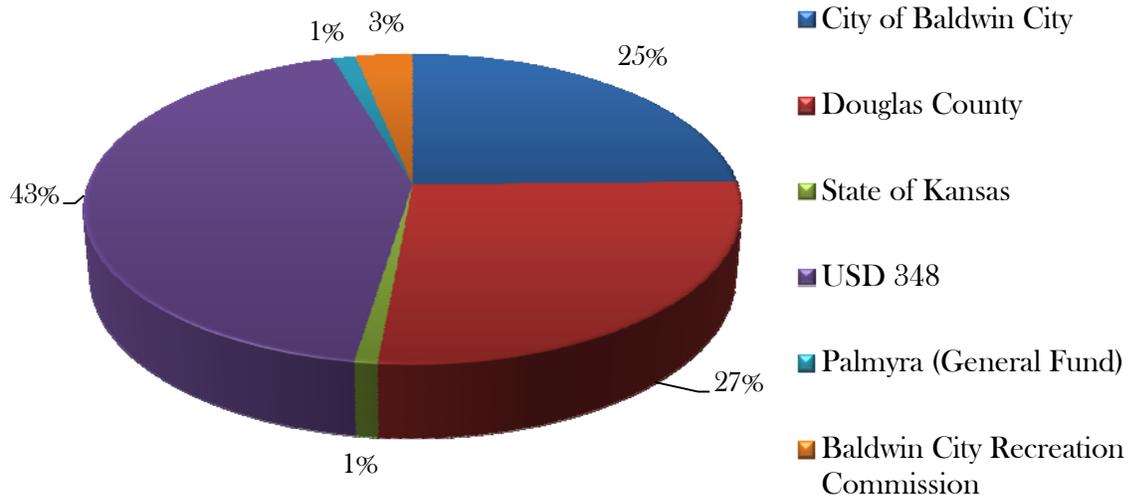
Overview

Governmental units in Kansas such as municipalities, counties, townships, school districts, rural water districts, other authorized taxing entities, and even the State of Kansas utilize property taxes to help fund the operations that are provided by each of those governmental organizations. Each organization determines its own tax rate depending on its own needs.

| Governmental Entity | Mill Levy |
|------------------------------------|----------------|
| City of Baldwin City | 37.623 |
| Douglas County | 41.010 |
| State of Kansas | 1.500 |
| USD 348 | 65.704 |
| Palmyra (General Fund) | 1.997 |
| Baldwin City Recreation Commission | 4.995 |
| Total | 152.829 |

In 2015, most property owners within the City of Baldwin City will have a total mill levy of 152.829 mills. The City of Baldwin City is one of several taxing entities that make up your property tax bill. Your property tax bill includes taxes levied by the City of Baldwin City, Douglas County, USD 348, Palmyra Township, and the State of Kansas. Of these 152.829 mills, the City of Baldwin City levied only 37.623 mills for municipal operations, or approximately a quarter of a resident's total property tax bill. USD 348 is the single largest taxing entity at approximately 46%. (43% of USD 348 property taxes are levied for school district operations and an additional 3%, or the equivalent of 5 mills, is levied for the Baldwin City Recreation Commission.)

Property Tax Distribution



How Are Property Taxes Calculated?

Property tax rates are based on mills and are assessed through a mill levy. The mill levy is a tax rate, also commonly referred to as the property tax or ad valorem tax that an owner is required to pay on the assessed value of real and personal property. There are three types of property that are taxable according to Kansas State Law: land, improvements to land, (such as buildings) and personal property (like vehicles).

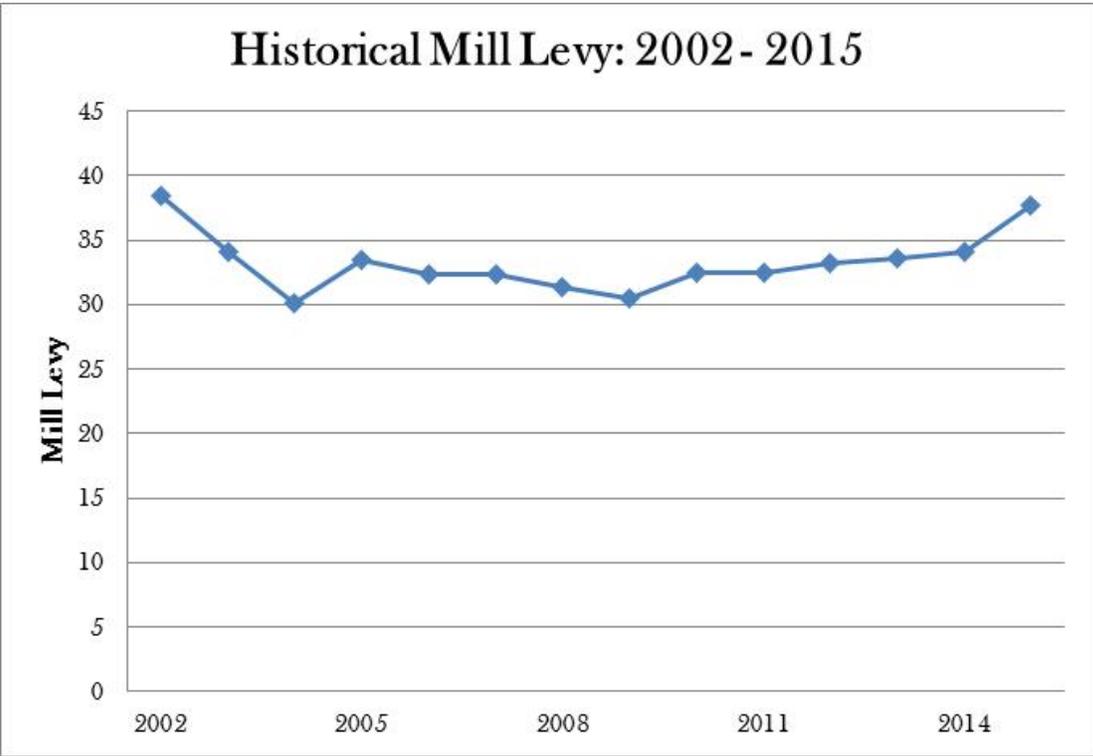
To calculate property tax, residents need to know the approximate appraised value of your property. The Douglas County Appraiser's Office determines the fair market value of property and sets the appraised value. The appraised value is then multiplied by an assessment rate that is based on the function of the property. This calculation generates what is called the assessed value.

What is a Mill?

A mill is one dollar per \$1,000 of assessed value.

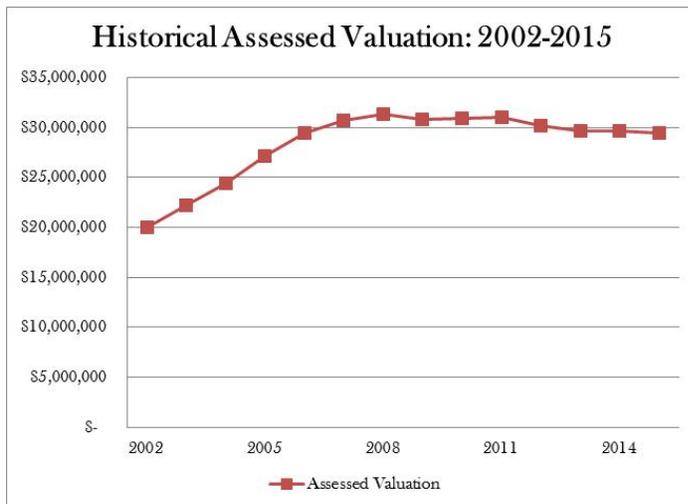
What is Assessed Value?

Assessed value represents the official value placed on real estate, personal property, and utilities as a basis for levying taxes. By Kansas Statute, the assessed value for residential property is 11.5% of the appraised value and the assessed value for commercial/industrial property is 25% of appraised value.

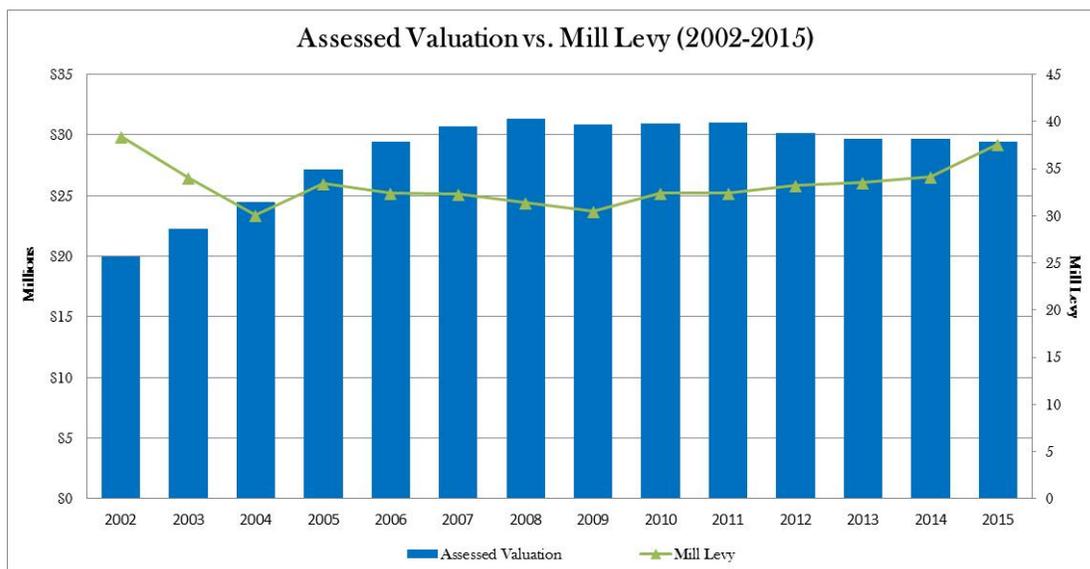


Assessed Valuation Analysis

Assessed valuation growth over time is one of the ways communities can evaluate the overall health of their economy. Positive trend indicates an expansion of the local tax base through new construction and investment as well as a growth in property values, meaning that homeowners have greater equity in their homes. As illustrated in the chart below, Baldwin City's assessed valuation gradually increased from 2003 to 2008. However, for the past five years, assessed valuation has remained flat or has slightly declined. As the chart shows, 2013 assessed valuation is near 2006 levels. When assessed valuation declines, the mill levy has to increase simply to generate the same amount of tax dollars as the previous year to maintain services at the previous year's level. If the mill levy doesn't increase, cuts in service must be made to compensate.



Note the inverse relationship between the City's assessed valuation and the City's mill levy in the chart below.



Ad Valorem Taxes

2015 Annual City Tax Liability

MARKET VALUE OF HOME: \$200,000

To determine assessed valuation, multiply by 11.5%

$$\$200,000 \times 11.5\% = \mathbf{\$23,000}$$

ASSESSED VALUATION: \$23,000

To determine city tax liability, multiply assessed valuation by published mill levy divided by 1,000. In 2015, the City of Baldwin City levy will be 37.623 mills.

$$\$23,000 * 37.623 / 1,000 = \mathbf{\$865.33}$$

ANNUAL CITY TAX LIABILITY: \$865.33

To determine the monthly expense for city services, divide tax liability by 12 months.

$$\$865.33 \div 12 = \mathbf{\$72.11}$$

MONTHLY CITY TAX LIABILITY: \$72.11

The following list represents a sample of services provided for the monthly cost of \$72.11.

- Police Protection
- Fire Protection
- Public Library
- Swimming Pool
- Snow Removal
- Storm Water Control
- Park Maintenance
- Building Inspections
- Code Enforcement
- Animal Control
- Cemetery
- City Administration
- Finance/Budget
- Community Development
- Economic Development
- Planning & Zoning
- 911 Emergency Communications



Ad Valorem Taxes

| Ranked by City Mill Levy | City | 2013 Population | Assessed Tangible Valuation | Total City Levy |
|--------------------------|----------------|-----------------|-----------------------------|-----------------|
| 1 | Scott City | 3,817 | 22,015,557 | 66.22 |
| 2 | Russell | 4,481 | 28,677,204 | 60.64 |
| 3 | Larned | 4,023 | 17,318,697 | 60.62 |
| 4 | Council Grove | 2,160 | 12,972,949 | 60.44 |
| 5 | Osawatomie | 4,388 | 22,523,893 | 59.93 |
| 6 | Norton | 2,871 | 12,107,687 | 59.59 |
| 7 | Clay Center | 4,315 | 28,250,583 | 55.08 |
| 8 | Concordia | 5,320 | 27,301,791 | 54.71 |
| 9 | Winfield | 12,365 | 65,278,164 | 54.63 |
| 10 | Atchison | 10,953 | 72,797,666 | 54.23 |
| 11 | Valley Center | 6,965 | 44,128,717 | 53.63 |
| 12 | Dodge City | 28,075 | 141,842,235 | 52.06 |
| 13 | Newton | 19,189 | 116,974,268 | 51.11 |
| 14 | McPherson | 13,218 | 106,040,085 | 51.02 |
| 15 | Goodland | 4,559 | 26,582,969 | 49.57 |
| 16 | Parsons | 10,327 | 52,449,663 | 48.87 |
| 17 | Edwardsville | 4,377 | 45,062,975 | 47.37 |
| 18 | Ottawa | 12,575 | 81,904,721 | 47.25 |
| 19 | Great Bend | 15,923 | 94,542,276 | 45.80 |
| 20 | Bel Aire | 6,838 | 44,286,201 | 45.70 |
| 21 | Pratt | 6,880 | 41,422,017 | 45.14 |
| 22 | Rose Hill | 3,932 | 24,188,726 | 44.12 |
| 23 | Paola | 5,550 | 45,460,013 | 43.32 |
| 24 | Mulvane | 6,267 | 54,467,151 | 41.92 |
| 25 | Baxter Springs | 4,162 | 19,719,475 | 41.68 |
| 26 | Tonganoxie | 5,108 | 34,747,676 | 41.50 |
| 27 | Lansing | 11,591 | 77,268,589 | 40.93 |
| 28 | Lindsborg | 3,464 | 21,180,323 | 39.73 |
| 29 | Ulysses | 6,239 | 33,758,889 | 39.42 |
| 30 | Iola | 5,698 | 31,264,828 | 38.74 |
| 31 | Andover | 12,099 | 120,684,134 | 38.52 |
| 32 | Edgerton | 1,699 | 25,276,718 | 36.92 |
| 33 | Wamego | 4,485 | 36,817,843 | 36.24 |
| 34 | Baldwin City | 4,526 | 29,663,796 | 34.13 |
| 35 | Garden City | 26,985 | 169,294,543 | 33.65 |
| 36 | Roeland Park | 6,816 | 59,258,352 | 33.38 |
| 37 | Spring Hill | 5,612 | 53,899,610 | 33.33 |
| 38 | Colby | 5,406 | 44,566,075 | 33.28 |
| 39 | North Newton | 1,779 | 9,333,535 | 32.83 |
| 40 | Louisburg | 4,282 | 36,926,640 | 32.39 |
| 41 | Gardner | 20,318 | 129,274,134 | 31.13 |
| 42 | Eudora | 6,184 | 39,192,112 | 31.10 |
| 43 | Lawrence | 89,512 | 860,322,675 | 30.04 |
| 44 | Basehor | 4,787 | 48,885,631 | 29.16 |
| 45 | De Soto | 5,869 | N/A | 20.10 |

How Does Baldwin City Compare to Other Communities?

The table to the left ranks other similar sized communities in Kansas by their city mill levy. Rows that are shaded blue have been identified as comparable cities. In 2014, Baldwin City had one of the lowest mill levy rates among similar Kansas Communities.

*Source: <http://www.da.ks.gov/ar/muniserv/> (2014)

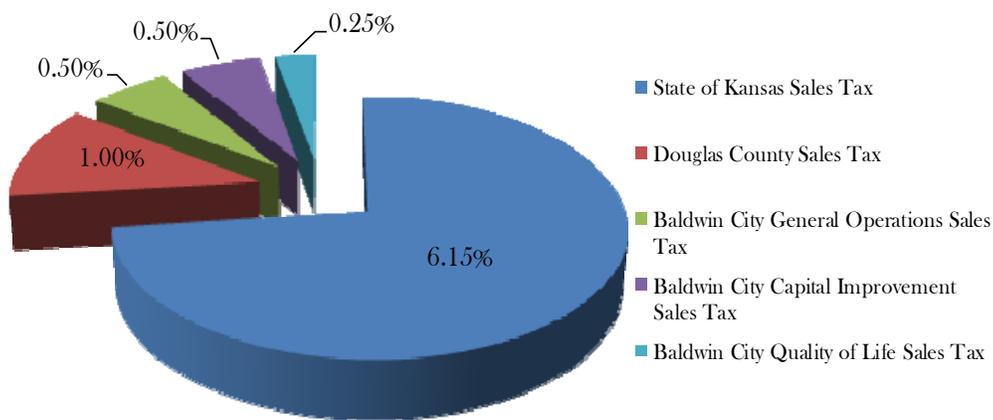
Ad Valorem Taxes

The table below ranks communities by their per capita per day cost. As the table below indicates, in 2014, it cost every Baldwin City resident approximately \$0.61 per day for municipal services such as police and fire protection, municipal swimming pool, community library, and community parks to name a few. In other words, for municipal services funded by ad valorem taxes, Baldwin City is one of the most affordable communities in Kansas.

| Ranked by City Mill Levy | City | 2013 Population | Assessed Tangible Valuation | Total City Levy | Amount Per Mill | Total Amount Levied | Per Caipita Per Day |
|--------------------------|----------------|-----------------|-----------------------------|-----------------|-----------------|---------------------|---------------------|
| 1 | De Soto | 5,869 | N/A | 20.10 | N/A | N/A | N/A |
| 2 | Edgerton | 1,699 | 25,276,718 | 36.92 | 25,277 | 933,266.98 | 1.50 |
| 3 | Edwardsville | 4,377 | 45,062,975 | 47.37 | 45,063 | 2,134,497.94 | 1.34 |
| 4 | McPherson | 13,218 | 106,040,085 | 51.02 | 106,040 | 5,410,377.22 | 1.12 |
| 5 | Russell | 4,481 | 28,677,204 | 60.64 | 28,677 | 1,739,100.36 | 1.06 |
| 6 | Andover | 12,099 | 120,684,134 | 38.52 | 120,684 | 4,648,632.16 | 1.05 |
| 7 | Scott City | 3,817 | 22,015,557 | 66.22 | 22,016 | 1,457,804.14 | 1.05 |
| 8 | Mulvane | 6,267 | 41,223,532 | 41.92 | 41,224 | 1,728,214.13 | 0.76 |
| 9 | Council Grove | 2,160 | 12,972,949 | 60.44 | 12,973 | 784,085.04 | 0.99 |
| 10 | Clay Center | 4,315 | 28,250,583 | 55.08 | 28,251 | 1,555,929.11 | 0.99 |
| 11 | Atchison | 10,953 | 72,797,666 | 54.23 | 72,798 | 3,948,108.62 | 0.99 |
| 12 | Paola | 5,550 | 45,460,013 | 43.32 | 45,460 | 1,969,373.22 | 0.97 |
| 13 | Valley Center | 6,965 | 44,128,717 | 53.63 | 44,129 | 2,366,623.09 | 0.93 |
| 14 | Spring Hill | 5,612 | 198,878,989 | 33.33 | 198,879 | 6,628,835.58 | 3.24 |
| 15 | Newton | 19,189 | 116,974,268 | 51.11 | 116,974 | 5,979,022.73 | 0.85 |
| 16 | Ottawa | 12,575 | 81,904,721 | 47.25 | 81,905 | 3,869,752.35 | 0.84 |
| 17 | Osawatomie | 4,388 | 22,523,893 | 59.93 | 22,524 | 1,349,879.43 | 0.84 |
| 18 | Basehor | 4,787 | 48,885,631 | 29.16 | 48,886 | 1,425,358.34 | 0.82 |
| 19 | Wamego | 4,485 | 36,817,843 | 36.24 | 36,818 | 1,334,315.45 | 0.82 |
| 20 | Bel Aire | 6,838 | 44,286,201 | 45.70 | 44,286 | 2,023,657.95 | 0.81 |
| 21 | Roeland Park | 6,816 | 59,258,352 | 33.38 | 59,258 | 1,977,984.53 | 0.80 |
| 22 | Goodland | 4,559 | 26,582,969 | 49.57 | 26,583 | 1,317,770.94 | 0.79 |
| 23 | Lawrence | 89,512 | 860,322,675 | 30.04 | 860,323 | 25,845,813.80 | 0.79 |
| 24 | Winfield | 12,365 | 65,278,164 | 54.63 | 65,278 | 3,566,211.38 | 0.79 |
| 25 | Tonganoxie | 5,108 | 34,747,676 | 41.50 | 34,748 | 1,442,132.80 | 0.77 |
| 26 | Concordia | 5,320 | 27,301,791 | 54.71 | 27,302 | 1,493,544.48 | 0.77 |
| 27 | Louisburg | 4,282 | 36,926,640 | 32.39 | 36,927 | 1,195,943.09 | 0.77 |
| 28 | Colby | 5,406 | 44,566,075 | 33.28 | 44,566 | 1,483,114.41 | 0.75 |
| 29 | Lansing | 11,591 | 77,268,589 | 40.93 | 77,269 | 3,162,371.54 | 0.75 |
| 30 | Great Bend | 15,923 | 94,542,276 | 45.80 | 94,542 | 4,330,319.87 | 0.75 |
| 31 | Pratt | 6,880 | 41,422,017 | 45.14 | 41,422 | 1,869,665.58 | 0.74 |
| 32 | Rose Hill | 3,932 | 24,188,726 | 44.12 | 24,189 | 1,067,230.78 | 0.74 |
| 33 | Dodge City | 28,075 | 141,842,235 | 52.06 | 141,842 | 7,384,874.12 | 0.72 |
| 34 | Larned | 4,023 | 17,318,697 | 60.62 | 17,319 | 1,049,928.69 | 0.72 |
| 35 | Norton | 2,871 | 12,107,687 | 59.59 | 12,108 | 721,497.07 | 0.69 |
| 36 | Parsons | 10,327 | 52,449,663 | 48.87 | 52,450 | 2,563,319.93 | 0.68 |
| 37 | Lindsborg | 3,464 | 21,180,323 | 39.73 | 21,180 | 841,536.59 | 0.67 |
| 38 | Baldwin City | 4,526 | 29,663,796 | 34.13 | 29,664 | 1,012,336.37 | 0.61 |
| 39 | Ulysses | 6,239 | 33,758,889 | 39.42 | 33,759 | 1,330,775.40 | 0.58 |
| 40 | Iola | 5,698 | 31,264,828 | 38.74 | 31,265 | 1,211,074.38 | 0.58 |
| 41 | Garden City | 26,985 | 169,294,543 | 33.65 | 169,295 | 5,696,084.19 | 0.58 |
| 42 | Gardner | 20,318 | 129,274,134 | 31.13 | 129,274 | 4,024,691.61 | 0.54 |
| 43 | Baxter Springs | 4,162 | 19,719,475 | 41.68 | 19,719 | 821,809.12 | 0.54 |
| 44 | Eudora | 6,184 | 39,192,112 | 31.10 | 39,192 | 1,218,717.91 | 0.54 |
| 45 | North Newton | 1,779 | 9,333,535 | 32.83 | 9,334 | 306,438.62 | 0.47 |

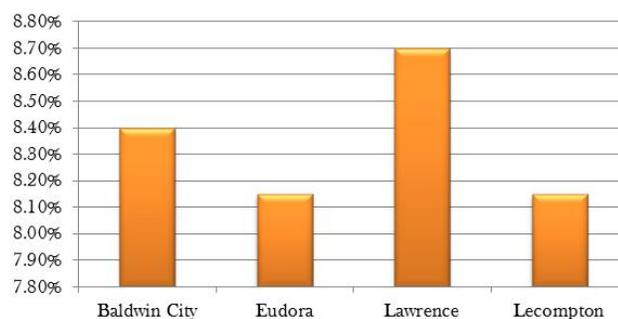
The City of Baldwin City has a total sales tax rate of 8.40%. The revenue that is derived from this sales tax is appropriated among the State of Kansas, Douglas County, and the City of Baldwin City. The State of Kansas is the largest collector of sales tax, collecting 6.15% of the total 8.40% imposed sales tax. Douglas County collects an additional 1.0%, and finally, the City of Baldwin City imposes its own 1.25% sales tax.

Sales Tax Allocation



Of the four communities in Douglas County, Baldwin City maintains the second highest sales tax rate. While the City of Baldwin City imposes a 1.25% local sales tax, only the 0.50% General Operations Sales Tax is appropriated to the City's General Fund. The Capital Improvement Sales Tax and Quality of Life Sales Tax are special revenue funds and are discussed in greater detail later in this document. Also, by State Statute, a portion of the 1.0% sales tax collected by the County must be allocated to each incorporated municipality within Douglas County.

Sales Tax Rate



Approximately 70% of all the sales tax revenue distributed to the City's General Fund originates from the allocated portion of Douglas County's 1.0% sales tax. Collection of sales tax has grown steadily over the last 10 years both in the County and in Baldwin City. However, during the national recession, sales tax revenue declined nearly \$38,000.00 over a two-year period. This decline in sales tax collection from 2008 to 2010 is consistent with national trends as consumers reacted to the declining stock market and home values by watching their spending habits more closely. Since 2010, sales tax collections have rebounded significantly.

General Fund Sales Tax

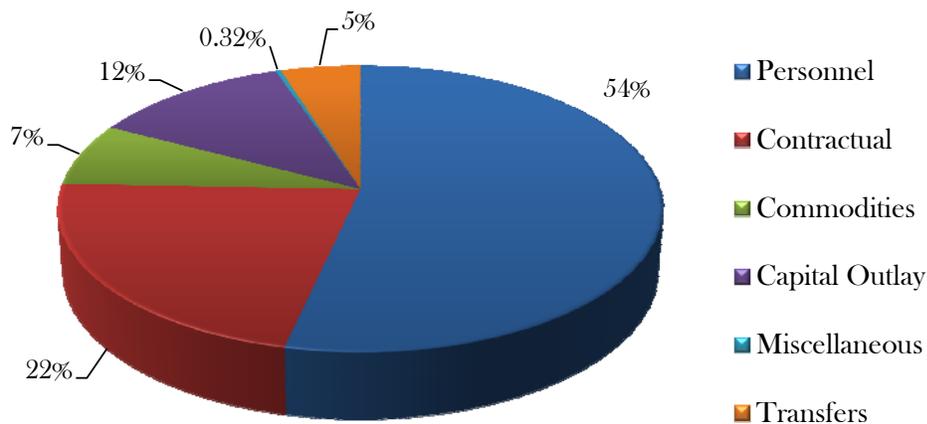


| Baldwin City Sales Tax | | | |
|------------------------|-----------|-------------|----------|
| Year | Amount | Change \$ | Change % |
| 2002 | \$130,007 | | |
| 2003 | \$138,250 | \$ 8,244 | 6% |
| 2004 | \$167,741 | \$ 29,490 | 21% |
| 2005 | \$174,927 | \$ 7,187 | 4% |
| 2006 | \$181,682 | \$ 6,754 | 4% |
| 2007 | \$177,604 | \$ (4,078) | -2% |
| 2008 | \$181,304 | \$ 3,700 | 2% |
| 2009 | \$183,655 | \$ 2,351 | 1% |
| 2010 | \$165,319 | \$ (18,336) | -10% |
| 2011 | \$185,035 | \$ 19,716 | 12% |
| 2012 | \$183,380 | \$ (1,655) | -1% |
| 2013 | \$187,866 | \$ 4,486 | 2% |
| 2014 | \$192,896 | \$ 5,030 | 3% |

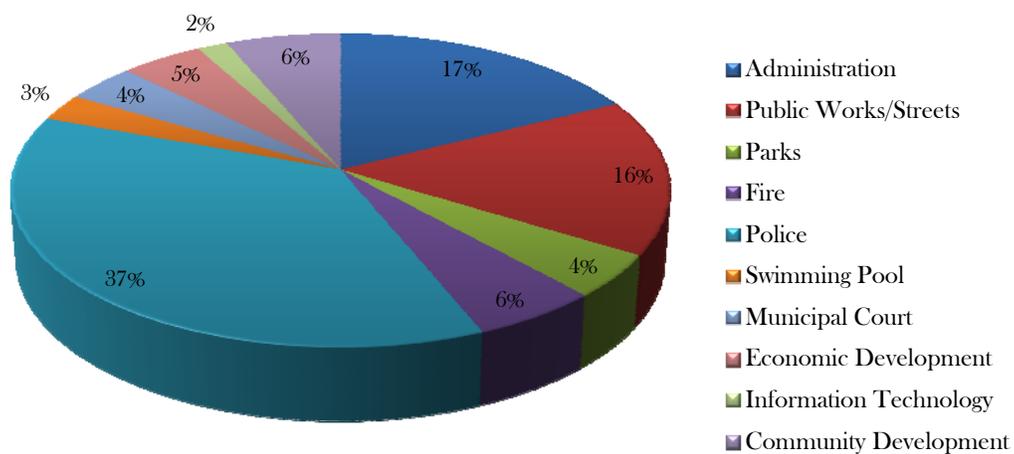
| Douglas County Sales Tax | | | |
|--------------------------|-----------|-------------|----------|
| Year | Amount | Change \$ | Change % |
| 2002 | \$325,909 | | |
| 2003 | \$337,048 | \$ 11,139 | 3.42% |
| 2004 | \$353,540 | \$ 16,492 | 4.89% |
| 2005 | \$359,860 | \$ 6,320 | 1.79% |
| 2006 | \$386,009 | \$ 26,149 | 7.27% |
| 2007 | \$395,894 | \$ 9,885 | 2.56% |
| 2008 | \$415,407 | \$ 19,513 | 4.93% |
| 2009 | \$398,893 | \$ (16,515) | -3.98% |
| 2010 | \$393,567 | \$ (5,326) | -1.34% |
| 2011 | \$421,482 | \$ 27,915 | 7.09% |
| 2012 | \$454,311 | \$ 32,829 | 7.79% |
| 2013 | \$457,082 | \$ 2,772 | 0.61% |
| 2014 | \$474,883 | \$ 17,801 | 3.89% |

The General Fund is the principal operating fund for the City of Baldwin City. As a whole, the General Fund provides the resources necessary for 10 of the City's departments. Police constitutes the largest expenditure in the General Fund. This is typical, considering the Police Department is the only City department that is staffed 24 hours a day, 7 days a week, and 365 days out of the year. In addition, the largest expense in the General Fund is for personnel.

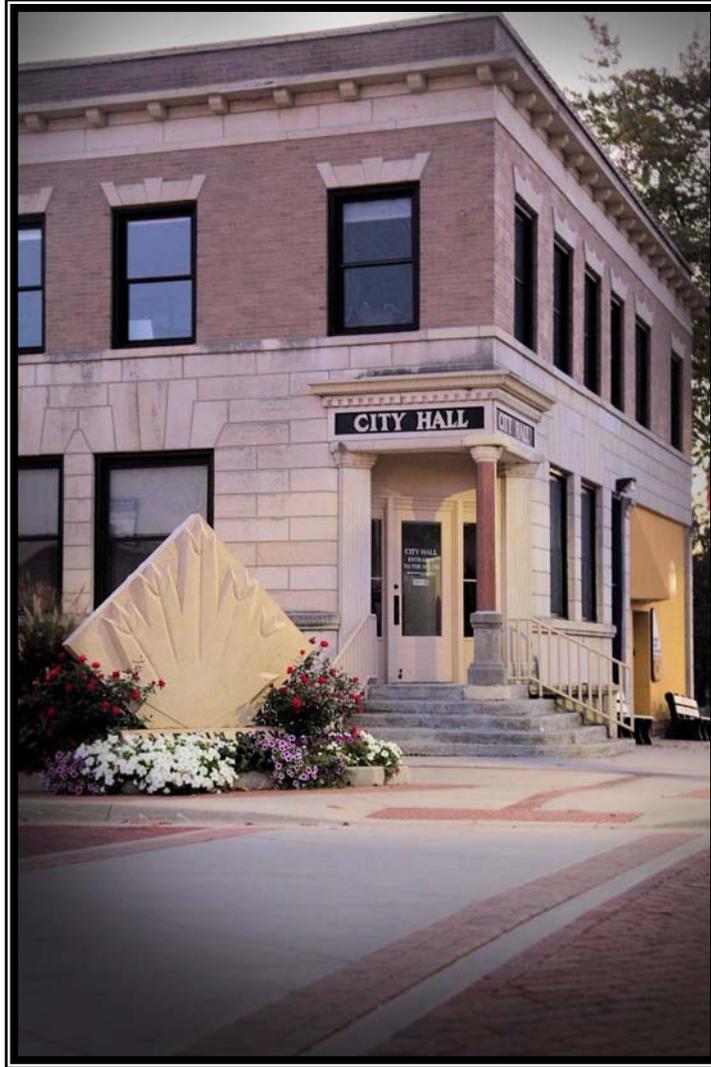
General Fund Expenditures By Category



General Fund Expenditures By Department



Administration



The Administration Department supports the administrative functions of the City, including the City Administrator's office, Finance Director and City Clerk responsibilities. The Administration Department serves as the cost center for the City of Baldwin City.

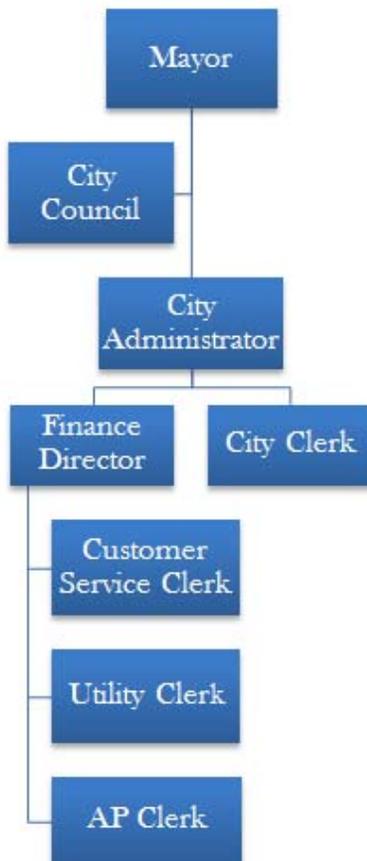
2014 Notable Achievements

- Standard and Poor increased the City’s bond rating from an “A” to “AA-”, an increase of two notches. A significant turn around from three years ago when the City had a negative balance in its General Fund.
- City refinanced the Electric Fund’s outstanding debt. With the improved bond rating, causing lower interest rates, the City will realize approximately \$600,000 in interest savings over 10 years.
- Approximately 19,500 payments were processed totaling \$5.4 million. Payments include utility bills, license fees, court fines, and other miscellaneous payments.
- Executed an agreement with RG Fiber to clear the way for fiber installation throughout the City.
- Enhanced the City’s social media presence. In 2014, the number of “likes” on the City’s Facebook page increased by 42%.

| S&P Bond Rating Scale | |
|-----------------------|------|
| Best Quality | AAA |
| | AA+ |
| High Quality | AA |
| | AA- |
| Upper Medium Quality | A+ |
| | A |
| | A- |
| Medium Grade | BBB+ |
| | BBB |
| | BBB- |

2015 Budget Highlights

The 2015 Administration budget continues to provide the resources necessary for the administrative functions of the City. The 2015 budget includes funds to pay for the way finding signs approved in late 2014, increased funds for community events like the downtown concert series, and a transfer to the General Fund Reserve to cover the City’s share of the Hancuff Place grant. It should be noted that the 2014 administration budget illustrates the department’s full budget authority.

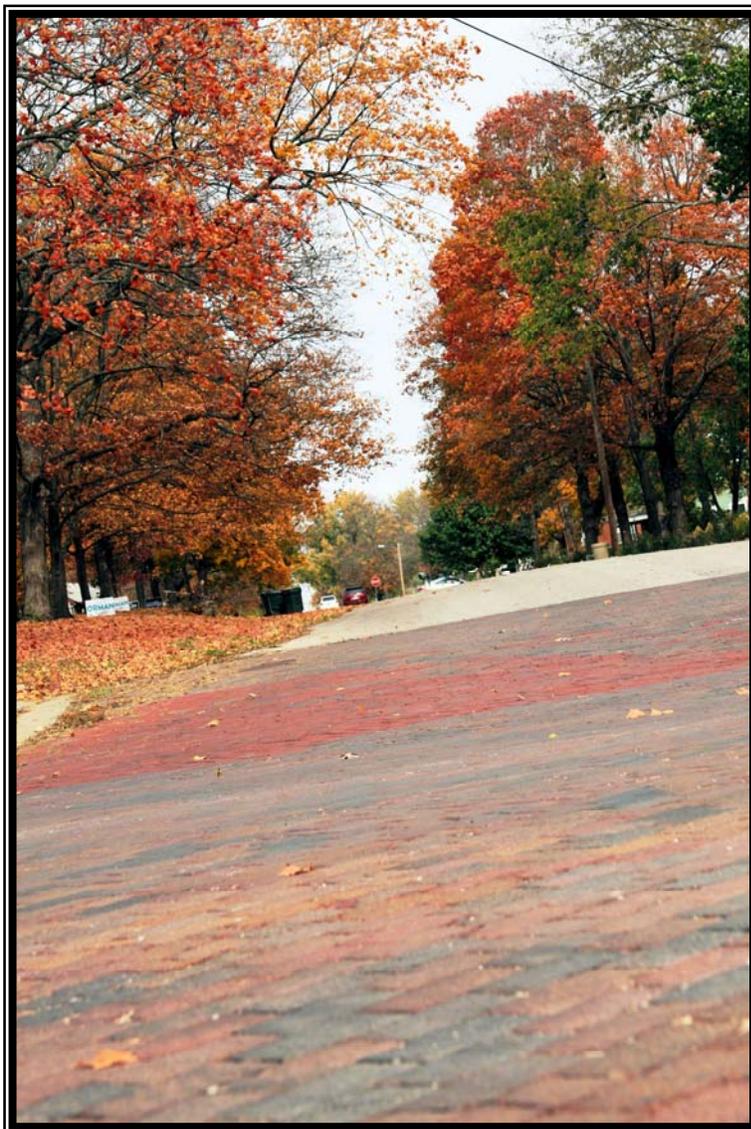


| Administration (01.01) | 2013 Actual | 2014 Budget | 2014 Estimate | 2015 Budget |
|------------------------|-------------|-------------|---------------|-------------|
| Personnel | 111,554 | 98,748 | 99,219 | 98,029 |
| Contractual | 79,690 | 199,714 | 97,505 | 211,774 |
| Commodities | 5,754 | 157,250 | 11,456 | 9,000 |
| Capital Outlay | - | - | - | 105,000 |
| Miscellaneous | 1,557 | 42,000 | 32,421 | 2,000 |
| Transfers | 136,391 | 146,801 | 216,801 | 75,000 |
| Total | 334,946 | 644,513 | 457,402 | 500,803 |

Administration (01.01)

| Administration (01.01) | | 2014 Budget | 2014 Estimate | 2015 Budget |
|-----------------------------|-------------------------------------|----------------|------------------|----------------|
| Personnel Services | | | | |
| 01.01.1101 | Payroll | 73,534 | 76,765 | 70,522 |
| 01.01.1109 | Vehicle Allowance | 3,600 | 3,600 | 3,600 |
| 01.01.1120 | Retirement Plans | 7,934 | 7,363 | 9,337 |
| 01.01.1130 | FICA Expense | 4,402 | 5,863 | 4,956 |
| 01.01.1140 | Unemployment Comp. Insurance | 1,121 | 60 | 1,256 |
| 01.01.1160 | Health Insurance | 7,560 | 5,403 | 7,900 |
| 01.01.1170 | Other | 597 | 164 | 458 |
| Sub-Total | | 98,748 | 99,219 | 98,029 |
| Contractual Services | | | | |
| 01.01.2140 | Staff Training | 6,500 | 4,105 | 8,000 |
| 01.01.2160 | Transportation/Meals/Lodging | 4,800 | 1,789 | 5,000 |
| 01.01.2330 | Legal Publications | 1,400 | 78 | 500 |
| 01.01.2410 | Property/Liability Insurance | 6,611 | 10,317 | 7,645 |
| 01.01.2499 | Utilities | 7,706 | 9,750 | 7,500 |
| 01.01.2500 | Telephones | 10,519 | 6,827 | 7,500 |
| 01.01.2516 | Seasonal Decorations Service | 6,000 | 1,019 | 10,000 |
| 01.01.2520 | Building Repairs | 10,000 | 4,541 | 3,000 |
| 01.01.2720 | Dues/Subscriptions/Books | 3,805 | 1,669 | 4,200 |
| 01.01.2725 | Other Professional Services | 28,673 | 21,214 | 33,729 |
| 01.01.2890 | Office Equipment Lease | - | 4,618 | 5,000 |
| 01.01.2892 | Business Park Feasibility Study | 40,000 | - | 20,000 |
| 01.01.2893 | Gateway Entrance | 50,000 | - | 45,000 |
| 01.01.2999 | Other Contractual Services | 13,200 | 9,624 | 35,700 |
| 01.01.3900 | Community Events & Public Relations | 10,500 | 21,954 | 19,000 |
| Sub-Total | | 199,714 | 97,505 | 211,774 |
| Commodities | | | | |
| 01.01.3120 | Office/Computer Supplies | 6,000 | 5,871 | 8,000 |
| 01.01.3610 | Uniforms | 1,000 | 577 | 1,000 |
| 01.01.3680 | Custodial Supplies | 50 | 8 | - |
| 01.01.3999 | Other Commodities | 150,200 | 5,000 | - |
| Sub-Total | | 157,250 | 11,456 | 9,000 |
| Capital Outlay | | | | |
| 01.01.4130 | Office Machines | - | - | - |
| 01.01.4700 | Land Acquisition | - | - | 10,000 |
| 01.01.4999 | Other Capital Outlay | - | - | 95,000 |
| Sub-Total | | - | - | 105,000 |
| Miscellaneous | | | | |
| 01.01.7500 | Contingency | 40,000 | 30,289 | - |
| 01.01.7999 | Miscellaneous Expenses | 2,000 | 2,132 | 2,000 |
| Sub-Total | | 42,000 | 32,421 | 2,000 |
| Transfers | | | | |
| 01.01.8109 | General B&I Fund Transfer | 71,801 | 141,801 | 50,000 |
| 01.01.8130 | Transfer to General CIP | 60,000 | 60,000 | - |
| 01.01.8131 | Transfer to GF Reserve | 15,000 | 15,000 | 25,000 |
| Sub-Total | | 146,801 | 216,801 | 75,000 |
| Total Expenditures | | 644,513 | 457,402 | 500,803 |

Public Works - Streets



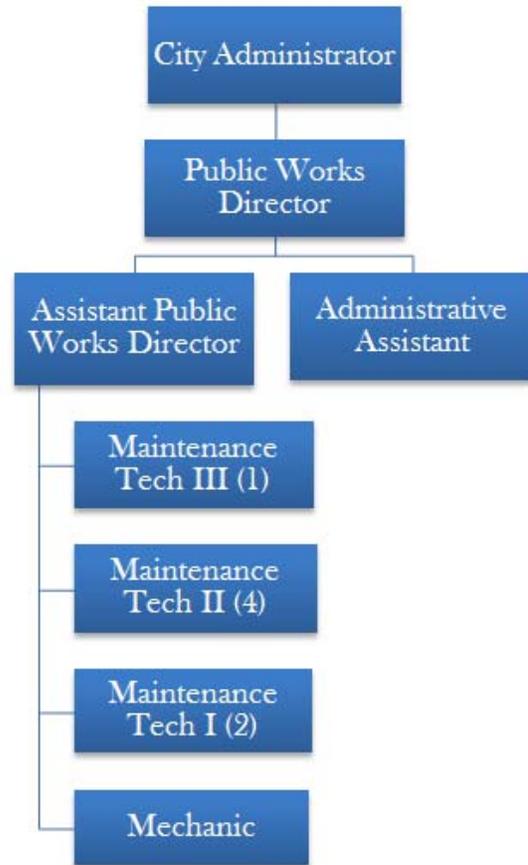
The Public Works/Streets Departmental budget provides funding support for the day-to-day operations of the Public Works/Street Department. Public Works is a multi-faceted department responsible for infrastructure management including water, sewer, transportation and storm water systems. Duties include, but are not limited to, grading, patching and striping streets during the summer months. Winter maintenance includes snow removal and treating roads with salt/sand mixture to prevent freezing. Public Works employees also assist with repairing water-line breaks and helping with on any other construction project that is necessary.

Public Works/Streets (01.02)



2014 Notable Achievements

- 750 feet of curb and gutter was replaced along 8th Street.
- 1/2 mile of City streets were overlaid using 400 tons of asphalt.
- Erected 200 barricades, 1,200 “no parking” signs, and 60 trash cans for the annual Maple Leaf Festival.
- Renovated second story of City Hall.



2015 Budget Highlights

The 2015 Public Works/Street Departmental budget increased from the previous year to fund various capital outlay needs. In addition to inflation of insurance costs, the 01.02 fund payroll increases for the addition of an Assistant Public Works Director position. This position was identified as part of responsible succession planning for the organization. Money has also been set aside to pay for new fuel pump controls and new radios. Lastly, \$50,000 has been reserved for minor brick street repairs as needed in 2015.

| Public Works/Streets (01.02) | 2013 Actual | 2014 Budget | 2014 Estimate | 2015 Budget |
|-------------------------------------|------------------------|------------------------|--------------------------|------------------------|
| Personnel | 197,555 | 204,089 | 177,034 | 241,537 |
| Contractual | 48,249 | 55,222 | 43,824 | 56,155 |
| Commodities | 84,628 | 77,280 | 72,101 | 79,450 |
| Capital Outlay | 19,232 | 27,500 | 7,403 | 82,900 |
| Miscellaneous | 15 | 1,000 | 1,105 | 1,000 |
| Transfers | - | 10,000 | 10,000 | - |
| Total | 349,679 | 375,091 | 311,466 | 461,042 |

Public Works/Streets (01.02)

| Public Works/Streets (01.02) | | 2014 Budget | 2014 Estimate | 2015 Budget |
|-------------------------------------|--------------------------------|------------------------|--------------------------|------------------------|
| Personnel Services | | | | |
| 01.02.1101 | Full Time Employee Payroll | 132,830 | 129,270 | 160,057 |
| 01.02.1120 | Retirement Plans | 17,585 | 16,511 | 22,252 |
| 01.02.1130 | FICA Expense | 10,213 | 9,764 | 12,300 |
| 01.02.1140 | Unemployment Comp Insurance | 2,132 | 83 | 2,572 |
| 01.02.1160 | Health Insurance | 28,350 | 16,079 | 28,865 |
| 01.02.1170 | Other | 12,979 | 5,327 | 15,491 |
| Sub-Total | | 204,089 | 177,034 | 241,537 |
| Contractual Services | | | | |
| 01.02.2140 | Staff Training | 100 | 25 | - |
| 01.02.2300 | Street Sweeping | 6,000 | 3,965 | 6,000 |
| 01.02.2410 | Property/Liability Insurance | 7,172 | 7,329 | 8,294 |
| 01.02.2430 | Engineering Services | 2,000 | - | 2,000 |
| 01.02.2499 | Utilities | 6,448 | 6,626 | 6,450 |
| 01.02.2500 | Telephones | 970 | 861 | 1,000 |
| 01.02.2520 | Building/Machine/Equip. Repair | 28,000 | 19,472 | 28,000 |
| 01.02.2725 | Other Professional Services | 861 | 247 | 911 |
| 01.02.2999 | Other Contractual Services | 3,671 | 5,298 | 3,500 |
| Sub-Total | | 55,222 | 43,824 | 56,155 |
| Commodities | | | | |
| 01.02.3330 | Snow Removal Supplies | 10,000 | 2,458 | 10,000 |
| 01.02.3340 | Asphalt/Cold Patch | 15,000 | 19,712 | 15,000 |
| 01.02.3341 | Rock/Sand/Chips | 7,500 | 13,377 | 7,500 |
| 01.02.3350 | Tires/Batteries | 2,000 | 538 | 2,000 |
| 01.02.3355 | Minor Tools/Apparatus | 3,000 | 6,866 | 2,500 |
| 01.02.3530 | Vehicle Gas/Oil | 24,830 | 8,215 | 26,500 |
| 01.02.3800 | Materials/Supplies | 10,000 | 10,709 | 10,000 |
| 01.02.3810 | Culverts, Tubing | 2,500 | 5,623 | 2,500 |
| 01.02.3999 | Other Commodities | 2,450 | 4,603 | 3,450 |
| Sub-Total | | 77,280 | 72,101 | 79,450 |
| Capital Outlay | | | | |
| 01.02.4005 | Communication Equipment | 1,000 | 1,815 | 6,400 |
| 01.02.4006 | Safety Equipment | 500 | 255 | 500 |
| 01.02.4010 | Streets | - | - | 50,000 |
| 01.02.4200 | Drainage | 1,000 | - | 1,000 |
| 01.02.4220 | Sidewalks | 1,000 | - | 1,000 |
| 01.02.4330 | Street Signs | 4,000 | 5,332 | 4,000 |
| 01.02.4810 | Equipment Purchases | 20,000 | - | 20,000 |
| 01.02.4999 | Other Capital Outlay | - | - | - |
| Sub-Total | | 27,500 | 7,403 | 82,900 |
| Miscellaneous | | | | |
| 01.02.7999 | Miscellaneous Expenses | 1,000 | 1,105 | 1,000 |
| Sub-Total | | 1,000 | 1,105 | 1,000 |
| Transfers | | | | |
| 01.02.8131 | Transfer to GF Reserve-Streets | 10,000 | 10,000 | - |
| Sub-Total | | 10,000 | 10,000 | - |
| Total Expenditures | | 375,091 | 311,466 | 461,042 |

Public Works - Parks



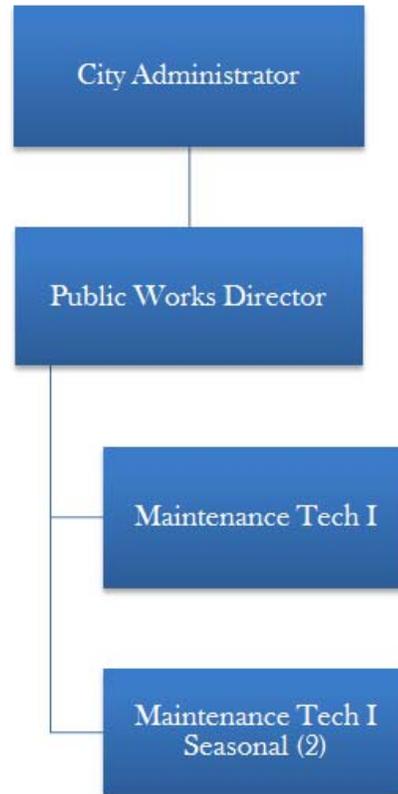
The Parks budget provides funding for the day-to-day operations of the Parks Department. Operationally, the department is a division of Public Works and maintains one full-time employee, with funds set aside for two seasonal positions. Park employees are responsible for maintenance and upkeep of the community's six parks, including Spring Creek Lake. Typical duties include maintaining park shelters and bathrooms, maintaining and watering plants in downtown, as well as other general grounds maintenance, like mowing and weed eating.

Public Works/Parks (01.03)



2014 Notable Achievements

- Constructed a multipurpose building at Kapelle Park.
- Installed and maintained a new disc golf course at Spring Creek Lake.
- Received a grant for a new playground equipment at Women’s Bridge Park.



2015 Budget Highlights

The 2015 Parks budget increased from 2014 to fund a variety of projects. The budget maintains last year’s addition of two seasonal employees, but it also increases funds to pay for additional plantings and \$20,000 to pay for the new multipurpose building at Kappelle Park.

| Parks Department (01.03) | 2013 Actual | 2014 Budget | 2014 Estimate | 2015 Budget |
|---------------------------------|--------------------|--------------------|----------------------|--------------------|
| Personnel | 39,065 | 52,760 | 30,965 | 52,457 |
| Contractual | 9,276 | 9,572 | 14,223 | 10,731 |
| Commodities | 13,123 | 13,952 | 13,689 | 24,050 |
| Capital Outlay | 3,589 | 3,500 | 22,865 | 39,000 |
| Miscellaneous | - | 1,500 | - | 1,500 |
| Transfers | - | 15,000 | 15,000 | - |
| Total | 65,053 | 96,284 | 96,743 | 127,738 |

Public Works/Parks (01.03)

| Parks Department (01.03) | | 2014 Budget | 2014 Estimate | 2015 Budget |
|---------------------------------|----------------------------------|------------------------|--------------------------|------------------------|
| Personnel Services | | | | |
| 01.03.1101 | Payroll | 37,674 | 23,081 | 37,169 |
| 01.03.1120 | Retirement Plans | 3,010 | 2,519 | 3,177 |
| 01.03.1130 | FICA Expense | 2,895 | 1,759 | 2,860 |
| 01.03.1140 | Unemployment Comp Insurance | 1,794 | 22 | 1,776 |
| 01.03.1160 | Health Insurance | 6,300 | 3,340 | 5,317 |
| 01.03.1170 | Other | 1,087 | 243 | 2,158 |
| Sub-Total | | 52,760 | 30,965 | 52,457 |
| Contractual Services | | | | |
| 01.03.2410 | Property/Liability Insurance | 1,822 | 1,861 | 2,106 |
| 01.03.2499 | Utilities | 2,500 | 5,591 | 3,425 |
| 01.03.2530 | Machine/Equipment Repair | 1,500 | 4,569 | 1,500 |
| 01.03.2531 | Playground Equipment Maint. | 2,500 | 941 | 2,500 |
| 01.03.2600 | Tree Care | 750 | 1,261 | 700 |
| 01.03.2999 | Other Contractual Services | 500 | - | 500 |
| Sub-Total | | 9,572 | 14,223 | 10,731 |
| Commodities | | | | |
| 01.03.3350 | Tires/Batteries | 1,000 | 524 | 1,500 |
| 01.03.3530 | Vehicle Gas/Oil | 5,902 | 3,069 | 7,500 |
| 01.03.3550 | Chemicals | 800 | 1,005 | 800 |
| 01.03.3600 | Plant Materials | 2,000 | 7,264 | 10,000 |
| 01.03.3610 | Uniforms | 250 | 150 | 250 |
| 01.03.3800 | Materials/Supplies | 4,000 | 1,677 | 4,000 |
| Sub-Total | | 13,952 | 13,689 | 24,050 |
| Capital Outlay | | | | |
| 01.03.4810 | Recreation & Equipment Purchases | 3,500 | 2,865 | 39,000 |
| 01.03.4999 | Other Capital Outlay | - | 20,000 | - |
| Sub-Total | | 3,500 | 22,865 | 39,000 |
| Miscellaneous | | | | |
| 01.03.5002 | Appropriation to Tree Board | 500 | - | 500 |
| 01.03.7999 | Miscellaneous Expenses | 1,000 | - | 1,000 |
| Sub-Total | | 1,500 | - | 1,500 |
| Transfers | | | | |
| 01.03.8131 | Transfers to GF Reserve - Parks | 15,000 | 15,000 | - |
| Sub-Total | | 15,000 | 15,000 | - |
| Total Expenditures | | 96,284 | 96,743 | 127,738 |

Fire Department

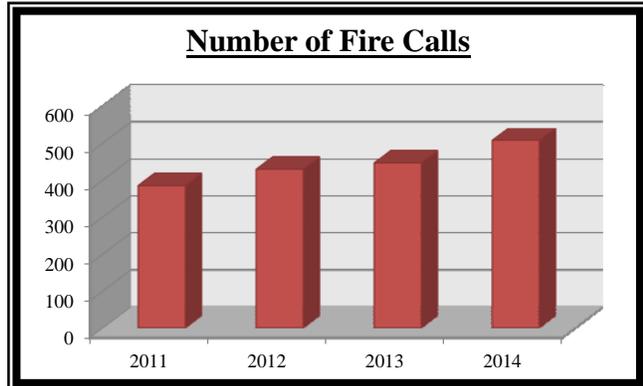


The Baldwin City Fire Department was officially chartered on February 4, 1910, as a volunteer fire department and has been an active volunteer department ever since. Today, the Baldwin City Fire Department maintains a staff of approximately 18 volunteers who are responsible for preventing, controlling and extinguishing fires in the City of Baldwin City. The Baldwin City Fire Department also responds to all local EMS calls. As part of several mutual aid agreements with surrounding communities, the Baldwin City Volunteer Fire Department also provides support to outside fire departments when needed.

Fire Department (01.04)

2014 Notable Achievements

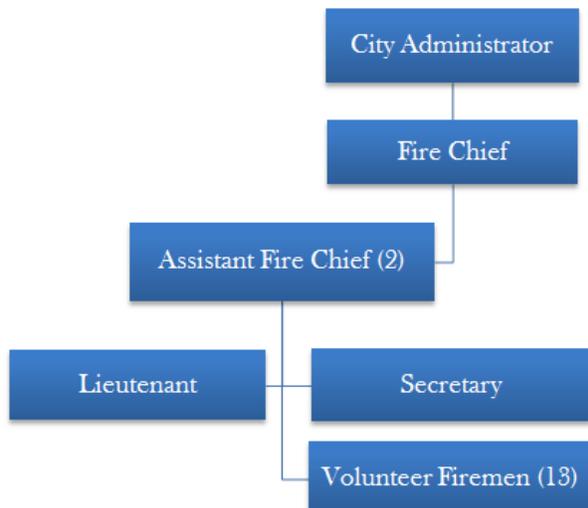
- Responded to 507 calls, 75% of all calls were medical related.
- Responded to four structure fires, three private dwellings, and one apartment fire.
- Responded to eight other fires, including three vehicle fires and one grass fire.
- Received five “clinical save commendations.”



2015 Budget Highlights

The 2015 Fire Department Budget declined slightly from the previous year. The main reason for this is the 2004 fire truck was paid off in 2014. A part-time assistant fire chief was added to the 2015 budget to anticipate possible succession. \$20,000 was set aside in the General Fund Reserves Fund in expectation of future capital outlay purchases.

| Fire Department (01.04) | 2013 Actual | 2014 Budget | 2014 Actual | 2015 Budget |
|-------------------------|-------------|-------------|-------------|-------------|
| Personnel | 28,021 | 42,241 | 44,641 | 77,494 |
| Contractual | 26,671 | 35,610 | 23,992 | 39,799 |
| Commodities | 12,916 | 20,038 | 16,912 | 19,200 |
| Capital Outlay | 17,715 | 24,382 | 27,963 | 2,000 |
| Miscellaneous | 79 | 500 | - | 500 |
| Transfers | - | 45,000 | 45,000 | 20,000 |
| Total | 85,402 | 167,771 | 158,508 | 158,993 |



Fire Department (01.04)

| Fire Department (01.04) | | 2014 Budget | 2014 Estimate | 2015 Budget |
|--------------------------------|-----------------------------------|------------------------|--------------------------|------------------------|
| Personnel Services | | | | |
| 01.04.1101 | Full-Time Employee Payroll | - | - | 30,904 |
| 01.04.1102 | Part-Time Employee Payroll | 34,590 | 38,785 | 38,049 |
| 01.04.1120 | KPERS Pension | - | - | - |
| 01.04.1130 | FICA Expense | 2,646 | 3,608 | 2,364 |
| 01.04.1140 | Unemployment Comp Insurance | 2,497 | 123 | 338 |
| 01.04.1160 | Health Insurance | - | - | 3,798 |
| 01.04.1170 | Other | 2,508 | 2,125 | 2,040 |
| Sub-Total | | 42,241 | 44,641 | 77,494 |
| Contractual Services | | | | |
| 01.04.2140 | Staff Training | 1,500 | 439 | 1,500 |
| 01.04.2150 | Postage | 51 | 82 | 150 |
| 01.04.2160 | Transportation/Meals/Lodging | 768 | 607 | 700 |
| 01.04.2209 | Maintenance/Service Agreements | 7,100 | 6,267 | 7,284 |
| 01.04.2410 | Property/Liability Insurance | 3,226 | 3,296 | 3,730 |
| 01.04.2499 | Utilities | 3,891 | 4,380 | 3,891 |
| 01.04.2500 | Telephones | 1,794 | 1,382 | 1,794 |
| 01.04.2520 | Building Repairs | 1,500 | 2,746 | 1,500 |
| 01.04.2530 | Machine/Vehicle/Equipment Repairs | 3,500 | 3,242 | 7,000 |
| 01.04.2720 | Dues/Subscriptions/Books | 830 | 583 | 1,000 |
| 01.04.2850 | Professional Services | 200 | - | - |
| 01.04.2851 | Legal Services | 750 | 75 | 750 |
| 01.04.2858 | Douglas County Dispatch Services | 10,000 | - | 10,000 |
| 01.04.2890 | Office Equipment Lease | - | 335 | - |
| 01.04.3900 | Public Relations | 500 | 559 | 500 |
| Sub-Total | | 35,610 | 23,992 | 39,799 |
| Commodities | | | | |
| 01.04.3120 | Office/Computer Supplies | 750 | 130 | 750 |
| 01.04.3350 | Tires/Batteries | 5,000 | 6,553 | 3,800 |
| 01.04.3530 | Vehicle Gas/Oil | 3,638 | 1,999 | 4,000 |
| 01.04.3610 | Uniforms | 1,500 | 402 | 1,500 |
| 01.04.3680 | Custodial Supplies | 150 | 177 | 150 |
| 01.04.3800 | Materials/Supplies | 9,000 | 7,651 | 9,000 |
| Sub-Total | | 20,038 | 16,912 | 19,200 |
| Capital Outlay | | | | |
| 01.04.4430 | Vehicle Lease Payment | 16,752 | 16,752 | - |
| 01.04.4810 | Equipment Purchases | 7,630 | 11,211 | 2,000 |
| Sub-Total | | 24,382 | 27,963 | 2,000 |
| Miscellaneous | | | | |
| 01.04.7999 | Miscellaneous Expenses | 500 | - | 500 |
| Sub-Total | | 500 | - | 500 |
| Transfers | | | | |
| 01.04.8131 | Transfer to GF Reserves - Fire | 45,000 | 45,000 | 20,000 |
| Sub-Total | | 45,000 | 45,000 | 20,000 |
| Total Expenditures | | 167,771 | 158,508 | 158,993 |

Police Department



The Baldwin City Police Department is responsible for enforcing the laws of the State of Kansas and local ordinances. The Police Department's responsibilities include: investigations, patrol and traffic enforcement, as well as animal control. Because of the City's commitment to public safety, Baldwin City enjoys a much lower crime rate compared to similar communities. In 2014, Baldwin City was recognized as one of the 30 safest communities in Kansas.

Police Department (01.05)

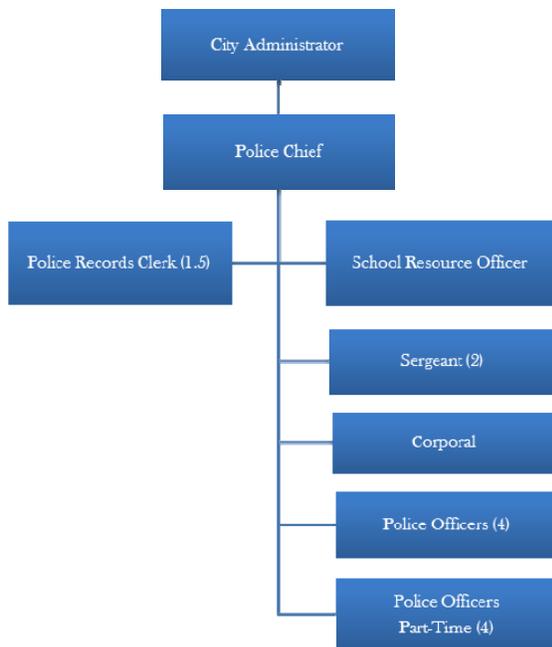
2015 Budget Highlights

The 2015 Police Department budget increased slightly from last year. \$10,000 of the budgeted increase is to pay for installation of bullet-proof glass for the Police Department receptionist, and another \$10,000 is budgeted for implementation of an electronic records management system. The department also has three new radios slated for purchase in 2015.

| Police Department (01.05) | 2013 Actual | 2014 Budget | 2014 Actual | 2015 Budget |
|---------------------------|-------------|-------------|-------------|-------------|
| Personnel | 682,242 | 802,242 | 761,364 | 855,257 |
| Contractual | 62,193 | 97,103 | 71,125 | 91,539 |
| Commodities | 45,852 | 51,527 | 49,110 | 51,547 |
| Capital Outlay | 36,167 | 10,000 | 21,576 | 7,552 |
| Miscellaneous | 59 | 2,000 | 470 | 2,000 |
| Transfers | - | 42,510 | 42,510 | 43,426 |
| Total | 826,513 | 1,005,382 | 946,155 | 1,051,321 |

2014 Notable Achievements

- Filed 320 reports.
- Recognized as one of the 30 safest communities in Kansas.
- Implemented a new body camera system.
- One Life Saving Award was presented to the Department.



The table below details the level of crime in Baldwin City over the last six years. A crime includes the following offenses: murder, rape, robbery, aggravated assault and battery, burglary, theft, and motor vehicle theft. Source: www.accesskansas.org

| Year | Crime Index Offenses | |
|----------------------|----------------------|------------|
| | Total | Rate/1,000 |
| 2013 | 74 | 16.3 |
| 2012 | 93 | 20.3 |
| 2011 | 130 | 28.6 |
| 2010 | 106 | 23.4 |
| 2009 | 110 | 25.5 |
| 2008 | 89 | 20.7 |
| 2007 | 87 | 20.4 |
| Total/Average | 689 | 22.17 |

Police Department (01.05)

| Police Department (01.05) | | 2014 Budget | 2014 Estimate | 2015 Budget |
|-----------------------------|----------------------------------|------------------|------------------|------------------|
| Personnel Services | | | | |
| 01.05.1101 | Payroll | 564,637 | 528,229 | 570,279 |
| 01.05.1120 | Retirement Plans | 82,492 | 102,878 | 107,240 |
| 01.05.1130 | FICA Expense | 41,282 | 40,370 | 45,048 |
| 01.05.1140 | Unemployment Comp Insurance | 9,128 | 237 | 10,152 |
| 01.05.1160 | Health Insurance | 90,000 | 77,237 | 76,356 |
| 01.05.1170 | Other | 14,703 | 12,413 | 46,181 |
| Sub-Total | | 802,242 | 761,364 | 855,257 |
| Contractual Services | | | | |
| 01.05.2140 | Staff Training | 7,000 | 7,104 | 7,400 |
| 01.05.2160 | Transportation/Meals/Lodging | 4,000 | 4,593 | 4,200 |
| 01.05.2200 | Employment Recruitment | 500 | 651 | 600 |
| 01.05.2209 | Maintenance/Service Agreements | 1,400 | 2,340 | 1,500 |
| 01.05.2410 | Property/Liability Insurance | 8,915 | 9,292 | 10,308 |
| 01.05.2499 | Utilities | 7,199 | 6,339 | 7,301 |
| 01.05.2500 | Telephones | 16,891 | 11,821 | 9,000 |
| 01.05.2503 | Internet Connection Fees | 1,544 | - | - |
| 01.05.2520 | Building Repairs | 5,000 | 1,381 | 10,000 |
| 01.05.2521 | Janitorial Services | 2,372 | 2,229 | 2,500 |
| 01.05.2535 | Communication Equip Repairs | 2,000 | 1,375 | 2,000 |
| 01.05.2536 | Weapon Repairs | 1,000 | 1,268 | 1,000 |
| 01.05.2540 | Vehicle Repairs | 7,000 | 5,202 | 7,000 |
| 01.05.2720 | Dues/Subscriptions/Books | 1,832 | 2,065 | 1,950 |
| 01.05.2850 | Professional Services | 7,000 | 1,983 | 7,000 |
| 01.05.2851 | Legal Services | 1,500 | 858 | 1,500 |
| 01.05.2890 | Office Equipment Lease | - | 1,808 | - |
| 01.05.2895 | Computer Lease | - | 530 | - |
| 01.05.2858 | Douglas County Dispatch Services | 10,000 | - | 10,000 |
| 01.05.2999 | Other Contractual Services | 11,950 | 10,287 | 8,280 |
| 01.05.3900 | Public Relations | 2,000 | 2,672 | 2,100 |
| Sub-Total | | 99,103 | 73,797 | 93,639 |
| Commodities | | | | |
| 01.05.3006 | Safety Supplies | 800 | 1,291 | 800 |
| 01.05.3110 | Office Supplies | 3,878 | 3,906 | 3,900 |
| 01.05.3310 | Vehicle Operation Supplies | 772 | 1,036 | - |
| 01.05.3350 | Tires/Batteries | 2,472 | 2,289 | 2,500 |
| 01.05.3530 | Vehicle Gas/Oil | 30,045 | 27,375 | 31,247 |
| 01.05.3610 | Uniforms | 7,000 | 7,232 | 7,000 |
| 01.05.3630 | Dry Cleaning | 2,000 | 969 | 1,500 |
| 01.05.3760 | Ammunition | 1,854 | 1,209 | 2,000 |
| 01.05.3880 | Criminal Investigation | 206 | - | - |
| 01.05.3890 | Animal Control Equipment/ Misc. | 500 | 1,131 | 500 |
| Sub-Total | | 49,527 | 46,438 | 49,447 |
| Capital Outlay | | | | |
| 01.05.4410 | Vehicle Purchase | - | 7,506 | - |
| 01.05.4810 | Equipment Purchases | 10,000 | 14,071 | 7,552 |
| Sub-Total | | 10,000 | 21,576 | 7,552 |
| Miscellaneous | | | | |
| 01.05.7999 | Miscellaneous Expenses | 2,000 | 470 | 2,000 |
| Sub-Total | | 2,000 | 470 | 2,000 |
| Transfers | | | | |
| 01.05.8131 | Transfer to GF Reserve - Police | 42,510 | 42,510 | 43,426 |
| Sub-Total | | 42,510 | 42,510 | 43,426 |
| Total Expenditures | | 1,005,382 | 946,155 | 1,051,321 |

Swimming Pool



The Baldwin City Swimming Pool was constructed in 1999 utilizing revenue from a 1/2 cent sales tax that was passed by voters in 1996. Today, this department contains the financial resources to maintain the pool. The largest expense in this budget is for other contractual services. The majority of this expense is related to the pool management fee that the City pays to the Baldwin City Recreation Commission. Under an agreement between the two organizations, the City maintains the pool, while the Recreation Commission manages, staffs and operates the pool.

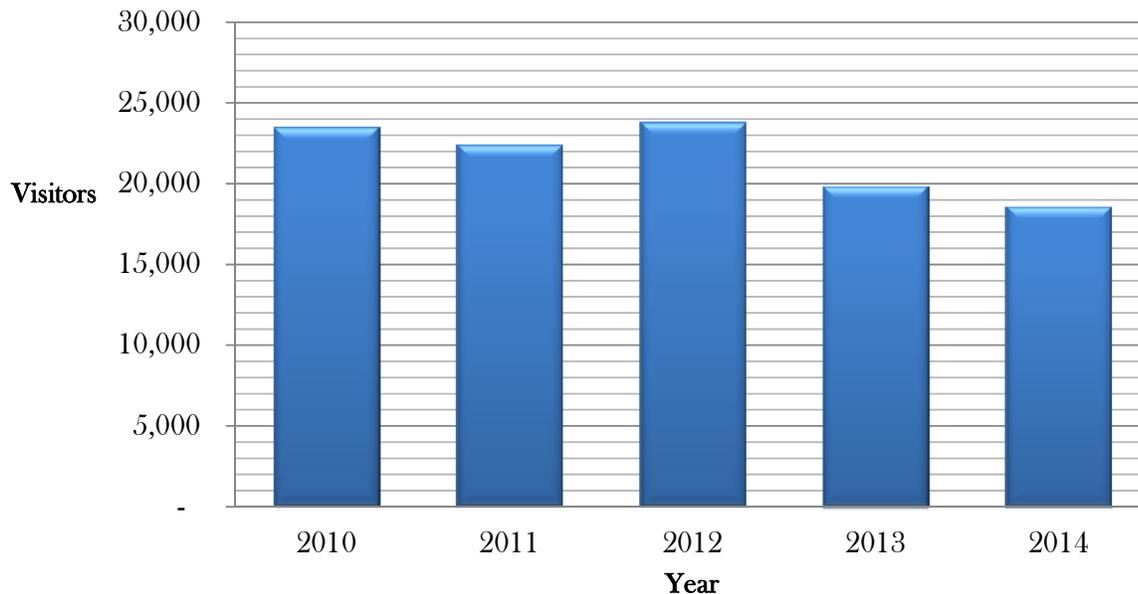
Swimming Pool (01.06)

2015 Budget Highlights

The 2015 Swimming Pool budget is used as a maintenance fund to upkeep the facility. The 2015 budget includes \$2,000 earmarked for routine recreation equipment replacement. The three largest expenditures of the 01.06 fund are contractual management (performed by the Baldwin City Recreation Commission) utility services, and chemicals.

| Swimming Pool (01.06) | 2013 Actual | 2014 Budget | 2014 Estimate | 2015 Budget |
|-----------------------|---------------|---------------|---------------|---------------|
| Personnel | - | - | - | - |
| Contractual | 68,229 | 64,659 | 66,428 | 66,932 |
| Commodities | 10,527 | 12,800 | 8,068 | 12,000 |
| Capital Outlay | - | - | - | - |
| Miscellaneous | - | - | - | - |
| Transfers | - | 10,000 | 10,000 | - |
| Total | 78,756 | 87,459 | 84,496 | 78,932 |

Yearly Attendance



Swimming Pool (01.06)

| Swimming Pool (01.06) | | 2014 Budget | 2014 Estimate | 2015 Budget |
|------------------------------|-------------------------------|------------------------|--------------------------|------------------------|
| Personnel Services | | | | |
| 01.06.1101 | Payroll | - | - | - |
| Sub-Total | | - | - | - |
| Contractual Services | | | | |
| 01.06.2140 | Staff Training | 275 | 68 | - |
| 01.06.2410 | Property/Liability Insurance | 1,411 | 1,442 | 1,632 |
| 01.06.2499 | Utilities | 22,473 | 25,036 | 24,800 |
| 01.06.2530 | Machine/Equip Repair | 2,000 | 1,196 | 2,000 |
| 01.06.2999 | Other Contractual Services | 38,500 | 38,686 | 38,500 |
| Sub-Total | | 64,659 | 66,428 | 66,932 |
| Commodities | | | | |
| 01.06.3550 | Chemicals | 8,800 | 6,068 | 8,000 |
| 01.06.3800 | Materials/Supplies | 2,000 | - | 2,000 |
| 01.06.4306 | Recreation Equipment | 2,000 | 2,000 | 2,000 |
| Sub-Total | | 12,800 | 8,068 | 12,000 |
| Capital Outlay | | | | |
| 01.06.4999 | Other Capital Outlay | - | - | - |
| Sub-Total | | - | - | - |
| Miscellaneous | | | | |
| 01.06.7999 | Miscellaneous Expenses | - | - | - |
| Sub-Total | | - | - | - |
| Transfers | | | | |
| 01.06.8131 | Transfer to GF Reserve - Pool | 10,000 | 10,000 | - |
| Sub-Total | | 10,000 | 10,000 | - |
| Total Expenditures | | 87,459 | 84,496 | 78,932 |

Municipal Court



The Municipal Court adjudicates cases involving violations of City Ordinances and applicable State laws while handling all the paperwork and fines associated with those cases. The department contains a regular part-time municipal court clerk and contracts services for both the municipal judge and city prosecutor positions. Other than personnel costs, contractual services for the City's legal services and expenses for housing Baldwin City inmates at the Douglas County Jail constitute the largest departmental expenditures. Under an agreement with Douglas County, the City of Baldwin City must pay \$75.40 per day for any Baldwin City offender that must be detained.

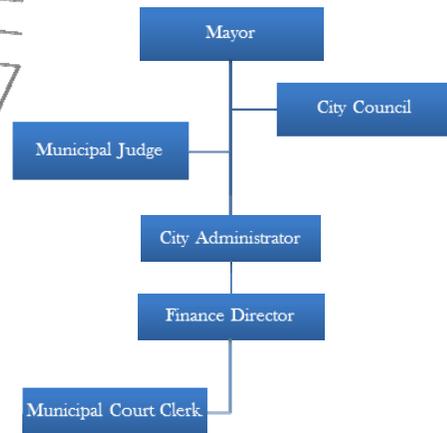
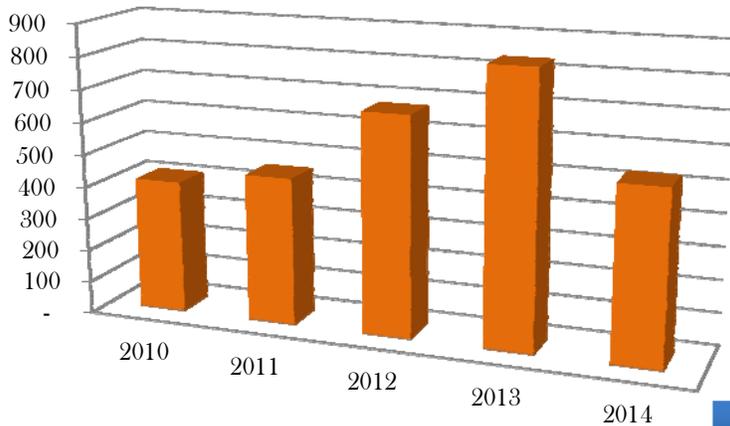
Municipal Court (01.07)

2015 Budget Highlights

The 2015 Municipal Court personnel costs increased by nearly \$30,000 to anticipate the possible need for a full-time municipal court clerk position as part of the City's succession planning. Other than the personnel increase, the 01.07 budget reflects the estimated rise in costs for services associated with inflation.

| Municipal Court (01.07) | 2013 Actual | 2014 Budget | 2014 Estimate | 2015 Budget |
|-------------------------|-------------|-------------|---------------|-------------|
| Personnel | 34,421 | 39,805 | 38,199 | 69,792 |
| Contractual | 41,745 | 39,425 | 31,209 | 40,164 |
| Commodities | 892 | 1,100 | 319 | 1,100 |
| Capital Outlay | 1,029 | 1,000 | - | - |
| Miscellaneous | - | 1,000 | 243 | 1,000 |
| Transfers | - | - | - | - |
| Total | 78,087 | 82,330 | 69,971 | 112,056 |

Total Caseload



Municipal Court (01.07)

| Municipal Court (01.07) | | 2014 Budget | 2014 Estimate | 2015 Budget |
|--------------------------------|-------------------------------|------------------------|--------------------------|------------------------|
| Personnel Services | | | | |
| 01.07.1101 | Full-Time Employee Payroll | - | - | 27,692 |
| 01.07.1102 | Part-Time Employee Payroll | 27,543 | 26,496 | 28,369 |
| 01.07.1105 | Appointed Officials Comp. | 6,000 | 6,000 | 7,200 |
| 01.07.1111 | Longevity Compensation | 160 | - | 160 |
| 01.07.1120 | Retirement Plans | 3,097 | 3,620 | 2,855 |
| 01.07.1130 | FICA Expense | 2,626 | 2,027 | 2,131 |
| 01.07.1140 | Unemployment Comp. Insurance | 331 | 15 | 1,328 |
| 01.07.1170 | Other | 48 | 41 | 56 |
| Sub-Total | | 39,805 | 38,199 | 69,792 |
| Contractual Services | | | | |
| 01.07.2140 | Staff Training | 400 | 99 | 500 |
| 01.07.2150 | Postage | 250 | 200 | 250 |
| 01.07.2160 | Transportation/Meals/Lodging | 400 | - | 200 |
| 01.07.2183 | Defendant Attorney Fees | 4,000 | (685) | 2,000 |
| 01.07.2184 | Victim Restitution | - | (2,795) | - |
| 01.07.2190 | Jail Services | 9,000 | 7,186 | 9,900 |
| 01.07.2200 | Employment Recruitment | 250 | - | 500 |
| 01.07.2330 | Legal Publications | 200 | - | - |
| 01.07.2410 | Property/Liability Insurance | 920 | 940 | 1,064 |
| 01.07.2500 | Telephone Service - Land | 405 | 367 | 400 |
| 01.07.2720 | Dues/Subscriptions/Books | 300 | 295 | 300 |
| 01.07.2730 | State Assessed Fees | 8,000 | 6,094 | 6,000 |
| 01.07.2731 | DUI Corrections Fee | - | (769) | - |
| 01.07.2732 | Douglas County Crime Stoppers | - | 36 | - |
| 01.07.2850 | Other Professional Services | 300 | 1,705 | 1,500 |
| 01.07.2851 | Legal Services | 15,000 | 18,536 | 17,500 |
| 01.07.2999 | Other Contractual Services | - | - | 50 |
| Sub-Total | | 39,425 | 31,209 | 40,164 |
| Commodities | | | | |
| 01.07.3120 | Office/Computer Supplies | 1,000 | 319 | 1,000 |
| 01.07.3610 | Uniforms | 100 | - | 100 |
| Sub-Total | | 1,100 | 319 | 1,100 |
| Capital Outlay | | | | |
| 01.07.4110 | Furniture/ Fixtures | 1,000 | - | - |
| Sub-Total | | 1,000 | - | - |
| Miscellaneous | | | | |
| 01.07.4110 | Miscellaneous Expenses | 1,000 | 243 | 1,000 |
| Sub-Total | | 1,000 | 243 | 1,000 |
| Transfers | | | | |
| 01.07.8131 | Transfer to GF Reserve | - | - | - |
| Sub-Total | | - | - | - |
| Total Expenditures | | 82,330 | 69,971 | 112,056 |

Economic Development



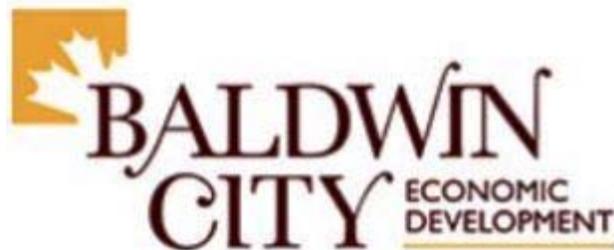
The Economic Development Department provides resources related to community and economic development. Funds are distributed to business organizations, like the Baldwin City Chamber of Commerce, and utilized for other initiatives that promote economic growth. The department also supports many community events including the annual fireworks display and other downtown festivities.

Economic Development (01.09)

2015 Budget Highlights

The 2015 Economic Development Department budget continues to increase from earlier years. One reason for the 2015 budget increase is related to the enhanced contribution to the Chamber of Commerce to help pay for a full-time executive director. Additionally, the Capital Outlay line item increased to help cover various costs attributed to the Economic Development Department. This includes the downtown mural and façade grant, acquisition of blighted properties, and contributing payments for various grants the City may pursue.

| Economic Development (01.09) | 2013 Actual | 2014 Budget | 2014 Actual | 2015 Budget |
|-------------------------------------|------------------------|------------------------|------------------------|------------------------|
| Personnel | - | - | - | - |
| Contractual | 21,436 | 40,000 | 25,083 | 51,000 |
| Commodities | - | - | - | - |
| Capital Outlay | 16,013 | 40,000 | 43,499 | 80,000 |
| Miscellaneous | - | - | - | - |
| Transfers | - | 15,000 | 15,000 | - |
| Total | 37,449 | 95,000 | 83,582 | 131,000 |



Economic Development (01.09)

| Economic Development (01.09) | | 2014 Budget | 2014 Estimate | 2015 Budget |
|-------------------------------------|------------------------------------|------------------------|--------------------------|------------------------|
| Personnel Services | | | | |
| 01.06.1101 | Full-Time Payroll | - | - | - |
| Sub-Total | | - | - | - |
| Contractual Services | | | | |
| 01.09.2350 | Chamber CVB/Guest Tax Distribution | 15,000 | 12,066 | 16,000 |
| 01.09.2720 | Chamber of Commerce Dues | - | 800 | - |
| 01.09.2850 | Chamber of Commerce Allocation | 5,000 | 5,000 | 35,000 |
| 01.09.2851 | Legal Services | - | 7,216 | - |
| 01.09.2999 | Other Contractual Services | 20,000 | - | - |
| Sub-Total | | 40,000 | 25,083 | 51,000 |
| Commodities | | | | |
| 01.09.3999 | Other Commodities | - | - | - |
| Sub-Total | | - | - | - |
| Capital Outlay | | | | |
| 01.09.4007 | Economic Development | 40,000 | 43,499 | 80,000 |
| Sub-Total | | 40,000 | 43,499 | 80,000 |
| Miscellaneous | | | | |
| 01.09.7999 | Miscellaneous Expenses | - | - | - |
| Sub-Total | | - | - | - |
| Transfers | | | | |
| 01.09.8131 | Transfer to GF Reserve - Eco Devo | 15,000 | 15,000 | - |
| Sub-Total | | 15,000 | 15,000 | - |
| Total Expenditures | | 95,000 | 83,582 | 131,000 |

Information Technology



The Information Technology Department provides the financial resources to operate and maintain the City's information technology infrastructure. This includes computers, software programs, and other miscellaneous office equipment like copiers and printers. Currently, the City contracts for Information Technology support.

Information Technology (01.10)

2015 Budget Highlights

The 2015 budget increased slightly from last year to finance necessary software updates. In 2014 a host of updates to the City's IT infrastructure were completed. The most critical change was the relocation of the City's server from the basement of City Hall to the renovated second story. The basement of City Hall has a tendency to flood, which can possible damage the City's server, threatening the City's IT security. In 2014, the City also replaced essential fiber lines between City facilities, improving the City's internal network. Lastly, the City of Baldwin City and RG Fiber approved an easement agreement clearing the way for gigabit fiber to be installed throughout the City.

| Information Technology (01.10) | 2013 Actual | 2014 Budget | 2014 Estimate | 2015 Budget |
|---------------------------------------|------------------------|------------------------|--------------------------|------------------------|
| Personnel | - | - | - | - |
| Contractual | 14,641 | 35,061 | 25,507 | 18,533 |
| Commodities | - | 500 | 531 | - |
| Capital Outlay | 3,641 | 9,656 | 12,136 | 29,596 |
| Miscellaneous | - | 1,000 | - | - |
| Transfers | - | - | - | - |
| Total | 18,282 | 46,217 | 38,174 | 48,129 |

Information Technology (01.10)

| Information Technology (01.10) | | 2014 Budget | 2014 Estimate | 2015 Budget |
|---------------------------------------|-------------------------------|------------------------|--------------------------|------------------------|
| Personnel Services | | | | |
| 01.06.1101 | Full-Time Payroll | - | - | - |
| Sub-Total | | - | - | - |
| Contractual Services | | | | |
| 01.10.2410 | Property/Liability Insurance | 194 | 198 | 224 |
| 01.10.2850 | Professional Services | 1,500 | - | - |
| 01.10.2890 | Office Equipment Lease | 11,372 | 160 | - |
| 01.10.4012 | IT Support Services | 21,994 | 25,149 | 18,309 |
| Sub-Total | | 35,061 | 25,507 | 18,533 |
| Commodities | | | | |
| 01.10.3120 | Office/Computer Supplies | 500 | 531 | - |
| Sub-Total | | 500 | 531 | - |
| Capital Outlay | | | | |
| 01.10.4009 | Enterprise Software | - | - | - |
| 01.10.4010 | Computer Software | 4,456 | 4,001 | 24,596 |
| 01.10.4011 | Computer Hardware | 5,200 | 7,567 | 5,000 |
| 01.10.4850 | Equipment Information Systems | - | 568 | - |
| Sub-Total | | 9,656 | 12,136 | 29,596 |
| Miscellaneous | | | | |
| 01.10.7999 | Miscellaneous Expenses | 1,000 | - | - |
| Sub-Total | | 1,000 | - | - |
| Transfers | | | | |
| 01.10.8131 | Transfer to GF Reserve | - | - | - |
| Sub-Total | | - | - | - |
| Total Expenditures | | 46,217 | 38,174 | 48,129 |

Community Development



This departmental budget provides resources for economic and community development, planning/zoning activities, building inspection services, and code enforcement functions. Restructured from the Planning/Code Enforcement Department in 2014, the Community Development Department seeks to foster a healthy environment for orderly growth.

2015 Budget Highlights

The Community Development department is a new division of the City's organization structure, unifying with the City's Planning/Code Enforcement department. The 01.35 budget decreased substantially due to the recent Building/Electrical Inspector position that has yet to be filled. Other line items in the department's budget remain relatively unchanged from 2014's budget.

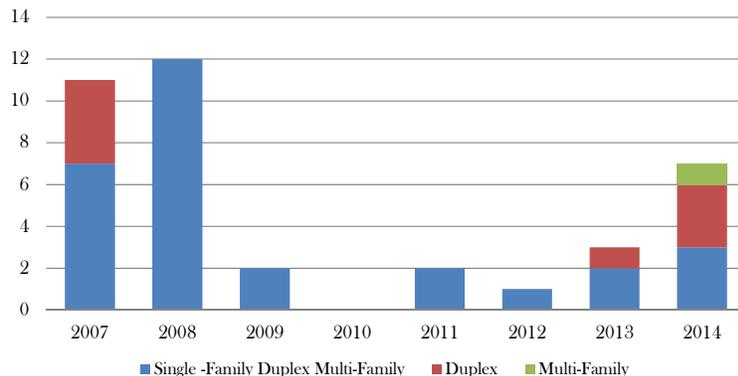
| Community Development (01.35) | 2013 Actual | 2014 Budget | 2014 Estimate | 2015 Budget |
|-------------------------------|----------------|----------------|----------------|----------------|
| Personnel | 170,214 | 197,702 | 94,821 | 132,711 |
| Contractual | 13,466 | 35,996 | 13,442 | 42,524 |
| Commodities | 4,747 | 6,981 | 2,371 | 6,401 |
| Capital Outlay | - | - | - | - |
| Miscellaneous | - | 1,000 | - | 1,000 |
| Transfers | - | - | - | - |
| Total | 188,427 | 241,679 | 110,634 | 182,636 |

2014 Notable Achievements

- Baldwin City was selected as one of 20 Federal Transportation Alternative Grant projects across the state. The grant will enhance the exterior of the Santa Fe Train Depot, and will cover 66% of construction costs.
- The City partnered with the Baldwin City Economic Development Council to apply for a housing grant from the Kansas Housing Resources Corporation. The \$200,000 grant will provide down payment assistance for eligible homeowners.
- Volunteers assisted the City by conducting a sidewalk inventory of the community. The inventory discovered that 49 miles of sidewalk are missing, and the cost to build a complete sidewalk system is estimated to be \$8.5 million.



Housing Starts



Community Development (01.35)

| Community Development (01.35) | | 2014 Budget | 2014 Estimate | 2015 Budget |
|-------------------------------|------------------------------|----------------|------------------|----------------|
| Personnel Services | | | | |
| 01.35.1101 | Full-Time Payroll | 142,303 | 71,852 | 93,194 |
| 01.35.1120 | Retirement Plans | 18,606 | 9,828 | 12,984 |
| 01.35.1130 | FICA Expense | 10,829 | 5,417 | 7,184 |
| 01.35.1140 | Unemployment Comp. Insurance | 1,780 | 48 | 1,103 |
| 01.35.1160 | Health Insurance | 23,670 | 7,251 | 12,381 |
| 01.35.1170 | Other | 514 | 425 | 5,863 |
| Sub-Total | | 197,702 | 94,821 | 132,711 |
| Contractual Services | | | | |
| 01.35.2140 | Staff Training | 1,500 | 800 | 3,000 |
| 01.35.2150 | Postage | 500 | 261 | 500 |
| 01.35.2160 | Transportation/Meals/Lodging | 1,000 | 271 | 1,500 |
| 01.35.2330 | Legal Publications | 600 | 139 | 600 |
| 01.35.2331 | Printing | 600 | 619 | 1,200 |
| 01.35.2410 | Property/Liability Insurance | 2,103 | 2,149 | 2,431 |
| 01.35.2500 | Telephones | 3,193 | 2,709 | 3,193 |
| 01.35.2520 | Building Repairs | 500 | - | 500 |
| 01.35.2521 | Janitorial Services | 1,050 | 1,060 | 750 |
| 01.35.2540 | Vehicle Repairs | 1,000 | - | 2,000 |
| 01.35.2720 | Dues/Subscriptions/Books | 1,650 | 868 | 1,650 |
| 01.35.2850 | Other Professional Services | 10,000 | - | 7,500 |
| 01.35.2851 | Legal Services | 800 | 5,868 | 5,000 |
| 01.35.2853 | Planning Services | 1,000 | - | 1,000 |
| 01.35.2870 | Demolition and Abatement | 10,000 | (2,990) | 10,000 |
| 01.35.2890 | Office Equipment Lease | - | 1,688 | 1,200 |
| 01.35.2999 | Other Contractual Services | 500 | - | 500 |
| Sub-Total | | 35,996 | 13,442 | 42,524 |
| Commodities | | | | |
| 01.35.3110 | Office Supplies | 838 | 835 | 750 |
| 01.35.3350 | Tires/Batteries | 400 | - | 400 |
| 01.35.3530 | Vehicle Gas/Oil | 3,126 | 1,460 | 3,251 |
| 01.35.3610 | Uniforms | 250 | - | 500 |
| 01.35.3680 | Custodial Supplies | 50 | - | - |
| 01.35.3891 | Animal Control: Impound Fees | 2,316 | 76 | - |
| 01.35.4810 | Equipment Purchases | - | - | 1,500 |
| Sub-Total | | 6,981 | 2,371 | 6,401 |
| Capital Outlay | | | | |
| 01.35.4999 | Other Capital Outlay | - | - | - |
| Sub-Total | | - | - | - |
| Miscellaneous | | | | |
| 01.35.7999 | Miscellaneous Expenses | 1,000 | - | 1,000 |
| Sub-Total | | 1,000 | - | 1,000 |
| Transfers | | | | |
| 01.35.8131 | Transfer to GF Reserve | - | - | - |
| Sub-Total | | - | - | - |
| Total Expenditures | | 241,679 | 110,634 | 182,636 |

General Fund - CIP



This fund provides the resources for capital projects in the General Fund. Revenue for this fund originates from transfers made by the operating departments of the General Fund. By State Statute, the Capital Improvement Fund is not required to be a budgeted fund; however, in recent years, the City Council has worked to develop a capital improvement plan to more accurately anticipate capital improvements in any given year.

General Fund - CIP (29)

2015 Budget Highlights

The 2015 General Fund CIP budget includes \$125,000 to construct a multi-use path from 11th Street and Highway 56 to the Elementary School's Intermediate Center. The General Fund CIP budget also includes 50,000 to enhance and update the City's geographic information system. The last time the City's GIS network underwent an update was in 2010. Lastly, just more than \$85,000 has been set aside for land acquisition, but this amount reflects the fund's full budget authority rather than an anticipated project.

| General Fund - CIP (29) | 2013 Actual | 2014 Budget | 2014 Estimate | 2015 Budget |
|--------------------------------------|------------------------|------------------------|--------------------------|------------------------|
| Unencumbered Cash Balance - Jan. 1st | 618,215 | 544,075 | 547,690 | 271,835 |
| Receipts | | | | |
| Transfer from General Fund | 65,000 | 60,000 | 60,000 | - |
| Total Receipts | 65,000 | 60,000 | 60,000 | - |
| Resources Available | 683,215 | 604,075 | 607,690 | 271,835 |
| Expenditures | | | | |
| Personnel | - | - | - | - |
| Contractual | 12,744 | 452,296 | 49,066 | 10,000 |
| Commodities | - | - | - | - |
| Capital Outlay | 59,400 | - | 3,928 | 261,835 |
| Miscellaneous | - | 151,779 | 13,050 | - |
| Transfers | - | - | - | - |
| Total | 72,144 | 604,075 | 66,044 | 271,835 |

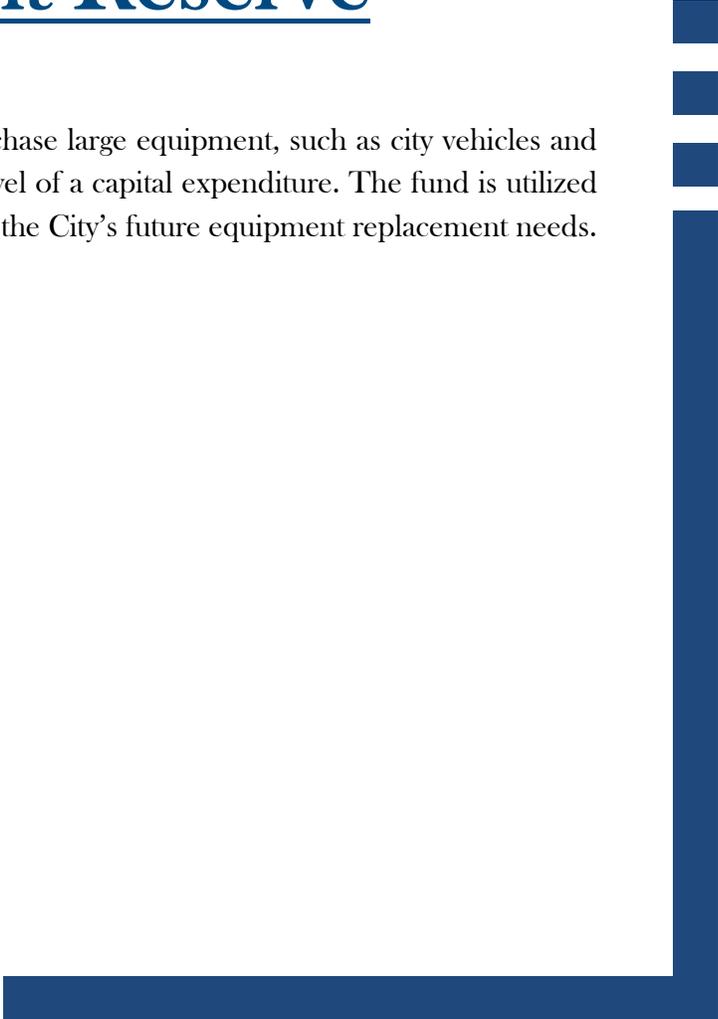
General Fund - CIP (29)

| General Fund - CIP (29) | | 2014 Budget | 2014 Estimate | 2015 Budget |
|--------------------------------|-------------------------------------|------------------------|--------------------------|------------------------|
| Personnel Services | | | | |
| 29.01.1101 | Full-Time Payroll | - | - | - |
| Sub-Total | | - | - | - |
| Contractual Services | | | | |
| 29.01.2204.0126 | Construction - City Hall Renovation | - | 49,066 | - |
| 29.01.2430 | Engineering Services | - | - | - |
| 29.01.2430.0117 | Engineering - HWY 56/E. High St. | 139,800 | - | 10,000 |
| 29.01.2430.0122 | TE Grant - Santa Fe Depot | - | - | - |
| 29.01.3810 | Storm Water Improvements | 312,496 | - | - |
| Sub-Total | | 452,296 | 49,066 | 10,000 |
| Commodities | | | | |
| 29.01.3999 | Other Commodities | - | - | - |
| Sub-Total | | - | - | - |
| Capital Outlay | | | | |
| 29.01.2430.0127 | US 56 - Shared Use Path | - | 3,528 | 125,000 |
| 29.01.4700.0117 | Land Acquisition - HWY 56/High St. | - | 400 | - |
| 29.01.4700.1210 | Land Acquisition | - | - | 86,835 |
| 29.01.4999 | Enhance Existing GIS System | - | - | 50,000 |
| Sub-Total | | - | 3,928 | 261,835 |
| Miscellaneous | | | | |
| 29.01.7500 | Contingency | 151,779 | 13,050 | - |
| Sub-Total | | 151,779 | 13,050 | - |
| Transfers | | | | |
| 29.01.8101 | Transfer to General Fund | 0 | 0 | 0 |
| Sub-Total | | 0 | 0 | 0 |
| Total Expenditures | | 604,075 | 66,044 | 271,835 |



General Fund Equipment Reserve

The Equipment Reserve fund is used to purchase large equipment, such as city vehicles and other items that don't necessarily meet the level of a capital expenditure. The fund is utilized to provide better accounting and planning for the City's future equipment replacement needs.



General Fund Equip. Reserve (31)

2015 Budget Highlights

The Equipment Reserve fund is budgeted to zero, so that the fund maintains its full budget authority. Some of the planned expenses include \$45,000 for replacement of air bottles and an EMS vehicle for the Fire Department and just over \$43,000 for a new Police Interceptor.

| General Fund - Equipment Reserve (31) | 2013 Actual | 2014 Budget | 2014 Estimate | 2015 Budget |
|---|------------------------|------------------------|--------------------------|------------------------|
| Unencumbered Cash Balance - Jan. 1st | 187,313 | 97,701 | 283,695 | 259,068 |
| Receipts | | | | |
| Park Improvement Fees | - | - | - | - |
| Transfer from General Fund - Administration | 25,000 | 15,000 | 15,000 | 25,000 |
| Transfer from General Fund - Streets | 9,000 | 10,000 | 10,000 | - |
| Transfer from General Fund - Parks | 10,000 | 15,000 | 15,000 | - |
| Transfer from General Fund - Fire Department | 18,697 | 45,000 | 45,000 | 20,000 |
| Transfer from General Fund - Police Department | 35,839 | 42,510 | 42,510 | 43,426 |
| Transfer from General Fund - Swimming Pool | - | 10,000 | 10,000 | - |
| Transfer from General Fund - Economic Development | 25,000 | 15,000 | 15,000 | - |
| Transfer from General Fund - Information Technology | 2,937 | - | - | - |
| Transfer from General Fund - Community Development | 21,000 | - | - | - |
| Transfer from Special Parks | - | - | - | - |
| Total Receipts | 147,473 | 152,510 | 152,510 | 88,426 |
| Resources Available | 334,787 | 250,211 | 436,205 | 347,494 |
| Expenditures | | | | |
| Personnel | - | - | - | - |
| Contractual | - | - | - | - |
| Commodities | - | - | - | - |
| Capital Outlay | 63,677 | 250,211 | 56,973 | 347,494 |
| Miscellaneous | - | - | - | - |
| Transfers | - | - | - | - |
| Total | 63,677 | 250,211 | 56,973 | 347,494 |

General Fund Equip. Reserve (31)

| General Fund - Equipment Reserve (31) | | 2014 Budget | 2014 Estimate | 2015 Budget |
|--|---|------------------------|--------------------------|------------------------|
| Personnel Services | | | | |
| 31.01.1101 | Full-Time Payroll | - | - | - |
| Sub-Total | | - | - | - |
| Contractual Services | | | | |
| 31.01.2999 | Other Contractual Services | - | - | - |
| Sub-Total | | - | - | - |
| Commodities | | | | |
| 31.01.3999 | Other Commodities | - | - | - |
| Sub-Total | | - | - | - |
| Capital Outlay | | | | |
| 31.01.4810.01 | Equipment Purchases - Administration | 15,000 | 22,809 | 25,000 |
| 31.01.4810.02 | Equipment Purchases - Streets | 10,000 | - | - |
| 31.01.4810.03 | Equipment Purchases - Parks | 15,000 | - | - |
| 31.01.4810.04 | Equipment Purchases - Fire Department | 45,000 | 10,399 | 45,000 |
| 31.01.4810.05 | Equipment Purchases - Police Department | 42,510 | 23,765 | 43,426 |
| 31.01.4810.06 | Equipment Purchases - Swimming Pool | 10,000 | - | - |
| 31.01.4810.09 | Equipment Purchases - Economic Development | 15,000 | - | - |
| 31.01.4810.35 | Equipment Purchases - Community Development | - | - | - |
| 31.01.4999 | Other Capital Outlay | 97,701 | - | 234,068 |
| Sub-Total | | 250,211 | 56,973 | 347,494 |
| Miscellaneous | | | | |
| 31.01.7500 | Contingency | - | - | - |
| Sub-Total | | - | - | - |
| Transfers | | | | |
| 31.01.8101 | Transfer to General Fund | - | - | - |
| Sub-Total | | - | - | - |
| Total Expenditures | | 250,211 | 56,973 | 347,494 |

Public Library



The Library Fund is one of four funds supported by property tax for the City of Baldwin City. By state statute, the Baldwin City Public Library functions with a separate board appointed by the City Council. The library board appoints the library director and staff to manage the daily operations of the library. Revenue consists of a dedicated mill levy established by Charter Ordinance No. 12, passed by the City Council in July of 1997. The Charter Ordinance authorizes the City to levy up to 4 mills for the operation of the Baldwin City Public Library. Additionally, the City provides in-kind services such as mowing, snow removal, and payroll services for the Library.

Public Library (02.01)

2015 Budget Highlights

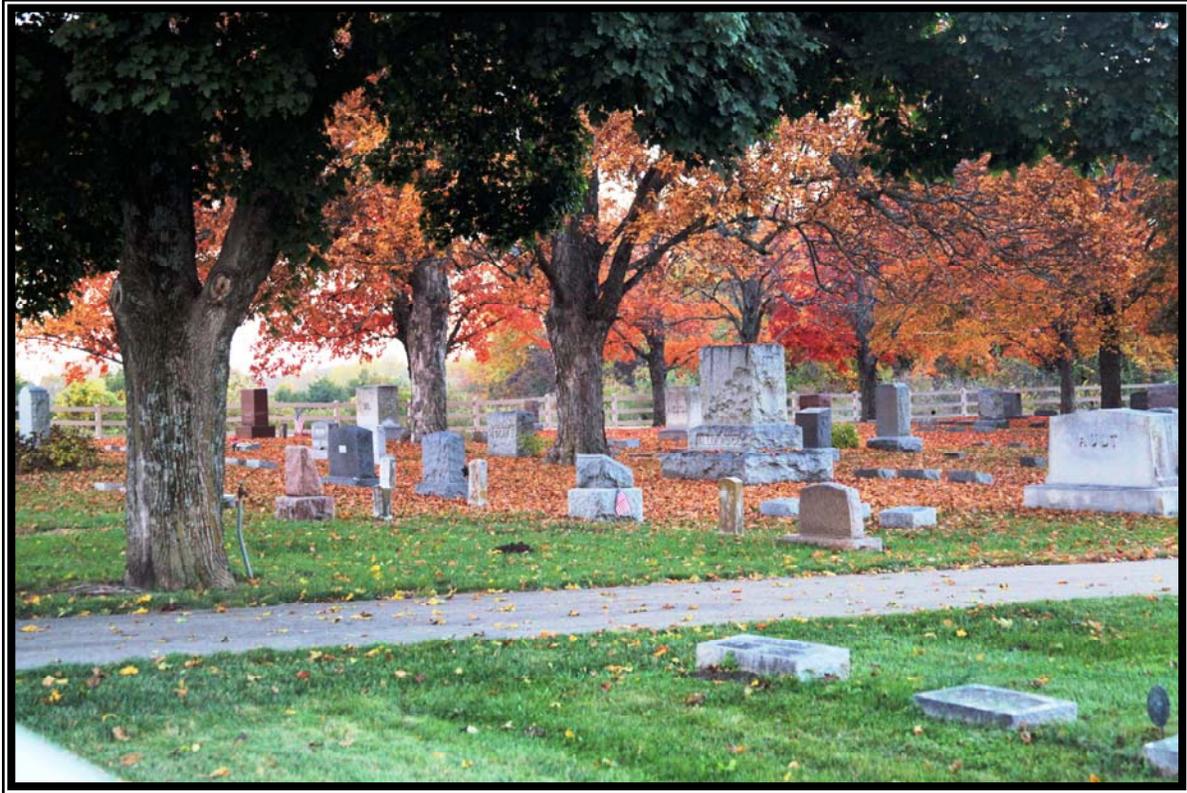
The Baldwin City Public Library's budget remains unchanged from previous years. By accounting standards, the Baldwin City Library is a component unit of the City of Baldwin City. The City has no operational control over the library; however, the City is financially accountable for their organization.

| Public Library (02.01) | 2013 Actual | 2014 Budget | 2014 Estimate | 2015 Budget |
|----------------------------------|------------------------|------------------------|--------------------------|------------------------|
| Unencumbered Cash Balance Jan. 1 | - | - | - | - |
| Receipts | | | | |
| Ad Valorem Tax | 116,933 | 118,816 | 114,938 | 117,478 |
| Delinquent Tax | 2,539 | 4,500 | 3,790 | 4,500 |
| Motor Vehicle Tax | 12,818 | 11,500 | 13,611 | 13,161 |
| Recreational Vehicle Tax | 157 | 185 | 163 | 185 |
| Vehicle Rental Excise Tax | 9 | 4 | 5 | 4 |
| Other Revenue | 178 | - | - | - |
| Total Receipts | 132,634 | 135,005 | 132,507 | 135,328 |
| Resources Available | 132,634 | 135,005 | 132,507 | 135,328 |
| Expenditures | | | | |
| Personnel | 88,070 | 93,986 | 98,995 | 92,694 |
| Contractual | 8,954 | 8,176 | 7,338 | 9,045 |
| Commodities | - | - | - | - |
| Capital Outlay | - | - | - | - |
| Miscellaneous | - | - | - | - |
| Transfers | 35,610 | 32,843 | 26,174 | 33,589 |
| Total | 132,634 | 135,005 | 132,507 | 135,328 |

Public Library (02.01)

| Public Library (02.01) | | 2014 Budget | 2014 Estimate | 2015 Budget |
|-------------------------------|------------------------------|------------------------|--------------------------|------------------------|
| Personnel Services | | | | |
| 02.01.1102 | Part-Time Employee Payroll | 85,000 | 90,961 | 85,000 |
| 02.01.1130 | FICA Expense | 6,503 | 6,958 | 6,503 |
| 02.01.1140 | Unemployment Comp Insurance | 1,292 | 66 | - |
| 02.01.1150 | Work Comp Insurance | 1,191 | 1,009 | 1,191 |
| Sub-Total | | 93,986 | 98,995 | 92,694 |
| Contractual Services | | | | |
| 02.01.2410 | Property/Liability Insurance | 6,090 | 6,223 | 7,042 |
| 02.01.2852 | Audit/Budget Services | 1,232 | 1,115 | 1,149 |
| 02.01.2880 | Office Equipment Services | 420 | - | 420 |
| 02.01.2890 | Office Equipment Lease | 434 | - | 434 |
| Sub-Total | | 8,176 | 7,338 | 9,045 |
| Commodities | | | | |
| 02.01.3999 | Other Commodities | - | - | - |
| Sub-Total | | - | - | - |
| Capital Outlay | | | | |
| 02.01.4999 | Other Capital Outlay | - | - | - |
| Sub-Total | | - | - | - |
| Miscellaneous | | | | |
| 02.01.7500 | Contingency | - | - | - |
| Sub-Total | | - | - | - |
| Transfers | | | | |
| 02.01.5002 | Appropriation to Board | 32,843 | 26,174 | 33,589 |
| Sub-Total | | 32,843 | 26,174 | 33,589 |
| Total Expenditures | | 135,005 | 132,507 | 135,328 |

Oakwood Cemetery



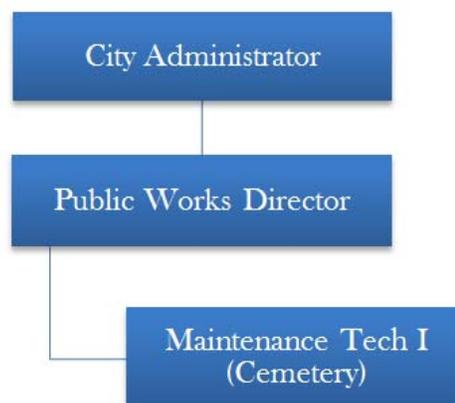
On January 1, 2009, the Baldwin City Cemetery Company transferred ownership of the Oakwood Cemetery, the inactive Pioneer Cemetery, and all other assets and records owned by the company to the City of Baldwin City. While the cemetery contains its own fund, it is a division of the Public Works Department operationally. The Cemetery Fund receives the majority of its revenue from two sources: ad valorem taxes and the sale of cemetery plots. For the most part this fund is stagnant and provides the resources necessary to operate and maintain the cemetery.

Oakwood Cemetery (03.01)

2015 Budget Highlights

The 2015 Oakwood Cemetery budget increased by \$10,000 from last year. Some of the planned expenditures in 2015 include the purchase of a utility vehicle, increase in ground maintenance products such as fertilizer and grass seed, and \$22,000 allocated for other contractual services as needed. While there are no planned contractual services anticipated at this time, the allocation exercises the fund's full budget authority.

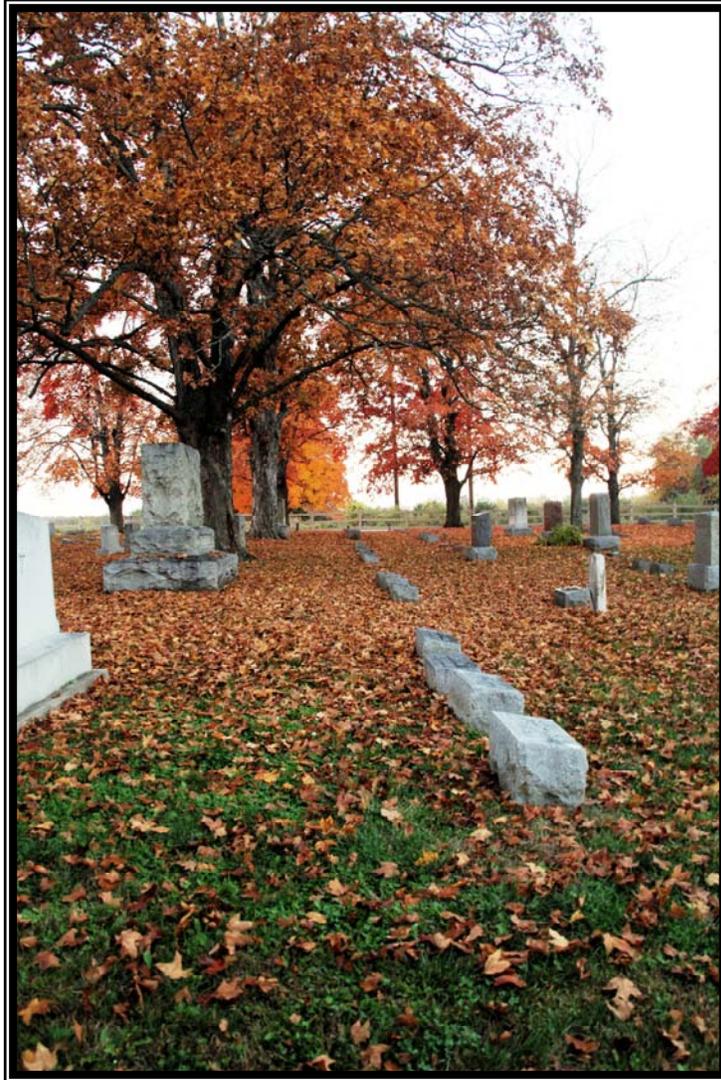
| Oakwood Cemetery (03.01) | 2013 Actual | 2014 Budget | 2014 Estimate | 2015 Budget |
|----------------------------------|----------------|----------------|------------------|----------------|
| Unencumbered Cash Balance Jan. 1 | - | 24,214 | - | 34,652 |
| Receipts | | | | |
| Ad Valorem Tax | 11,235 | 53,549 | 52,066 | 55,578 |
| Delinquent Tax | 191 | 200 | 320 | 200 |
| Motor Vehicle Tax | 1,124 | 600 | 899 | 1,192 |
| Recreational Vehicle Tax | - | - | - | - |
| 16/20 M Vehicle Tax | 14 | 900 | 14 | 23 |
| Reimbursed Expense | - | - | - | - |
| Sale of City Property | 13,800 | 12,000 | 6,600 | 10,000 |
| Vehicle Rental Excise Tax | - | 1 | 2 | 1 |
| Cemetery Space Sales | 250 | | | |
| Total Receipts | 26,614 | 67,250 | 59,901 | 66,994 |
| Resources Available | 26,614 | 91,464 | 59,901 | 101,647 |
| Expenditures | | | | |
| Personnel | - | 47,313 | 43,234 | 46,964 |
| Contractual | 10,523 | 6,641 | 4,647 | 31,752 |
| Commodities | 153 | 320 | 75 | 1,850 |
| Capital Outlay | 16,623 | 4,043 | 690 | 16,203 |
| Miscellaneous | - | 500 | 500 | 500 |
| Transfers | - | 32,647 | 32,647 | 4,377 |
| Total Expenditures | 27,299 | 91,464 | 81,793 | 101,647 |



Oakwood Cemetery (03.01)

| Oakwood Cemetery (03.01) | | 2014 Budget | 2014 Estimate | 2015 Budget |
|-----------------------------|------------------------------|----------------|------------------|----------------|
| Personnel Services | | | | |
| 03.01.1101 | Full-Time Payroll | 33,493 | 33,162 | 33,518 |
| 03.01.1120 | Retirement Plans | 3,086 | 3,204 | 3,316 |
| 03.01.1130 | FICA Expense | 2,568 | 2,518 | 2,573 |
| 03.01.1150 | Work Comp Insurance | 66 | 56 | 721 |
| 03.01.1160 | Health Insurance | 8,100 | 4,293 | 6,836 |
| Sub-Total | | 47,313 | 43,234 | 46,964 |
| Contractual Services | | | | |
| 03.01.2410 | Property/Liability Insurance | 300 | 307 | 347 |
| 03.01.2499 | Utilities | 2,029 | 2,041 | 2,055 |
| 03.01.2500 | Telephone Service - Land | 1,012 | 367 | 1,000 |
| 03.01.2520 | Building Repairs | 1,500 | 647 | 500 |
| 03.01.2521 | Janitorial Services | - | 212 | 50 |
| 03.01.2530 | Machine/Equip Repair | 750 | 1,074 | 800 |
| 03.01.2610 | Grounds Maintenance | 1,050 | - | 5,000 |
| 03.01.2890 | Office Equipment Lease | - | - | - |
| 03.01.2999 | Other Contractual Services | - | - | 22,000 |
| Sub-Total | | 6,641 | 4,647 | 31,752 |
| Commodities | | | | |
| 03.01.3350 | Tires/Batteries | 150 | - | 150 |
| 03.01.3530 | Vehicle Gas/Oil | 120 | - | 1,625 |
| 03.01.3610 | Uniforms | 50 | 75 | 75 |
| Sub-Total | | 320 | 75 | 1,850 |
| Capital Outlay | | | | |
| 03.01.4009 | Enterprise Software | - | - | - |
| 03.01.4010 | Computer Software | 1,543 | 690 | 1,203 |
| 03.01.4810 | Equipment Purchases | 2,500 | - | 15,000 |
| Sub-Total | | 4,043 | 690 | 16,203 |
| Miscellaneous | | | | |
| 03.01.7999 | Miscellaneous Expenses | 500 | 500 | 500 |
| Sub-Total | | 500 | 500 | 500 |
| Transfers | | | | |
| 03.01.8101 | Transfer to General Fund | 2,647 | 2,647 | 4,377 |
| 03.01.8135 | Transfer to Cemetery Reserve | 30,000 | 30,000 | - |
| Sub-Total | | 32,647 | 32,647 | 4,377 |
| Total Expenditures | | 91,464 | 81,793 | 101,647 |

Oakwood Cemetery Reserve



The Cemetery Reserve Fund is similar to the General Fund Equipment Reserve, except that resources from this fund are dedicated for equipment and capital purchases for the Cemetery.

Cemetery Reserve (34.01)

2015 Budget Highlights

The 2015 Cemetery Reserve fund utilizes its full budget authority. The fund has no planned expenditures; however, cash will be reserved in the event that an unexpected purchase of equipment or other capital need is required.

| Cemetery Reserve (34.01) | | 2014 Budget | 2014 Estimate | 2015 Budget |
|----------------------------------|-----------------------------|------------------------|--------------------------|------------------------|
| Unencumbered Cash Balance Jan. 1 | | 105,659 | 135,659 | 105,659 |
| Receipts | | | | |
| 34.00.0203 | Transfer from Cemetery Fund | 30,000 | 30,000 | - |
| Total Receipts | | 30,000 | 30,000 | - |
| Resources Available | | 135,659 | 165,659 | 105,659 |
| Expenditures | | | | |
| 34.01.4810 | Equipment Purchases | 135,659 | - | 105,659 |
| Total Expenditures | | 135,659 | - | 105,659 |



Debt Service



The Debt Service fund provides for the payment of the general obligation debt of the City. Several bond refinancing opportunities in the last few years have helped lower the interests cost for the City and have reduced annual debt payments. The Debt Service fund is used to pay for the bond issues that are not specifically attributable to the Enterprise Funds. Debt payments for utility operations, like electric or sewer upgrades, are paid from those utilities' respective Debt Service funds.

Debt Service (09)

Annual budget constraints do not permit the required investment in infrastructure on an annual basis using cash. The primary method of financing major infrastructure upgrades and new construction is issuance of long-term bonds. These bonds come in the form of General Obligation, Revenue, and Special Assessment Bonds. The City has also used lease-to-purchase agreements for large pieces of capital equipment.

According to state law, Kansas cities may not issue long-term debt in excess of 30% of the total assessed valuation of the city. However, projects such as sanitary sewer and water lines, and improvements to municipal utilities do not count against the total debt limit. For purposes of debt financing, the value of personal property and motor vehicles is counted with real estate property values to calculate total assessed valuation. Baldwin City's outstanding debt as of December 31, 2014, currently totals \$15,245,000, but \$9,915,000 is statutorily exempt for debt capacity purposes. Baldwin City's current total valuation is \$33,415,816, which would place the City's debt limit at \$10,024,745. This means the City could bond out an additional \$4,694,745 in municipal projects.

| Type of Debt | Date of Issuance | Date of Retirement | Interest Rate % | Ammount Issued | Amount Due in 2015 |
|--|------------------|--------------------|-----------------|----------------|--------------------|
| General Obligation | | | | | |
| Improvement, Series 2007-A | 10/1/2007 | 9/1/2027 | 3.625 to 4.15% | 1,290,000 | 60,000 |
| Refunding and Improvement, Series 2007-B | 10/1/2007 | 9/1/2027 | 4.125 to 4.375% | 2,205,000 | 1,570,000 |
| Refunding, Series 2013 | 3/19/2013 | 9/1/2033 | 2.00 to 3.50% | 3,829,693 | 3,700,000 |
| Total G.O. Bonds | | | | 7,324,693 | 5,330,000 |
| Revenue Bonds | | | | | |
| Refunding, Series 2012 | 6/15/2012 | 8/1/2024 | 0.5 to 2.20% | 1,125,000 | 950,000 |
| Refunding, Series 2013 | 3/19/2013 | 9/1/2033 | 2.00 to 3.50% | 3,335,308 | 3,075,000 |
| Refunding, Series 2014 | 8/1/2014 | 11/1/2026 | 2.00 to 2.75% | 5,890,000 | 5,890,000 |
| Total Revenue Bonds | | | | 10,350,308 | 9,915,000 |
| Total Indebtedness | | | | 17,675,001 | 15,245,000 |
| Total Principal and Interest | | | | | 18,076,890 |
| Less Interest | | | | | 2,831,890 |
| Total Principal | | | | | 15,245,000 |

Debt Service (09.01)

2015 Budget Highlights

The expected bond payments in 2015 will decrease from years prior. A large reason for this decrease is two-fold. Since 2011, the City has refinanced much of its outstanding debt to take advantage of low interest rates. Additionally, since 2011 Standard and Poor has improved the City's bond rating from upper medium quality to high quality. This increased bond rating helped further lower interest rates for the City. Debt service payments are earmarked for the Baldwin City Fire Station, downtown streetscape improvements, women's bridge improvements, and other city infrastructure projects.

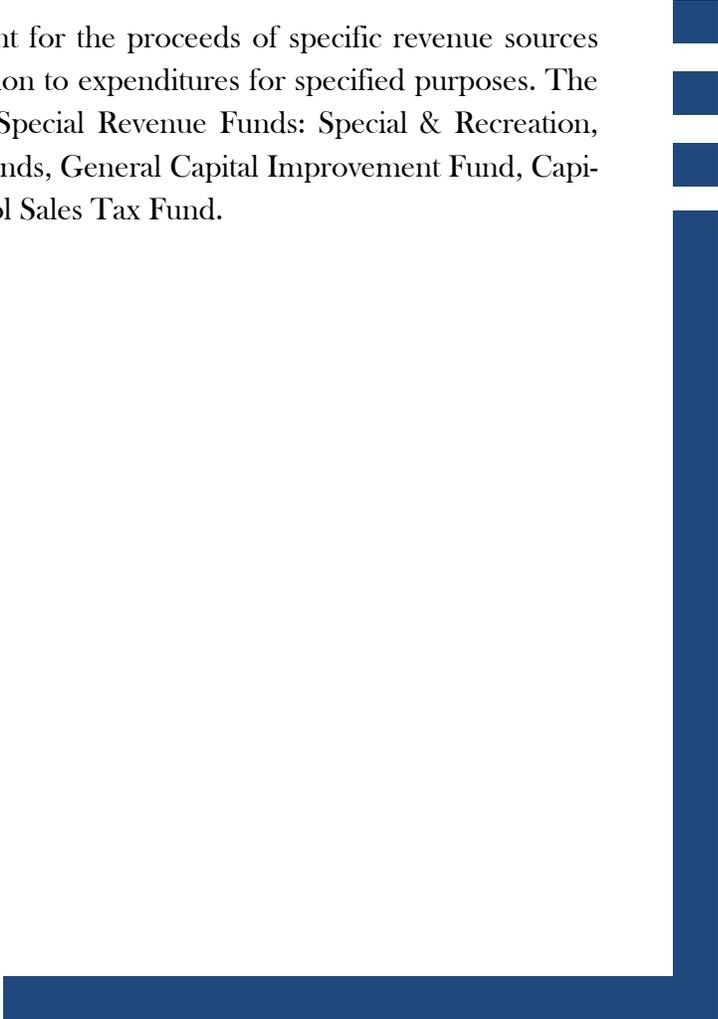
| Debt Service (09.01) | 2013 Actual | 2014 Budget | 2014 Actual | 2015 Budget |
|--|------------------------|------------------------|------------------------|------------------------|
| Unencumbered Cash Balance Jan. 1 | 11,866 | 69,862 | 5,254 | 4,812 |
| Receipts | | | | |
| Ad Valorem Tax | 112,810 | 118,488 | 115,696 | 127,874 |
| Delinquent Tax | 2,601 | 4,000 | 4,063 | 5,000 |
| Motor Vehicle Tax | 13,179 | 17,000 | 12,798 | 11,710 |
| Recreational Vehicle Tax | 159 | 180 | 155 | 138 |
| Quality of Life Fund Transfer | 15,000 | 50,841 | 50,841 | 70,525 |
| Special Hwy Fund Transfer | 21,398 | 28,903 | 28,903 | 28,903 |
| Capital Improvement Sales Tax Transfer | 98,512 | 180,000 | 180,000 | 210,000 |
| General Fund Transfer | 46,391 | 71,801 | 141,801 | 50,000 |
| Miscellaneous | - | - | | |
| Total Receipts | 310,049 | 471,213 | 534,257 | 504,150 |
| Resources Available | 321,915 | 541,076 | 539,511 | 508,961 |
| Expenditures | | | | |
| Cost of Issuance | 62,608 | - | - | - |
| Bond Principal | 1,175,000 | - | - | - |
| Bond Interest | 122,961 | - | - | - |
| Cost of Temporary Note Issuance | 45,594 | - | - | - |
| Temporary Note Principal | 2,325,000 | 320,000 | 320,000 | 310,000 |
| Temporary Note Interest | 43,400 | 221,076 | 220,874 | 198,961 |
| Total Expenditures | 3,774,563 | 541,076 | 540,874 | 508,961 |



Special Revenue Funds



Special Revenue Funds are funds that account for the proceeds of specific revenue sources that are restricted by law or administrative action to expenditures for specified purposes. The City of Baldwin City maintains six separate Special Revenue Funds: Special & Recreation, Quality of Life Sales Tax, Special Highway Funds, General Capital Improvement Fund, Capital Improvement Sales Tax Fund, and the Pool Sales Tax Fund.



Special Parks & Recreation



The purpose of this fund is to provide resources for the purchase of materials and supplies, major equipment, and capital outlay for the City's parks. The major revenue source for this fund comes from a portion of the State alcohol tax that is distributed to the City on a per capita basis. The other revenues for this fund come from a lease that the City has with the Baldwin City Golf Association for the City Golf Course and revenue from park improvement fees that are charged to developers. In 2014, this fund paid for the City's share of a grant to acquire a new piece of playground equipment, now located in Women's Bridge Park

Special Parks & Rec. (26)

2015 Budget Highlights

The 2015 budget decreased slightly from 2014. The budget includes \$25,000 for the replacement or upgrade of recreation equipment as needed. The Special Parks & Recreation budget also uses its full budget authority in 2015 in case an unexpected expenditure is necessary.

| Special Parks & Rec. (26.01) | 2013 Actual | 2014 Budget | 2014 Estimate | 2015 Budget |
|---|------------------------|------------------------|--------------------------|------------------------|
| Unencumbered Cash Balance Jan. 1 | 85,844 | 82,533 | 43,349 | 72,131 |
| Receipts | | | | |
| Leased City Property - Golf Course | 1,200 | 1,200 | - | 4,000 |
| KS Local Alcohol/Liquor Fund | 9,268 | 9,472 | 9,592 | 8,593 |
| Park Improvement Fees | 875 | 500 | 700 | 500 |
| Total Receipts | 11,343 | 11,172 | 10,292 | 13,093 |
| Resources Available | 97,187 | 93,705 | 53,641 | 85,224 |
| Expenditures | | | | |
| Personnel | - | - | - | - |
| Contractual | 225 | 28,500 | 6,000 | 28,500 |
| Commodities | - | 5,000 | - | 5,000 |
| Capital Outlay | - | 56,170 | 42,752 | 49,091 |
| Miscellaneous | - | - | - | - |
| Transfers | 668 | 4,035 | 4,035 | 2,633 |
| Total Expenditures | 893 | 93,705 | 52,787 | 85,224 |

Special Parks & Rec. (26.01)

| Special Parks & Rec. (26.01) | | 2014 Budget | 2014 Estimate | 2015 Budget |
|---|----------------------------|------------------------|--------------------------|------------------------|
| Personnel Services | | | | |
| 26.01.1101 | Full-Time Payroll | - | - | - |
| Sub-Total | | - | - | - |
| Contractual Services | | | | |
| 26.01.2610 | Grounds Maintenance | 3,500 | - | 3,500 |
| 26.01.2999 | Other Contractual Services | 25,000 | 6,000 | 25,000 |
| Sub-Total | | 28,500 | 6,000 | 28,500 |
| Commodities | | | | |
| 26.01.3800 | Materials/Supplies | 5,000 | - | 5,000 |
| Sub-Total | | 5,000 | - | 5,000 |
| Capital Outlay | | | | |
| 26.01.4306 | Recreation Equipment | 20,000 | 42,752 | 25,000 |
| 26.01.4999 | Other Capital Outlay | 36,170 | - | 24,091 |
| Sub-Total | | 56,170 | 42,752 | 49,091 |
| Miscellaneous | | | | |
| 26.01.7999 | Miscellaneous Expenses | - | - | - |
| Sub-Total | | - | - | - |
| Transfers | | | | |
| 26.01.8101 | Transfer to General Fund | 4,035 | 4,035 | 2,633 |
| Sub-Total | | 4,035 | 4,035 | 2,633 |
| Total Expenditures | | 93,705 | 52,787 | 85,224 |

Quality of Life



In 2009, Baldwin City voters approved a 1/4 cent sales tax to be used to fund “quality of life” projects. A committee was assembled and tasked with making recommendations to the City Council on how to spend money from the proposed sales tax. Utilizing a community survey, the committee recommended that the sales tax be used to fund improvements to City parks, a possible library expansion, and expand walking/biking trails throughout the community. The sales tax was passed in November 2009, by a large margin, and became effective April 1, 2010.

Since the fund’s creation, every park except Spring Creek Lake has had a permanent bathroom facility constructed. In 2013, the City Council in partnership with the Baldwin City Public Library Board approved a \$610,000 library expansion project. The expansion project was bonded over a 15-year period which has dedicated approximately \$40,000 of this revenue to that particular bond issue. Lastly, in 2015, the City will build almost a mile of new trail facilities.

2015 Budget Highlights

The 2015 budget decreased from last year by \$60,000. Some of that decrease is attributable to the \$40,000 per year debt service associated with the library expansion project. Additionally, a portion of the cost to build the new multi-purpose building at Kappelle Park also originated from this fund. The Quality of Life fund has been budgeted to zero to preserve the City's full budget authority for other projects that may become available.

| Quality of Life (27.01) | 2013 Actual | 2014 Budget | 2014 Estimate | 2015 Budget |
|----------------------------------|------------------------|------------------------|--------------------------|------------------------|
| Unencumbered Cash Balance Jan. 1 | 246,327 | 240,635 | 193,625 | 176,632 |
| Receipts | | | | |
| City Sales Tax | 93,933 | 95,368 | 96,448 | 93,911 |
| Total Receipts | 93,933 | 95,368 | 96,448 | 93,911 |
| Resources Available | 340,260 | 336,003 | 290,073 | 270,543 |
| Expenditures | | | | |
| Personnel | - | - | - | - |
| Contractual | - | - | - | 135,017 |
| Commodities | - | - | - | - |
| Capital Outlay | 26,469 | 260,162 | 98,308 | 65,000 |
| Miscellaneous | - | - | - | - |
| Transfers | 15,000 | 50,841 | 50,841 | 70,525 |
| Total Expenditures | 41,469 | 311,003 | 149,149 | 270,542 |



Quality of Life (27.01)

| Quality of Life (27.01) | | 2014 Budget | 2014 Estimate | 2015 Budget |
|--------------------------------|------------------------------|------------------------|--------------------------|------------------------|
| Personnel Services | | | | |
| 27.01.1101 | Full-Time Payroll | - | - | - |
| Sub-Total | | - | - | - |
| Contractual Services | | | | |
| 27.01.2790 | Widening & Resurfacing | - | - | 135,017 |
| Sub-Total | | - | - | 135,017 |
| Commodities | | | | |
| 27.01.3999 | Other Commodities | - | - | - |
| Sub-Total | | - | - | - |
| Capital Outlay | | | | |
| 27.01.4306 | Recreation Equipment | 30,000 | 98,308 | 65,000 |
| 27.01.7500 | Contingency | 230,162 | - | - |
| Sub-Total | | 260,162 | 98,308 | 65,000 |
| Miscellaneous | | | | |
| 27.01.7999 | Miscellaneous Expenses | - | - | - |
| Sub-Total | | - | - | - |
| Transfers | | | | |
| 27.01.8109 | Transfer to General B&I Fund | 50,841 | 50,841 | 70,525 |
| Sub-Total | | 50,841 | 50,841 | 70,525 |
| Total Expenditures | | 311,003 | 149,149 | 270,542 |

Special Highway



This fund is the primary source for yearly road maintenance. The revenue for this fund comes from quarterly gasoline tax allocations from the State. As such, revenue for this fund is directly impacted by the amount of gasoline sold to consumers. Overall, this revenue source has gradually increased; however, in 2009 when gasoline prices were at an all-time high, the City experienced a 10.5% drop in revenues from the preceding year. The City has slowly experienced climbing gasoline revenues in part to the improving economy but has not yet rebounded to the 2008 revenue levels.

2015 Budget Highlights

By State law, these funds must be used to support street and road projects. In 2013, the City conducted a street survey and has since allocated money for road projects identified in that study. The 2015 budget allocates a quarter of a million dollars for street maintenance and other road projects.

| Special Highway (28.01) | 2013 Actual | 2014 Budget | 2014 Estimate | 2015 Budget |
|----------------------------------|--------------------|--------------------|----------------------|--------------------|
| Unencumbered Cash Balance Jan. 1 | 269,514 | 253,958 | 340,312 | 138,081 |
| Receipts | | | | |
| State of Kansas Sales Tax | 114,973 | 119,020 | 118,824 | 116,390 |
| County Transfer Gas Tax | 12,187 | 12,400 | 10,558 | 11,010 |
| Miscellaneous | - | - | - | - |
| Total Receipts | 127,160 | 131,420 | 129,382 | 127,400 |
| Resources Available | 396,674 | 385,378 | 469,694 | 265,481 |
| Expenditures | | | | |
| Personnel | - | - | - | - |
| Contractual | 131,626 | 200,000 | 29,681 | 200,000 |
| Commodities | - | 30,000 | - | 30,000 |
| Capital Outlay | - | - | - | 6,578 |
| Miscellaneous | - | 126,474 | - | - |
| Transfers | 21,398 | 28,903 | 28,903 | 28,903 |
| Total Expenditures | 153,024 | 385,378 | 58,584 | 265,481 |

Special Highway - Yearly Revenue



Special Highway (28.01)

| Special Highway (28.01) | | 2014 Budget | 2014 Estimate | 2015 Budget |
|--------------------------------|------------------------------|------------------------|--------------------------|------------------------|
| Personnel Services | | | | |
| 28.01.1101 | Full-Time Payroll | - | - | - |
| Sub-Total | | - | - | - |
| Contractual Services | | | | |
| 28.01.2790 | Widening & Resurfacing | 200,000 | 29,681 | 200,000 |
| Sub-Total | | 200,000 | 29,681 | 200,000 |
| Commodities | | | | |
| 28.01.3340 | Asphalt/Cold Patch | 15,000 | - | 15,000 |
| 28.01.3341 | Rock/Sand/Chips | 10,000 | - | 10,000 |
| 28.01.3999 | Other Commodities | 5,000 | - | 5,000 |
| Sub-Total | | 30,000 | - | 30,000 |
| Capital Outlay | | | | |
| 28.01.4810 | Equipment Purchases | - | - | 6,578 |
| Sub-Total | | - | - | 6,578 |
| Miscellaneous | | | | |
| 28.01.7500 | Contingency | 126,474 | - | - |
| Sub-Total | | 126,474 | - | - |
| Transfers | | | | |
| 28.01.8109 | Transfer to General B&I Fund | 28,903 | 28,903 | 28,903 |
| Sub-Total | | 28,903 | 28,903 | 28,903 |
| Total Expenditures | | 385,378 | 58,584 | 265,481 |

Capital Improvement Sales Tax



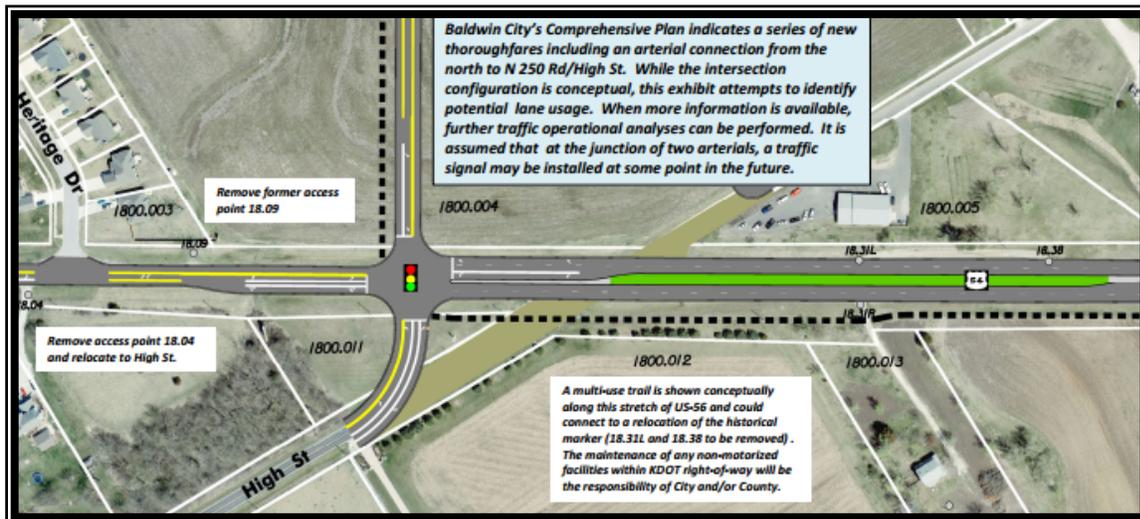
Approved by voters on November 3, 2009, and effective April 1, 2010, this 1/2 cent sales tax provides resources for general public infrastructure improvements in the City, such as streets, bridges, large equipment purchases, and public facility improvements. Proceeds may also be used for debt payments on bonds issued to finance such improvements. This 1/2 cent sales tax replaced the special swimming pool sales tax that expired in 2010.

Capital Improvement (45)

2015 Budget Highlights

The majority of revenue from this sales tax is committed to finance the bond payment for the 6th Street upgrade as well as additional Highway 56 corridor management improvements. In 2015, more than \$100,000 was set aside to preserve the fund's budget authority in case of unanticipated expenditures.

| Capital Improvement (45.01) | 2013 Actual | 2014 Budget | 2014 Estimate | 2015 Budget |
|---|-------------|-------------|---------------|-------------|
| Unencumbered Cash Balance Jan. 1 | 255,302 | 302,968 | 169,988 | 154,443 |
| Receipts | | | | |
| City Sales/Use Tax for Capital Improvements | 179,520 | 185,000 | 192,896 | 187,822 |
| Total Receipts | 179,520 | 185,000 | 192,896 | 187,822 |
| Resources Available | 434,822 | 487,968 | 362,884 | 342,265 |
| Expenditures | | | | |
| Personnel | - | - | - | - |
| Contractual | - | - | - | - |
| Commodities | - | - | - | - |
| Capital Outlay | - | - | - | 102,265 |
| Miscellaneous | - | 209,756 | - | - |
| Transfers | 98,512 | 278,211 | 278,211 | 240,000 |
| Total Expenditures | 98,512 | 487,968 | 278,211 | 342,265 |



Capital Improvement (45.01)

| Capital Improvement (45.01) | | 2014 Budget | 2014 Estimate | 2015 Budget |
|------------------------------------|------------------------------|------------------------|--------------------------|------------------------|
| Personnel Services | | | | |
| 45.01.1101 | Full-Time Payroll | - | - | - |
| Sub-Total | | - | - | - |
| Contractual Services | | | | |
| 45.01.2999 | Other Contractual Services | - | - | - |
| Sub-Total | | - | - | - |
| Commodities | | | | |
| 45.01.3999 | Other Commodities | - | - | - |
| Sub-Total | | - | - | - |
| Capital Outlay | | | | |
| 45.01.4810 | Equipment Purchases | | | 102,265 |
| Sub-Total | | - | - | 102,265 |
| Miscellaneous | | | | |
| 45.01.7500 | Contingency | 209,756 | - | - |
| Sub-Total | | 209,756 | - | - |
| Transfers | | | | |
| 45.01.8101 | Transfer to GF | 98,211 | 98,211 | 30,000 |
| 45.01.8109 | Transfer to General B&I Fund | 180,000 | 180,000 | 210,000 |
| Sub-Total | | 278,211 | 278,211 | 240,000 |
| Total Expenditures | | 487,968 | 278,211 | 342,265 |

Pool Sales Tax



Approved by voters in 1999, the Swimming Pool Sales Tax was specifically earmarked to pay for the Baldwin City Swimming Pool. The Sales Tax generated more revenue than expected and was used to retire the bonds in 2010. Voters approved extending the 1/2-cent sales tax indefinitely but repurposed the funds for capital improvement projects such as road, sidewalk, and other major infrastructure projects. Please refer to Fund 45: Capital Improvement Sales Tax Fund for an overview of how this 1/2-cent revenue source continues to benefit the community. Today the Swimming Pool Sales Tax Fund receives no ongoing revenue but acts as a reserve account to address ongoing pool maintenance.

Pool Sales Tax (70)

2015 Budget Highlights

There is no recommended spending from this fund in 2015; however, the fund is budgeted to zero so that the City maintains its full budget authority should improvements be necessary.

| Swimming Pools Sales Tax (70.01) | 2013 Actual | 2014 Budget | 2014 Estimate | 2015 Budget |
|---|------------------------|------------------------|--------------------------|------------------------|
| Unencumbered Cash Balance Jan. 1 | 110,626 | 105,353 | 105,353 | 94,952 |
| Receipts | | | | |
| Miscellaneous | - | - | - | - |
| Total Receipts | - | - | - | - |
| Resources Available | 110,626 | 105,353 | 105,353 | 94,952 |
| Expenditures | | | | |
| Personnel | - | - | - | - |
| Contractual | - | - | - | - |
| Commodities | 15,272 | - | - | - |
| Capital Outlay | 403 | 105,353 | - | 94,952 |
| Miscellaneous | - | - | - | - |
| Transfers | - | - | - | - |
| Total Expenditures | 15,675 | 105,353 | - | 94,952 |



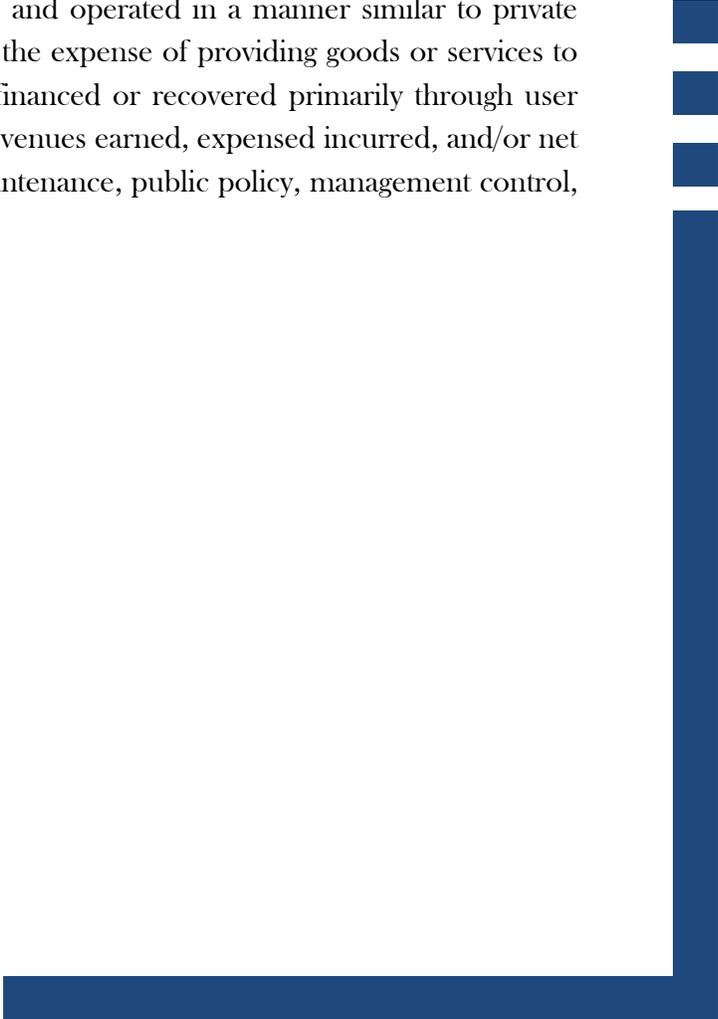
Pool Sales Tax (70.01)

| Swimming Pool Sales Tax (70.01) | | 2014 Budget | 2014 Estimate | 2015 Budget |
|--|----------------------------|------------------------|--------------------------|------------------------|
| Personnel Services | | | | |
| 70.01.1101 | Full-Time Payroll | - | - | - |
| Sub-Total | | - | - | - |
| Contractual Services | | | | |
| 70.01.2999 | Other Contractual Services | - | - | - |
| Sub-Total | | - | - | - |
| Commodities | | | | |
| 70.01.4810 | Equipment Purchases | 105,353 | - | - |
| Sub-Total | | 105,353 | - | - |
| Capital Outlay | | | | |
| 70.01.4999 | Other Capital Outlay | - | - | 94,952 |
| Sub-Total | | - | - | 94,952 |
| Miscellaneous | | | | |
| 70.01.7999 | Miscellaneous Expenses | - | - | - |
| Sub-Total | | - | - | - |
| Transfers | | | | |
| 70.01.8101 | Transfer to GF | - | - | - |
| Sub-Total | | - | - | - |
| Total Expenditures | | 105,353 | - | 94,952 |



Enterprise Funds

- Enterprise Funds are funds that are financed and operated in a manner similar to private business enterprises. The stated intent is that the expense of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges or where periodic determination of revenues earned, expensed incurred, and/or net income is deemed appropriate for capital maintenance, public policy, management control, accountability, or other purposes.



Electric Utility

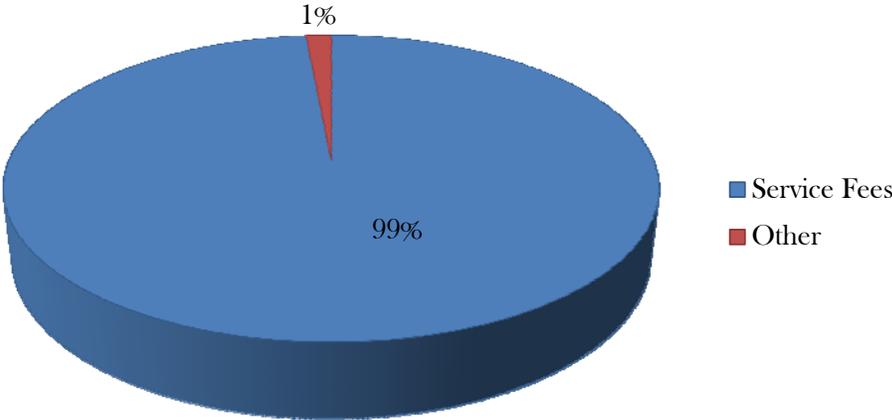


The Baldwin City Electric Utility is one of the oldest municipal electric utilities in the State of Kansas. In 1905, the Baldwin City Council voted 3 to 1 in favor of starting an Electric Utility. Today, the Electric Utility is comprised of four funds: administration, capital improvement, reserve, and debt service.

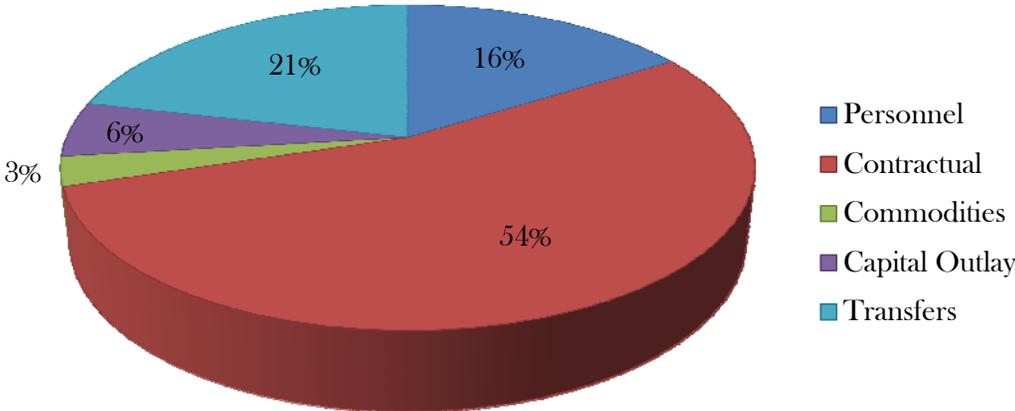
Electric Utility (11)

The Electric Utility Fund is comprised of four major components: generation, distribution, acquisition, and administration. The largest expenditure in the Electric Utility is for acquisition of power. Currently, Baldwin City has long-term agreements in place with Kansas City Power and Light, Kansas City Board of Public Utilities, the Grand River Dam Authority, the Southwest Power Administration, and the Western Area Power Administration. The contractual purchase of electricity accounts for 47% of the entire Electric Utility's budget.

Electric Utility Revenues



Electric Utility Expenditures



2014 Notable Achievements

Installed New Master SCADA System

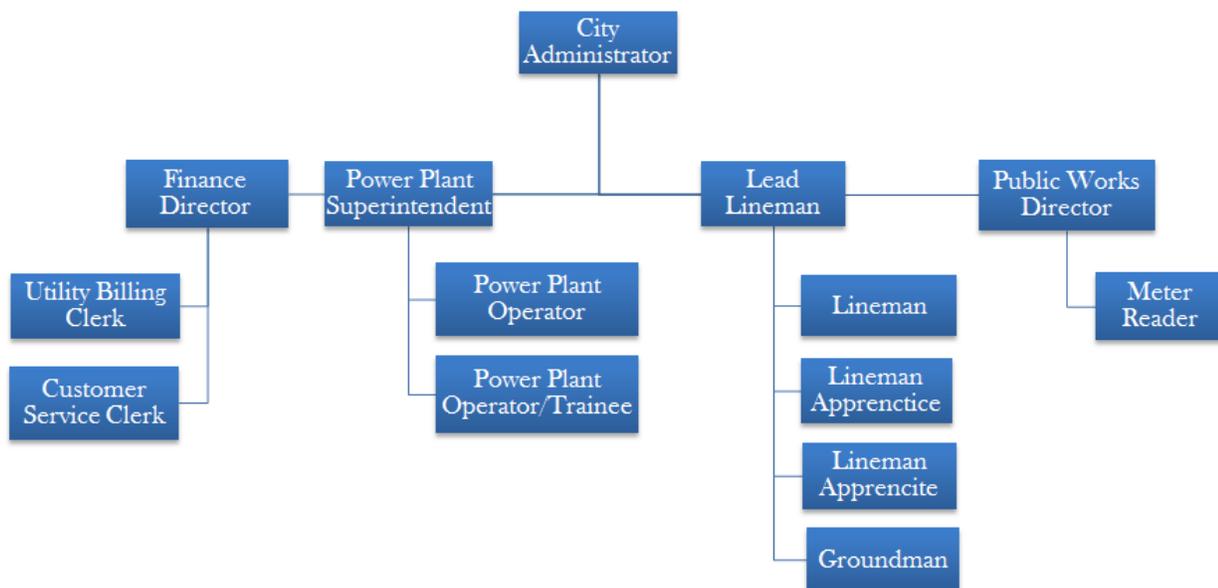
In January, Baldwin City replaced the 10-year-old System Control And Data Acquisition (SCADA) workstation. This system is the lifeline of the City's electrical network. It connects both power plants, interacts with the Newton Street Substation giving real-time meter and load data, controls the load tap changer that regulates transformer voltage, allows remote operation of breakers and reclosing devices, and runs units 7 and 8 generation programs at power plant 2.

Entered the Day 2 Market

Baldwin City entered the "Day 2," or "Day Ahead," market in March 2014. The Day-Ahead Energy Market lets market participants commit to buy or sell wholesale electricity one day before the operating day to help avoid price volatility.

Completed Five-Year Integrated Resource Plan

The City currently receives 522 kW of contractual energy from the Western Area Power Administration or WAPA. To receive this energy, WAPA customers must comply with the requirements of the Energy Planning and Management Program to meet the objectives of Section 114 of the Energy Policy Act of 1992 (EPAct). An Integrated Resource Plan is simply a plan to forecast annual peak and energy demand, over a specified future period. The plan will analyze new energy resources and evaluate a full range of alternatives, including new generating capacity, power purchase agreements, energy conservation, and efficiency. The goal is to provide the most reliable and economical service to our citizens now and in the future.



Electric Utility (11)

Generation

The City's electric generation component is comprised of two power plants. Plant No. 1, located at 605 High Street began production of electricity in 1907. This plant has a production capacity of 4.6 megawatts. Plant No. 2 is located at the south edge of town at 1100 Orange Street and was commissioned in December of 2003. The engines in this plant are of the most fuel-efficient and environmentally friendly of any on the market today. They have a combined production capacity of 6.3 megawatts.



Acquisition

Baldwin City leverages its wholesale costs and production capacity by negotiating contracts for power with larger utility companies. Currently, Baldwin City has long-term agreements in place with Kansas City Power and Light, Kansas City Board of Public Utilities, the Grand River Dam Authority, the Southwest Power Administration, and the Western Area Power Administration. This means that the electricity residents use could be originating as far away as Texas, Oklahoma, Colorado or as close as Missouri. In 2005, Baldwin City entered into a power pool agreement with four of its neighboring cities. By acting as one, the pool allows its members to maximize their electrical purchasing power.



Distribution

The City's electrical infrastructure combines both overhead and underground electric distribution lines. Baldwin City currently owns, operates, and maintains 35.33 miles of primary lines. Most have been replaced and/or upgraded since 2002. The City continues to make improvements and expand service as necessary to meet the growing needs of the community.



Electric Utility (11)

2015 Budget Highlights

The 2015 Electric Utility Fund calls for increasing the budget for power acquisition by approximately 4% as energy prices are expected to continue rising and further environmental regulations are mandated. Additional resources have also been included in the budget to purchase a new bucket truck for the electric distribution department and contract for tree trimming services. Last year, the electric utility maintained 99.99% uptime, and the City continues to invest in this resource so that reliable electric service continues for Baldwin City citizens

| Electric Utility (11) | 2013 Actual | 2014 Budget | 2014 Estimate | 2015 Budget |
|----------------------------------|------------------------|------------------------|--------------------------|------------------------|
| Unencumbered Cash Balance Jan. 1 | - | 916,931 | - | 862,841 |
| Receipts | | | | |
| NOW Account Interest | 3,127 | 4,000 | 4,243 | 6,765 |
| Reimbursed Expenses | 32 | 250 | - | - |
| KMEA Refunds | 310 | 875 | - | - |
| Utility Fees | 4,136,782 | 4,400,000 | 4,284,447 | 4,400,000 |
| Security Lights | 5,320 | 5,200 | 5,400 | 5,200 |
| Initial Installation Fees | 12,798 | 4,000 | 14,545 | 7,500 |
| Penalties Collected | 46,366 | 46,840 | 54,403 | 46,840 |
| Pole Rental Proceeds | 2,995 | 600 | - | - |
| Other Revenue | 24,102 | | 15,048 | |
| Total Receipts | 4,231,831 | 4,461,765 | 4,378,087 | 4,466,305 |
| Resources Available | 4,231,831 | 5,378,696 | 4,378,087 | 5,329,145 |
| Expenditures | | | | |
| Personnel | 543,748 | 795,404 | 693,172 | 817,968 |
| Contractual | 2,174,968 | 2,560,839 | 2,453,164 | 2,743,510 |
| Commodities | 85,892 | 147,203 | 57,090 | 148,346 |
| Capital Outlay | 107,924 | 188,450 | 226,294 | 276,950 |
| Miscellaneous | 391 | 6,000 | 938 | 6,000 |
| Transfers | 1,812,944 | 1,565,323 | 1,060,323 | 1,086,080 |
| Total Expenditures | 4,725,867 | 5,263,219 | 4,490,981 | 5,078,854 |

Electric - Generation (11.24)

| Electric Generation (11.24) | | 2014 Budget | 2014 Estimate | 2015 Budget |
|-----------------------------|------------------------------|----------------|------------------|----------------|
| Personnel Services | | | | |
| 11.24.1101 | Payroll | 154,285 | 134,546 | 156,179 |
| 11.24.1120 | Retirement Plans | 18,276 | 15,910 | 19,353 |
| 11.24.1130 | FICA Expense | 10,609 | 9,685 | 10,695 |
| 11.24.1140 | Unemployment Comp Insurance | 2,030 | 27 | 2,030 |
| 11.24.1160 | Health Insurance | 27,000 | 23,497 | 22,788 |
| 11.24.1170 | Other | 4,026 | 7,604 | 4,485 |
| Sub-Total | | 216,226 | 191,269 | 215,530 |
| Contractual Services | | | | |
| 11.24.2140 | Staff Training | 6,000 | 6,035 | 6,500 |
| 11.24.2150 | Postage | 50 | 39 | 50 |
| 11.24.2160 | Transportation/Meals/Lodging | 2,000 | 2,282 | 2,525 |
| 11.24.2202 | Lab Test | 300 | 373 | 300 |
| 11.24.2330 | Legal Publications | - | 27 | 25 |
| 11.24.2410 | Property/Liability Insurance | 16,914 | 17,283 | 19,558 |
| 11.24.2430 | Engineering Services | 5,000 | 2,937 | 5,000 |
| 11.24.2499 | Utilities | 105,819 | 86,295 | 107,200 |
| 11.24.2500 | Telephones | 5,420 | 4,944 | 6,050 |
| 11.24.2520 | Building Repairs | 1,000 | 1,608 | 1,000 |
| 11.24.2530 | Machine/Equip Repair | 56,000 | 39,786 | 85,000 |
| 11.24.2850 | Other Professional Services | 3,748 | 3,185 | 3,500 |
| 11.24.2890 | Office Equipment Lease | - | 336 | 250 |
| 11.24.2999 | Other Contractual Services | 3,500 | 3,709 | 3,500 |
| 11.24.3900 | Public Relations | 1,200 | 158 | 1,200 |
| Sub-Total | | 206,951 | 168,996 | 241,658 |
| Commodities | | | | |
| 11.24.3120 | Office/Computer Supplies | 1,600 | 629 | 1,100 |
| 11.24.3540 | Generation Fuel | 89,250 | 8,464 | 85,000 |
| 11.24.3541 | Generation Oil | 6,500 | 4,839 | 6,500 |
| 11.24.3550 | Chemicals | 3,500 | 2,377 | 3,500 |
| 11.24.3610 | Uniforms | 500 | 400 | 1,750 |
| 11.24.3680 | Custodial Supplies | 450 | 180 | 500 |
| 11.24.3900 | Other Commodities | 4,998 | 6,924 | 8,750 |
| Sub-Total | | 106,798 | 23,813 | 107,100 |
| Capital Outlay | | | | |
| 11.24.4006 | Safety Equipment | 1,850 | 1,604 | 1,800 |
| 11.24.4011 | Computer Hardware | - | 397 | 1,000 |
| 11.24.4230 | Electrical Equipment | 2,500 | 5,891 | 2,500 |
| 11.24.4410 | Vehicle Purchase | 38,000 | 28,899 | - |
| Sub-Total | | 42,350 | 36,791 | 5,300 |
| Miscellaneous | | | | |
| 11.24.7999 | Miscellaneous Expenses | 2,000 | - | 2,000 |
| Sub-Total | | 2,000 | - | 2,000 |
| Transfers | | | | |
| 11.24.8101 | Transfer to General Fund | - | - | - |
| Sub-Total | | - | - | - |
| Total Expenditures | | 574,325 | 420,869 | 571,588 |

Electric - Distribution (11.25)

| Electric Distribution (11.25) | | 2014 Budget | 2014 Estimate | 2015 Budget |
|-------------------------------|--------------------------------|----------------|------------------|----------------|
| Personnel Services | | | | |
| 11.25.1101 | Payroll | 278,461 | 239,492 | 283,240 |
| 11.25.1120 | Retirement Plans | 35,761 | 31,440 | 38,349 |
| 11.25.1130 | FICA Expense | 20,796 | 18,008 | 21,228 |
| 11.25.1140 | Unemployment Comp Insurance | 3,756 | 128 | 3,756 |
| 11.25.1160 | Health Insurance | 49,950 | 30,855 | 42,158 |
| 11.25.1170 | Other | 8,292 | 6,992 | 9,249 |
| Sub-Total | | 397,016 | 326,915 | 397,980 |
| Contractual Services | | | | |
| 11.25.2140 | Staff Training | 7,500 | 3,458 | 9,500 |
| 11.25.2170 | Meals/Lodging | 1,200 | 1,289 | 1,200 |
| 11.25.2202 | Lab Tests | 2,000 | 1,420 | 3,500 |
| 11.25.2209 | Maintenance/Service Agreements | 3,500 | - | 3,500 |
| 11.25.2410 | Property/Liability Insurance | 23,903 | 24,425 | 27,640 |
| 11.25.2430 | Engineering Services | 1,000 | - | 1,000 |
| 11.25.2499 | Utilities | 7,705 | 3,181 | 8,700 |
| 11.25.2500 | Telephones | 4,633 | 4,351 | 4,700 |
| 11.25.2519 | Substation Maintenance | 8,000 | 7,969 | 5,000 |
| 11.25.2540 | Misc. Repairs | 8,750 | 20,717 | 14,700 |
| 11.25.2600 | Tree Care | 10,000 | - | 30,000 |
| 11.25.2850 | Other Professional Services | 1,022 | 283 | 1,200 |
| 11.25.2999 | Other Contractual Services | 3,168 | 5,444 | 3,995 |
| Sub-Total | | 82,381 | 72,536 | 114,635 |
| Commodities | | | | |
| 11.25.3006 | Safety Supplies | 2,000 | 1,178 | 2,000 |
| 11.25.3110 | Office Supplies | 1,000 | 1,414 | 1,000 |
| 11.25.3230 | Weed Control/Seeding | 500 | - | 500 |
| 11.25.3341 | Rock/Sand/Chips | 500 | - | 500 |
| 11.25.3350 | Tire/Batteries | 1,000 | 936 | 2,500 |
| 11.25.3355 | Minor Tools/Apparatus | 2,500 | 1,546 | 2,500 |
| 11.25.3530 | Vehicle Gas/Oil | 12,425 | 4,320 | 12,922 |
| 11.25.3610 | Uniforms | 8,000 | 5,263 | 8,000 |
| 11.25.3800 | Materials/Supplies | 5,000 | 9,501 | 5,000 |
| Sub-Total | | 32,925 | 24,157 | 34,922 |
| Capital Outlay | | | | |
| 11.25.4001 | Fencing | 100 | - | 500 |
| 11.25.4005 | Communication Equipment | 2,000 | 3,680 | 6,400 |
| 11.25.4006 | Safety Equipment | 6,000 | 2,925 | 6,000 |
| 11.25.4011 | Computer Hardware | - | - | - |
| 11.25.4131 | Electrical Line Expense | 25,000 | 50,132 | 25,000 |
| 11.25.4230 | Electrical Equipment | 3,000 | 838 | 3,000 |
| 11.25.4231 | Transformers | 20,000 | 35,450 | 2,000 |
| 11.25.4235 | Meters | 1,250 | 878 | 1,250 |
| 11.25.4238 | Poles | 5,500 | 5,535 | 7,000 |
| 11.25.4239 | Pole Line Hardware | 5,000 | - | 5,500 |
| 11.25.4240 | Major Tools | 2,000 | - | 2,500 |
| 11.25.4410 | Vehicle Purchase | - | - | 50,000 |
| 11.25.4550 | Street Light Fixtures | 10,000 | 22,513 | 35,000 |
| 11.25.4810 | Equipment Purchases | 56,250 | 65,000 | 75,000 |
| 11.25.4999 | Other Capital Outlay | 10,000 | 1,984 | 10,000 |
| Sub-Total | | 146,100 | 188,935 | 229,150 |
| Miscellaneous | | | | |
| 11.25.7999 | Miscellaneous Expenses | 2,000 | - | 2,000 |
| Sub-Total | | 2,000 | - | 2,000 |
| Transfers | | | | |
| 11.25.8101 | Transfer to General Fund | - | - | - |
| Sub-Total | | - | - | - |
| Total Expenditures | | 660,422 | 612,543 | 778,687 |

Electric - Administration(11.26)

| Electric Administration (11.26) | | 2014 Budget | 2014 Estimate | 2015 Budget |
|--|---|------------------------|--------------------------|------------------------|
| Personnel Services | | | | |
| 11.26.1101 | Payroll | 128,547 | 133,754 | 145,223 |
| 11.26.1120 | Retirement Plans | 21,806 | 17,232 | 25,338 |
| 11.26.1130 | FICA Expense | 9,773 | 10,165 | 11,116 |
| 11.26.1140 | Unemployment Comp Insurance | 1,523 | 28 | 1,794 |
| 11.26.1160 | Health Insurance | 20,250 | 13,169 | 20,129 |
| 11.26.1170 | Other | 763 | 640 | 1,357 |
| Sub-Total | | 182,662 | 174,988 | 204,957 |
| Contractual Services | | | | |
| 11.26.2140 | Staff Training | 2,000 | 907 | 2,000 |
| 11.26.2150 | Postage | 4,000 | 4,107 | 4,000 |
| 11.26.2170 | Meals/Lodging | 750 | 192 | 750 |
| 11.26.2200 | Employment Recruitment | 1,000 | 1,337 | 1,000 |
| 11.26.2330 | Legal Publications | 1,000 | - | 1,000 |
| 11.26.2410 | Property/Liability Insurance | 4,242 | 4,335 | 4,905 |
| 11.26.2499 | Utilities | 6,532 | 4,596 | 3,821 |
| 11.26.2500 | Telephones | 5,463 | 3,647 | 6,863 |
| 11.26.2521 | Janitorial Services | 1,198 | 212 | 1,198 |
| 11.26.2530 | Machine/Equip Repair | 618 | 83 | 618 |
| 11.26.2720 | Dues | 6,971 | 7,245 | 7,500 |
| 11.26.2851 | Legal Services | 846 | 581 | 846 |
| 11.26.2852 | Audit/Budget Services | 4,500 | 4,073 | 4,196 |
| 11.26.2861 | Credit Card Fees | 4,500 | 7,435 | 4,500 |
| 11.26.2999 | Other Contractual Services | 16,015 | 7,555 | 16,015 |
| 11.26.4007 | Economic Development | 50,000 | 50,595 | 75,000 |
| 11.26.4012 | IT Support Services | 2,013 | 9,623 | 7,506 |
| Sub-Total | | 111,648 | 106,522 | 141,718 |
| Commodities | | | | |
| 11.26.3110 | Office Supplies | 350 | 234 | 350 |
| 11.26.4010 | Computer Software/Hardware | 7,231 | 8,887 | 5,974 |
| Sub-Total | | 7,581 | 9,120 | 6,324 |
| Capital Outlay | | | | |
| 11.26.4999 | Other Capital Outlay | - | 568 | 25,000 |
| Sub-Total | | - | 568 | 25,000 |
| Miscellaneous | | | | |
| 11.26.7999 | Miscellaneous Expenses | 2,000 | 938 | 2,000 |
| Sub-Total | | 2,000 | 938 | 2,000 |
| Transfers | | | | |
| 11.26.8101 | Transfer to General Fund | 189,618 | 189,618 | 179,675 |
| 11.26.8102 | Transfer to GF in Lieu of Franchise Fee | 290,015 | 290,015 | 223,315 |
| 11.26.8140 | Transfer to Elec. Capital Improvement | 400,000 | 400,000 | - |
| 11.26.8151 | Transfer to Electric B&I | 685,690 | 180,690 | 683,090 |
| Sub-Total | | 1,565,323 | 1,060,323 | 1,086,080 |
| Total Expenditures | | 1,869,214 | 1,352,460 | 1,466,079 |

Electric - Acquisition (11.27)

| Electric Acquisition (11.27) | | 2014 Budget | 2014 Estimate | 2015 Budget |
|-------------------------------------|--------------------------------|------------------------|--------------------------|------------------------|
| Personnel Services | | | | |
| 11.27.1101 | Payroll | - | - | - |
| Sub-Total | | - | - | - |
| Contractual Services | | | | |
| 11.27.2783 | Nearman Power (via KMEA) | 500,000 | 419,036 | 525,000 |
| 11.27.2784 | GRDA Contract Power (via KMEA) | 1,125,000 | 1,234,595 | 1,125,000 |
| 11.27.2785 | Other Contractual Power | - | - | - |
| 11.27.2786 | EMP No. 1 Operating (via KMEA) | 450,000 | 363,001 | 500,000 |
| 11.27.2787 | SPA Contract Power (VIA KMEA) | - | - | - |
| 11.27.2788 | SPA Hydro (via KMEA) | 10,000 | 10,831 | 20,000 |
| 11.27.2789 | WAPA Hydro Project | 75,000 | 77,647 | 75,000 |
| Sub-Total | | 2,160,000 | 2,105,110 | 2,245,000 |
| Commodities | | | | |
| 11.27.3999 | Other Commodities | - | 0 | - |
| Sub-Total | | - | - | - |
| Capital Outlay | | | | |
| 11.27.4999 | Other Capital Outlay | - | - | - |
| Sub-Total | | - | - | - |
| Miscellaneous | | | | |
| 11.27.7999 | Miscellaneous Expenses | - | - | - |
| Sub-Total | | - | - | - |
| Transfers | | | | |
| 11.27.8101 | Transfer to General Fund | - | - | - |
| Sub-Total | | - | - | - |
| Total Expenditures | | 2,160,000 | 2,105,110 | 2,245,000 |

Electric Reserve (32)

This fund was created to provide a source of reserve funding for the Electric Utility for major equipment and repairs to the plant and system. A portion of the expense to enhance the City's internal fiber network was paid from this fund, resulting in a \$13,050 expenditure in 2014. In 2013, the Governing Body approved Resolution 2013-12 that established a utility fund balance and reserve policy for the City of Baldwin City's enterprise funds. It is the goal of the City's utility to maintain at least 50% of its annual operating costs in unreserved, unencumbered fund balance.

2015 Budget Highlights

The 2015 Electric Reserve fund does not have any expected expenditures; however, the fund has been budgeted to utilize its full budget authority in 2015 in the event of an unexpected repair or purchase.

| Electric Reserve (32.01) | 2013 Actual | 2014 Budget | 2014 Estimate | 2015 Budget |
|----------------------------------|------------------------|------------------------|--------------------------|------------------------|
| Unencumbered Cash Balance Jan. 1 | 906,926 | 906,926 | 893,876 | 906,926 |
| Receipts | | | | |
| Transfer from Electric Utility | 595,000 | - | | - |
| Total Receipts | 595,000 | - | - | - |
| Resources Available | 1,501,926 | 906,926 | 893,876 | 906,926 |
| Expenditures | | | | |
| Personnel | - | - | - | - |
| Contractual | - | - | - | - |
| Commodities | - | - | - | - |
| Capital Outlay | - | 906,926 | | 906,926 |
| Miscellaneous | - | - | 13,050 | - |
| Transfers | - | - | - | - |
| Total Expenditures | - | 906,926 | 13,050 | 906,926 |

The Electric Capital Improvement Fund was created to set aside funds for capital improvements in the electric generation and distribution systems. Revenue for this fund comes from transfers from the Electric Utility Fund (11). In 2014, the City spent nearly \$115,000 as part of an ongoing project to convert all analog electric utility meters into digital meters and another \$27,000 to cover the final costs associated with the 2013 RICE NESHAP catalytic conversion on the power plant's smokestacks.

2015 Budget Highlights

The 2015 Electric CIP budget exercises its full budget authority, but only \$150,000 in expenditures are planned. The City has earmarked \$100,000 for the purchase of KCP&L electric service boundaries, and another \$50,000 is expected to pay for electric utility poles to continue the replacement of aging distribution infrastructure.

| Electric CIP (40.01) | 2013 Actual | 2014 Budget | 2014 Estimate | 2015 Budget |
|----------------------------------|------------------------|------------------------|--------------------------|------------------------|
| Unencumbered Cash Balance Jan. 1 | 48,663 | 49,184 | 342,145 | 272,358 |
| Receipts | | | | |
| Transfer from Electric Utility | 200,000 | 400,000 | 400,000 | - |
| Total Receipts | 200,000 | 400,000 | 400,000 | - |
| Resources Available | 248,663 | 449,184 | 742,145 | 272,358 |
| Expenditures | | | | |
| Personnel | - | - | - | - |
| Contractual | - | - | - | - |
| Commodities | - | - | - | - |
| Capital Outlay | 265,520 | 350,000 | 141,445 | 272,358 |
| Miscellaneous | - | 99,184 | - | - |
| Transfers | - | - | - | - |
| Total Expenditures | 265,520 | 449,184 | 141,445 | 272,358 |

Electric Debt Service (51)

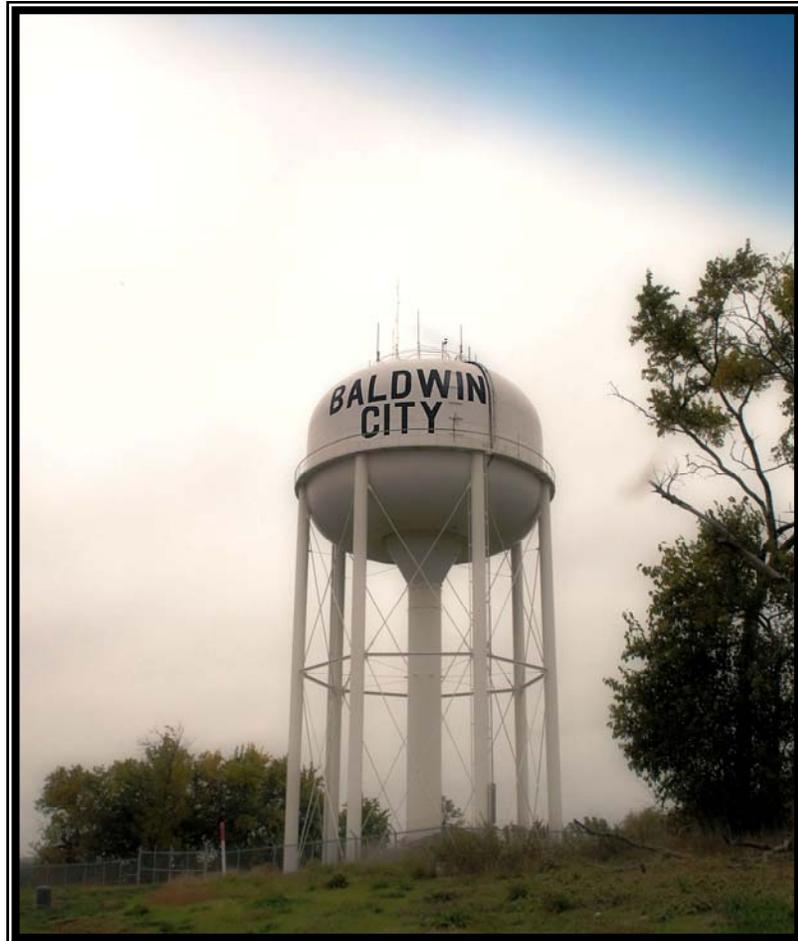
The Electric Debt Service Fund was established to pay the principal and interest related to the Electric Utility. If any future upgrades to the system are required and need to be finance with bonds, those payments would be reflected in this fund. The 2014 estimated expenditures represented are higher than the budgeted amount because the City refinanced its outstanding electrical debt. This refinance resulted in approximately \$600,000 in savings.

2015 Budget Highlights

The 2015 Electric Debt Service Fund anticipates spending approximately \$683,000 next year to pay for the principal and interest payments associated with bond payments that helped build the power plant on Orange Street and upgrades to the Newton Street substation.

| Electric B&I (51.01) | 2013 Actual | 2014 Budget | 2014 Estimate | 2015 Budget |
|----------------------------------|------------------------|------------------------|--------------------------|------------------------|
| Unencumbered Cash Balance Jan. 1 | - | - | 61,516 | - |
| Receipts | | | | |
| Electric Utility Fund Transfer | 682,490 | 685,690 | 180,690 | 683,090 |
| Total Receipts | 682,490 | 685,690 | 180,690 | 683,090 |
| Resources Available | 682,490 | 685,690 | 242,206 | 683,090 |
| Expenditures | | | | |
| Bond Fees | - | - | 77,254 | - |
| GO Bond Refunding Principal | 420,000 | 440,000 | 5,977,845 | 455,000 |
| GO Bond Refunding Interest | 262,490 | 245,690 | 121,377 | 228,090 |
| Total Expenditures | 682,490 | 685,690 | 6,176,476 | 683,090 |

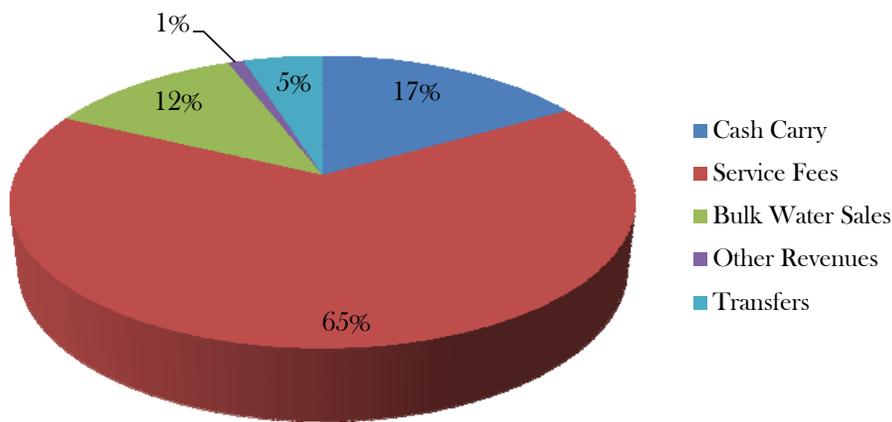
Water Utility



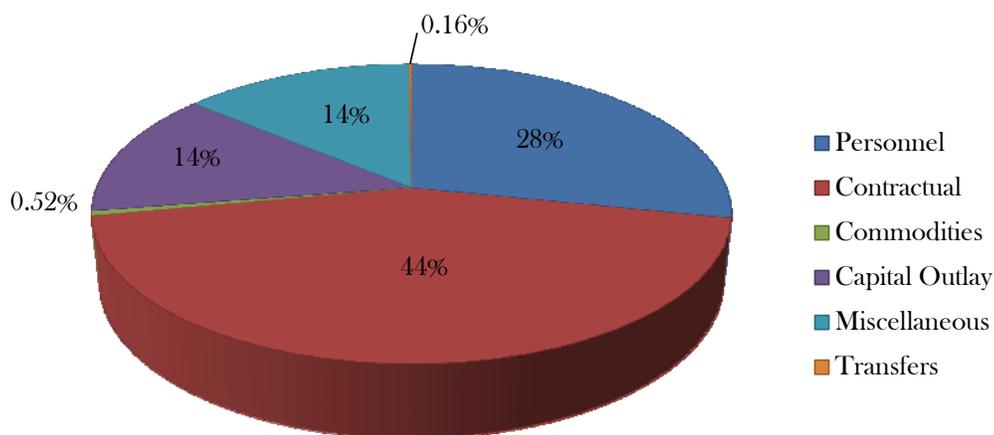
The Baldwin City Water Utility maintains four separate funds: operating, reserve, capital improvement, and debt service. Revenues for this utility come from the sale of water to the Citizens of Baldwin City and three wholesale customers (Edgerton, Wellsville, and Rural Water District #4). Baldwin City does not maintain its own water plant; therefore, the City purchases its raw and treated water from the City of Lawrence. The City of Baldwin City, however, is responsible for maintaining the approximately 26 miles of water lines in the City limits: two water towers that store and provide the necessary pressure for the water, and the approximate eight miles of pipe that deliver Baldwin City's treated water from Lawrence.

This fund is the operating fund for the City's water utility. The remaining three funds related to the Water Utility: (Reserve, Capital Improvement, and Debt Service) receive their revenue from transfers that originate from this fund. Overall, this fund provides the resources necessary to pay for the administration of the Water Utility. Similar to the Electric Utility operating fund (11), the water fund consists of the following departments: administration, distribution, and acquisition. The largest expenditure in the water budget is for contractual services related to the treatment and purchase of Baldwin City's water. Because Baldwin City does not have its own water treatment facility, the City has an agreement with the City of Lawrence to provide water to the citizens of Baldwin City.

Water Utility Revenues



Water Utility Expenditures



2015 Budget Highlights

The City of Baldwin City also continues to consider our long-term contract with the Kansas Water Office that will expire in 2017. Large increases will likely occur in the Kansas Water Office storage fees that are set at \$0.10/1,000 gallons. Currently, that rate is estimated to triple by the beginning of 2018. In addition, the results of a water rate study commissioned in 2014 could impact the future of this fund. In 2015, the Water Utility fund includes resources to replace an aging backhoe, share the cost of a new trencher for the Public Works department, and projects a 5% increase in property/liability insurance and fuel costs.

| Water Utility (12.01) | 2013 Actual | 2014 Budget | 2014 Estimate | 2015 Budget |
|----------------------------------|------------------------|------------------------|--------------------------|------------------------|
| Unencumbered Cash Balance Jan. 1 | 380,813 | 308,003 | 413,471 | 339,597 |
| Receipts | | | | |
| NOW Account Interest | 847 | 1,000 | 2,451 | 2,544 |
| Meter Deposits | 1,200 | - | 5,150 | 3,600 |
| Other Revenue | 54,587 | 1,000 | 4,328 | 500 |
| Transfer from Water Reserve | 35,000 | 100,000 | 100,000 | 100,000 |
| Utility Fees | 66,524 | 1,349,000 | 1,227,525 | 1,307,320 |
| Connection Fees | - | - | 3,908 | 1,100 |
| Initial Installation Fee | 7,979 | 7,500 | 5,215 | 6,460 |
| Penalties Collected | 14,985 | 14,420 | 17,006 | 14,420 |
| Bulk Water | 11,530 | 1,000 | 9,574 | 10,000 |
| Water Tower Antenna Rental | - | 1,500 | - | 3,000 |
| Wellsville Water | 177,280 | 189,550 | 168,126 | 188,490 |
| Edgerton Water | 63,565 | 73,000 | 60,919 | 55,000 |
| Rural Water District #4 Water | 98 | 4,670 | 236 | 1,000 |
| Total Receipts | 433,595 | 1,742,640 | 1,604,438 | 1,693,434 |
| Resources Available | 814,408 | 2,050,643 | 2,017,909 | 2,033,031 |
| Expenditures | | | | |
| Personnel | 434,021 | 463,986 | 409,246 | 540,150 |
| Contractual | 663,518 | 873,040 | 720,897 | 838,086 |
| Commodities | 2,840 | 2,470 | 3,936 | 10,000 |
| Capital Outlay | 40,163 | 180,631 | 106,626 | 259,404 |
| Miscellaneous | 392 | 280,089 | 561 | 263,286 |
| Transfers | 232,592 | 54,000 | 280,089 | 3,000 |
| Total Expenditures | 1,373,526 | 1,854,216 | 1,521,355 | 1,913,926 |

Water - Administration (12.11)

| Water Administration (12.11) | | 2014 Budget | 2014 Estimate | 2015 Budget |
|------------------------------|-------------------------------|----------------|------------------|----------------|
| Personnel Services | | | | |
| 12.11.1101 | Payroll | 321,638 | 304,590 | 378,083 |
| 12.11.1120 | Retirement Plans | 42,325 | 39,536 | 52,444 |
| 12.11.1130 | FICA Expense | 24,032 | 23,218 | 28,440 |
| 12.11.1140 | Unemployment Comp. Insurance | 4,704 | 129 | 5,550 |
| 12.11.1160 | Health Insurance | 62,550 | 34,398 | 62,287 |
| 12.11.1170 | Other | 8,738 | 7,375 | 13,346 |
| Sub-Total | | 463,987 | 409,246 | 540,150 |
| Contractual Services | | | | |
| 12.11.2140 | Staff Training | 2,500 | 618 | 2,500 |
| 12.11.2150 | Postage | 3,914 | 4,122 | 4,000 |
| 12.11.2160 | Transportation/Meals/Lodging | 1,000 | 192 | 1,200 |
| 12.11.2202 | Lab Tests | 3,600 | 1,574 | 3,600 |
| 12.11.2410 | Property/Liability Insurance | 8,500 | 8,685 | 9,829 |
| 12.11.2499 | Utilities | 5,863 | 6,825 | 6,500 |
| 12.11.2500 | Telephones | 11,540 | 6,676 | 11,500 |
| 12.11.2520 | Building Repairs | 2,500 | - | 2,000 |
| 12.11.2521 | Janitorial Services | 1,470 | 1,484 | 1,500 |
| 12.11.2720 | Dues | 1,000 | 1,000 | 750 |
| 12.11.2822 | Clean Drinking Water Fee | 3,500 | 3,213 | 3,500 |
| 12.11.2850 | Other Professional Services | 3,579 | 5,115 | 3,600 |
| 12.11.2851 | Legal Services | 3,500 | 581 | 3,500 |
| 12.11.2852 | Audit/Budget Services | 2,060 | 1,865 | 1,921 |
| 12.11.2861 | Credit Card Fees | 3,600 | 4,957 | 3,600 |
| 12.11.2890 | Office Equipment Lease | 1,949 | 1,725 | 2,000 |
| 12.11.2999 | Other Contractual Services | 17,000 | 8,499 | 17,000 |
| 12.11.4007 | Economic Development | 50,000 | 51,060 | 25,000 |
| 12.11.4008 | Other | 2,450 | 2,949 | 2,750 |
| Sub-Total | | 129,525 | 111,138 | 106,249 |
| Commodities | | | | |
| 12.11.3006 | Safety Supplies | - | 977 | - |
| 12.11.3110 | Office Supplies | 920 | 1,306 | 1,000 |
| 12.11.3610 | Uniforms | 350 | 154 | 400 |
| 12.11.3680 | Custodial Supplies | - | 394 | 400 |
| 12.11.3900 | Public Relations | 1,200 | - | 1,200 |
| Sub-Total | | 2,470 | 2,831 | 3,000 |
| Capital Outlay | | | | |
| 12.11.4006 | Safety Equipment | 300 | 255 | 300 |
| 12.11.4009 | Enterprise Software | - | 123 | - |
| 12.11.4010 | Computer Software/Hardware | 7,831 | 4,639 | 6,604 |
| 12.11.4012 | Computer Support | - | 3,577 | 2,971 |
| 12.11.4850 | Equipment Information Systems | - | 568 | - |
| 12.11.4999 | Other Capital Outlay | - | - | 25,000 |
| Sub-Total | | 8,131 | 9,162 | 34,875 |
| Miscellaneous | | | | |
| 12.11.7500 | Contingency | 50,000 | - | - |
| 12.11.7999 | Miscellaneous Expenses | 2,000 | 561 | 2,000 |
| Sub-Total | | 52,000 | 561 | 2,000 |
| Transfers | | | | |
| 12.11.8101 | Transfer to General Fund | 70,746 | 70,746 | 74,279 |
| 12.11.8102 | Transfer to GF in Lieu of FF | 104,558 | 104,558 | 84,672 |
| 12.11.8115 | Water Bond/Interest Transfer | 104,785 | 104,785 | 104,335 |
| Sub-Total | | 280,089 | 280,089 | 263,286 |
| Total Expenditures | | 936,202 | 813,027 | 949,560 |

Water - Distribution (12.12)

| Water Distribution (12.12) | | 2014 Budget | 2014 Estimate | 2015 Budget |
|-----------------------------------|------------------------------|------------------------|--------------------------|------------------------|
| Personnel Services | | | | |
| 12.12.1101 | Payroll | - | - | - |
| Sub-Total | | - | - | - |
| Contractual Services | | | | |
| 12.12.2410 | Property/Liability Insurance | 230 | 235 | 266 |
| 12.12.2520 | Building Repairs | 2,500 | 2,988 | 3,000 |
| 12.12.2530 | Machine/Equip Repairs | 6,500 | 10,693 | 7,500 |
| 12.12.2535 | Communication Equip Repairs | 500 | - | 500 |
| 12.12.2540 | Vehicle Repairs | - | 399 | |
| 12.12.2999 | Other Contractual Services | - | 1,201 | - |
| 12.12.3006 | Safety Supplies | 125 | 218 | 1,000 |
| 12.12.3341 | Rock/Sand/Chips | 3,000 | 404 | 3,000 |
| 12.12.3350 | Tires/Batteries | 4,000 | 593 | 4,000 |
| 12.12.3355 | Minor Tools/Apparatus | 2,500 | 192 | 2,500 |
| 12.12.3530 | Vehicle Gas/Oil | 12,042 | 6,523 | 13,600 |
| 12.12.3550 | Chemicals | 3,500 | 1,468 | 1,000 |
| 12.12.3610 | Uniforms | 500 | 300 | 500 |
| 12.12.3800 | Materials/Supplies | 7,500 | 6,834 | 7,500 |
| Sub-Total | | 42,897 | 32,048 | 44,366 |
| Commodities | | | | |
| 12.12.3999 | Other Commodities | - | - | - |
| 12.12.4005 | Communication Equipment | - | 1,105 | 7,000 |
| Sub-Total | | - | 1,105 | 7,000 |
| Capital Outlay | | | | |
| 12.12.4235 | Meters | 10,000 | 16,896 | 10,000 |
| 12.12.4236 | Hydrants | 7,500 | 3,591 | 7,500 |
| 12.12.4237 | Water Mains | 75,000 | 8,484 | 75,000 |
| 12.12.4410 | Vehicle Purchase | 40,000 | 68,493 | 40,000 |
| 12.12.4810 | Equipment Purchases | 30,000 | - | 85,000 |
| 12.12.4999 | Other Capital Outlay | 10,000 | - | 10,000 |
| Sub-Total | | 172,500 | 97,464 | 227,500 |
| Miscellaneous | | | | |
| 12.12.7999 | Miscellaneous Expenses | - | - | - |
| Sub-Total | | - | - | - |
| Transfers | | | | |
| 12.12.8101 | Transfer to General Fund | - | - | - |
| Sub-Total | | - | - | - |
| Total Expenditures | | 215,397 | 130,617 | 278,866 |

Water - Acquisition (12.13)

| Water Acquisition (12.13) | | 2014 Budget | 2014 Estimate | 2015 Budget |
|----------------------------------|----------------------------|------------------------|--------------------------|------------------------|
| Personnel Services | | | | |
| 12.12.1101 | Payroll | - | - | - |
| Sub-Total | | - | - | - |
| Contractual Services | | | | |
| 12.13.2490 | Water Treatment Fees | 630,000 | 511,142 | 610,000 |
| 12.13.2492 | Water Supply Fees | 30,000 | 20,415 | 30,000 |
| 12.13.2496 | Electric Service | 37,119 | 45,249 | 41,000 |
| 12.13.2520 | Building Repairs | 1,000 | 904 | 1,000 |
| 12.13.2530 | Machine/Equip Repair | 2,500 | - | 2,500 |
| 12.13.2999 | Other Contractual Services | - | - | - |
| Sub-Total | | 700,619 | 577,711 | 684,500 |
| Commodities | | | | |
| 12.13.3999 | Other Commodities | - | - | - |
| Sub-Total | | - | - | - |
| Capital Outlay | | | | |
| 12.13.4999 | Other Capital Outlay | - | - | - |
| Sub-Total | | - | - | - |
| Miscellaneous | | | | |
| 12.13.7999 | Miscellaneous Expenses | 2,000 | - | 1,000 |
| Sub-Total | | 2,000 | - | 1,000 |
| Transfers | | | | |
| 12.13.8101 | Transfer to General Fund | - | - | - |
| Sub-Total | | - | - | - |
| Total Expenditures | | 702,619 | 577,711 | 685,500 |

This fund was created to provide reserve funds for the Water Utility in case of unanticipated, large capital equipment and repairs to the plant and system. A portion of the expense to enhance the City’s internal fiber network was paid from this fund, resulting in a \$7,457 expenditure in 2014. In 2013, the Governing Body approved Resolution 2013-12 which established a utility fund balance and reserve policy for the City of Baldwin City’s enterprise funds. It is the goal of the City’s utility to maintain at least 50% of its annual operating costs in unreserved, unencumbered fund balance.

2015 Budget Highlights

The Water Reserve fund has been budgeted to utilize its full budget authority in 2015. Almost \$650,000 is set aside for any unforeseen major upgrades or purchases that might be needed, with the remaining \$100,000 being transferred to the Water Utility fund (12).

| Water Reserve (33.01) | 2013 Actual | 2014 Budget | 2014 Estimate | 2015 Budget |
|----------------------------------|------------------------|------------------------|--------------------------|------------------------|
| Unencumbered Cash Balance Jan. 1 | 991,341 | 1,023,743 | 783,884 | 741,341 |
| Receipts | | | | |
| Total Receipts | 991,341 | 1,023,743 | 783,884 | 741,341 |
| Resources Available | 991,341 | 1,023,743 | 783,884 | 741,341 |
| Expenditures | | | | |
| Personnel | - | - | - | - |
| Contractual | - | - | - | - |
| Commodities | - | - | - | - |
| Capital Outlay | 32,402 | 823,743 | - | 641,341 |
| Miscellaneous | - | - | 7,457 | - |
| Transfers | 65,000 | 200,000 | 200,000 | 100,000 |
| Total Expenditures | 97,402 | 1,023,743 | 207,457 | 741,341 |

Water CIP (41.12)

The Water Capital Improvement Fund (CIP) was created to provide funds for capital improvement upgrades to the water storage and distribution systems. All of this fund's revenues originate from transfers from the Water Utility Fund (12). In 2014, more \$100,000 was spent as part of the continued Sensus metering change-out project, and for the replacement of aging 4-inch water lines.

2015 Budget Highlights

In 2015, almost \$200,000 in upgrades to the water system are budgeted. This includes \$100,000 for replacement of aging 4-inch water lines and another \$100,000 for the Sensus metering change-out project. An additional \$100,000 is earmarked for territorial acquisition in anticipation of future growth. The Water CIP fund exercises its full budget authority.

| Water CIP (41.12) | 2013 Actual | 2014 Budget | 2014 Estimate | 2015 Budget |
|----------------------------------|------------------------|------------------------|--------------------------|------------------------|
| Unencumbered Cash Balance Jan. 1 | 312,284 | 312,823 | 379,046 | 326,182 |
| Receipts | | | | |
| Transfers | 30,000 | 100,000 | 100,000 | - |
| Water Connection Fees | 4,350 | 5,500 | 3,850 | - |
| Total Receipts | 34,350 | 105,500 | 103,850 | - |
| Resources Available | 346,634 | 418,323 | 482,896 | 326,182 |
| Expenditures | | | | |
| Personnel | - | - | - | - |
| Contractual | 2,805 | 274,000 | 21,209 | 200,000 |
| Commodities | - | - | - | - |
| Capital Outlay | - | - | - | 126,182 |
| Miscellaneous | - | 144,323 | - | - |
| Transfers | - | - | - | - |
| Total Expenditures | 2,805 | 418,323 | 21,209 | 326,182 |

Water Debt Service (15.01)

The Water Debt Service Fund was established to pay the principal and interest related to the Water Utility. If any future upgrades to the system are required, those payments would be reflected in this fund.

2015 Budget Highlights

The 2015 Water Debt Service Fund anticipates spending approximately \$107,000 to pay for the principal and interest payments associated with the City's water towers.

| Water Debt Service (15.01) | 2013 Actual | 2014 Budget | 2014 Estimate | 2015 Budget |
|-----------------------------------|------------------------|------------------------|--------------------------|------------------------|
| Unencumbered Cash Balance Jan. 1 | 3,177 | 3,177 | 2,907 | 3,177 |
| Receipts | | | | |
| Transfers | 102,154 | 104,785 | 104,785 | 104,335 |
| Total Receipts | 102,154 | 104,785 | 104,785 | 104,335 |
| Resources Available | 105,331 | 107,962 | 107,692 | 107,512 |
| Expenditures | | | | |
| Bond Principal | 85,000 | 90,000 | 90,000 | 90,000 |
| Bond Interest | 17,154 | 14,785 | 14,785 | 14,335 |
| Bond Fees | - | - | 270 | - |
| Miscellaneous - Contingency | - | 3,177 | - | 3,177 |
| Total Expenditures | 102,154 | 107,962 | 105,055 | 107,512 |

Wastewater Utility

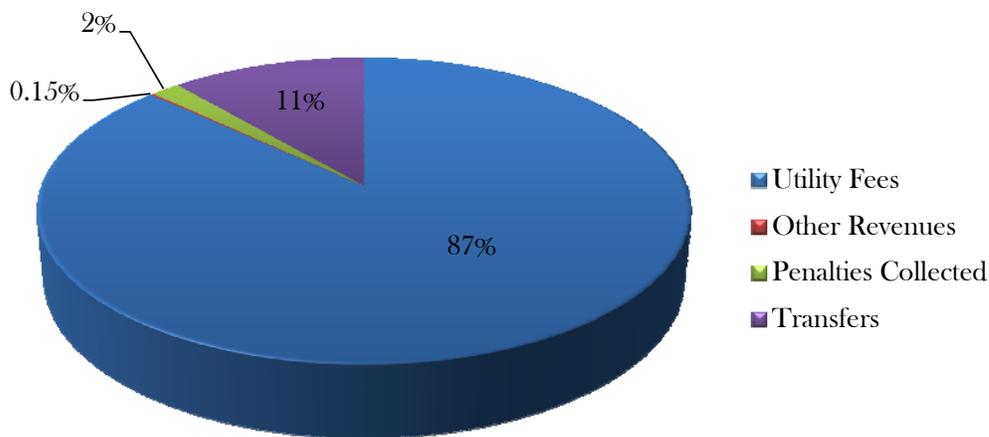


The Wastewater Utility provides the resources for the daily operations of the wastewater treatment plant as well as the maintenance and upkeep of the City's sanitary sewer collections system. This utility maintains four separate funds: an operating fund, reserve fund, capital improvement fund, and a debt service fund. This utility consists of nearly 32.2 miles of sewer lines and a 900,000 gallons per day wastewater treatment plant.

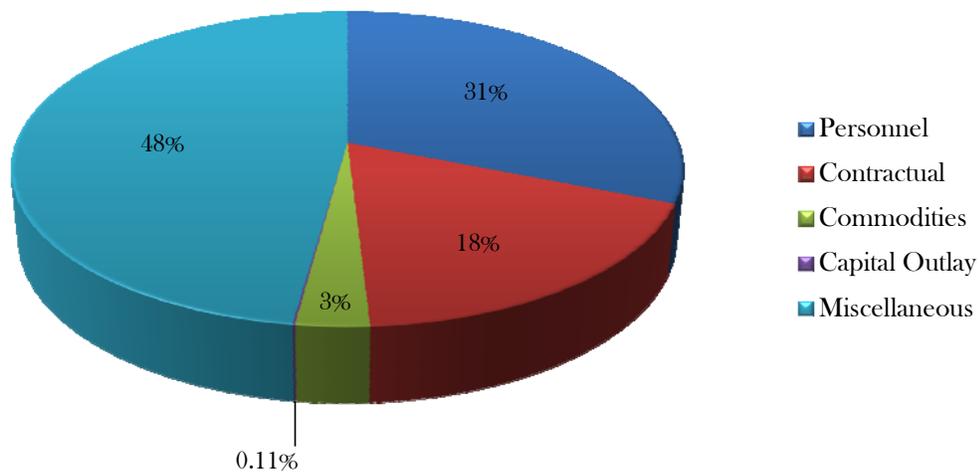
Wastewater Utility (18)

This fund is the operational portion of the Wastewater Utility. The remaining three Wastewater Utility Funds: (Reserve, Capital Improvement, and Debt Service) receive their revenue streams from transfers that originate from this fund. This fund provides the resources necessary to pay for the administration of the Wastewater Utility and operate the wastewater treatment plant. The wastewater fund (18) contains three components: administration, treatment, and collection. The largest expenditure in the wastewater budget is for debt service to pay for the sewer plant commissioned in 2002.

Wastewater Utility Revenues



Wastewater Utility Expenditures

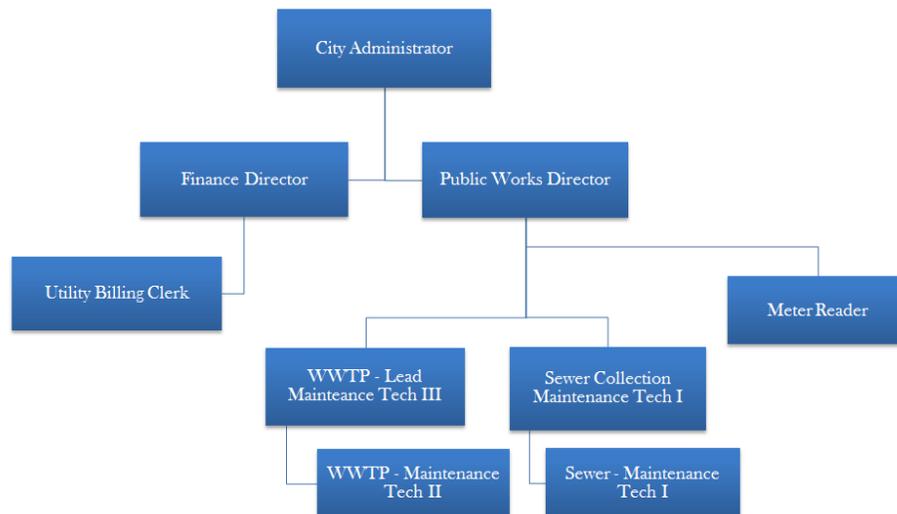


Wastewater Utility (18)

2015 Budget Highlights

The Wastewater Utility Fund does not produce the necessary revenue to cover the most basic operating costs. Consequently, the City contracted with a private firm to perform a rate study to examine the long-term financial health of this fund in 2014 . The results of the rate study will impact future budgeting of this fund. The 2015 budget remains relatively flat from 2014, with the only increase in expenditures being related to inflation.

| Wastewater Utility (18) | 2013 Actual | 2014 Budget | 2014 Estimate | 2015 Budget |
|----------------------------------|----------------|----------------|----------------|----------------|
| Unencumbered Cash Balance Jan. 1 | 150,318 | 165,364 | 57,740 | 65,617 |
| Receipts | | | | |
| NOW Account Interest | 321 | 1,500 | 883 | 1,298 |
| Other Revenue | 5,402 | - | 55 | - |
| Utility Fees | 754,550 | 763,560 | 755,407 | 771,196 |
| Penalties Collected | 10,100 | 12,000 | 11,672 | 15,000 |
| Transfer from WWTR CIP | - | - | - | 100,000 |
| Total Receipts | 770,373 | 777,060 | 768,017 | 887,494 |
| Resources Available | 920,691 | 942,424 | 825,757 | 953,111 |
| Expenditures | | | | |
| Personnel | 224,069 | 290,761 | 262,705 | 295,619 |
| Contractual | 168,616 | 172,454 | 143,398 | 171,028 |
| Commodities | 21,111 | 18,571 | 25,887 | 28,784 |
| Capital Outlay | 4,094 | 27,871 | 2,630 | - |
| Miscellaneous | 261 | 1,000 | 393 | 1,000 |
| Transfers | 268,588 | 417,831 | 417,831 | 454,221 |
| Total Expenditures | 686,739 | 928,488 | 852,844 | 950,652 |



Wastewater - Admin.(18.21)

| Wastewater - Administration (18.21) | | 2014 Budget | 2014 Estimate | 2015 Budget |
|--|-----------------------------------|------------------------|--------------------------|------------------------|
| Personnel Services | | | | |
| 18.21.1101 | Payroll | 199,327 | 197,185 | 200,262 |
| 18.21.1120 | Retirement Plans | 25,828 | 23,712 | 30,115 |
| 18.21.1130 | FICA Expense | 14,891 | 14,980 | 16,552 |
| 18.21.1140 | Unemployment Comp Insurance | 3,113 | 77 | 3,418 |
| 18.21.1160 | Health Insurance | 41,400 | 21,522 | 38,360 |
| 18.21.1170 | Other | 6,202 | 5,229 | 6,912 |
| Sub-Total | | 290,761 | 262,705 | 295,619 |
| Contractual Services | | | | |
| 18.21.2140 | Staff Training | 150 | 112 | - |
| 18.21.2150 | Postage | 60 | - | - |
| 18.21.2160 | Transportation/Meals/Lodging | - | 192 | - |
| 18.21.2330 | Legal Publications | 100 | - | 100 |
| 18.21.2410 | Property/Liability Insurance | 8,634 | 8,822 | 9,983 |
| 18.21.2500 | Telephones | 964 | 1,317 | 1,000 |
| 18.21.2521 | Janitorial Services | 500 | 424 | 750 |
| 18.21.2720 | Dues | 200 | 287 | 200 |
| 18.21.2850 | Other Professional Services | 331 | 156 | 300 |
| 18.21.2851 | Legal Services | 500 | - | 500 |
| 18.21.2852 | Audit/Budget Services | 1,508 | 1,365 | 1,406 |
| 18.21.2861 | Credit Card Fees | 2,500 | 3,305 | 2,500 |
| 18.21.2890 | Office Equipment Lease | 66 | - | 100 |
| 18.21.2999 | Other Contractual Services | - | 1,288 | 1,500 |
| 18.21.4012 | Computer Support | - | 3,427 | 1,088 |
| Sub-Total | | 15,513 | 20,695 | 19,428 |
| Commodities | | | | |
| 18.21.3008 | Safety Programs and Awards | 500 | - | 500 |
| 18.21.3110 | Office Supplies | 400 | 130 | 400 |
| 18.21.2610 | Uniforms | 100 | 50 | 100 |
| 18.21.3680 | Custodial Supplies | - | 77 | - |
| Sub-Total | | 1,000 | 258 | 1,000 |
| Capital Outlay | | | | |
| 18.21.4009 | Enterprise Software | - | 123 | - |
| 18.21.4010 | Computer Hardware/Software | 2,871 | 1,939 | 2,784 |
| 18.21.4810 | Equipment Purchases | 10,000 | - | - |
| 18.21.4850 | Equipment Information Systems | - | 568 | - |
| Sub-Total | | 12,871 | 2,630 | 2,784 |
| Miscellaneous | | | | |
| 18.21.7999 | Miscellaneous Expenses | 1,000 | 393 | 1,000 |
| Sub-Total | | 1,000 | 393 | 1,000 |
| Transfers | | | | |
| 18.21.8101 | Transfer to General Fund | 14,451 | 14,451 | 14,392 |
| 18.21.8102 | Transfer to GF in Lieu of FF | 19,427 | 19,427 | 39,375 |
| 18.21.8120 | Wastewater Bond/Interest Transfer | 383,953 | 383,953 | 400,454 |
| Sub-Total | | 417,831 | 417,831 | 454,221 |
| Total Expenditures | | 738,976 | 704,512 | 774,052 |

Wastewater - Treatment (18.22)

| Wastewater - Treatment (18.22) | | 2014 Budget | 2014 Estimate | 2015 Budget |
|---------------------------------------|----------------------------|------------------------|--------------------------|------------------------|
| Personnel Services | | | | |
| 18.21.1101 | Payroll | - | - | - |
| Sub-Total | | - | - | - |
| Contractual Services | | | | |
| 18.22.2140 | Staff Training | 400 | 124 | 500 |
| 18.22.2202 | Lab Tests | 5,000 | 5,560 | 5,000 |
| 18.22.2499 | Utilities | 103,143 | 92,628 | 103,300 |
| 18.22.2500 | Telephones | 448 | 408 | 500 |
| 18.22.2520 | Building Repairs | 1,500 | 371 | 1,500 |
| 18.22.2530 | Machine/Equip. Repair | 18,000 | 15,590 | 18,000 |
| 18.22.2995 | Sludge Removal | 15,000 | 3,054 | 15,000 |
| 18.22.2999 | Other Contractual Services | 1,800 | 110 | 1,800 |
| Sub-Total | | 145,291 | 117,845 | 145,600 |
| Commodities | | | | |
| 18.22.3350 | Tires/Batteries | 1,000 | 221 | 1,000 |
| 18.22.3355 | Minor Tools/Apparatus | 600 | 2,329 | 600 |
| 18.22.3530 | Vehicle Gas/Oil | 1,671 | 1,955 | 3,100 |
| 18.22.3550 | Chemicals | 12,000 | 17,393 | 12,000 |
| 18.22.3610 | Uniforms | 200 | - | 200 |
| 18.22.3800 | Materials/Supplies | 1,700 | 3,323 | 2,500 |
| 18.22.4006 | Safety Equipment | 400 | 409 | 600 |
| 18.22.4810 | Equipment Purchases | - | - | 5,000 |
| Sub-Total | | 17,571 | 25,629 | 25,000 |
| Capital Outlay | | | | |
| 18.22.4999 | Other Capital Outlay | 5,000 | - | - |
| Sub-Total | | 5,000 | - | - |
| Miscellaneous | | | | |
| 18.22.7999 | Miscellaneous Expenses | - | - | - |
| Sub-Total | | - | - | - |
| Transfers | | | | |
| 18.22.8101 | Transfer to General Fund | - | - | - |
| Sub-Total | | - | - | - |
| Total Expenditures | | 167,862 | 143,474 | 170,600 |

Wastewater - Collection (18.23)

| Wastewater - Collection (18.23) | | 2014 Budget | 2014 Estimate | 2015 Budget |
|--|--------------------------|------------------------|--------------------------|------------------------|
| Personnel Services | | | | |
| 18.21.1101 | Payroll | - | - | - |
| Sub-Total | | - | - | - |
| Contractual Services | | | | |
| 18.23.2499 | Utilities | 5,650 | 4,858 | 5,000 |
| 18.23.2530 | Machine/Equip. Repair | 5,000 | - | - |
| 18.23.3550 | Chemicals | 500 | - | 500 |
| 18.23.3800 | Materials/Supplies | 500 | - | 500 |
| Sub-Total | | 11,650 | 4,858 | 6,000 |
| Commodities | | | | |
| 18.23.3999 | Other Commodities | - | - | - |
| Sub-Total | | - | - | - |
| Capital Outlay | | | | |
| 18.23.4999 | Other Capital Outlay | 10,000 | - | - |
| Sub-Total | | 10,000 | - | - |
| Miscellaneous | | | | |
| 18.23.7999 | Miscellaneous Expenses | - | - | - |
| Sub-Total | | - | - | - |
| Transfers | | | | |
| 18.23.8101 | Transfer to General Fund | - | - | - |
| Sub-Total | | - | - | - |
| Total Expenditures | | 21,650 | 4,858 | 6,000 |

Wastewater Reserve (30)

The purpose of the Wastewater Reserve Fund is to provide resources for any future improvements that may be needed for the treatment plant and sewer collection system. This includes any equipment that might be necessary for the utility to operate on a daily basis. The reserve fund could easily be thought of as an emergency or rainy-day fund.

2015 Budget Highlights

The 2015 Wastewater Reserve Fund does not anticipate any large expenditures. The Wastewater Reserve Fund is subject to the City's utility reserve and fund balance policy. Currently, this fund does not meet the goals outlined in the fund balance policy adopted in 2013. The rate study commissioned in 2014 is intended to address the current shortage of revenue in this fund.

| Wastewater Reserve (30.01) | 2013 Actual | 2014 Budget | 2014 Estimate | 2015 Budget |
|-----------------------------------|------------------------|------------------------|--------------------------|------------------------|
| Unencumbered Cash Balance Jan. 1 | 97,229 | 23,174 | 146,213 | 149,941 |
| Receipts | | | | |
| Bond Proceeds | 110,000 | - | - | - |
| Bond Premium | 4,504 | - | - | - |
| Transfer from Wastewater CIP | - | 52,712 | 52,712 | - |
| Transfer from Wastewater | - | - | - | - |
| Total Receipts | 114,504 | 52,712 | 52,712 | - |
| Resources Available | 211,733 | 75,886 | 198,925 | 149,941 |
| Expenditures | | | | |
| Personnel | - | - | - | - |
| Contractual | - | - | - | - |
| Commodities | - | - | - | - |
| Capital Outlay | 44,445 | 75,886 | - | 97,229 |
| Miscellaneous | - | - | 3,729 | - |
| Transfers | - | - | - | - |
| Total Expenditures | 44,445 | 75,886 | 3,729 | 97,229 |

Wastewater CIP (42)

The Wastewater Capital Improvement Fund was created to set aside funds for capital improvement upgrades to the wastewater treatment and collection systems. All of this fund's revenues originate from transfers from the Wastewater Utility Fund (18). Possible projects for this fund would include sewer extension to future developments, lift stations, or additional capacity projects, such as a relief interceptor.

2015 Budget Highlights

No major capital improvement projects for the Wastewater Utility are budgeted in 2015. At this time, the wastewater fund does not produce enough revenue to adequately pay for its operational costs. For this reason, \$100,000 from the utility's Capital Improvement fund is scheduled to be transferred to the Wastewater operating fund (18).

| Wastewater CIP (42.22) | 2013 Actual | 2014 Budget | 2014 Estimate | 2015 Budget |
|----------------------------------|------------------------|------------------------|--------------------------|------------------------|
| Unencumbered Cash Balance Jan. 1 | 154,912 | 152,712 | 107,800 | 103,700 |
| Receipts | | | | |
| Sewer Connections | 2,200 | - | 5,600 | - |
| Total Receipts | 2,200 | - | 5,600 | - |
| Resources Available | 157,112 | 152,712 | 113,400 | 103,700 |
| Expenditures | | | | |
| Personnel | - | - | - | - |
| Contractual | - | - | - | - |
| Commodities | - | - | - | - |
| Capital Outlay | - | - | - | - |
| Miscellaneous | - | 100,000 | - | 3,700 |
| Transfers | - | 52,712 | 52,712 | 100,000 |
| Total Expenditures | - | 152,712 | 52,712 | 103,700 |

Wastewater Debt Service (20)

The Wastewater Debt Service Fund was established to keep track of the debt service for the Wastewater system. If any future upgrades to the system are required and need to be bonded, then those payments would be reflected in this fund. The Kansas Department of Health and Environment has issued five loans to the City to be used as matching funds by the City for federal grants for wastewater system improvements. These debt payments are derived from wastewater charges to the consumer and do not impact the City's statutory debt limit.

2015 Budget Highlights

The 2015 Wastewater Debt Service Fund anticipates spending approximately \$400,000 to pay for the principal, interest, and miscellaneous fees associated with the Kansas Department Health and Environment loans that were made to finance the Wastewater Treatment Plant and other system-wide upgrades.

| Wastewater Debt Service (20.01) | 2013 Actual | 2014 Budget | 2014 Estimate | 2015 Budget |
|---|------------------------|------------------------|--------------------------|------------------------|
| Unencumbered Cash Balance Jan. 1 | - | - | 3,885 | - |
| Receipts | | | | |
| Special Assessments | - | 9,047 | 8,134 | 9,047 |
| Wastewater Utility Fund Transfer | 222,196 | 383,953 | 383,953 | 391,407 |
| Total Receipts | 222,196 | 393,000 | 392,087 | 400,454 |
| Resources Available | 222,196 | 393,000 | 395,972 | 400,454 |
| Expenditures | | | | |
| Personnel | - | - | - | - |
| Contractual | 3,579,922 | 393,001 | 388,202 | 400,454 |
| Commodities | - | - | - | - |
| Capital Outlay | - | - | - | - |
| Miscellaneous | - | - | - | - |
| Transfers | - | - | - | - |
| Total Expenditures | 3,579,922 | 393,001 | 388,202 | 400,454 |
| * 2013 expenditures were artificially high because the City refinanced an outstanding bond. | | | | |

Refuse Utility

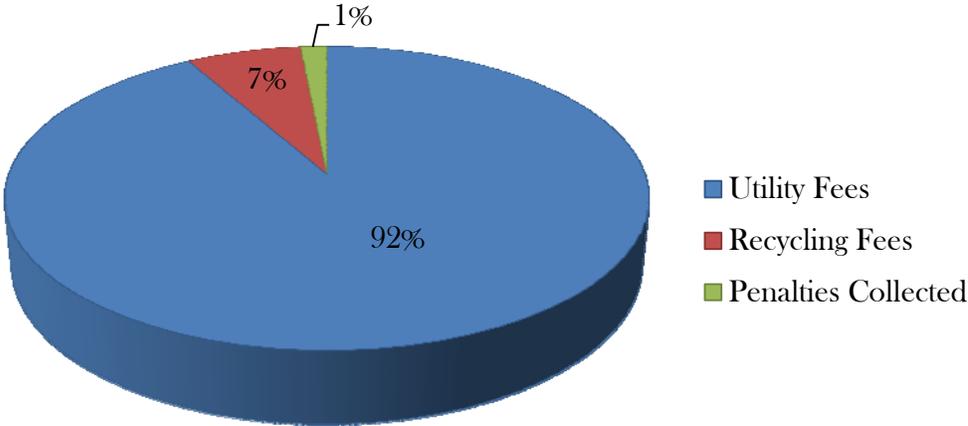


Revenue for the Refuse Utility comes from service fees for residential collection. The Refuse Fund provides 100% of the resources for the enterprise. The Refuse Utility is the only enterprise fund that is a contracted service, and as such, this fund only maintains an administrative fund.

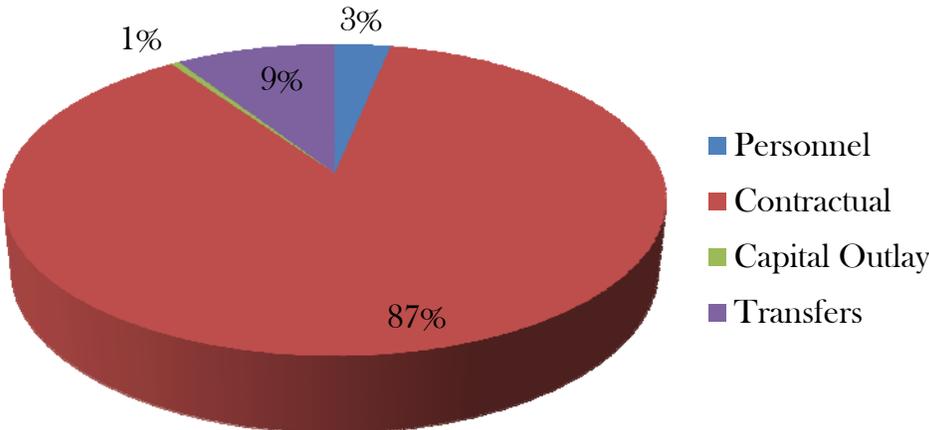
Refuse Utility (24)

The City of Baldwin City contracts with Ottawa Sanitation to provide trash service for the approximately 1,600 single-family residences of Baldwin City. Institutional users such as Baker University, multi-family residences, and commercial users must arrange their trash collection services separately. Trash collection is provided to single-family residences for \$12.75 per month. This service is well below cost of service compared to other cities in our area. Also, in 2013, the City implemented a voluntary curbside recycling service for an additional \$4.50 per month.

Refuse Utility Revenues



Refuse Utility Expenditures



Refuse Utility (24.01)

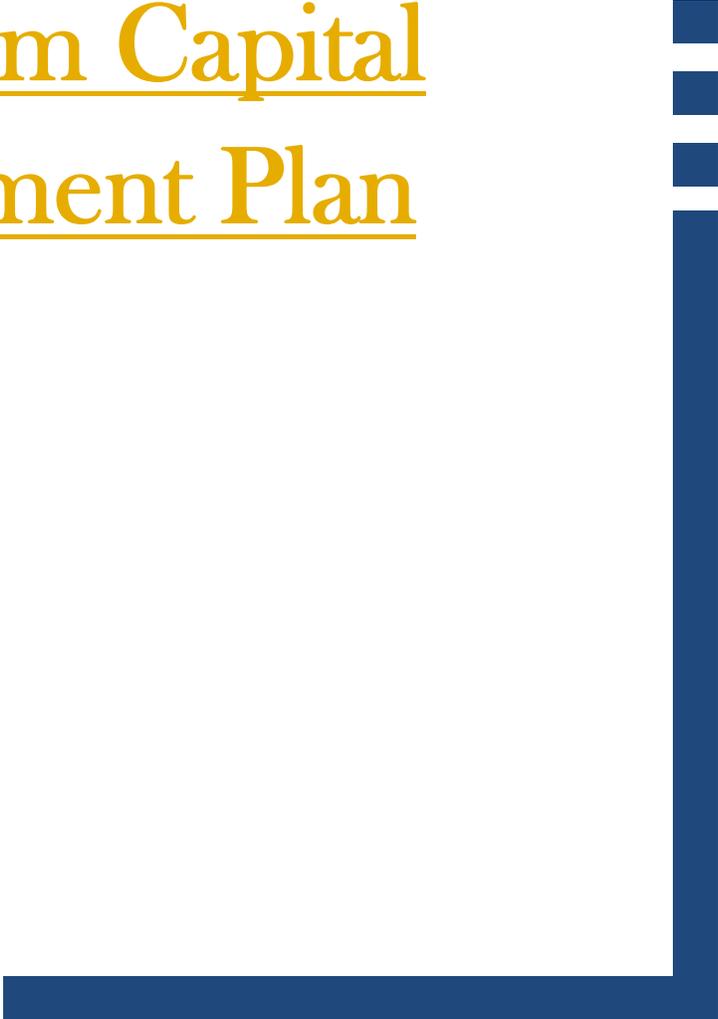
2015 Budget Highlights

Historically, this fund has operated as a net-neutral revenue stream for the City. While Ottawa Sanitation collects the trash and curbside recycling, City Hall Staff is responsible for administering the service, including billing and debt collections. In previous years, the City did not generate enough revenue to cover the administrative costs associated with operating this utility. In February 2014, the City renegotiated its refuse contract with Ottawa Sanitation relieving some of the financial burden to properly administer the utility. The only anticipated expenditures represent inflation and an increase in the City's recycling costs.

| Refuse Utility (24.01) | 2013 Actual | 2014 Budget | 2014 Estimate | 2015 Budget |
|----------------------------------|------------------------|------------------------|--------------------------|------------------------|
| Unencumbered Cash Balance Jan. 1 | 14,545 | 4,224 | 16,595 | 24,364 |
| Receipts | | | | |
| Utility Fees | 184,916 | 201,669 | 203,728 | 221,850 |
| Recycling Fees | 4,916 | 11,340 | 13,714 | 16,200 |
| Penalties Collected | 2,843 | 3,090 | 3,771 | 3,722 |
| Total Receipts | 192,675 | 216,099 | 221,212 | 241,772 |
| Resources Available | 207,220 | 220,323 | 237,807 | 266,136 |
| Expenditures | | | | |
| Personnel | 2,018 | 5,520 | 5,112 | 7,675 |
| Contractual | 181,156 | 187,962 | 186,429 | 207,314 |
| Commodities | - | - | - | 363 |
| Capital Outlay | 52 | 1,357 | 1,037 | 1,129 |
| Miscellaneous | - | 500 | 227 | 500 |
| Transfers | 8,300 | 9,585 | 9,585 | 21,853 |
| Total Expenditures | 191,526 | 204,924 | 202,390 | 238,834 |

Refuse Utility (24.01)

| Refuse Utility (24.01) | | 2014 Budget | 2014 Estimate | 2015 Budget |
|-------------------------------|------------------------------|------------------------|--------------------------|------------------------|
| Personnel Services | | | | |
| 24.01.1101 | Payroll | 3,766 | 3,824 | 5,272 |
| 24.01.1120 | Retirement Plans | 486 | 530 | 731 |
| 24.01.1130 | FICA Expense | 284 | 295 | 406 |
| 24.01.1140 | Unemployment Comp Insurance | 68 | 1 | 102 |
| 24.01.1160 | Health Insurance | 900 | 449 | 1,139 |
| 24.01.1170 | Other | 16 | 12 | 24 |
| Sub-Total | | 5,520 | 5,112 | 7,675 |
| Contractual Services | | | | |
| 24.01.2330 | Legal Publications | - | 13 | - |
| 24.01.2410 | Property/Liability Insurance | 54 | 55 | 62 |
| 24.01.2491 | Contractual Services | 185,958 | 185,535 | 190,227 |
| 24.01.2492 | Recycling Costs | - | - | 15,000 |
| 24.01.2851 | Legal Services | 200 | - | 200 |
| 24.01.2861 | Credit Card Fees | 750 | 826 | 825 |
| 24.01.2999 | Other Contractual Services | 1,000 | - | 1,000 |
| Sub-Total | | 187,962 | 186,429 | 207,314 |
| Commodities | | | | |
| 24.01.4012 | Computer Hardware | - | - | 363 |
| Sub-Total | | - | - | 363 |
| Capital Outlay | | | | |
| 24.01.4010 | Computer Software | 857 | 1,037 | 629 |
| 24.01.4810 | Equipment Purchases | 500 | - | 500 |
| Sub-Total | | 1,357 | 1,037 | 1,129 |
| Miscellaneous | | | | |
| 24.01.7999 | Miscellaneous Expenses | 500 | 227 | 500 |
| Sub-Total | | 500 | 227 | 500 |
| Transfers | | | | |
| 24.01.8101 | Transfer to General Fund | 9,585 | 9,585 | 9,764 |
| 24.01.8102 | Transfer to GF in Lieu of FF | - | - | 12,089 |
| Sub-Total | | 9,585 | 9,585 | 21,853 |
| Total Expenditures | | 204,924 | 202,390 | 238,834 |



Appendix I
Long-Term Capital
Improvement Plan

Capital Improvement Plan: 2015–2019

In late 2013, the City Council and City Staff began taking the necessary steps to develop the City's first multi-year Capital Improvement Plan (CIP). Development of the long-term capital improvement plan was based on two sources of information: needs of the City based upon department heads' recommendations and needs of the community based upon the Mayor and City Council's input. Cost estimates for the projects listed are based upon prior studies conducted by the City and or industry standards. In the spring of 2015, the governing body approved a revised Capital Improvement Plan. Unlike the 2014 CIP, the 2015 plan is more streamlined and eliminates the projects that are able to be conducted within the City's operating budgets. The CIP is a guiding document for City officials so that major projects can be properly planned and financed. The CIP is a planning tool and is subject to modification as new priorities and needs are identified by the community.

| Fund | Description | 2015 | 2016 | 2017 | 2018 | 2019 |
|------------------------------|--|---------|-----------|-----------|-----------|---------|
| General Fund | Replace 1981 Fire Truck Engine | - | - | - | - | 650,000 |
| General Fund | Highway 56 Shared-Use Path | 125,000 | - | - | - | - |
| General Fund | Asphalt Paving: North 1st St. | - | - | - | 400,000 | - |
| General Fund | Street Rehabilitation: 9th St. North of High St. | - | - | 400,000 | 400,000 | - |
| General Fund | Street Rehabilitation: Eisenhower Realignment | - | - | - | 300,000 | - |
| General Fund Total | | 125,000 | - | 400,000 | 1,100,000 | 650,000 |
| Electric Fund | Replace Water Cooling Radiator & Heat Exchangers | - | - | 175,000 | - | - |
| Electric Fund Total | | - | - | 175,000 | - | - |
| Water Fund | Replace 4' Line from High St. to 9th St. Depot | - | - | - | 310,000 | - |
| Water Fund Total | | - | - | - | 310,000 | - |
| Wastewater Fund | East Baldwin Sewer Interceptor | - | - | 2,500,000 | - | - |
| Wastewater Fund | Belt Press | - | 275,000 | - | - | - |
| Wastewater Fund | Bar Screen | - | 225,000 | - | - | - |
| Wastewater Fund | Drainage Improvements | - | - | - | 400,000 | - |
| Wastewater Fund Total | | - | 500,000 | 2,500,000 | 400,000 | - |
| Facilities | Lumberyard Arts Center | - | 1,100,000 | - | - | - |
| Facilities | City Hall Renovation | - | 500,000 | - | - | - |
| Facilities | Police Facility | - | - | 1,800,000 | - | - |
| Facilities | Public Works/Utilities Facilities: 11th and Orange St. | - | 2,500,000 | - | - | - |
| Facilities Total | | - | 4,100,000 | 1,800,000 | - | - |
| CIP Total | | 125,000 | 4,600,000 | 4,875,000 | 1,810,000 | 650,000 |



Appendix II Glossary of Terms

Appropriation – An authorization granted by the City Council to make expenditures and to incur obligations for purposes specified in the Appropriation Ordinance.

Appraised Value – Value of real estate or other property as determined by the marketplace.

Assessed Value – Represents the official value placed on real estate, personal property, and utilities as a basis for levying taxes. By Kansas statute, the assessed value for residential property is 11.5% of the appraised value and the assessed value for commercial/ industrial property is 25% of appraised value.

Bonds – Debt instruments that require repayment of a specified principal amount on a certain date (maturity date), together with interest at a stated rate, or according to a formula for determining the interest rate.

Budget Authority – The State’s cash basis law does not allow the City to expend funds about and beyond what was certified as part of the State’s annual budget process.

Capital Outlay – Expenditure category used for new equipment purchases, facility improvements, and other non-routine capital items.

Cash Carry – Unencumbered cash remaining in a particular fund at the conclusion of the fiscal year which is carried forward in the next fiscal year.

Commodities – Expenditure category used for routine, consumable goods such as office supplies, small tools, fuel, etc. Commodities also include repair and replacement parts and noncapital materials.

Contractual Services – Expenditure category used for services provided by firms, individuals, or other city departments.

Debt Service – Expenditure category used to account for accumulation of resources for, and the payment of, interest and principal on general long-term debt. Transfers to other funds are also generally recorded under the debt service category.

Enterprise Funds – Account for operations that are financed and operated in a manner similar to private business enterprises where the stated intent is that the expense of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges or where periodic determination of revenues earned, expenses incurred, and/or net income is deemed appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Encumbrance – A reservation of funds to cover purchase orders, contracts, or other funding commitments which are yet to be fulfilled.

Expenditures – Refers to current cash operating expenses and encumbrances.

Fiduciary Funds – Include Expendable Trust, Nonexpendable trust, and Agency Funds and account for assets held by a governmental unit in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds.

Full-Time Equivalent – A part-time position converted to a decimal equivalent of a full-time position based on 2,080 work hours/year.

Fund – A separate fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.

Fund Balance – The difference between a fund's assets and liabilities.

General Fund – Accounts for all unrestricted resources except those required to be accounted for in another fund.

Grant – A contribution usually from one government unit or funding source to another. The contribution is usually made to aid in the support of a specified function (i.e. library materials, drug enforcement) or project, but it is sometimes used for general purposes.

In-Lieu of Property Taxes – An amount which may be charged to enterprise operations equal to the real and personal property taxes that would be due to the city if the enterprise operation was a for-profit private company. Used as justification for making a transfer of funds to the General Fund.

Internal Service Funds – Account for the financing of goods or services provided by one department or agency to other departments or agencies of the governmental unit, or to other governmental units on a cost reimbursement basis.

Mill – A monetary unit used to express the property tax rate. One mill is equivalent to one thousandth of a dollar, or \$1 of tax per \$1,000 of assessed valuation.

Mill levy – Represents a taxing entity's total property tax rate.

Revenue Forward – Revenue carried over from previous years.

Resources – Total funds available for appropriation including estimated revenues, fund transfers, and beginning balances from revenue forward.

Special Revenue Funds – Account for the proceeds of specific revenue (other than special assessments or major capital projects) that are restricted by law or administrative action to be expensed for specified purposes.

Transfers – Authorized exchanges of cash or other resources between funds.



Appendix III



Utility Fund Balance Policy



Utility Fund Balance Policy

RESOLUTION NO. 2013-12

A RESOLUTION OF THE GOVERNING BODY OF THE CITY OF BALDWIN CITY ESTABLISHING A UTILITY FUND BALANCE AND RESERVE POLICY.

WHEREAS, fund balance measures the net financial resources available to finance expenditures of future periods; and

WHEREAS, rating agencies examine fund balance when considering the overall economic health and credit quality of the City; and

WHEREAS, maintaining an adequate amount of reserves to protect the City's ability to provide reliable electric, water, and sewer service during period of cost uncertainties, reductions in sales due to weather or a sluggish economy, volatile energy prices, and rising capital improvement costs while maintaining stable rates; and

WHEREAS, it is important for utilities to maintain the financial flexibility to smooth rate increases and stagger rate adjustments for customers of the utility.

NOW, THEREFORE, BE IT RESOLVED by the Governing Body of the City of Baldwin City, Kansas, that:

Section 1. The City adopts the Utility Fund Balance and Reserve Policy as attached.

ADOPTED AND APPROVED by the Governing Body of the City of Baldwin City, Kansas on July 15, 2013

APPROVED:


Marilyn Pearce, Mayor

ATTEST:


Collin Bielser, City Clerk



CITY OF BALDWIN CITY, KS Utility Fund Balance and Reserve Policy

Fund balance measures the net financial resources available to finance expenditures of future periods. Rating agencies examine fund balance when considering the overall economic health and credit quality of the City. Maintaining an adequate amount of reserves protect the City's ability to provide reliable electric, water and sewer service during periods of cost uncertainties, reductions in sales due to weather or a sluggish economy, volatile energy prices, and rising capital improvement costs while maintaining stable rates. It is important for utilities to maintain the financial flexibility to smooth rate increases and stagger rate adjustments for customers of the utility.

This policy shall address the minimum cash reserve requirements for the City's non-franchised enterprise funds which include electric, water and sewer. The City may hold more money than the established minimum cash guidelines based on an assessment of uncertainties and other financial policies such as:

- Financial risk facing the systems
- Rate setting policies
- Variability in costs
- Debt policies
- Future capital improvements needed

The adequacy of the guidelines may be reviewed internally each year, and if appropriate, revised guidelines may be adopted. The cash reserve calculation shall be updated every year as part of the budget process. Any changes in expenses, debt and capital improvements will impact the cash reserve minimum.

Methodology:

The methodology used to calculate minimum cash reserves for each system is based on certain assumptions related to direct costs, other operating expenditures, capital improvements, and large unexpected emergency expenditures. The goal of this fund balance policy is to ensure the following reserve thresholds are met:

- 50% of annual operating budget in unreserved, unencumbered fund balance
- 2 years of budgeted capital improvement expenditures

It is the goal of the City's utility to maintain at least 50% of its annual operating costs in unreserved, unencumbered fund balance. For example, if the utility's annual operating expenses are budgeted for \$2,000,000, it is the intent of this policy to have at least \$1,000,000 in cash reserves. In addition, this reserve policy also is intended to protect the approved capital improvement expenses by including a provision that the next two years of budgeted capital improvement expenditures also be set aside unless those improvements are meant to be paid by bond proceeds. For example, if the utility's annual operating expenses are \$2,000,000 and the last approved budget contains \$100,000 in the capital improvement budget in the next two budget years, the goal of this policy is to maintain cash reserves in the amount of \$1,100,000 which would meet

Utility Fund Balance Policy

the operating threshold of 50% of the annual operating expenses and the next two years of capital improvement expenses.

The above methodology attempts to quantify the minimum amount of cash the City should keep in reserve for each utility. The above minimum cash reserve calculation considers the utility's requirement "in total" and is not intended to represent the amount or limit for events occurring in each individual category.

Other Policy Matters:

- a. If certain events occur that results in any utility's cash reserves falling below the above minimum cash reserve levels, the City shall take action to restore the cash reserves to the minimum levels over not more than the subsequent five years. These action may include a number of options, including:
 1. Rate Adjustments
 2. Cost Reductions
 3. Issuance of bonds to fund capital improvement programs
 4. Modification of the assumptions used to determine the cash reserve levels
- b. The City shall maintain Debt Service Reserves for any utility according to the requirements as outlined in the bonding documents at any time that bonds are issued for capital projects and for which the debt service shall be paid from the revenues of the utility.
- c. Any unreserved Fund Balance in excess of the amounts set forth above shall be available for transfer. The actual amount of transfer shall be annually recommended by the Finance Director with the approval of the City Administrator. Due diligence shall be taken to leave sufficient funds available to cover anticipated expenditures at the beginning of the following year. It shall be the goal of City staff to maintain the threshold reserves as stated above. If that is not possible, the City Administrator shall make such recommendations to return the reserves to the stated levels as soon as possible.
- d. Funding which has been transferred into the utility system Reserve Funds shall be available for use in acquisition of equipment and capital projects as outlined in the five year Capital Improvement Plan. Funds may also be made available for use during unanticipated emergencies and disasters. In accordance with the State of Kansas' cash basis law, all reserve funds will be budgeted in such a way as to allow the reserve funds to be accessed with full budget authority by the State.
- e. Outside assistance from engineers or other professionals may occasionally be required in order to set future utility rates. These rates will be brought to City Council for approval via ordinance. However, the fund balance thresholds set by this policy shall be incorporated into any proposed rate structure put forth by the City Administrator or outside consultants.

Adopted by the Governing Body of the City of Baldwin City on July 15, 2013.

