CITY MANAGER'S
FY 2021
PROPOSED BUDGET

Built on Resiliency and Recovery
2021 Budget Themes

Remaining Structurally Sound

Continuing Excellence

Maintaining Our Foundation
City Council Priorities

Meet financial challenges for the future with *priority-based decision making* focused on long-term strategies.
Setting the Standard

- Balanced Budget
- Comprehensive Financial Policies
- GFOA Excellence in Finance Reporting Award for 41 Consecutive Years
- GFOA Excellence in Public Annual Financial Report Award
- GFOA Distinguished Budget Presentation Award for 13 Consecutive Years
- ICMA Certificate of Excellence for Performance Measurement
Olathe’s Strong Financial Position

- Fiscal policy revised in 2010 to establish a 15% minimum and 30% target.

- 8 consecutive years of maintaining 30% fund balance as a % of revenues in the General Fund.

- 30% fund balance policy ensures adequate level of reserves.
Very strong budgetary flexibility, with available fund balance…”

Very Strong financial management, with strong financial policies and practices…”

Strong institutional framework score”

- S&P Global

General Obligation Bond Rating AA+

Water and Sewer Bond Rating AA

“The 'AA+' rating reflects Fitch's expectation that the city will maintain a superior level of fundamental financial flexibility in an economic downturn, including solid flexibility to control both revenues and expenditures.”

- Fitch
Citizen Satisfaction with "Value Received for your City Tax Dollars and Fees"

Source: ETC Institute (2019 Results)

✓ #1 in the Nation of 100K + population
# Our Resilience Challenge

<table>
<thead>
<tr>
<th></th>
<th>2020 Adjusted (from Budget)</th>
<th>2021 Projected (from 2020 Adjusted)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales Tax</td>
<td>-15%</td>
<td>+4%</td>
</tr>
<tr>
<td>Property Tax</td>
<td>-0.7%</td>
<td>+3.7%</td>
</tr>
<tr>
<td>Franchise Fees</td>
<td>-27%</td>
<td>+20%</td>
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</tbody>
</table>
Working Through Crisis

- Library to You and Online Storytelling
- Zoom City Council Meetings
- "School" Mobile Integrated Health
- Telecommuting
- Mobile Integrated Health Boxes
- Virtual Recreation Classes
- Temporary Outdoor Dining Permit
- Makers Space Masks of Mercy
- Virtual Municipal Court Hearings
- Surge Capacity Monitoring
- On-line Transactions

7/7/2020
<table>
<thead>
<tr>
<th>Year</th>
<th>General Fund</th>
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</thead>
<tbody>
<tr>
<td>2019</td>
<td>$130,240,478</td>
</tr>
<tr>
<td>2020</td>
<td>$135,569,517</td>
</tr>
<tr>
<td>2021</td>
<td>$134,170,537</td>
</tr>
</tbody>
</table>
Continuing Excellence
“The City of Olathe’s quality workforce sets the standard for excellence”

- Olathe 2040

✓ 93% citizen satisfaction with the overall quality of service provided by the City
  ✓ #1 in the Nation of 100K + population

✓ 87% citizen satisfaction for quality of customer service received from City Employees

Source: ETC Institute (2019 Results)
<5-minute Average Response Time for Police Emergency Calls

Conduct 45,000+ Construction, Fire Prevention and Community Enhancement Inspections

Circulate 1.7M+ Library Materials

25,000 ft. of Curb and Gutter replacements

Maintain 70 Miles of Trail

Reaccredited Fire Department

42% Recycling and Diversion Average
Maintaining Our Foundation
## Capital Improvement Plan

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<thead>
<tr>
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<tbody>
<tr>
<td>Amount</td>
<td>$415,039,884</td>
<td>$434,502,783</td>
<td>$423,354,850</td>
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</table>
Investing for 2040

- $3M to solve today’s challenges by addressing them before they arise
- $59.5M to support economic development in developing areas of the city
- $58M to support core City services including police, fire and solid waste
- $19.9M to ensure pedestrian connectivity and support quality park amenities
- $283M to support connected, integrated, innovative infrastructure that is safe, reliable, efficient and sustainable
2021-2025 Key Projects

• 119th, Woodland to Northgate, Improv.
• Ridgeview, 143rd to 151st Improv.
• Police Building Expansion, Phase II
• Fire Station #8
• Downtown Library
Investment Highlights

- **1,135 Lane Miles Receive Street Maintenance**
- **$12.4M in water and sewer line rehab**
- **Improved Travel Time savings of ~$123.2M* with the completion of 119th and I-35**
- **$27.5M committed to support Public Safety**
- **Leverage $49.7M in outside funding for projects**
- **$43.3M Investment in the Economy with the completion of 119th, Woodland to Northgate**

*Net Present Value (NPV)*

7/7/2020
2021 Fiscal Impact

- No Mill Levy Increase
- No Solid Waste Rate Increase
- No Stormwater Rate Increase

- 3.5% Increase in Water Rates
- 4.5% Increase in Sewer Rates
## Total Budget

<table>
<thead>
<tr>
<th></th>
<th>2019 Approved</th>
<th>2020 Approved</th>
<th>2021 Proposed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>$389,181,892</td>
<td>$411,876,507</td>
<td>$424,527,899</td>
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</table>
## 2021 Proposed Budget – Fund Summary

<table>
<thead>
<tr>
<th>Fund Name</th>
<th>2019 Adopted</th>
<th>2020 Adopted</th>
<th>2021 Proposed Operating Budget and Reserves</th>
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<tbody>
<tr>
<td>General Fund</td>
<td>130,240,478</td>
<td>135,569,517</td>
<td>134,170,537</td>
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<tr>
<td>Central Garage Fund</td>
<td>6,886,986</td>
<td>7,180,371</td>
<td>7,062,645</td>
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<td>Debt Service Fund</td>
<td>70,944,346</td>
<td>78,540,546</td>
<td>84,745,118</td>
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<td>Economic Development &amp; Tourism</td>
<td>3,385,941</td>
<td>3,969,090</td>
<td>3,210,723</td>
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<tr>
<td>Equipment Replacement Fund</td>
<td>9,357,119</td>
<td>11,954,842</td>
<td>14,023,163</td>
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<td>Facilities Maintenance Fund</td>
<td>2,203,698</td>
<td>2,248,951</td>
<td>1,666,526</td>
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<td>Fire Levy Fund</td>
<td>3,865,182</td>
<td>4,085,126</td>
<td>4,108,583</td>
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<td>Risk Management Fund</td>
<td>25,582,068</td>
<td>27,357,767</td>
<td>32,348,298</td>
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<td>Library Fund</td>
<td>9,111,898</td>
<td>9,635,219</td>
<td>9,984,741</td>
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<td>Motor Fuel Fund</td>
<td>4,824,806</td>
<td>5,049,647</td>
<td>4,340,505</td>
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<td>Park Sales Tax Fund</td>
<td>6,863,642</td>
<td>5,125,819</td>
<td>4,647,469</td>
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<td>Personal Computer Replacement Fund</td>
<td>1,695,158</td>
<td>1,678,137</td>
<td>1,693,937</td>
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<td>Recreation Fund</td>
<td>6,686,489</td>
<td>7,309,301</td>
<td>6,419,262</td>
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<td>Solid Waste Fund</td>
<td>17,098,201</td>
<td>18,225,887</td>
<td>18,046,107</td>
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<tr>
<td>Special Alcohol</td>
<td>1,406,959</td>
<td>1,427,204</td>
<td>1,590,355</td>
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<tr>
<td>Special Park &amp; Recreation</td>
<td>3,314,316</td>
<td>3,362,321</td>
<td>2,842,821</td>
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<tr>
<td>Special Tax Financing Fund</td>
<td>14,900,750</td>
<td>15,689,750</td>
<td>15,270,008</td>
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<td>Storm Water</td>
<td>6,604,131</td>
<td>7,477,498</td>
<td>6,816,867</td>
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<tr>
<td>Street Maintenance Sales Tax</td>
<td>13,954,898</td>
<td>14,565,236</td>
<td>13,750,642</td>
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<td>Water &amp; Sewer Fund</td>
<td>50,254,826</td>
<td>51,424,278</td>
<td>57,789,592</td>
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<tr>
<td>Grand Total</td>
<td>389,181,892</td>
<td>411,876,507</td>
<td>424,527,899</td>
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2021 Budget Calendar

July 7
- City Manager’s Presentation
- Budget Workshop #1
- Recreation, Park Sales Tax, Street Maintenance Sale Tax Funds

July 14
- Chamber Budget Presentation
- Budget Workshop #2
- General Fund

July 21
- Budget Workshop #3
- Water and Sewer, Stormwater, and Solid Waste Funds

Aug 4
- Public Hearing

Aug 18
- Budget Adoption

7/7/2020
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