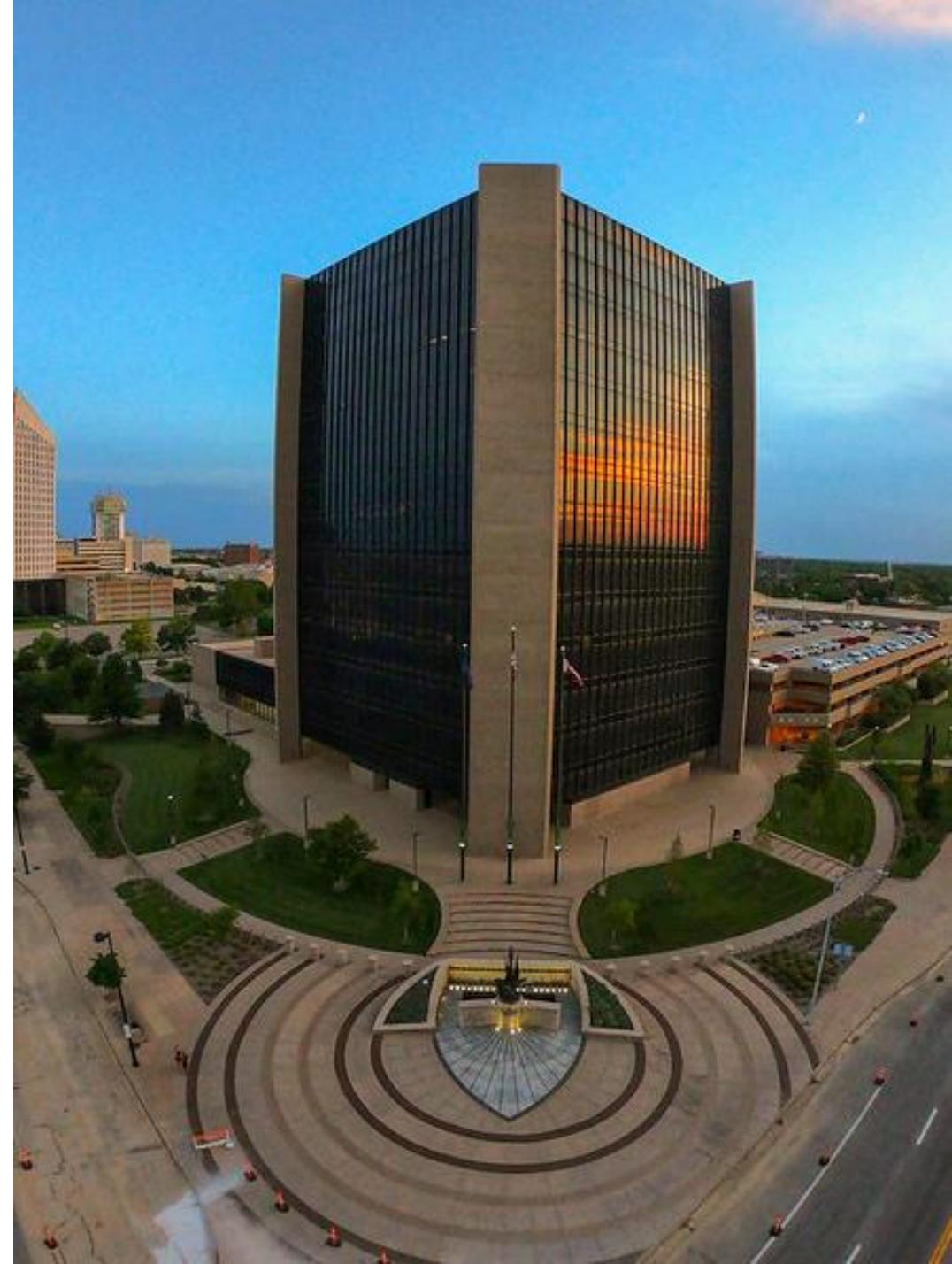


2021-2022 Operating Budget

2021-2030 Capital Improvement Program

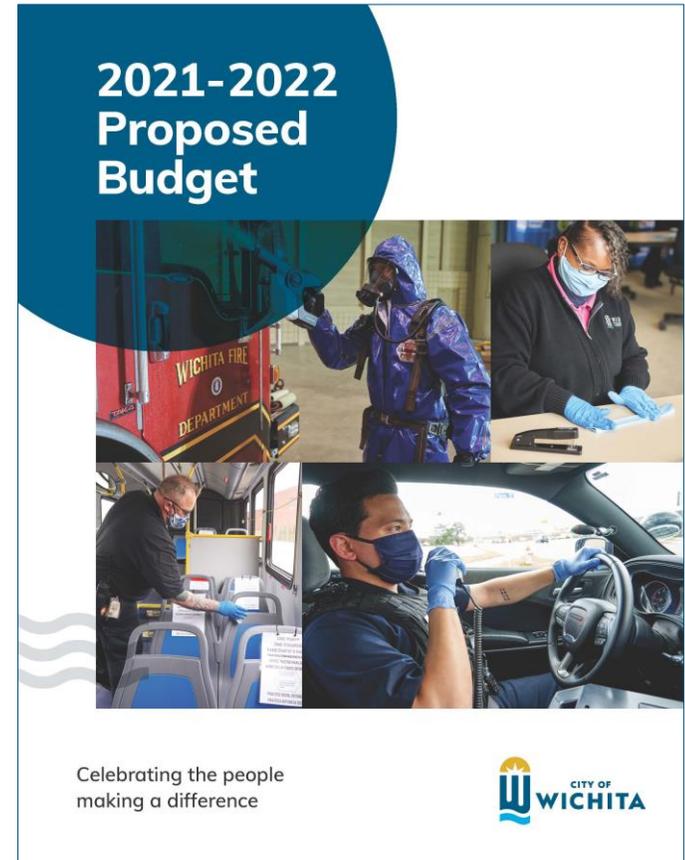


August 4, 2020



Overview

- COVID-19 impacted revenues
- Utilized mission and goals to develop funding recommendations
- Focused on engagement



COVID-19 Impact on Revenues



MAY 26 NET LOSS PROJECTION	2020 REVISED	2021 PROPOSED	2022 PROJECTED
General Fund	\$(11,571,398)	\$(16,964,732)	\$(21,648,653)

- Revenues lower due to less resident spending (sales tax and motor vehicle tax) and facility closures (charges for programs and services)



Framework: City Council Involvement



April 7 Preliminary revenue outlook

April 21 Preliminary options

May 26 Options to balance General
Fund budget



Framework: Budget Options



- Options presented at City Council Retreat on May 26
- Options were grouped in four tiers
- Resident engagement and budget development were guided by these options



Framework: Mission and Goals



City Council mission statement with goals

As an exceptionally well-run City we will:

Keep Wichita safe,

Grow our economy,

Build and maintain dependable infrastructure and

Provide conditions for living well.



Resident Engagement – Budget Simulator



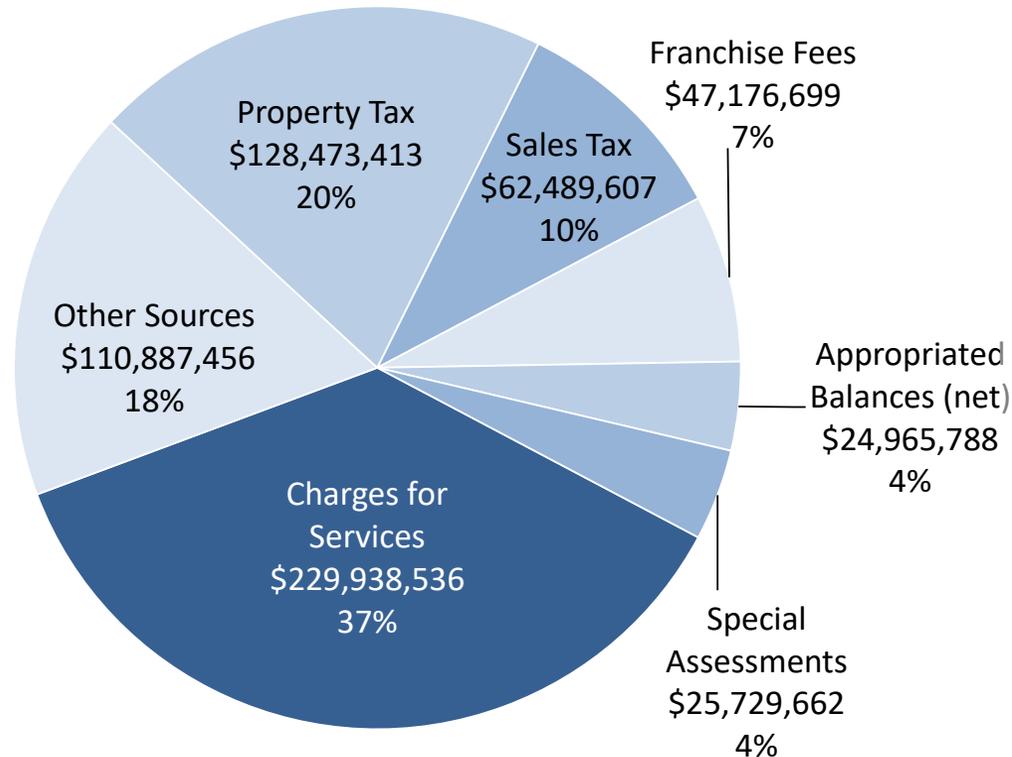
- Online June 12-30; more participation than 2019 with 3,165 budgets completed
- Polls available on Facebook, Twitter, and Nextdoor June 23-30
- Total of 9,768 votes across three platforms



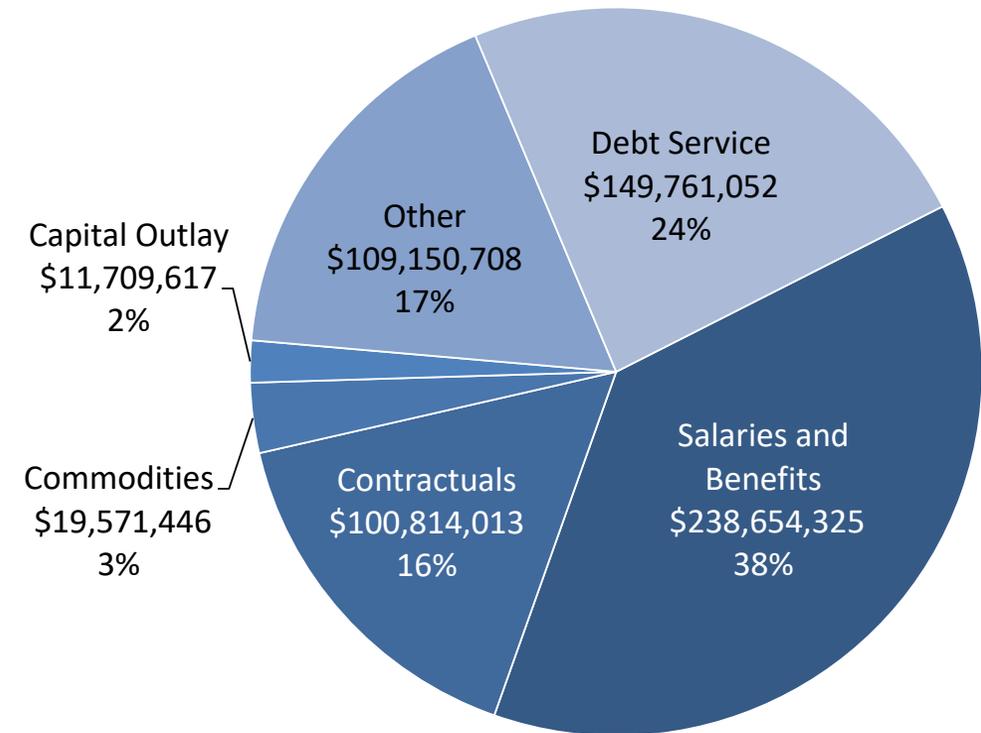
Budget Overview



Where City of Wichita Dollars Come From
ALL FUNDS 2021 PROPOSED, \$629,661,161



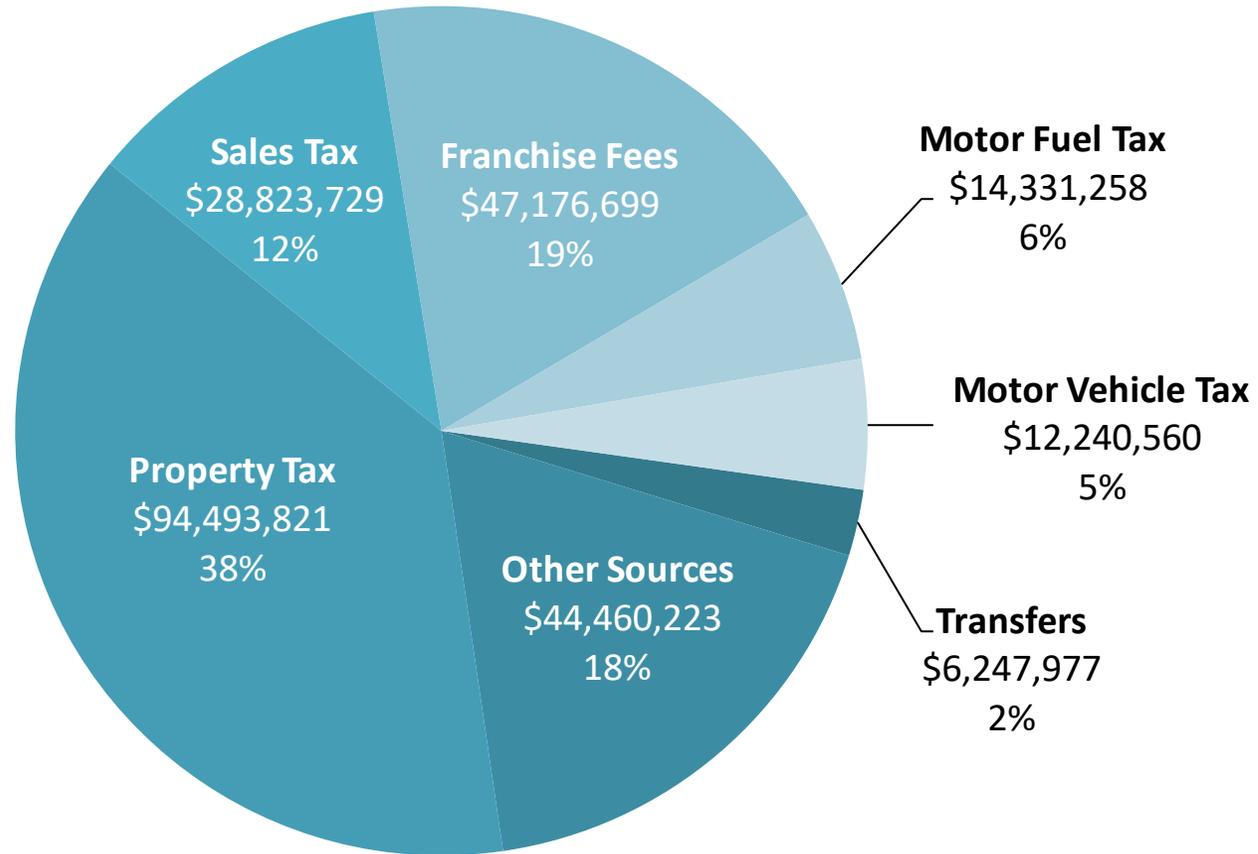
Where City of Wichita Dollars Go
ALL FUNDS 2021 PROPOSED, \$629,661,161



Budget Overview – General Fund Revenue



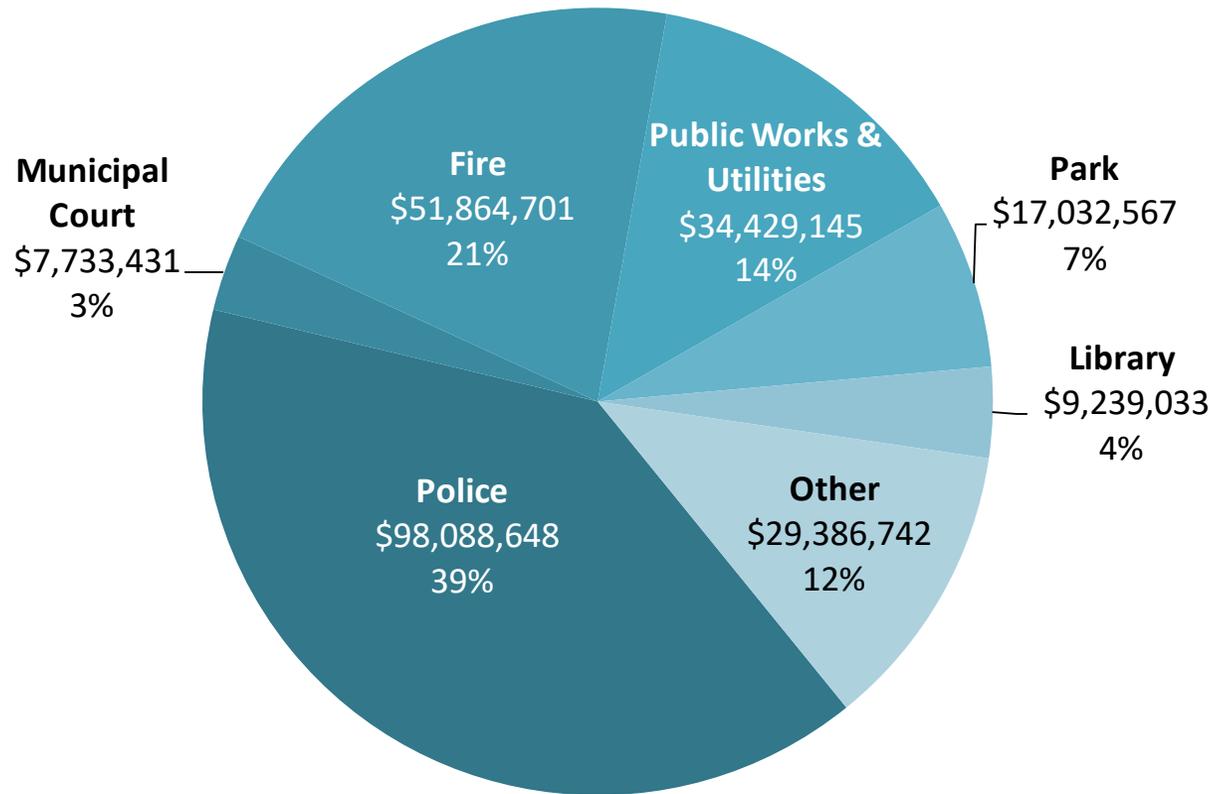
GENERAL FUND 2021 PROPOSED BUDGET, \$247,774,267



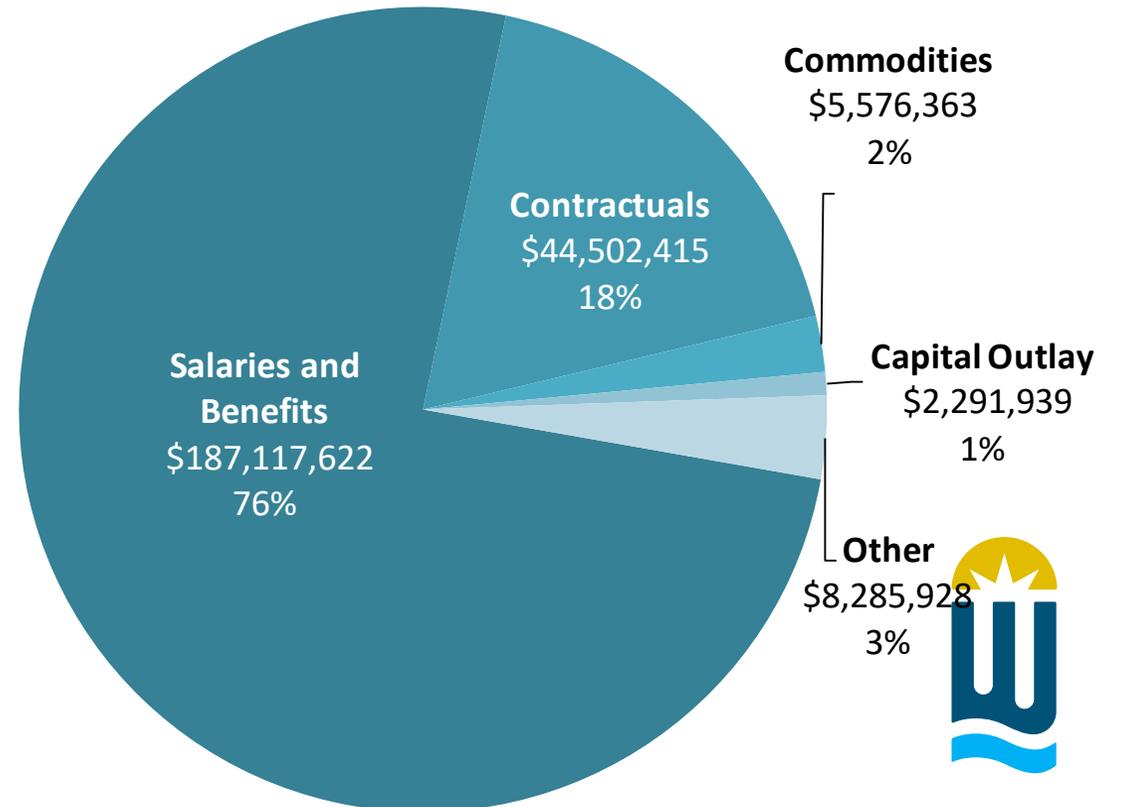
Budget Overview – General Fund Expenditures



GENERAL FUND 2021 PROPOSED BUDGET, \$247,774,267



GENERAL FUND 2021 PROPOSED BUDGET, \$247,774,267



Budget Highlights



- No mill levy increase – 27th consecutive year
- One half-mill shifted to the General Fund from the Debt Service Fund in 2021 and 2022
- General Fund balanced in 2021
- Targeted hiring freeze since March 2020



Police – Staffing Level Changes 2020-2021



- A total of 21 new positions are included in 2020-2021
- Includes three Lieutenants, four Sergeants, six Detectives, 13 Officers; and the elimination of five civilian positions

Police Department Staffing	2019	2020	2021
Commissioned Positions	670	696	696
Total Positions	872	896	893



Police – Funding is Less Than One Year Ago



	2020 Adopted	2020 Revised	Change
Police Department	\$93,827,914	\$92,557,548	(\$1,270,366)
Staffing Plan Implementation	\$2,880,193	\$0	(\$2,880,193)
Total: Police Budget	\$96,708,107	\$92,557,548	(\$4,150,559)

	2021 Approved	2021 Proposed	Change
Police Department	\$97,932,441	\$98,088,648	\$156,207
Staffing Plan Implementation	\$2,966,596	\$0	(\$2,966,596)
Total: Police Budget	\$100,899,037	\$98,088,648	(\$2,810,389)



Police



- The 2021 Proposed Budget is larger than the 2020 Revised Budget due to:
 - Contracted wages costs
 - Health and pension costs
 - Technology and vehicle costs (one-time reduction in 2020)



Police



	2020 Revised	2021 Proposed	Change
Wages	\$58,778,099	\$62,014,054	\$3,235,955
Health and Pension Costs	22,652,554	23,977,258	1,324,704
Technology and Vehicles	6,624,363	7,586,021	961,658
Other	4,502,532	4,511,315	8,783
Total: Police Budget	\$92,557,548	\$98,088,648	\$5,531,100



Century II



- Layoffs in 2020 due to lower activity
- Maintenance staff funded; CIP includes annual maintenance project funding
- Stakeholder engagement is ongoing



Century II



- Proposed Budget is based on contracted management for operations
- Best practices will result in improved operations
- Less subsidy will be required from the City



Animal Shelter



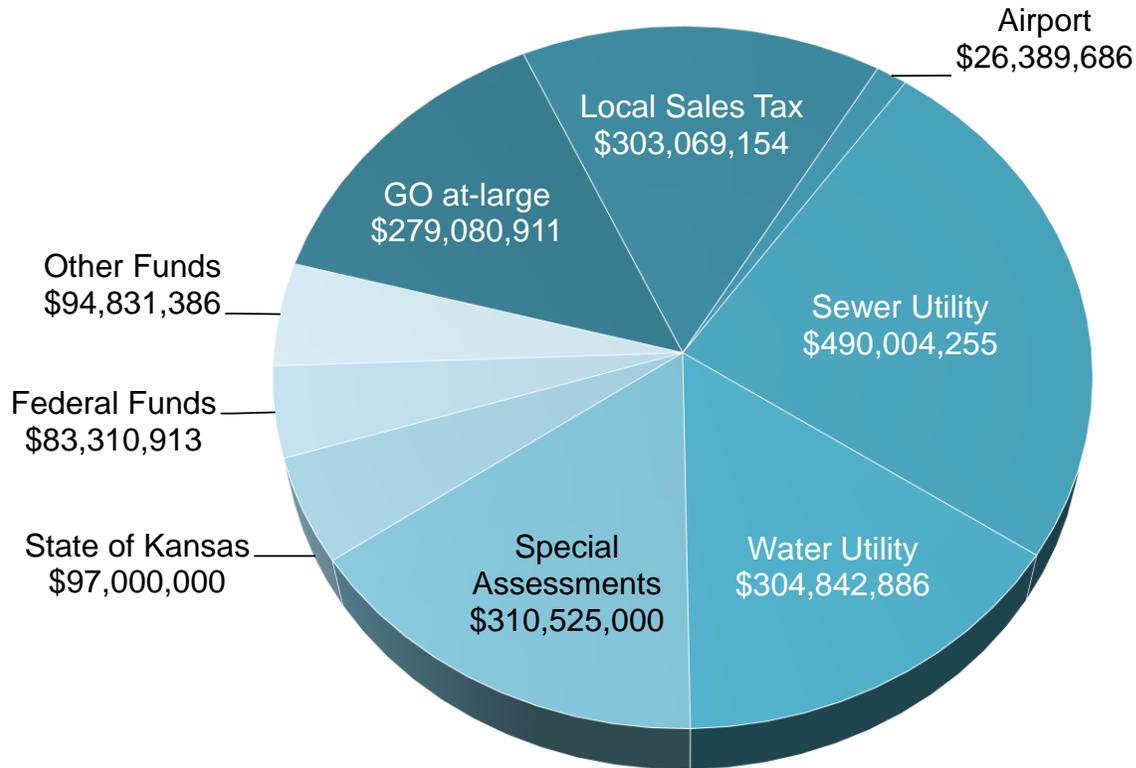
- Proposed Budget is based on limiting shelter intake to animals brought in by Animal Control
- Resident surrenders would be redirected
- Animal Control would sharpen focus on field operations



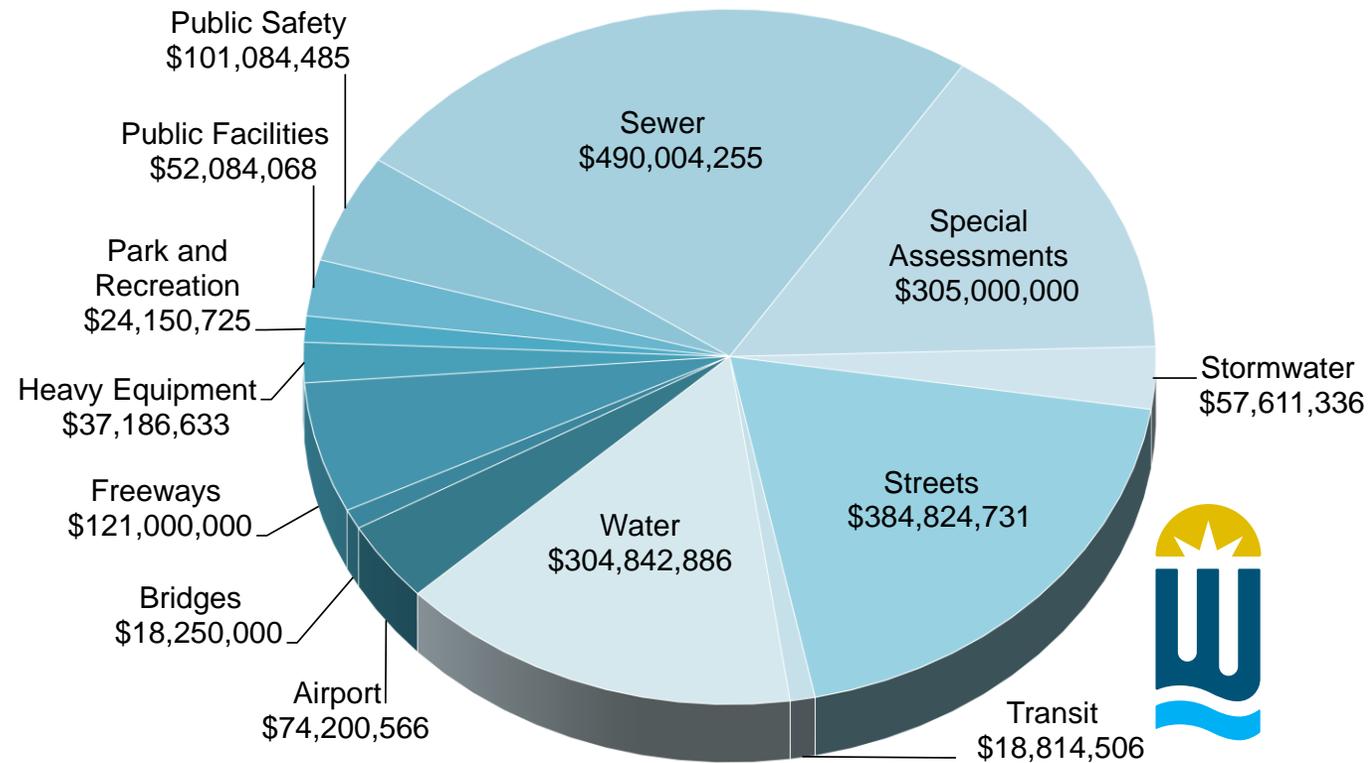
CIP Overview



**Where City of Wichita CIP Dollars Come From
2021-2030 ALL FUNDS REVENUES \$1,989,054,191**



**Where City of Wichita CIP Dollars Go
2021-2030 ALL FUNDS EXPENDITURES \$1,989,054,191**



CIP Process



- Aligned to City mission and goals and Community Investments Plan
- Financially sustainable, based on debt metrics
- Focused on leveraging opportunities, partnerships, contractual agreements and supporting operating budget strategies



Financial Environment



- COVID-19 is expected to impact sales taxes (LST Fund), transient guest taxes (TGT Fund), and property taxes (DSF Fund).
- Proposed CIP defers 18 projects totaling \$28.2 million; most are deferred 1-3 years
- Debt Service Fund levy is reduced by 0.5 mill in 2021 and 2022



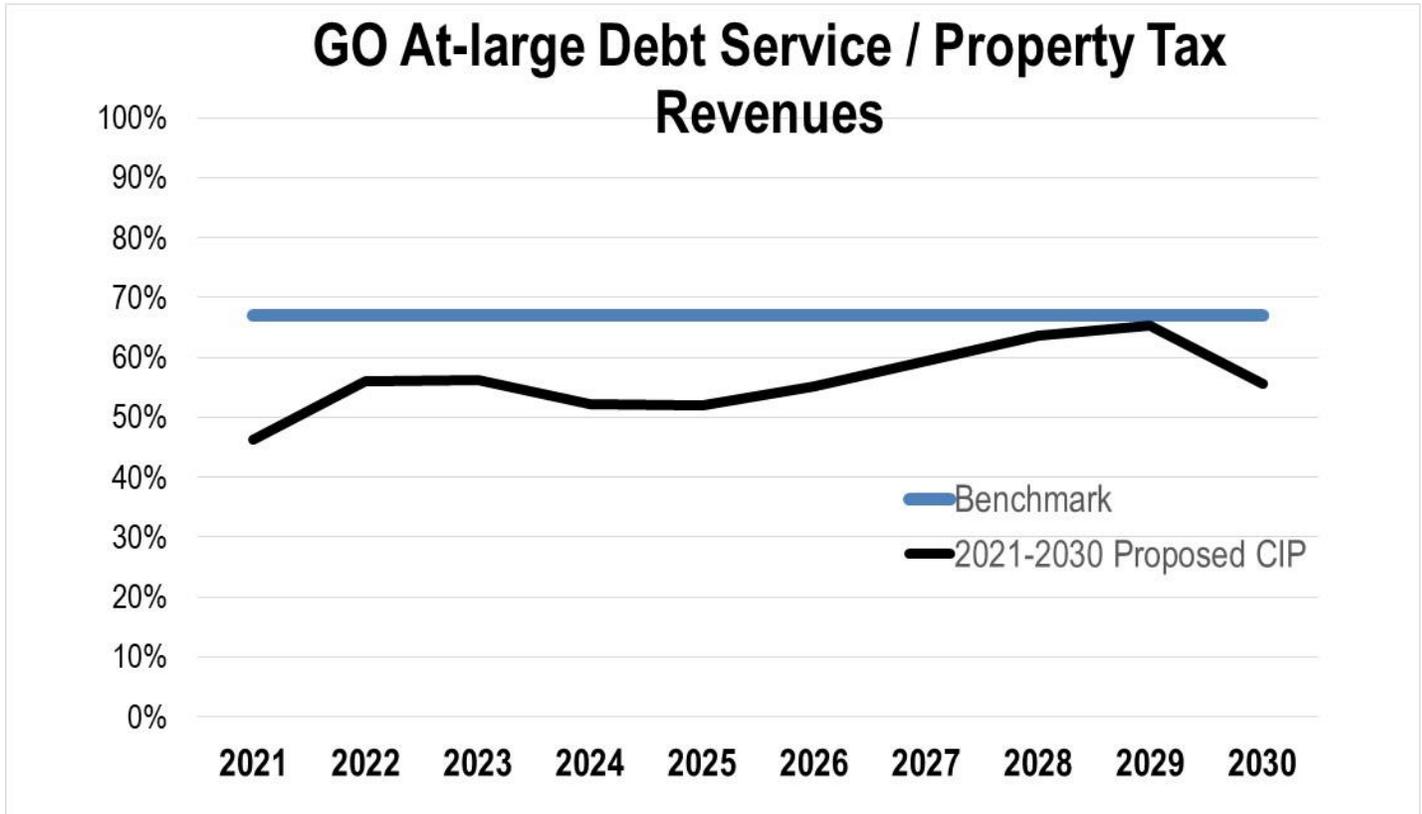
CIP Highlights



- Street maintenance funding totals \$154 million
- Public safety improvements total \$101 million
- More than \$12 million is included for bike and pedestrian projects
- Downtown street projects total \$30.5 million



CIP Projected Debt Levels



Debt levels will rise, but remain below the benchmark



Summary: Budget Outlook



- Structural adjustments in 2020 are a step toward financial sustainability
- Operating budget deficits are modeled beginning in 2022
- Economic uncertainty impacts future planning
- Decision-making framework remains critical



Summary: Budget and CIP Calendar



July 21

City Council set the maximum tax levy, expenditures, and official hearing date

August 4

Second public hearing

August 11

Final public hearing and adoption of budget and CIP



Recommendation



- Receive public comment on the 2021-2022 Proposed Budget and the 2021-2030 Proposed CIP

