

# 2011 Budget Summary



An Overview of the

*City of Manhattan*

Operating Budget &  
Capital Improvement Program



Dear Citizen:

In order to help local residents better understand the 2011 City Budget, the Department of Finance has prepared the following condensed version of the annual operating budget.

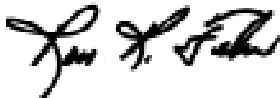
This brief version of the 2011 City Budget summarizes the essential elements of the City's most important operating policy. It is my hope that the *Budget Summary* will provide each reader a quick way to locate information related to the more detailed budget document.

The 2011 City Budget process began in January 2010 as each Department submitted their capital improvement requests. Only high priority and highly justified requests for capital spending are approved as part of the annual fiscal budget. The City Commission approved the 2011 City Budget in August of 2010 after four major public work sessions on the budget.

I trust you will find the *Budget Summary* easy to read as well as helpful. Please remember that the complete operating budget will be available mid-December for review at the Manhattan Public Library (located at 629 Poyntz Avenue), the City Manager's Office and the Finance Department (both located at City Hall, 1101 Poyntz Avenue), and the City of Manhattan budget website ([www.cityofmanhattan.info](http://www.cityofmanhattan.info)).

Your questions and comments are always welcome. Thank you for your interest in our community.

Sincerely,

A handwritten signature in black ink, appearing to read "Ron Fehr". The signature is stylized and cursive.

Ron Fehr,  
City Manager

# City of Manhattan, Kansas

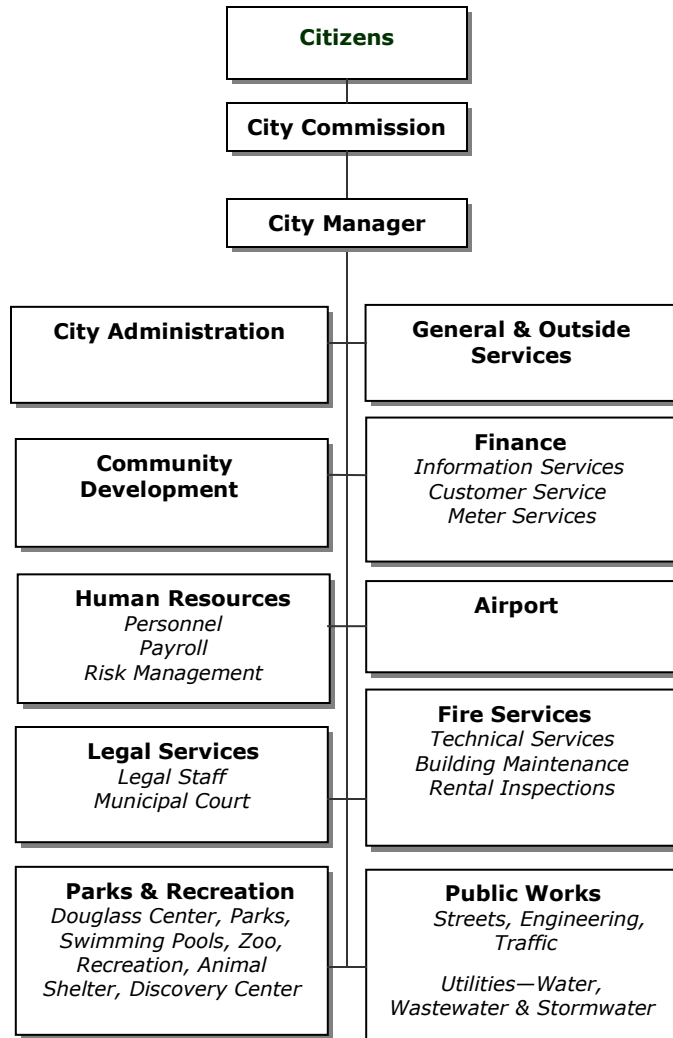
## Elected Officials

Mayor	Bruce Snead
City Commissioner	James Sherow
City Commissioner	Loren Pepperd
City Commissioner	Jayme Morris-Hardeman
City Commissioner	Bob Strawn

## Appointed Officials

City Manager	Ron Fehr
Assistant City Manager	Jason Hilgers
Assistant City Manager	Lauren Palmer
City Clerk/Communications Manager	Gary Fees
Airport Director	Peter Van Kuren
City Attorney	William Frost
Director of Community Development	Karen Davis
Director of Finance	Bernie Hayen
Director of Fire Services	Jerry Snyder
Director of Human Resources	Cathy Harnes
Director of Parks and Recreation	Curt Loupe
Director of Public Works	Dale Houdeshell

# City of Manhattan Organizational Structure



A countywide police department was approved by the voters in 1972 and began operating in 1974. State law created a Law Board that sets policy for the Riley County Police Department (RCPD). The City contributes 80% of the Riley County Police Department's annual budget.

# City Government Overview

The City of Manhattan is a city of the first class and operates under the Commission-Manager form of government.

The Governing Body consists of five City Commissioners who are elected at-large in non-partisan elections for overlapping terms. Elections for the Commission are held on the first Tuesday in April of odd numbered years. The three candidates receiving the highest number of votes are sworn in and begin to serve at the next regularly scheduled meeting.

Annually, in April, the Commission elects one of its members to serve as the Mayor. The Mayor presides over Commission meetings, has full voting rights, as do the other Commissioners, but has no veto power. The Commission is the legislative body of the City Government. It determines all matters of City policy and must approve all City ordinances and resolutions as well as adopt the annual City Budget.

The City Manager is the chief administrative officer for the City and is appointed to serve at the pleasure of the Governing Body. The City Manager has a voice at all Commission proceedings, but does not have a vote. The City Manager is directly responsible for the daily operations of the entire municipal organization and hires department heads to aid in this function.

## 2011 Budget Summary

General Fund	\$23,253,312
Special Revenue Funds	41,961,201
Bond & Interest Fund	17,655,525
Enterprise Funds	<u>22,175,500</u>
<b>TOTAL BUDGET</b>	<b>\$105,045,538</b>

# Adopted 2011 City Budget Mill Levy Summary

	2010		2011	
	Taxes	Mill Rate	Taxes	Mill Rate
General Fund	\$1,174,944	2.721	\$1,174,944	2.692
City Employee Benefits	318,232	0.737	628,250	1.439
Fire Equipment Reserve	50,000	0.116	50,000	0.115
KS Police & Fire Pension (KP&F)	150,000	0.347	75,000	0.172
Library	1,834,103	4.247	1,822,610	4.175
Library Employee Benefits	402,296	0.932	399,776	0.916
Riley County Health Dept.	229,207	0.531	266,957	0.612
RCPD	11,038,936	25.562	11,479,371	26.299
Bond & Interest	905,004	2.096	2,399,386	5.497
<b>TOTAL</b>	<b>16,102,722</b>	<b>37.289</b>	<b>18,296,294</b>	<b>41.917</b>

*The RCPD Mill levy rate includes a delinquency rate estimate of 2% for 2010 and 2011.*

The 2011 mill levy was calculated on an actual City valuation of \$436,502,248, which is \$4,656,938 or 1.1% more than the valuation for the 2010 budget year.

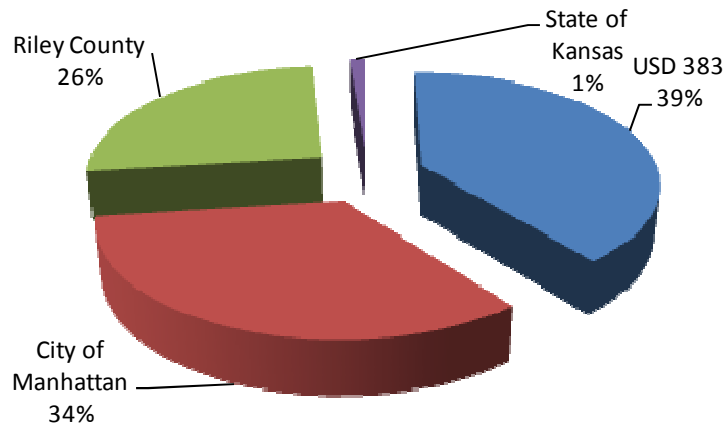
A mill levy is the tax rate property owners pay on the assessed valuation of their property. One "mill" is equal to \$1 of property taxes for every \$1,000 in assessed valuation.

Assessed Valuation =

Property Value x State Assessment Rate of 11.5% (for residential)

Property Tax = (Assessed Valuation x Mill Levy Rate)/1000

## Division of the Tax Dollar in Riley County



### Based on Home value of \$231,591

	Tax Dollars	Mills
<b>USD 383</b>	\$1,312.55	49.283
<b>City of Manhattan</b>	\$1,116.37	41.917
<b>Riley County</b>	\$859.74	32.281
<b>State of Kansas</b>	\$39.95	1.500
<b>TOTAL</b>	\$3,328.62	124.981

This page shows the distribution of property tax levies based on final budgets and the final valuation. Residential property in the City and Riley Co. is assessed at 11.5% of market value. For example, property with a \$231,591 market value will have an assessed value of \$26,633. The property taxes on a typical property for fiscal 2011 is shown on the following page.

# Tax Computation for a Typical Homeowner in Manhattan

The tax computations below reflect a property valued at \$228,158 in 2009 and adjusted for each year's average value increase. The calculations **do not** include USD 383, Riley County, Pottawatomie County, or State of Kansas property taxes.

	2009	2010	2011
<b>Increase in Valuation:</b>	3.9%	0.4%	1.1%
<b>Home Value:</b>	228,158	229,071	231,591
<b>Residential Appraisal Rate (set by State law):</b>	11.5%	11.5%	11.5%
<b>Tax Value:</b>	26,238	26,343	26,633
	<b>2009 Budget</b>	<b>2010 Budget</b>	<b>2011 Budget</b>
	<b>Mill Levy Rate</b>	<b>Mill Levy Rate</b>	<b>Mill Levy Rate</b>
	<b>Taxes Paid</b>	<b>Taxes Paid</b>	<b>Taxes Paid</b>
	34.268	37.289	41.917
<b>General Fund</b>	2.787	2.721	2.692
<b>Library</b>	3.499	4.247	4.175
<b>Library EBF</b>	0.878	0.932	0.916
<b>Fire Equip. Reserve</b>	0.119	0.116	0.115
<b>Bond &amp; Interest</b>	1.361	2.096	5.497
<b>Employee Benefit Fund</b>	0.344	0.737	1.439
<b>KP&amp;F</b>	0.193	0.347	0.172
<b>Industrial Promotion</b>	0	0	0
<b>RCPD</b>	24.568	25.562	26.299
<b>Riley County Health</b>	0.519	0.531	0.612
<b>Total City Tax Bill</b>	<b>\$899</b>	<b>\$982</b>	<b>\$1,116</b>

2010 and 2011 Mill levy rates include a delinquency rate estimate of 2% for RCPD.

## 2011 Revenues By Category

Budgeted 2011 revenues are \$105,045,538. The City budget is financed through a wide variety of revenue sources. The property tax supported funds receive most of their revenue from various taxes, fees, and user fees. The enterprise funds are supported mainly by user fees.

### 2011 Beginning Cash Balances

General Fund	\$2,085,000
City/University	10,870
Aggieville Business Improvement District (BID)	500
Downtown Business Improvement District (BID)	500
Economic Development	4,090,000
Employee Benefit	0
Fire Equipment Reserve	391,480
Fire Pension KP&F	59,360
General Improvement	62,716
Industrial Promotion	250,000
Library (& Library Employee Benefits)	6,670
Park Development	33,000
Sales Tax	7,468
Special Alcohol	200,000
Special Parks & Recreation	545,000
Special Street & Highway	300,000
Special Sunset Zoo	23,200
Tourism & Convention	107,735
Riley Co. Health Department	0
Riley Co. Police Department	0
Capital Improvement Reserve	2,695,000
Tax Increment Financing-Downtown	0
Federal Entitlement	0
Bond & Interest	1,469,022
Water Fund	3,400,000
Wastewater Fund	2,250,000
Stormwater Fund	1,100,000
<b>TOTAL</b>	<b>\$19,087,521</b>

Unspent funds from prior years are always included as budgeted revenue in accordance with Kansas statutes. These unspent funds provide for lower property tax levies, ensure proper cash flows, act as a buffer for unplanned emergencies, and allows the City to pay for budgeted expenditures.

### **General Fund Taxes & Assessments**

Ad Valorem Property Tax	\$1,174,944
Special Assessments	5,000
Delinquent Tax	12,000
Motor Vehicle Tax	102,455
Housing PILOT Tax	30,000
City Sales Tax	4,646,000
County Sales Tax	2,598,040
City/County Compensating Use Tax	521,000
Special Liquor Tax	400,000
Gas/Electric Franchise Fee	1,974,669
Telecommunications Franchise Fee	162,591
Cable Franchise Fee	596,108
<b>TOTAL</b>	<b>\$12,222,807</b>

### **General Fund Other Revenue Sources**

Business Licenses & Permits	\$119,500
Non-Business Licenses & Permits	638,206
From Other Agencies	76,000
Services & Sales	1,408,597
Municipal Court Fines	1,563,400
Investment Income	125,000
Use of Money & Property	376,900
Contributions & Transfers	4,637,902
<b>TOTAL</b>	<b>\$8,945,505</b>

### **General Fund Grand Total**

Beginning Cash Balance	\$2,085,000
Taxes & Assessments	12,222,807
Other Revenue Sources	8,945,505
<b>TOTAL</b>	<b>\$23,253,312</b>

**Special Revenue Funds  
Taxes & Assessments**

Ad Valorem Property Tax	\$15,246,878
State and Local Taxes	9,513,400
Motor Vehicle Tax	1,222,796
Delinquent Tax	123,547
Benefit District Assessments	98,500
<b>TOTAL</b>	<b>\$26,205,121</b>

**Special Revenue Funds  
Other Revenue Sources**

Gasoline Tax Refund	\$1,478,000
Transfers	1,702,246
Franchise Revenue	398,300
Transient Guest Tax	1,050,408
Special Liquor Tax	800,000
Services & Sales	228,000
Grants	600,000
Donations	10,000
Investment Income	183,127
State Highway Maintenance	31,000
Miscellaneous	491,500
<b>TOTAL</b>	<b>\$6,972,581</b>

**Special Revenue Funds Grand Total**

Taxes & Assessments	\$26,205,121
Other Revenue Sources	6,972,581
Cash Balances	8,783,499
<b>TOTAL</b>	<b>\$41,961,201</b>

## **Bond & Interest Fund Revenue Sources**

Special Assessments	\$6,123,164
Ad Valorem Property Tax	2,399,386
Transfers	3,422,619
STAR & TIF Bond Revenue	2,996,717
Sales Tax	1,066,700
Motor Vehicle Tax	78,917
Delinquent Tax	25,000
Donations	74,000
Cash Balance	1,469,022
<b>TOTAL</b>	<b>\$17,655,525</b>

## **Enterprise Funds Revenue Sources**

Water Income	\$6,561,500
Wastewater Income	7,092,000
Stormwater Income	1,311,000
Tap/Meter Services	227,000
Tower Communication Rent	142,000
Farm Income	25,000
Contributions & Transfers	67,000
Cash Balances	6,750,000
<b>TOTAL</b>	<b>\$22,175,500</b>

## **Grand Total 2011 Budgeted Revenues**

General Fund	\$23,253,312
Special Revenue Funds	41,961,201
Bond & Interest Fund	17,655,525
Enterprise Funds	22,175,500
<b>TOTAL REVENUES</b>	<b>\$105,045,538</b>

# **2011 Explanation of Expenditures By Fund**

## **Overall Budget**

The adopted 2011 budget for the City of Manhattan contains expenditures of \$105,045,538. The budget consists of the General Fund, Special Revenue Funds, the Bond & Interest Fund, and the Enterprise Funds (Water, Wastewater, and Stormwater Funds).

## **General Fund**

The General Fund is the main operating budget within the City Budget. This budget finances the services and programs for the City Manager's Office, Finance, Airport, Fire Services, Human Resources, Streets, Engineering, Traffic Control, Douglass Center, Parks, Zoo, Swimming Pools, Recreation, Discovery Center, Animal Shelter, Legal Services, Municipal Court, Community Development, General Services and Outside Services.

State and local sales taxes, user fees, franchise fees, motor vehicle taxes, municipal court fines, transfers, and transfers from other funds finance the General Fund.

## **Special Revenue Funds**

Special Revenue Funds are funds with a specific revenue source and whose expenditures must be used for a specific purpose. The authority for the creation of these funds and the specific use of the revenue is governed by ordinance or state statute.

The funds on the following page have been classified as Special Revenue Funds. Several of these funds are not under the day-to-day control of the City Manager, and these are noted by an asterisk (\*).

### **Fund Main Source of Revenue**

City/University	Franchise Fees & Sales Taxes
Aggieville Business Improvement Dist. *	District Fees
Downtown Business Improvement Dist. *	District Fees
Economic Development	Sales Taxes
City Employee Benefits	Sales Taxes
Fire Equipment Reserve	Sales Taxes
Kansas Police & Fire Retirement	Sales Taxes
General Improvement	Sales Taxes
Industrial Promotion	Carry Forward Funds
Library *	Property Taxes
Library Employee Benefits *	Property Taxes
Park Development	Sales Taxes
Sales Tax	Sales Taxes
Special Alcohol	Liquor Taxes
Special Parks & Recreation	Liquor Taxes
Special Street & Highway	Gasoline Taxes
Special Sunset Zoo	Zoo Admission Fees
Tourism & Convention	Transient Guest Taxes
Riley County Health Dept.*	Property Taxes
Riley County Police Dept. *	Property Taxes
Capital Improvement Reserve	Carry Forward Funds
Downtown Redevelopment TIF	Property and Sales Taxes
Community Development Block Grant	Federal CDBG Funds

### **Bond & Interest Fund**

The Bond and Interest Fund services debt issued by the City primarily in the form of principal and interest payments on general obligation bonds. Annually, the City levies a property tax to pay debt service on outstanding bonds and interest payments. Special assessments are another source of revenue for this fund. Special Assessments are the fees paid by benefiting property owners for water, sewer, street, and sidewalk improvements. Approximately 53% of all principal and interest payments are derived from special assessments. Other sources of revenue included in this fund are the motor vehicle tax, delinquent property taxes, sales taxes, and transfers from other funds.

### **Enterprise Funds**

Enterprise Funds are accounts that rely entirely on user fees and charges to finance utility system operations and improvements. They are expected to be totally self-sufficient. The City's enterprise funds include the Water, Wastewater, and Stormwater Funds.

# **2011 Overview of Expenditures By Function**

## **General Government**

The function of General Government is to provide those services that are generally considered “internal” to the organization. General Government encompasses the functions of: City Manager’s Office, including the City Commission; the Departments of Finance; Human Resources/Personnel; Municipal Court; and Legal Services. This area also functions to provide General Services, such as insurance and professional services to the entire organization.

## **Public Safety**

The Department of Fire Services protects life and property. This department is divided into five divisions: Administration, Operations, Technical Services, Building Maintenance, and Rental Inspections.

The Operations Division oversees fire suppression, first responder services, rescue, hazardous materials responses, education and training. The Division also serves as a search and rescue team and hazardous materials response team for the State of Kansas.

The Technical Services Division provides the following services: building permits, inspections, plan review, fire investigation, code enforcement, public education, and activities related to Fire Prevention Week, Home Safety Check Program, Operation Rescue Alert, Fire Safety, Speakers Bureau, and Communications. The City’s Rental Inspection Program was also added in 2010.

The Building Maintenance Division manages the daily maintenance and repairs for City Offices, the Municipal Auditorium and Fire Department Facilities.

The Department of Fire Services is spread across four stations: a headquarters fire station and three sub-stations. These stations are located in four response areas to ensure that travel time to any location within the City under normal conditions does not exceed a maximum of five minutes 90% of the time.

## **Airport**

Manhattan Regional Airport (MHK) provides Commercial and General Aviation services for the Flint Hills Region. American Airlines operates daily non-stop regional jet service from MHK to the Dallas-Fort Worth (DFW) and Chicago O'Hare (ORD) International Airports. General Aviation services at MHK include air charter, air cargo, flight instruction, air photo, major aircraft maintenance, aircraft refueling, tie-down, and aircraft storage. A Federally-contracted Air Traffic Control Tower safely separates over 30,000 aircraft operations each year. These operations include light airplanes, military training aircraft, military transport, and commercial jet airliners.

## **Public Works**

This Department is responsible for maintaining and upgrading Manhattan's public infrastructure such as: streets, traffic control, stormwater drainage, water treatment, wastewater treatment, and providing City-related engineering services.

Public Works is responsible for coordinating the pavement management system, initiating maintenance projects on 205 centerline miles of streets, providing vehicle maintenance for City vehicles and maintenance of pavement markings. The Engineering Division is responsible for surveying, drafting, GIS mapping, and designing/inspecting public construction projects.

The Utilities Division provides both quality drinking water and sanitary sewer service to all City residents. The Division maintains and operates 16 water supply wells, a 20 million gallon per day water softening treatment plant, 6 water storage tanks, 261 miles of water lines, 4 booster pumping stations, 2 pressure reducing stations, and 1,693 fire hydrants.

The Utilities Division also operates and maintains an 8.7 million gallon per day activated sludge wastewater treatment plant, 231 miles of sanitary sewer piping, 16 sewer lift stations, 13 pumps, and 535 acres used for land application of biosolids. Today, there are nearly 14,000 utility customers in the City of Manhattan.

## **Community Development**

The Department of Community Development oversees important aspects for the City related to growth and development. These functions include, but are not limited to: land use planning, processing development applications, historic preservation, and grants management.

## **Parks and Recreation**

The Department focuses on establishing, preserving, and managing public parks, greenways and recreational facilities. The goal is to create opportunities that benefit and enhance the quality of life in the community. The Parks Department also oversees the operation of both Sunrise and Sunset cemeteries and provides maintenance and emergency response for all public trees within the City.

The Parks Division manages 27 parks and green space areas: CiCo Park, City Park, Frank Anneberg Park, Sunset Zoological Park, Northeast Park, Warner Park, Bluemont Park, Blue River Recreation Area, Douglass Park, Eisenhower Park, Girl Scout Park, Goodnow Park, Griffith Park, Harbour Park, Hudson Trail, Linear Park Trail, Longs Park, Northview Park, Pioneer Park, Sojourner Truth Park, Stagg Hill Park, Wildcat Creek, Linear Park, Briarcliffe Park, Cedar Acres Natural Area, Southeast Park, Spencer Park; 32 sports fields; 3 swimming pools; numerous playgrounds; public buildings and landscaped areas.

The Recreation Division maintains 5 community centers: City Auditorium, Community House, Wefald Pavilion and GTM Family Center, Douglass Community Center, and the Manhattan Train Depot. The Division offers a wide variety of programming such as arts and crafts, aerobics, theater classes, sports, special events and parties. Manhattan Christian College, USD 383, and many various local organizations also use these programs and facilities.

The Zoo Division maintains 26 acres of land and over 300 animals representing 5 continents. The zoo offers educational programs and a myriad of volunteer opportunities. Sunset Zoo is one of 218 Association of Zoos and Aquariums (AZA) accredited institutions in the United States. Sunset Zoo strives to be a recreational and educational resource for the community. The mission of Sunset Zoo is “to inspire conservation of the natural world”.

The T. Russell Reitz Regional Animal Shelter/Control Division protects public health, welfare, and property through enforcement of City and County ordinances, including the dangerous dog ordinances, sheltering unwanted companion animals, providing public education, and promoting humane treatment and responsible pet ownership.

### **Economic Development and Industrial Promotion**

In 2002, voters of Riley County passed a new County half-cent sales tax for Roads and Jobs to replace the half-cent sales tax which was being collected to pay off the Law Enforcement Center bonds. In 2010, it is estimated that about \$2.6 million will be collected by the City for economic development activities.

Funding includes support for the Manhattan Area Chamber of Commerce, which is budgeted to be paid \$135,000 in accordance with its contract to provide economic development services for the community, promote industrial and business development and market the Corporate Technology Park as well as the K-State Research Park. \$40,000 is set aside as the City's contribution to help fund the Military Relations Coordinator to serve as a liaison to Fort Riley to ensure that the Manhattan community is cooperating in meeting the needs of the Fort. An additional \$45,000 is used to support Downtown Manhattan, Inc.

### **Employee Benefits**

There are two employee benefit funds that provide for the payment of City and Library employee benefits. City ordinances established the Employee Benefits Contribution Fund and the Library Employee Benefits Contribution Fund for this purpose. These funds are supported primarily by sales taxes and property taxes.

### **Cultural and Educational**

The General Operating Fund provides funding for cultural activities throughout the City of Manhattan. This funding allows citizens to enjoy events such as the Arts in the Park Concert Series, Civic Theater, and Municipal Band productions. The Children's Theater and Adult and Youth Performing Arts Programs are also made possible through these funds. In 2011, the City will provide the Manhattan Center for the Arts with \$46,000 towards their cultural programming.

### **Manhattan Public Library**

Each day over 1,275 people use Manhattan Public Library's collection of books, digital materials, data bases, high speed Internet computers, programs and services. The library is primarily funded by a property tax levy from the City of Manhattan. By Charter Ordinance, there is a six-mill limit for the library fund.

### **Social Services**

In 2011, the City Commission allocated almost one mill, or \$417,200 to provide funding to social service agencies. The Social Services Advisory Board (SSAB) recommends the distribution of these funds to selected agencies with final approval by the City Commission. It should be noted that the Flint Hills Area Transportation Agency has historically received money from SSAB, but is now being funded directly in the General Fund.

Big Brothers/Big Sisters	\$37,000
Boys & Girls Club	28,800
Crisis Center	48,800
Homecare & Hospice	45,000
Kansas Legal Services	25,000
KSU Child Development Center	20,400
Manhattan Day Care	65,000
Manhattan Emergency Shelter	72,000
Shepherd's Crossing	44,000
Sunflower CASA Project, Inc.	27,200
University for Man	4,000
<b>TOTAL</b>	<b>\$417,200</b>

### **Special Alcohol Funds**

The City of Manhattan receives Special Alcohol Funds from the State of Kansas which is supported from the 10% liquor tax collected from drinking establishments within the City limits. This revenue is collected by the State of Kansas and returned to the respective cities. Equal shares are distributed to the General Fund, Special Alcohol Program, and Special Parks and Recreation Funds.

The Special Alcohol Program Fund deals with the education, prevention, treatment, and intervention of alcohol and drug abuse. The City contracts with various agencies to perform statutory services.

The Special Parks and Recreation fund is limited to the purchase, establishment, maintenance, or expansion of park and recreation services, programs, and facilities.

### **Other**

Other City program support includes: \$5,000 for the Crime Stoppers Program, \$5,700 towards the maintenance of the Wolf House Museum, and \$40,000 for support to the 24/7 campaign that markets businesses within the Manhattan region.

The City will provide funding to the Riley County/Manhattan Health Department in 2011 in the amount of \$289,319.

Also included in the 2011 budget is \$570,700 to finance projects that mutually benefit the City and Kansas State University. These expenditures are budgeted in the City/University Projects Fund, and are funded by transfers of a portion of City sales tax and franchise fees generated and received in the General Fund. This program was started by mutual campus agreement and City Ordinance as a result of the annexation of KSU in 1994.

### **Debt Service**

The City of Manhattan uses long-term financing to pay for the cost of developing new subdivisions and the cost of major infrastructure improvements. Usually, the City issues general obligation bonds (G.O. bonds) to finance these major improvements. Principal and interest payments on G.O. debt are made from the Bond and Interest Fund.

There are three major revenue sources that fund the City's Bond and Interest Fund. The first source is property tax which is annually levied to pay for the City's portion of general obligation debt. The second source is sales tax which is transferred into the fund. The third source is special assessment revenues derived from benefit district payments.

## 2011 Budgeted Expenditures By Fund

<b>GENERAL FUND</b>	<b>2010 Budget</b>	<b>2011 Budget</b>
General Government	682,510	665,560
Finance, Information Services, & Customer Service	1,072,350	1,054,450
Airport	616,330	646,930
Community Development	609,450	581,700
Human Resources	426,799	422,650
<b><i>Public Works</i></b>		
Administration	223,914	210,590
Street	1,724,927	1,755,572
Engineering	817,990	803,380
Traffic Control	474,020	471,295
<b><i>Parks &amp; Recreation</i></b>		
Administration	160,700	180,425
Douglass Center	213,340	206,090
Parks	2,070,991	2,018,373
Swimming Pools	407,465	408,840
Sunset Zoo	847,160	858,235
Recreation	1,308,870	1,329,520
Animal Shelter	533,577	520,535
Discovery Center	150,000	239,066

<b>GENERAL FUND (cont.)</b>	<b>2010 Budget</b>	<b>2011 Budget</b>
<b><i>Fire Services</i></b>		
Administration	211,050	228,900
Operations	3,879,000	3,910,000
Technical Services	820,080	707,380
Rental Inspections	-	177,656
Building Maintenance	397,790	404,190
<b><i>Legal Department</i></b>		
Administration	270,750	271,400
Municipal Court	569,280	567,030
General Services	3,788,900	3,811,350
Outside Services	844,970	802,195
<b>TOTAL GENERAL FUND</b>	<b>\$23,122,213</b>	<b>\$23,253,312</b>

Included within these departmental budgets is \$153,200 in Capital Improvement Program (CIP) spending. See pages 26 through 33 for a detailed overview of the City of Manhattan's CIP)

<b>SPECIAL REVENUE FUNDS</b>	<b>2010 Budget</b>	<b>2011 Budget</b>
City/University Projects	488,300	570,700
Aggieville BID	36,000	37,000
Downtown BID	62,500	62,500
Economic Development	8,725,782	7,222,097
City Employee Benefits	1,382,136	1,707,000
Fire Equipment Reserve	591,591	451,399
KP&F	675,916	597,940
General Improvement	64,647	62,716
Industrial Promotion	420,429	295,000
Library	1,980,219	1,999,494
Library Employee Benefits	439,800	440,000
Park Development	78,898	61,495
Sales Tax	5,489,561	4,968,468
Special Alcohol	552,349	603,500
Special Parks & Recreation	752,316	950,576
Special Street & Highway	2,001,029	1,827,716
Special Sunset Zoo	321,775	264,250
Tourism & Convention	920,110	1,158,143
Riley County Health Dept.	251,150	289,319
RCPD	11,847,984	12,321,888
Capital Improvement Reserve	2,234,930	2,770,000
Downtown Redevelopment TIF	1,925,000	2,700,000
Federal Entitlement	300,000	600,000
<b>TOTAL SPECIAL REVENUE FUNDS</b>	<b>\$41,542,422</b>	<b>\$41,961,201</b>
<b>BOND &amp; INTEREST FUND</b>	<b>\$13,484,910</b>	<b>\$17,655,525</b>

**ENTERPRISE FUNDS**

<i>Water</i>	<b>2010 Budget</b>	<b>2011 Budget</b>
General & Administration	644,277	669,025
Meter Services	323,155	487,600
Supply & Treatment	2,745,660	2,650,259
Distribution	1,019,035	1,128,135
Non-operating	6,179,778	5,395,481
<b>Total Water Fund</b>	<b>\$10,911,905</b>	<b>\$10,330,500</b>

***Wastewater***

General & Administration	541,655	552,113
Non-operating	4,508,915	5,526,967
Treatment	1,651,135	1,905,575
Maintenance	1,538,295	1,392,345
<b>Total Wastewater Fund</b>	<b>\$8,240,000</b>	<b>\$9,377,000</b>

***Stormwater***

<b>Total Stormwater Fund</b>	<b>\$1,857,000</b>	<b>\$2,468,000</b>
<b>TOTAL ENTERPRISE FUNDS</b>	<b>\$21,008,905</b>	<b>\$22,175,500</b>

**SUMMARY OF BUDGETED CITY EXPENDITURES**

	<b>2010</b>	<b>2011</b>	<b>Difference</b>
General Fund	\$23,122,213	\$23,253,312	\$131,099
Special Rev Funds	41,542,422	41,961,201	418,779
Bond & Interest Fund	13,484,910	17,655,525	4,170,615
Enterprise Funds	21,008,905	22,175,500	1,166,595
<b>TOTAL BUDGET</b>	<b>\$99,158,450</b>	<b>\$105,045,538</b>	<b>\$5,887,088</b>

## 2011 Capital Improvements By Department

### Uses by Department

Funding Sources	Airport	Fire	City/ University	General Government
General Fund	0	41,000	0	21,000
Debt Service	1,480,000	0	0	0
Fed. & State Grants	380,000	765,000	0	0
Fire Equip. Res.	0	20,000	0	0
Special Street & Highway	0	0	0	0
General Improv.	0	0	0	0
Special Parks & Recreation	0	0	0	0
Park Development	0	0	0	0
Special Sunset Zoo	0	0	0	0
City University	0	0	570,700	0
Other Sources & Trusts	35,000	85,000	0	0
Water	0	0	0	4,500
Wastewater	0	0	0	4,500
Stormwater	0	0	0	0
Other Requests	0	0	0	2,845,939
<b>Total</b>	<b>\$1,895,000</b>	<b>\$911,000</b>	<b>\$570,700</b>	<b>\$2,875,939</b>

This summary depicts the sources and amounts of funding the City expects to utilize in carrying out the 2011 Capital Improvement Program.

## Uses by Department

Funding Sources	Parks & Recreation	Public Works	Utilities	Total
General Fund	8,500	248,260	0	<b>\$318,760</b>
Debt Service	0	524,000	1,200,000	<b>\$3,204,000</b>
Fed. & State Grants	0	171,000	0	<b>\$1,316,000</b>
Fire Equip. Res.	0	0	0	<b>\$20,000</b>
Special Street & Highway	0	1,148,740	0	<b>\$1,148,740</b>
General Improv.	0	50,000	0	<b>\$50,000</b>
Special Parks & Recreation	295,000	0	0	<b>\$295,000</b>
Park Development	0	0	0	<b>\$0</b>
Special Sunset Zoo	0	0	0	<b>\$0</b>
City University	0	0	0	<b>\$570,700</b>
Other Sources & Trusts	125,000	0	0	<b>\$245,000</b>
Water	0	0	432,664	<b>\$437,164</b>
Wastewater	0	0	35,468,000	<b>\$35,472,500</b>
Stormwater	0	0	635,000	<b>\$635,000</b>
Other Requests	0	0	0	<b>\$2,845,939</b>
<b>Total</b>	<b>\$428,500</b>	<b>\$2,142,000</b>	<b>\$37,735,664</b>	<b>\$46,558,803</b>

**Total Equipment: \$1,690,000**

**Total Projects: \$44,868,803**

Please note the large project amount is largely due to a \$22.9 million dollar wastewater treatment plant upgrade.

## 2011 Capital Improvements Program Detail

The City has a six-year Capital Improvements Program that lists the projects and equipment the City expects to finance. A project or piece of equipment is included in the CIP if it has an expected cost in excess of \$5,000 and a life of several years.

### CIP Equipment

Division	Description	Funding Source	Total Cost
Information Systems	Upgrade/Replace E-mail Server & Six File Servers	General Fund/Utilities	\$30,000
City Parks	Replace Parks 1998 16 ft. Rangewing Mower, Unit #781	Special Park & Recreation	\$40,000
City Parks	Replace 1996 Pickup, Unit #76	Special Park & Recreation	\$18,000
City Parks	Recondition Equipment	Special Park & Recreation	\$55,000
City Parks	Replace 1999 Mower, Unit #704	Special Park & Recreation	\$30,000
Recreation	Replace 1997 Mini Van, Unit #61	Special Park & Recreation	\$17,000
Fire	ARFF Vehicle	Grants / Other Sources	\$850,000
Fire	Replace 2000 Sedan, Unit #136	Fire Equipment Reserve	\$20,000
Fire	Replace 1998 Ford Ranger, Unit #14	General Fund	\$20,000
Fire	Replace Civil Defense / Storm Warning Siren	General Fund	\$21,000
Engineering	Left Turn Signal Heads 10th & K-18	Special Street & Highway	\$25,000
Wastewater	Replace 1991 Truck mounted sewer jet, Unit #53	Wastewater	\$164,000
Wastewater	Replace 1999 Pickup, Unit #3	Wastewater	\$25,000
Wastewater	New Pickup, Journeyman Electrician	Wastewater / Water	\$20,000
Wastewater	New Pickup, Lift station Technician	Wastewater	\$48,000
Wastewater	New Pickup, Utility Locator	Wastewater	\$20,000

<b>Division</b>	<b>Description</b>	<b>Funding Source</b>	<b>Total Cost</b>
<b>Stormwater</b>	Replace 1999 Vacuum Machine, Unit #530	Stormwater	\$75,000
<b>Stormwater</b>	Replace 2001 Street Sweeper, Unit #235	Stormwater	\$160,000
<b>Street</b>	Salt Brine Equipment	Special Street & Highway	\$5,000
<b>Street</b>	Replace 2 Salt Spreaders	General Fund	\$24,000
<b>Street</b>	Replace 2001 Dump Truck	General Fund	\$100,000
<b>Street</b>	Pothole Patching Unit	General Fund	\$100,000
<b>Traffic</b>	Portable Congestion Management and Signing Unit Systems	General Fund / Special Street & Highway	\$25,000
<b>Water</b>	Replace 2001 Pickup, Unit #56	Water	\$40,000
<b>Water</b>	New Pick-up at Water Plant	Water	\$18,000
<b>TOTAL EQUIPMENT:</b>			<b>\$1,950,000</b>

**(Continued on page 30)**

## CIP Projects

<b>Division</b>	<b>Description</b>	<b>Funding Source</b>	<b>Total Cost</b>
<b>Airport</b>	Acquire Land to Project TVOR Critical Area	Grants/Other Source	\$400,000
<b>Airport</b>	Design of Taxiway A Widening	Bond & Interest	\$280,000
<b>Airport</b>	Consolidated Rental Car Facility	Bond & Interest	\$1,200,000
<b>Airport</b>	Relocate Security Checkpoint	Other Sources	\$15,000
<b>City/University</b>	Jardine Drive Sidewalk from Hillcrest to Harry Road	City/University	\$97,200
<b>City/University</b>	Campus Emergency Lighting/Bicycle Improvements	City/University	\$27,500
<b>City/University</b>	Transit Plan Startup	City/University	\$120,000
<b>City/University</b>	Bicycle Sidewalk and Lighting Improvements	City/University	\$118,000
<b>City/University</b>	Good Neighbor Program	City/University	\$8,000
<b>City/University</b>	NISTAC Support for Building Project	City/University	\$50,000
<b>City/University</b>	Recycling/Sorting Center	City-University	\$50,000
<b>City/University</b>	Emergency Prevention Coordination and Communication	City/University	\$100,000
<b>Citizen's Request</b>	Town Center Plaza Improvements	Other Sources	\$505,901
<b>Citizen's Request</b>	Downtown Block Face Improvements	Other Sources/Bond & Interest	\$1,656,897
<b>Citizen's Request</b>	Alleys and Mews	Other Sources/Bond & Interest	\$678,141
<b>Citizen's Request</b>	Sidewalk along Knox Lane	Other Sources	\$5,000
<b>Animal Shelter</b>	Door Replacement	General Fund	\$8,500
<b>City Parks</b>	Road Repairs at Anneberg	Special Park & Recreation	\$80,000
<b>City Parks</b>	Road and Linear Park Trail Repair	Special Park & Recreation	\$30,000
<b>City Parks</b>	Community Matching Grant	Special Park & Recreation	\$20,000
<b>Sunset Zoo</b>	Sidewalk Repair / Replacement	Special Park & Recreation	\$5,000

<b>Division</b>	<b>Description</b>	<b>Funding Source</b>	<b>Total Cost</b>
<b>Sunset Zoo</b>	Gibbon Exhibit	Other Sources	\$125,000
<b>Engineering</b>	Casement Road (Design)	Bond & Interest	\$350,000
<b>Engineering</b>	McCall Road Extension from US-24 to 4th Street	Grants / Bond & Interest	\$300,000
<b>Engineering</b>	Casement & Hayes Drive Intersection Improvements	Bond & Interest	\$45,000
<b>Wastewater</b>	Wastewater Treatment Plant Upgrade and Expansion Project	Wastewater	\$22,892,000
<b>Wastewater</b>	Central Basin Improvements	Wastewater	\$77,000
<b>Wastewater</b>	Ft. Riley Main Upsizing	Wastewater	\$60,000
<b>Wastewater</b>	Hydraulic Model Update Study	Wastewater	\$135,000
<b>Wastewater</b>	Western Interceptor Relief Sewer	Wastewater	\$3,638,000
<b>Wastewater</b>	Clafin Aerial Sewer Crossing	Wastewater	\$17,000
<b>Wastewater</b>	Sewer Infiltration and Inflow Prevention	Wastewater	\$437,000
<b>Wastewater</b>	K-18 Sewer Relocation	Wastewater	\$5,385,000
<b>Wastewater</b>	Blue Township Improvements	Wastewater	\$1,500,000
<b>Wastewater</b>	Plant Lab and Office Space Upgrades	Wastewater	\$310,000
<b>Wastewater</b>	Plant Entrance Relocation	Wastewater	\$500,000
<b>Wastewater</b>	Sewer Modeling at Wildcat Creek Basin	Wastewater	\$250,000
<b>Stormwater</b>	Old Big Blue Beautification	Bond & Interest	\$100,000
<b>Stormwater</b>	Stormwater Maintenance Program	Stormwater	\$100,000

**(Continued on page 32)**

<b>Division</b>	<b>Description</b>	<b>Funding Source</b>	<b>Total Cost</b>
<b>Stormwater</b>	Levee Design & Construction	Bond & Interest	\$450,000
<b>Stormwater</b>	Levee Restudy	Stormwater	\$300,000
<b>Street</b>	Additional Salt Storage Facility	Special Street & Highway	\$40,000
<b>Street</b>	Street Improvement Program	Special Street & Highway	\$800,000
<b>Street</b>	Grant Matching Fund	General Improvement	\$50,000
<b>Traffic</b>	Signal Upgrade to 4th and Poyntz	Special Street & Highway	\$250,000
<b>Traffic</b>	Existing Traffic Signal Controller Upgrades	General Fund / Special Street & Highway	\$28,000
<b>Water</b>	Annual Well Rehabilitation and Maintenance	Water	\$65,000
<b>Water</b>	New and Parallel Water Lines Loop at Airport and Tec Park	Bond & Interest	\$650,000
<b>Water</b>	Water Storage Tank Asset Management Program	Water	\$99,664
<b>Water</b>	Water Main Replacement and Rehab Program	Water	\$100,000
<b>Water</b>	Rehabilitate Valve Pits at Zoo Tower and Sunset Cemetery Tank	Water	\$100,000

**TOTAL PROJECTS: \$44,608,803**

**TOTAL 2011 CIP 46,558,803**

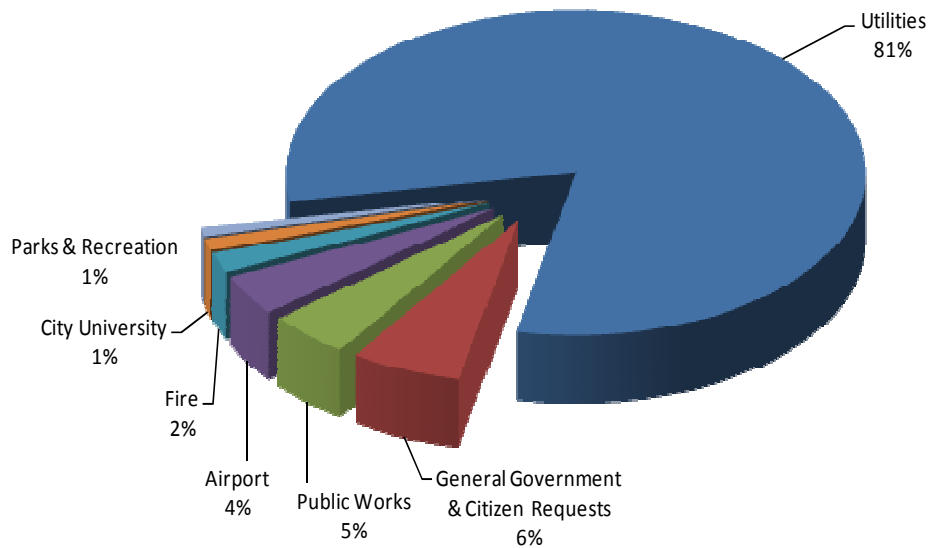
### **CIP Comparison**

<b>CIP</b>	<b>2009 Budget</b>	<b>2010 Budget</b>	<b>2011 Budget</b>
<b>Equipment</b>	\$885,500	\$1,088,000	\$1,950,000
<b>Projects</b>	\$37,710,202	\$12,465,800	\$44,608,803
<b>Total Costs</b>	\$38,580,702	\$13,553,800	\$46,558,803

## CIP Summary

Included in the 2011 Budget is the approved 2011 CIP as it impacts the 2011 Budget. The 2011 CIP totals \$46,558,803. However, only \$4,009,968 has a financial impact on the 2011 budget. The remaining amount is funded through general obligation bonds, federal and state grants, and other sources and trusts.

**CIP Funding by Department**  
**\$46,558,803**



## Bond & Interest Fund

This fund provides the revenue necessary to retire the City's outstanding bonded indebtedness. This debt primarily consists of G.O. bonds used to pay the cost of various public improvements to infrastructure and public facilities, such as the park and recreation system, streets, and benefit districts for water and sewer improvements in new subdivisions.

### 2011 Bond and Interest Fund Revenue Sources

Special Assessments	\$6,123,164
Ad Valorem Property Tax	2,399,386
Transfers	3,422,619
STAR & TIF Bond Revenue *	2,996,717
Sales Tax	1,066,700
Motor Vehicle Tax	78,917
Delinquent Tax	25,000
Donations	74,000
Cash Balance	1,469,022
<b>TOTAL</b>	<b>\$17,655,525</b>

### 2011 Bond and Interest Fund Expenditures

Assessment Fee	\$106,662
Cash Reserves	1,000,000
General Principal	8,699,000
General Interest	4,289,380
Temporary Notes Principal	179,000
Temporary Notes Interest	29,000
State Loan Principal	214,662
State Loan Interest	141,104
STAR & TIF Bond Annual Appropriation *	2,996,717
<b>TOTAL EXPENDITURES</b>	<b>\$17,655,525</b>

*\* These are budgeted as the moral obligation of the City to the STAR and TIF bonds that were issued. These amounts do not have any negative implications to the taxpayers.*

## **Total Outstanding Debt Obligations Projected As of December 31, 2010**

### **Outstanding Debt as of 12/31/10**

G.O. Bonds, City-At-Large portion	\$34,750,246
*Special Assessment G.O. Bonds (Benefit District)	63,264,754
Temporary Notes (General Obligation)	22,930,000
Senior Lien TIF Special Obligation Rev. Bonds	21,220,000
Subordinate Lien TIF Special Obligation Rev. Bonds	4,160,000
Sales Tax Special Obligation Rev. Bonds	16,855,000
Taxable Sales Tax Special Obligation Rev. Bonds	33,145,000
Limey Pointe TDD Sales Tax Revenue Bonds	440,000
North Project TDD Sales Tax Revenue Bonds	5,840,000
Lease Purchase Obligations	729,084
State Dept of Health & Environment Loans	12,168,851
State Dept of Transportation - Revolving Fund Loan	3,793,106

**TOTAL OUTSTANDING DEBT** **\$219,296,041**

\*The delinquency rate on the special assessments paid by property owners in the benefit districts is 10%. Approximately 65% of G.O. debt is for special assessments.

### **Actual Debt Limit Calculations as of 12/31/10**

City Valuation	\$436,502,248
Motor Vehicle Valuation—1/1/10	37,996,173
Debt Limit Ratio	30%
State Imposed Debt Limit	\$142,349,526
G.O. Debt/Temp. Notes Subject to Debt Limit	73,149,910

**DEBT AUTHORITY REMAINING** **\$69,199,616**

Water, sewer, and stormwater G.O. Bonds, Temporary Notes, and Revenue Bonds are not subject to the state debt limit.

Aerial Truck	16,765
Rubber Tire Loader	25,390
Dump Truck	16,866
Flat Bed Truck/Knuckle Boom Loader	19,576
Dump Truck	15,645
Fire Truck	496,060
Street Sweeper	75,188
Motor Grader	63,594
<b>Total Actual Lease Purchase Obligations</b>	<b>\$729,084</b>

**Finance Department**  
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